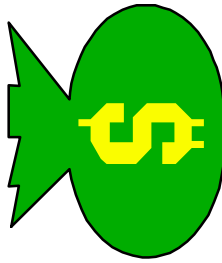


# 3 - Tier Basic Cash Reserve

**Goal:**

Build sufficient cash reserve of 6 months of expenses with flexibility *and* have money work as hard as it can on an on-going basis. \$ \_\_\_\_\_

**Primary Cash Reserve (Minimum & Savings)**



Basic foundation of a solid Cash Reserve Program

Deposit primary income, pay bills, leave cushion before overflow into other Cash Reserve vehicles.

(Monthly expenses \$ \_\_\_\_\_ X 1/2 = \$ \_\_\_\_\_ minimum)

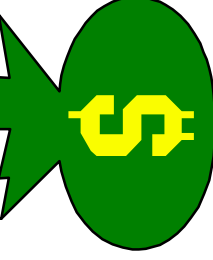
Checkbook (pay monthly bills from)



\$ \_\_\_\_\_ minimum  
 \$ \_\_\_\_\_ initial  
 \$ \_\_\_\_\_ a month  
 \$ \_\_\_\_\_ maximum

1

**Secondary Reserves (Within 3 months)**



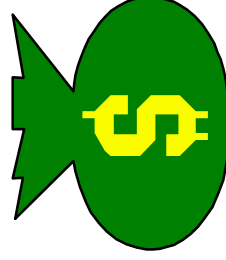
For emergencies and everyday opportunities within 3 months. Used before third level vehicles. (Monthly expenses \$ \_\_\_\_\_ x 3 = \$ \_\_\_\_\_ target)

Money Market Account\*1



\$ \_\_\_\_\_ target  
 \$ \_\_\_\_\_ initial  
 \$ \_\_\_\_\_ additions  
 \$ \_\_\_\_\_ maximum

**Third Level Reserves (after 3 months)**



For emergencies, opportunities, and special needs due after 3 months. Then consider other investment/retirement vehicles. (Monthly expenses \$ \_\_\_\_\_ x 3 = \$ \_\_\_\_\_ target)

Longer-Term Savings Vehicles\*3 (ie. 3 Month CD)



3

after 2 is full

and after 2 and 3 are full



Investments/Retirement Vehicles\*2\*3

\$ \_\_\_\_\_ target & maximum (staggered multiple vehicles for flexibility)

\*1 Money Market Funds are neither insured nor guaranteed by the U.S. Government.  
 \*2 Periodic investment plans do not assure a profit nor protect against loss in declining markets.  
 \*3 CDs and other bank deposits are FDIC insured and offer a fixed rate of returns. Securities investments are not FDIC insured and involve investment risk, including fluctuating returns and possible loss of principle.