

MACKAY

ON POWER OF POSITIVITY

BY FINANCIAL PLANNER CHRIS MACKAY

MOST PEOPLE KNOW SOMEONE WHO HAS CANCER OR HAS HAD CANCER. IT AFFECTS DIFFERENT PEOPLE IN DIFFERENT WAYS.

I hope those who read the following will have a better insight into one case in which this particular bloke has motivated himself with his positive attitude and has at the same time inspired others.

I asked Derek Bruce, one of our insurance brokers to make his personal comments:–

“When I had a stroke I did not make an appointment with my doctor immediately. The stroke happened on December 28, 2006 and I didn’t do anything about it until January 7, 2007. Naughty! I knew the sooner the better it would be to seek medical advice, but I was down in Dunedin watching National Bowls and my doctor’s in Lower Hutt.

In fact, as it turned out, I got the trifecta:–

- (a) Tumour on the brain
- (b) Nodules on the lungs
- (c) A 12.45cm tumour wrapped around the only kidney I have
(I have never known what centimetres are as I still think in inches, so I don’t know what 12.45cm means!)

I find most of the time when cancer is talked about it is in negative terms but here’s several things I would like to pass on – POSITIVE things that is:–

1. The staff at Hutt Hospital have been fantastic. Appointments are always on time.
2. I have spent three half days at Wellington Hospital at different times as a guinea pig for 27 fifth year medical students (all nationalities) to examine.
3. I was given eight to nine months to live. I am now in the 21st month. I did say I “would prove them wrong”.
4. I believe positivity is very important.

5. I continue to set goals – they were small ones at first and I keep reviewing and ticking them off.
6. I continue to work 8.30 am until 3pm, five days a week.
7. I still manage bowls teams.
8. I attend the gym four times a week.
9. I go biking regularly.
10. I like gardening – I take time out “to smell the roses”.
11. I cannot emphasise strongly enough to those who may be in a similar situation, to do things that you enjoy – even small journeys can give you great satisfaction.
12. Put a smile on your face!

Having the right attitude is very important to me and having a very supportive wife is a real plus.

My sons say I am inspirational.

You never know what’s around the corner but enjoy your life. A Wellington insurance broker has a little gem on his letterhead “Nobody dies when it’s convenient”.

Don’t postpone things – “do it now” and keep smiling! “

At the time of writing this article, Derek and his wife Tricia have just returned from the thrilling and victorious Bledisloe Cup and Tri Nations rugby in Brisbane. All Blacks 28, Wallabies 24. What a game! What a result!

Derek had an appointment with his specialist the day after they returned from Brisbane. He also got an excellent result! The specialist was delighted, after viewing chest x-ray and blood test results, to pass on the positive news to an extremely positive person – “I will see you on January 20, 2009 as there is no change.” As Derek told us later, there were smiles all around!

The huge number of Kiwis who are living

with cancer reinforces our steadfast belief in the insurance based part of our practice.

When I started in business, almost 32 years ago, our two main insurance products were Life insurance and Income Protection cover. Life insurance protects a family or business against the premature death of a mum, dad or business owner. Income Protection pays replacement income if someone can’t work due generally to illness. ACC will pay out for an accident, but for sickness, one is at the mercy of the Work and Income rules and regulations and usually the benefit is very little. If one’s partner is still working, the benefit may be “zip”. This is why people have in the past and continue to purchase Income Protection insurance.

Thirty years ago, the main Living Assurance benefit was therefore Income Protection insurance. To get the other type of insurance you had to die first, which wasn’t always and still isn’t terribly appealing.

Things change over time. A few years ago, the head of Prudential in Canada and then the US, a guy by the name of Ron Barbaro, introduced a concept that allowed someone who had been diagnosed with a terminal illness, to be able to apply to their insurance company requesting an early payment of their Life insurance proceeds.

Now, this all seems pretty much a commonsense thing to do, but years ago it just was not possible. I remember one instance when I had a client, I’ll call him Henry, in this situation. He had liver cancer and had been given six or 12 months to live and desperately wanted to take his wife and two soccer mad sons to England to see old Blighty and also their favourite team play on their home ground. This guy had no spare cash to fund the, from memory, \$10,000 or

\$15,000 price tag. Nor could he increase his mortgage.

National Mutual used to have a subsidiary finance company, originally named Wellington Deposit and Loan Company, which had been around since the late 1800s. I managed to do a deal with this company on behalf of my client, so they would provide the cash, and accrue the then current rate of around 20 per cent interest until Henry died. They took security over his Life insurance policy, and despite getting a little bit twitchy when he hadn't died within the estimated time frame, it all worked out very well. Henry and his family had a fantastic time in the UK and saw their beloved team play plus they did all the other things a Kiwi family on tour would do. The policy finally matured when Henry died, NM Finance deducted the loan principal plus interest and the family got the balance. However, it was all very hard to arrange and it was only because of my excellent relationship with the finance company that made it all possible.

As mentioned above, this chap Barbaro, who was originally an insurance adviser at the coal face, must have had similar experiences with his clients who were terminally ill and who wanted to access their insurance policy proceeds before they died.

Well the rest is history, because as far as I know, all life insurance companies now offer this special terminal illness benefit, and normally at no additional cost. Our own practice has arranged many of these and it truly does enable people to often do in the last few months what they would like to do, rather than be constrained by the lack of cash.

The other "living assurance" benefit that has become a risk management tool is Trauma or Critical Care insurance. This was invented by Dr Marius Barnard, a brother of the famous heart surgeon Professor Christian Barnard from South Africa, and himself a cardio thoracic surgeon as well. Apparently he was involved in many of those first groundbreaking surgeries including the first ever heart transplant on 59-year-old Louis Washkansky on December 3, 1967.

It was Marius Barnard who went to various insurance companies in South Africa and asked whether there was a possibility of having a benefit that would pay out if someone should suffer a heart attack or require heart surgery. He argued that, as a medical doctor, he could repair a man physically, but only insurers can repair a patient's finances. Showing great persistence, and not taking "No" for an answer, he finally convinced someone to give

it a go and again, the rest is history.

He's a very interesting man. I've met him in NZ a few times and I shared the main platform with him speaking at the inaugural World Critical Illness Congress in Vancouver a few years ago.

Nowadays Trauma policies not only cover heart attack and major heart surgery, but also stroke, serious cancer and usually another 20 or 30 serious lurgies and major traumas. Our most recent claim was for a quadruple bypass on a 52-year-old, but historically serious cancer claims make up a huge percentage.

The difference between Trauma insurance and a Terminal Illness benefit is that one doesn't necessarily have to be dying to collect the Trauma benefit, which is paid in the form

of a tax free lump sum of cash.

It is very gratifying when we are able to deliver a cheque or these days, to arrange a direct credit into someone's bank account, as a result of helping them with a successful claim. It makes our professional life extremely worthwhile and very gratifying.

Trauma claims are quite common. Terminal Illness claims are less frequent.

But each year we are in business, there are more claims than the year before. And paying claims is why we have an insurance practice.

Oh, and what if someone has been paid out a Terminal Illness benefit but shows a reluctance to "meet their maker"? Well, tough luck for the insurance company!

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A disclosure statement is available on request and free of charge.



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