

Truckers – this is your 'financial' life

A checklist for financial security



TruckSure

By Trevor Toohill

Over the past four years most of my articles have had a focus on asset insurance and driver safety and wellbeing. I have ventured a couple of times into the protection of key persons but have not really addressed the important issue of financial protection and security.

It is timely to have a look at this now and see how you stack up if you were to undergo a financial examination. The following are the items which really are important – for your own peace of mind, for the financial security of yourselves and those close to you, whether family or business partners.

It is set out as a checklist so that you can mark off what you have done and identify the next step for attention.

If you live too long - and we all have every intention of surviving to a ripe old age, then you will have the best retirement that your circumstances allow you to provide. You can't rely on just business survival as a means to providing for your retirement. There are too many variables to consider and it is not wise to dump all of your eggs in one basket. Are you taking full advantage of KiwiSaver and other saving mechanisms to build alternative funds?

If you die too soon you need to have sufficient Life Insurance and a Will, so that your family and business partners will have funds available separately and directly to secure their financial position, and that the Trustee under your Will has access to adequate funds separate from family funds to cover business protection funding and shareholder protection.

If you need hospitalisation - you have a plan that will provide recovery of the full cost of any major medical event or hospitalisation. At the very least to cover surgical and specialist fees, along with the cost of the private hospital and surgical facilities. You cannot rely purely on the public hospital system with extensive waiting lists.

If you become disabled through sickness or accident and can't work, then you have a plan that will replace your income for at least your essential living expenses. Too many drivers rely

on ACC as the ultimate protector of income. Have you read the news lately and seen how much of a battle it is to get a claim through ACC and to have that claim continued for the length of your disablement! And that is only for accidents. What about sickness? Time off work due to a serious illness is likely to be more than eight times more probable than time off due to an accident.

If you have a major trauma e.g. stroke, cancer, heart attack - that there will be funds available, and that you have an Enduring Power of Attorney for both assets and welfare appointing your partner or someone else to look after your assets and you if for any reason you lose your capacity or capability of doing this.

If you have a business partner - then you have a written funded Business Continuation Plan - a Business 'Will' - that will ensure the continuation of the business and the service and goodwill that you have provided to your clients or customers, and provide a cash settlement to your family for the value of your share of the business.

Build a fund for future needs - a rainy day fund - this can be done and there are some very effective ways of doing this which are available to all of you, yet still leaving you with control of those funds and the flexibility to invest in other assets if you so wish.

This may seem a lot to attend to and you may not be able to achieve it all at once, but I can assure you that from observation among my own clients alone, even over recent months, all of these needs are essential for financial security particularly within the transport sector.

TruckSure has some ideas that can make all this possible.

So, please contact a TruckSure broker, if you would like to discuss any of these matters with us, even if only for a second opinion, to ensure your financial security is as good as it possibly could be. We are happy to review any existing arrangements and give completely unbiased advice. www.trucksure.co.nz 



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