

Emergency Handling

There are a plethora of things that go into the design, construction and execution of an automobile today. Many of the cars manufactured today are technological tour de forces. There is so much technology in cars the acronym soup known in the computer industry is now a default part of the automobile industry. Here are just a few of the acronyms in cars today - EFI, ABS, DOD, GPS, SRS. EFI is better than carburetion – ABS and it's host of other braking technologies give us more controlled stops in virtually all conditions, DOD helps conserve fuel, GPS guarantees we'll always find our way home (perhaps not always the shortest route but we'll get home nonetheless) SRS helps protect us when we do play bumper cars with others. All of these systems are designed to enhance performance and protect us when things get dangerous. Sometimes danger lurks purely by accident, other times it is self inflicted as we try to travel at Autobahn speeds on local roads or attempt flight with automobiles. Regardless of how we encounter danger the systems are in place to protect us. The government and auto industry have designed various safety measures and many people buy their cars based solely on the safety capabilities of the car – not a bad process. My father (Pop) always referred to tiny cars as “death traps” and large, heavy cars as “boats” as a safety analogy for non auto enthusiasts to understand the safety differences. Now that you're safe in traveling from point A to B how safe are you in your financial journey of life? My general philosophy with money is never give any extra to the Government or the insurance industry – be well protected but don't make any unnecessary donations. Many don't even consider safety in the world of finances. In today's litigious society you need to be well protected – you need to have the basic insurance package: auto, home, umbrella insurance to protect your stuff and your liability from owning and operating the stuff. You need malpractice if you're in business or professional services. During your working years you'll need disability insurance and if someone you love depends on you you'll want life insurance. Health insurance is mandatory for everyone – one accident could wipe you out if you don't have it. If you're a senior you'll likely need long term care insurance. Insurance is never an investment just like a dually pickup is never a sports car so know the difference and run from anything presented as such. An equal important part of safety is savings and control. You need to be saving 20% of your gross income, period. Always maintain a position of power as it relates to your finances – never give away control of your assets and be careful of Government and institutional persuasion to do what's best for them and not you. Put some savings in retirement accounts and put some in accessible accounts. Don't go too crazy over college plans unless the kids are there – you lose control with many of those plans and the favorable tax laws end in four years. Make sure you're getting a positive return net of fees, taxes and inflation. Inflation has averaged 3.1% annually over the past 87 years so 0% return with your money is really 3.1% after taxes and fees. You're guaranteed to lose money in the bank net of fees, taxes and inflation so look elsewhere. Once you're saving enough and you're well protected – enjoy the rest. Proper preparation will make your plans, hopes and dreams likely to happen and if something goes wrong you'll be equipped to deal with it. Enjoy the ride. ☺

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