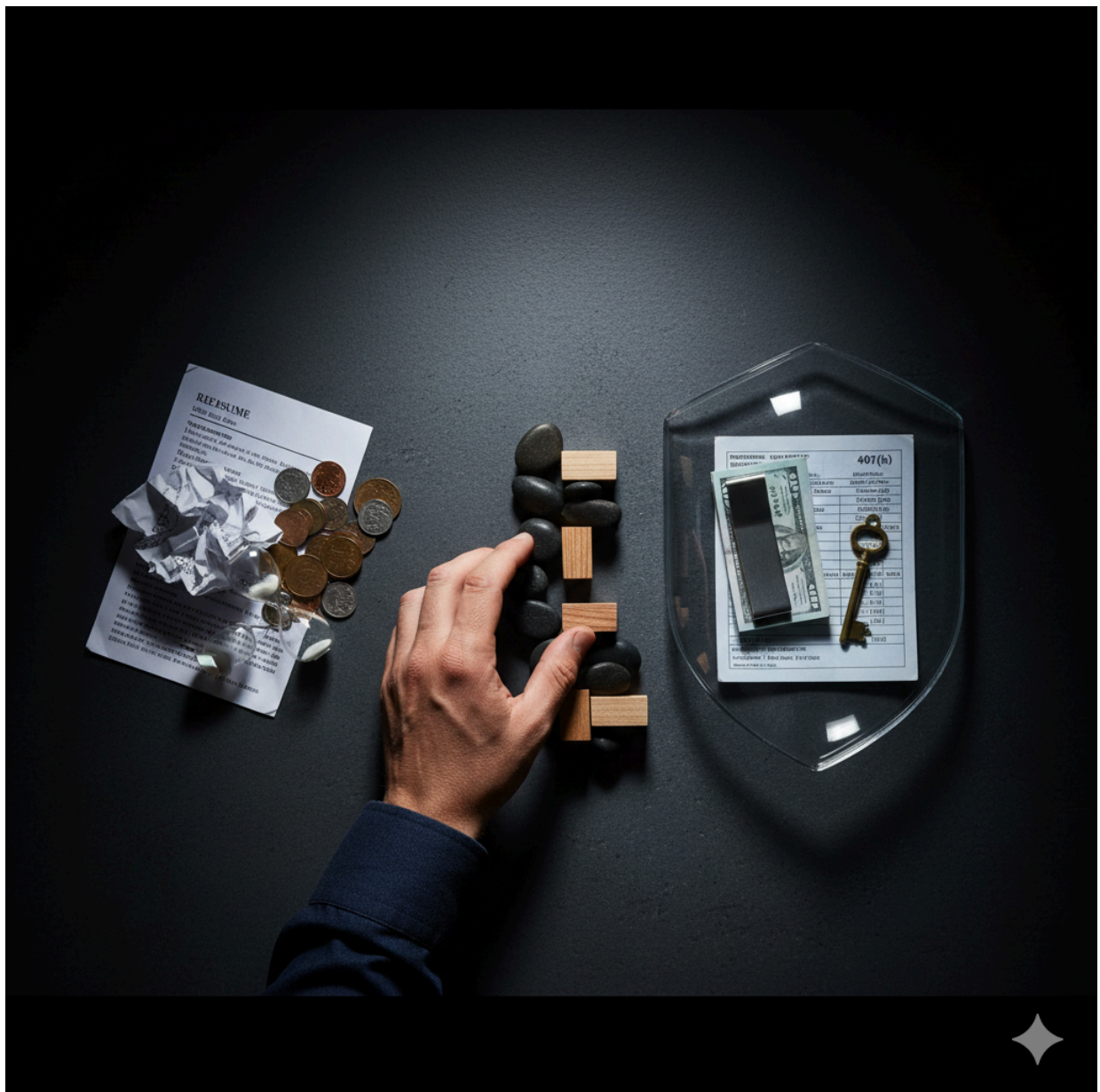


Layoff Survival Guide: Your Financial Checklist for Protecting Capital and Securing Unemployment Benefits

The news of a layoff hits like a shockwave. It's more than just a job loss; it's a financial and emotional toll that shakes your foundation. In the stress and uncertainty of this moment, it's easy to make rash decisions that can cost you thousands in penalties and lost capital.

Our mission as **The Financial Equalizer** is to provide clarity and control when the odds feel stacked against you. The next 72 hours are critical. Don't panic; plan. Use this **financial checklist for layoffs** to stabilize your situation and begin your strategy to **not lose money while job searching**.



I. The 72-Hour Action Plan: From Severance to Unemployment

The first steps you take determine your cash flow stability for the next six months.

Secure Your Safety Net: Unemployment Benefits

This is the most crucial step. **Unemployment benefits after layoff** are not a handout; they are an earned insurance program.

- **File Immediately:** Do not wait until your severance runs out. Eligibility and benefit payments often start only after you file the initial claim, and processing can take weeks. File the day you receive your final paperwork.
- **Know Your State's Rules:** Familiarize yourself with your state's specific reporting requirements and weekly maximums. This benefit becomes your core, predictable income floor while you are **job searching**.

Triage Your Benefits: Health Insurance is Priority

Losing health coverage is terrifying. You must choose a path within a short window.

- **COBRA:** Allows you to keep your employer's plan, but you pay the entire premium (often very expensive). It provides continuity but drains cash flow.
- **ACA Marketplace:** With the open enrollment starting in November (highly timely!), or by qualifying for a Special Enrollment Period due to the job loss, you can shop for a more affordable plan.
- **Spouse's Plan:** If available, this is often the most cost-effective solution.

II. How to Not Lose Money: Protecting Your 401(k) After Layoff

This is where most laid-off individuals make a catastrophic, irreversible mistake: taking a withdrawal from their retirement savings.

The Financial Trap:

When you cash out a 401(k) before age 59 1/2, you are immediately hit with two major hits: income tax on the entire withdrawal, plus a painful 10% early withdrawal penalty. This means you might lose 30-40% of that money before you even see it.

The smarter path focuses on **protecting 401(k) after layoff** through a process called a rollover.

Retirement Fund Action	The Wise Move	The Costly Mistake
401(k) Action	Direct Rollover to an IRA or New Employer's Plan.	Cashing it out, triggering massive taxes and penalties.
How to Do It	Instruct your former plan administrator to send the funds directly to the new account. This is a non-taxable event.	Receiving the check yourself. If you don't redeposit it within 60 days, it is treated as a taxable distribution.
Outstanding Loan	Repay the loan amount before the deadline (often 60 or 90 days) to avoid it being taxed as a distribution.	Letting the deadline lapse, treating the outstanding loan amount as taxable income and penalized distribution.

The Bottom Line: Treat your 401(k) as untouchable. Every dollar you protect today is worth many more dollars when you retire.

III. Finding Hidden Capital: Your Personal "Second Look" Review

While you cut costs, you also need to proactively look for cash that is already owed to you. This is the **Financial Equalizer** mindset applied to your personal life: challenging the assumption that all accounts are settled.

1. Claim Your Unclaimed Property

Every state maintains a fund of **unclaimed property**—money owed to you from forgotten security deposits, uncashed insurance checks, or old bank accounts. These state databases are public and easy to search. A quick 10-minute check could yield hundreds of dollars of **hidden cash** that is rightfully yours.

2. Perform a Medical Bill Triage

If your health coverage is about to end, review any bills you received over the past year. Medical billing is notoriously error-prone. Errors in coding, overcharges, or misapplied insurance

payments are common. A simple review might lead to a negotiated refund or a reduced balance.

3. Maximize Deduction Opportunities

Speak to a tax professional about potential deductions or credits you may qualify for *next* year due to job search expenses (travel, courses, etc.) or a potential home office setup. Strategic planning now helps reduce your tax bill later.

By adopting this proactive **layoff survival guide**, you transition from being a victim of circumstance to being the strategic CEO of your own financial recovery.