Life happens and it can sometimes be unexpected and expensive. What do you do if you have a financial hardship, like unexpected expenses such as a medical issue or reduction in pay? How can you act quickly and still make sure you can pay in a way that doesn’t derail your entire budget?

Before exploring these emergency options that could increase your debt, consider what else may be available to you, like a payment plan option or consolidation services.

Let’s explore your options

Do you have a credit card with no balance that you feel confident you can pay off in one month to avoid interest charges? Consider using it. LEARN MORE

Do you have access to a qualified Coronavirus (CARES Act) withdrawal? If so, to qualify:
- You must have experienced severe financial loss due to Covid-19 (severe financial loss is specific to the participant (not the spouse))
- You, a spouse or a dependent has been diagnosed with covid-19 by a test that has been approved the CDC

Do you have a 401(k) that you can take a loan from, and that you are confident you can pay back? Consider taking a 401(k) loan

Do you have a retirement account that you are eligible to take a qualified withdrawal from?
- You must have experienced severe financial loss due to Covid-19 (severe financial loss is specific to the participant (not the spouse))
- You, a spouse or a dependent has been diagnosed with covid-19 by a test that has been approved the CDC

Do you have rainy day funds? Consider using available cash or money you’ve put aside in a separate account for emergencies

Can you open or use an existing HELOC or personal loan that you feel confident you can pay back?

Do you have a 401(k) that you can take a penalty-free withdrawal from?

Do you have access to a qualified Coronavirus (CARES Act) loan? If so, to qualify:
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Can you cover the amount with your 401(k)? Consider taking a hardship withdrawal (pay close attention to the rules and continue contributing to minimize the impact to your long-term goal).

* Availability dependent upon plan adoption.