



A TICKING TIME BOMB ...

You kissed your husband goodbye and told him to have a good time and enjoy himself with the boys. But he had an accident and never made it home. Never.

After the initial shock and grief you realized that he was the one that looked after the family finances. You simply have no idea how much money you have. Would you be able to pay the mortgage or do you have to sell up and rent?

It is always sad to have to attend a funeral. And extremely sad when it is for someone young and they leave behind a young family.

But for me the real tragedy is when the surviving wife is consoled and she breaks down due to the financial mess that she is now in. Yes it would be tough looking after the kids but she would get a helping hand from family. After all there are lots of broken families who have to manage these days.

When I find out the bombshell that he had never got around to organizing his life insurance nor write up a will that is when I get really mad. How could he have been so selfish and not guarantee that his family was looked after?

This scenario is a ticking time bomb only waiting to happen in most Australian households. We are dreadfully underinsured and terrible in arranging a will. But we must change our attitude or expect to face the same consequences.

What you should do:

- Talk to your partner and make sure that you are both abreast of your financial affairs;
- continuously update your list of assets and liabilities;
- keep account numbers, logins, passwords, professional contacts and other key financial information in a safe;
- organize a will, preferably prepared by a legal expert and update it regularly;
- make sure that your executors are also aware of your financial situation;
- arrange adequate insurance cover for death, total & permanent disability (TPD) and critical illness (CI)

Don't make the mistake that you are too young to die. Have a look at the table below. If you lined up your husband and nine of his mates you can expect that at

least one of them won't be around when they turn 65. Fancy a game of Russian Roulette?

% chance before age 65	30yo male	39yo male	48yo male
Death	12%	11%	9%
Death or TPD	22%	20%	18%
Death, TPD or CI	37%	35%	32%

Still don't believe that you will die young? Look in today's paper and read the murder or accident stories. Now look at the age of the deceased. Cemeteries are full of fit and healthy people.

You can't predict the day that you die but there is a 100% chance that you will die.

Unfortunately 2010 started this way for me when a good mate passed away on New Year's Day. He was only 39 and had left behind five kids under the age of ten. Well respected in the community, the funeral attracted more than 1,000 people from all over the country. There wasn't a dry eye in the place as people came to grips with the tragic news.

She doesn't know anything about their financial situation as her husband did everything. She had no idea what the passwords were to their online accounts or how much was on the credit card.

His wife will survive but it won't be easy. It is just so annoying as it could have been easily avoided.