



Financial Education | Clean Slate Savings Accounts

Citizens National Bank is here to help you establish a savings account, start an emergency fund and provide financial education about the benefits of saving! Whether you are just getting started or you have been saving for a while, there are several key things to remember.

The importance of having a savings account or an emergency fund:

1. Limits you from borrowing

Having an established emergency fund prevents you from borrowing when you need to handle unexpected expenses. There are times in life when unexpected expenses occur. If you have money saved for these types of emergencies, it will help lower your costs associated with these expenses as you will not have to borrow money to pay for them.

2. Keeps your stress low from financial matters

In today's fast paced society of buy now and pay later, stress related to financial matters can be a serious issue. By establishing an emergency fund and having money in the bank, you can rest easy and lower your level of stress knowing you have some savings if you really need it.

3. Encourages a good financial habit of saving

By creating and establishing an emergency fund, you can build good financial habits like saving. Pay yourself first by depositing funds into a savings account before you start paying your monthly bills.

4. Allows you to save gradually over time

You will be amazed at how quickly your savings can add up with a disciplined approach of adding to your savings account each time you receive income. Some people set up an automatic transfer to a savings account from their checking account each time they are paid, so they will always have funds going into their savings account each pay period. These funds will grow quickly and help you establish a good savings account for future needs.

5. Prepares you for uncertain expenses in the future

Sometimes life can bring financial setbacks, but it is difficult to predict exactly when you will need money to cover unexpected expenses such as major car repairs, home repairs or major medical expenses. By having an emergency fund, you will be better prepared for those unexpected expenses that happen in life.

How much money do I need to save for an emergency fund?

The amount of savings you need for an emergency fund depends on several factors including your lifestyle, monthly expenses and number of dependents. The general rule of thumb is to set aside enough funds to cover 3 to 6 months of expenses in the case of an emergency.

Acknowledgment

I have read and asked my CNB Banker questions as needed so that I can fully understand the information presented above as a Financial Education Session hosted by Citizens National Bank.

Client Name (Print) Signature of Client Date

Banker Name (Print) Signature of Banker Date

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