



INHERITANCE—is it separate property?

Separate property is all property of a spouse/partner that is not required to be equally shared under the Property (Relationships) Act 1976 ("Act") when a relationship comes to an end. Generally, inheritance is separate property. However, if separate property is intermingled with relationship property (property that must be divided between spouses/partners when the relationship ends) and it is impracticable to treat it as separate property, it is no longer separate property. An example is where inheritance money is used to pay the mortgage on a family home. Accordingly, the inheritance enters the relationship property pool and is divided equally.

A contracting out agreement ("Agreement") allows couples to determine for themselves the relationship and separate property, rather than relying on the principles of the Act to determine the relationship property and separate property.

Although inheritance may appear to be separate property, to be safe, we recommend entering into an Agreement which defines inheritance as separate property. The Agreement will arguably protect the inheritance from a relationship property claim.

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"Pastor Tony Jenkins consulted his doctor about his wife's snoring. "Does it really bother you that much?", the doctor asked. "It's not just me", Jenkins replied. "It's bothering the whole congregation!" — **Word for the Day—Feb/March 2018**

33% OF KIWIS ARE VICTIMS OF SCAMS

33% of New Zealanders have been actual or intended victims of scammers, new research from the Commission for Financial Capability shows. The survey polled 1034 people and the results were released during last year's Fraud Awareness Week.

CFCC said tactics used ranged from emails, letters and phone calls to face-to-face meetings. Fraudsters either try to obtain access to computers or bank accounts and other personal details, through opportunity scams such as bogus lottery wins and previous unknown inheritances.

While fraudsters reached many people, findings show only 16% reported a loss, with 52% of respondents losing less than \$500. The largest loss reported by a respondent was in excess of \$800,000.

CCFC Fraud Education Manager, Bronwyn Groot said, "Even very intelligent people get duped. The scammers move fast and hit hard, looking for any sign of vulnerability. They are organised, constantly evolving and the only way they will stop is if we stop sending them our hard earned cash and private information. It's best to stop, think and research before sending any money or giving out bank account details or personal information. By making a simple Google search or ringing your bank to check the email or phone call, could save you a whole lot of heartbreak and financial loss", she said.

—NZ Adviser, Nov 2017

TRAVEL CLAIMS—the most expensive for 2017

Southern Cross Travel Insurance paid out \$682,000 for a customer who suffered a heart attack while traveling in Europe and needed to fly home in an air ambulance.

It's one of the most expensive claims the insurer has ever paid out in its 36-year history, and the most expensive claim for 2017.

Another customer had a \$110,000 claim paid after tripping and falling down a flight of stairs during a trip to the Pacific Islands.

Nearly 50% of the top 10 claims for 2017 happened in the US, which is renowned for having some of the highest medical care costs in the world.

Southern Cross Travel Insurance chief executive Chris White said some hospitals in the US may request a large deposit before they will even start providing treatment.

"This is one of the key areas where having travel insurance is important. Our emergency assistance team can provide payment guarantees to hospitals, keep immediate family advised of the situation and coordinate emergency medical evacuations. They're available 24 hours a day, seven days a week, no matter where you are in the world."

"New Zealand's public healthcare system means we generally don't have to worry about the financial cost when we get injured or sick, but this isn't the case overseas. It doesn't take long for the bills to reach eye-watering amounts — it can cost up to \$US50,000 a day for intensive care treatment at a US hospital."

White says the list of the most expensive claims shows the importance of buying travel insurance before heading overseas, even if it's for a seemingly safe holiday or destination.

—Sourced from Kelly Gregor, HomeNews March 2018

acyrologia

An incorrect use of words - particularly replacing one word with another word that sounds similar but has a diffident meaning - possibly fuelled by a deep-seeded desire to sound more educated, which results in an attempt to pawn off an incorrect word in place of a correct one. In academia, such flaunting of common social mores is seen as almost sorted and might result in the offender becoming a piranha, in the Monday world, after all is set and done, such a miner era will often leave normal people unphased. This is just as well sense people of that ilk are unlikely to tow the line irregardless of any attempt to better educate them. A small percentage, however, suffer from severe acyrologiaphobia, and it is their upmost desire to see English used properly. Exposure may cause them symptoms that may resemble post-dramatic stress disorder and, eventually, descend into whole-scale outrage as they go star-craving mad. Eventually, they will succumb to the stings and arrows of such a barrage, and suffer a complete metal breakdown, leaving them curled up in the feeble position.

∞
"They call
it a
'selfie'
because
'narcissistic'
is
too hard
to spell!"
∞

THE MFAS TEAM OF FINANCIAL ADVISERS



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Chris MacKay is the Managing Director of Chris MacKay Financial Planning Ltd (CMFP) trading as MacKay Financial Advice and Solutions (MFAS) and apart from a short spell with an Accounting firm, has been providing financial advice for all his working life.



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Chris joined MFAS as a Financial Adviser in 2011. He previously worked for a financial advisory company for almost 4 years, and 18 months before that, as a risk management consultant for an insurance broker firm.



George MacKay

Registered Financial Adviser

Insurance & KiwiSaver—'Class' Advice

George joined MFAS early in 2016. He is currently studying towards a National Certificate in Financial Services.

"Kippers"

— Kids in Parents Pockets Eroding Retirement Savings

Long shot

Today this is a gambling term used for an event that would take an inordinate amount of luck to pay off. Its origins are nautical. Because ships' guns in early days were very inaccurate except at close quarters, it was an extremely lucky shot that would find its target from any great distance.



"Self assurance is two-thirds of success"

— Proverb

GLOSSARY OF INVESTMENT TERMS

Investment Term	Meaning
Capital Gain	Any gain realised from the sale of a capital investment.
Capital Loss	The loss in the value of an investment, calculated by the difference between the purchase price and the net sale price.
Capital Preservation	An investment goal or objective to keep the original investment amount (the principal) from decreasing in value.
Cash Equivalents	Short-term securities, such as Treasury bills, managed funds that invest in cash assets, or short term bank certificates of deposit that provide safety and liquidity but historically have only marginally outpaced inflation in terms of return.
Commission	Fee paid to a broker or other salesperson for his or her role when investments are bought or sold.
Compound Interest	Interest earned on the original investment and on its accrued earnings as well.
Conservative	An investment approach that accepts lower rewards in return for potentially lower risks.
Corporate Bond	A bond issued by a company, rather than by a Government.
Credit risk	The risk that a bond issuer will default, meaning not repay principal or interest to the investor as promised. Credit risk is also known as 'default risk'.
Current Yield	The current rate of return of an investment calculated by dividing its expected income payments by its current market price.
Custodian	A person or entity (eg. bank, trust company, or other organisation) responsible for holding financial assets on behalf of its customers to minimise risk of loss.

"Failure is the opportunity to begin again, more intelligently"

— Henry Ford

STAY SAFE ON YOUR MOBILITY SCOOTER

Mobility scooters are an increasingly common sight on our footpaths and shopping areas. Scooters are practical and fun, but you might not know that scooter drivers are at higher risk of a serious accident.

Before you buy a scooter, it's important to have the skills to drive it safely. The New Zealand Transport Agency (NZTA) suggests you consider your ability to judge distances, your eyesight, your hearing, and whether you can handle a vehicle safely. If in doubt, check with your doctor before you buy. Whether you want to buy a mobility scooter or you already have one, it's a good idea to get trained on how to use it safely. Your scooter dealer will have details about training near you.

For more information on using your mobility scooter safely, visit www.nzta.govt.nz and search for mobility scooter safety.

—Sourced from SuperSeniors Newsletter, Feb 2018

Don't use a big word when a singularly unloquacious and diminutive linguistic expression will satisfactorily accomplish the contemporary necessity.

"Energy and persistence conquer all things"

— Benjamin Franklin

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