

Welcoming a new child

Action plan checklist

Create a secure financial future for those who depend on you. Use this checklist to help prepare your family finances to meet your financial needs and goals.

Where do I start?

- Request a Social Security number for your new child.
 - You'll need this number to claim a dependent on your income tax return.
 - Visit the Social Security website for details (www.ssa.gov).
- Update your budget and adjust your spending.
 - Factor in costs such as diapers, formula, clothing, child care, and increased medical premiums.
 - Visit the IRS website (www.irs.gov) to calculate the income tax savings your new addition will bring.
 - Get expert insight on keeping your family financially fit.
 - Bookmark schwab.com/moneywise for helpful tips, activities, and tools you can use to raise money-savvy kids.

What types of insurance and estate planning do I need?

- Make sure your whole family is covered by health insurance.
 - Notify your employer's human resources department or your insurance provider of your new dependent.
 - Review your options to get the most cost-effective combination of deductibles and coverage.
- Consider life insurance in case something happens to you.
 - You may want to think about coverage to help pay off your mortgage and debts, plus provide for your child's education.
 - If both parents are working, consider dual coverage to replace lost wages and provide child care.
 - Assess your needs and learn more about types of insurance at schwab.com/insurance.
- Get disability insurance to replace your income in case you are unable to work due to illness or injury.
- Review your beneficiary designations on your 401(k)s, IRAs, and life insurance policies.
- Create or update your estate plan, including wills and trusts.
 - Regardless of your age or net worth, you need an estate plan to protect your family and assets if you die or become disabled.
 - If you have a revocable living trust, ask your attorney about adding your child.
 - Specify who will care for your child(ren) if you become unable to.

How will I fund my child's education?

- Estimate how much you need to save for college.
 - Estimate the projected cost of college, based on when your child will start.
 - Use Schwab's College Savings Calculator at schwab.com/collegecalculator to help.

- Consider your college savings plan options and choose an account.
 - Explore your options for college savings. Go to schwab.com/collegesavings to learn more.
 - Gain tax advantages and benefits with a 529 College Savings Plan.
- Set up monthly deposits and add extra funds when possible.
 - Remember, even small amounts invested regularly can add up over time.
 - Contribute regularly through an Automatic Investment Plan.
- Take steps to balance college savings with your retirement needs.
 - Visit schwab.com/moneywise to learn more.
- Get help from a qualified financial advisor as needed.
 - Find out all the ways Schwab can help you make decisions about your investments. Go to schwab.com/portfolioreview.

We're here to help.

Speak with a Schwab investment professional at **1-866-855-7545**.

Schedule an appointment at a Schwab branch near you—at schwab.com/branch.

Notes

This information is not intended to be a substitute for specific individualized tax, legal, or investment planning advice. Where specific advice is necessary or appropriate, Schwab recommends consultation with a qualified tax advisor, CPA, financial planner, or investment manager.

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