**Contingency Planning**

**What can go wrong with you Trading Plan?**

1. Not executing the trade when they trigger
2. No exit plan for losses or gains
3. Take emotion FOMO trades
4. Allowing losses to grow with no action taken
5. Not anticipating a Gap down situation and having a plan

**When your strategy or Edge is no longer working?**

1. Study the Market Environment…. What has changed?
2. Post Analysis of your last 10 trades as they relate to the market, portfolio exposure levels and drawdown
3. Trade Less; Stop Trading; Trade Smaller Size
4. Re-evaluate your stats and edge

**Unexpected News/Bad Earnings, Downgrades, Accounting scandals, Failed FDA Trials**

1. Make sure hard stops are in place
2. Consider selling all positions that move negative immediately

**Computer/Broker Problems**

1. Place a hard stop after opening any new position
2. Sell all position if the computer failure appears catastrophic
3. Call you broker immediately with instructions
4. Identify nearest broker office to place orders via humans
5. Use phone, ipad to execute orders as backup
6. Maintain two separate computer systems
7. Set up another broker account with a secondary backup broker

**Loss of Power**

1. Have spare PC batteries charged up
2. Have a UPS for your PC; house generator
3. Consider a solar power backup source
4. Move locations: coffee shop, friend’s house

**Fire/Robbery**

1. Info backed up on Cloud? External Hard drive
2. Do you need a back-up workspace
3. Do you have access to another trusted trade to assist?

**Medical/Family Emergencies/Natural Disaster**

1. Place hard stops on all stocks after order executed
2. Use conditional orders with Broker
3. Consider selling all positions immediately in an emergency

**Hackers/Identity Theft**

1. Use passwords on everything: WIFI, Phone, Computer
2. Change Passwords regularly
3. Use high quality passwords – least 9 digit with letters, numbers, special characters
4. Reduce unnecessary accounts, apps
5. Enroll in Fraud Protection, Lifelock etc.

**Market Crashes/Black Swan Events**

1. Always have a defense plan with Stops, Portfolio Exposure limits, Position Sizing, Hedging, Plan for open portfolio exposure, margin/leverage plan if things go against you
2. Electronic Market Exchange issues – Hard protective stop and Re-Entry Plan
3. Don’t be a hero