

Audio Script

[Visual of: “Building an emergency fund” banner appears top center. Man washes his car. Woman with a broken arm at the doctor’s office and a damaged house slide into view.]

VO: Life is unpredictable and it will throw you unexpected financial curveballs every now and then.

[Visual of: Man and woman holding up an envelope labeled “In case of an Emergency.”]

VO: This is when it’s good to have an emergency fund.

[Visual of: A woman getting her car repaired and using the emergency fund to pay for it. “Emergency fund” title bar appears right screen with “Monthly budget” and “Debt” as bullet points.]

VO: This is a safety net that can help you cover an unexpected expense without breaking your budget and without having to take on expensive debt.

[Visual of: An emergency fund envelope in a glass box labeled “Break in case of emergency.” with a hammer hanging on the right side. A hand appears, takes the hammer and breaks the glass. Two safes appear on either side of the glass box, one entitled “Retirement savings” and the other “Home savings.” The woman takes the emergency fund envelope out of the box.]

VO: An emergency fund is really just that; money for an emergency. And it’s good to think about it as an additional reserve of money—separate from other long-term savings goals.

[Visual of: Six calendar pages appear across the screen, marked “Month 1” to Month 6.” Stacks of banknotes appear above each month. Graphic momentarily expands to show three more calendar pages (marked Month 7, Month 8, Month 9). Graphic contracts to original six months. Line appears under the calendar pages, pointing to a green tick mark at bottom.]

VO: A good rule of thumb is to have three to six months of living expenses set aside. Of course, more would be better, but this is a good place to start in terms of an initial savings goal.

[Visual of: A man and a woman holding an emergency fund envelope in front of their home. Woman adds money to the jar.]

VO: Saving for an emergency fund may seem daunting, but taking the first steps to start one can help give you peace of mind.

[Visual of: A note pad and a hand writing necessary expenses on it. Second note pad adding up expenses.]

VO: To figure out how much you'll need, you have to figure out your total necessary expenses each month: rent, car payments, groceries and so on, and then multiply that by the number of months you'd like to have on hand. For this example, let's use three months—that's a good goal if you're just getting started.

[Visual of: A man stands center screen. "Goal \$10,000" appears above him. "Goal \$10,000" moves left and large hourglass appears.]

VO: So let's say this number is \$10,000. The next step is to figure out a reasonable timetable to reach that goal.

[Visual of: A breakdown of savings for the \$10,000 scrolls out to the right above the man.]

VO: If you'd like to reach that goal in two and a half years, you'd need to put away at least \$333 a month. If that's too much, \$167 a month would get you there in five years.

[Visual of: A man holding an emergency fund envelope. He takes out a budget.]

VO: But the main point is: any money is better than none. Figure out what works in your budget, and build based on that.

[Visual of: A magnifying glass scanning over a budget. Man's hand crosses out one line. Emergency fund envelope appears with purchases next to it. Three banknotes drop into the envelope. Expenses are X-ed out.]

VO: You can always reassess in the future to speed up your savings. And remember, small savings are better than nothing. In fact, if you look at where you spend, you may be able to find an easy \$30 each week where you could cut back and save.

[Visual of: Three stacks of banknotes, growing. Underneath, breakdown of "\$1560" savings goal. Graphic arrow labeled "Savings" rises through field of X-ed out expenses images (credit cards, games, concert tickets.)]

VO: That could add up to over \$1,500 a year. And once you get going, finding additional ways to save can get that much easier.

[Visual of: Man sitting at a desk with a question mark next to him. Close up of his computer screen showing two bank accounts: Checking Account and Emergency Account. Hand hovers over the emergency fund envelope but does not dip into it. Instead, a hand pats the envelope.]

VO: So, where to save? You could just earmark these funds in your everyday bank account, but you also might consider setting up a special account for your emergency fund. This can help you avoid the temptation of dipping into it for non-emergencies, while still keeping it accessible for when you actually need it.

[Visual of: A man with a broken leg and a crutch. A medical bill flutters down next to him. Credit cards appear on the left side of the screen.]

VO: Emergencies are never fun and racking up additional debt to help pay for them can just add to the stress.

[Visual of: Man discards crutch and falls into a safety net. The man and his wife, both older, appears on screen with a home, two children and a dog.]

VO: Creating a safety net for life's unpredictabilities can give you peace of mind and can help you lay a strong financial foundation that will last you for years to come.

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