

## Financial Planning for Teachers

### *Part Three: Insurance, Wills and Pensions*

*Who dares to teach must never cease to learn*

— *John Cotton Dana*

In the third and final part of our financial planning for teachers series, we explain the things to look out for in insurance policies, the importance of making a will in Thailand and a potential issue with the UK Teachers' Pension scheme.

#### *Insurance*

Many international schools negotiate health insurance plans with insurance companies for their expat employees. This collectivity gives more negotiating power and spares teachers the time-consuming process of seeking out an appropriate policy.

However, it also means that many people do not know what their policy actually provides. It's a good idea to check your health insurance policy's upper limits, sectional clauses – such as different limits for operations, as well as possibilities where the excess you have to pay may be increased.

On a similar note, it may be worth checking your life insurance policy, to ensure that debts are covered and your family is taken care of in the event that something happens to you.

Also, one aspect that often differentiates international schools from others is the number of days in which you are paid for sick leave – some school only pay a handful of days. Thus, it may be necessary to look at income protection options in case of long illness.

Whether discovering the region or going back to visit family, it may be useful to have a travel insurance policy. Check what your current policy offers you and see if it measures up with the alternatives.

Finally, to what extent does your home insurance protect your personal possessions? It is worth looking to see if it covers all of your contents and up to how much it covers you.

## *Wills*

Anyone who has an asset in Thailand should have a legal Thai will. These assets can include bank accounts and investments, cars and property. If you own assets in another country, it is more straightforward to make out a will in that jurisdiction. A will isn't expensive and is a one off cost.

## *UK Teacher's Pension*

The final matter discussed at the event is of relevance to people who have taught in the United Kingdom, regarding the Teacher's Pension.

Whilst many people with UK private pensions will be allowed to encash their fund from April 2015, there has been speculation that those with Teachers' Pensions will not be allowed to do this.

This is not necessarily the case, as the Teachers' Pension is not a public sector-funded scheme. However, the horizon is not clear and in some circumstances it may be worth transferring a pension fund overseas before April just in case, whilst keeping open the possibility of transferring the fund back to the UK at a later date.

For further information contact us by e-mail on [info@mbmg-investment.com](mailto:info@mbmg-investment.com) or call +66 2 665 2536.

## *Disclaimers:*

- 1. While every effort has been made to ensure that the information contained herein is correct, MBMG Investment Advisory cannot be held responsible for any errors that may occur. The views of the contributors may not necessarily reflect the house view of MBMG Investment Advisory. Views and opinions expressed herein may change with market conditions and should not be used in isolation.*
- 2. With investment comes risks. Please study all relevant information carefully before making any investment decision.*
- 3. An investment is not a deposit, it carries investment risk. Investors are encouraged to make an investment only when investing in such an asset corresponds with their own objectives and only after they have acknowledge all risks and have been informed that the return may be more or less than the initial sum.*