

Unforeseen Circumstances



We live in the world where there is plenty of uncertainty. Just recently the world was hit with Coronavirus, an unexpected event that shook global markets and caused panic amongst investors. Over the longer term at some stage the Rand was stronger than the United States Dollar. Most of these events are not predictable and no crystal ball will be able to provide the answers we are looking for. You might debate this if you watch *"The Simpsons"*, as in some episodes there were incidents which came true in real life, but is this just a coincidence or is there someone out there that has all the answers?

In our personal lives we are also faced with these unforeseen circumstances and it's of utmost importance to ensure that there is some sort of direction. This is possible by

having your affairs in order (*no, not your love affairs, this can be kept a secret*), more importantly your financial affairs.

Let's face the facts, anything can happen at any time, are you and your loved ones prepared for the possible outcome? You feel 100% healthy but what happens if you unexpectedly have a stroke or a heart attack or catch an epidemic virus? You could also be crossing the road and get hit by a bus or a taxi. The worst possible outcome would be death but what if you are left paralysed or in a coma or cannot make any decisions due to memory loss or being unable to speak? To make matters worse, you are the sole provider in the household. What happens to your loved ones? Where do they begin? What do they look for? What if there is no income to continue with your debit orders?

Don't get us wrong, this article not intended to be negative about life, they always say have positive thoughts, but life is a reality and you could be faced with an unforeseen situation.

So, what can be done to ensure that you are prepared for the unexpected? There are numerous of possible solutions. Let's touch on a few recommendations:

- **A living Will/Will:** This document could help your family make a big decision of life or death. This would be your final wishes. It is probably one of the saddest things to do, but do you really want to see your family suffering. It could also be a huge saving in the long run as medical expenses can prove to be costly. In the unfortunate event of you passing away, a correctly drafted and signed Will would ensure that your assets are well taken care off.
- **Sufficient Risk Cover:** Most risk policies have life cover, disability cover (which could be paid as a lump sum or monthly), critical illness, income protection. All these benefits could assist in difficult situations and could potentially cover for unforeseen medical expenses.
- **Power of Attorney:** This document would allow an individual to make decisions on your behalf when you are unable to. It can be drafted in such a way that there are only certain rights available to the person with signing powers.
- **Investment/Policy Summary:** We would consider this to be one of the most important things, having all the information in one document will be of assistance, especially with the hundreds of companies out there. You can have investments and policies with multiple service providers, but it is essential to keep a simple summary so that it can be easily tracked down in the future by yourself or a loved one.
- **Communication:** You might be in a situation where you don't trust your family or loved ones with your financial affairs as they might decide to take your money and run or even worse kill you for your wealth. You always have the option of communicating with a friend, a lawyer, a doctor, a colleague, a financial advisor, or even a personal banker.

In the event of an unforeseen situation and you do not have any of the above, it is not all doom and gloom. One of the most common possibilities is to appoint a Curator, this process would mean applying to the High Court, the Master of the High Court must

issue letters of curatorship. As there is a lot of work involved, such as submitting documentation to the Master annually, a curator would usually be an admitted attorney. This could incur high costs and expenses which the loved ones may not have at their disposal.

The guidelines provided above is to ease through difficult situations you may be faced with however, it is not a full comprehensive list of options available. What is important is to ensure that your financial affairs are in order to avoid what could become long and cumbersome processes to follow.

This should also not deter you from investing, your investments are well regulated and will always be protected, provided you avoid the ponzi/pyramid schemes which are available to the open public. We would also all want to ensure that we and our loved ones are cared for when faced with an unforeseen event.



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