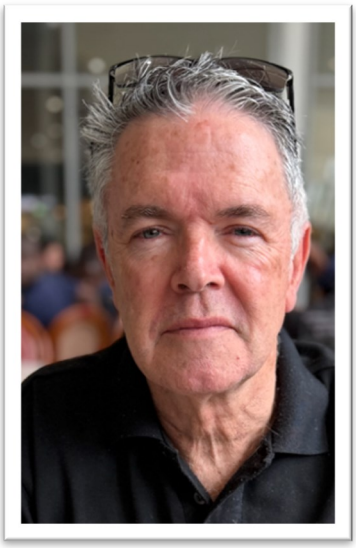


Mark Wenning's

Financial Informer

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Putting your best foot forward

It is almost inconceivable to imagine that the Millennial generation aren't kids anymore. If you think about it, the last of the Millennials were born in 1996 and are turning 29 this year. Like it or not, they are going to have to accept the fact that navigating finances is now a stark reality and one that requires an adult response for even the youngest of this generation.

Millennials might think they will be forever young however reality is different because life happens to most of us.

Protecting and growing our finances is essential to securing a stable and prosperous future. Whether you're just starting out, building a family, or running a business, the right financial strategies and the right insurance can make all the difference.

You've probably heard friends or family say, "I don't need insurance." They might feel invincible as if life's unpredictable challenges will never touch them. But the truth is, no one is immune to life's uncertainties. That's why it's crucial to plan and protect yourself, your loved ones, and your assets.

Here are valuable insights on the types of insurance you need at different stages of life. Here's a breakdown to help you make informed decisions:

Little feet - now you have kids

As a parent, your responsibilities extend beyond your own needs. A combination of critical illness, life, and funeral cover is highly recommended. If something happens to you, your family will need more than just funds for a funeral, they'll need financial support to maintain their standard of living and continue your legacy.

- **Life cover:** this pays a lump sum to your beneficiaries if you pass away, helping your family cover expenses and maintain their lifestyle.
- **Critical illness insurance:** if you're diagnosed with a serious illness, this provides a tax-free lump sum to help cover medical costs or other financial obligations.
- **Disability insurance**: Disability cover is designed to safeguard you financially if you become permanently disabled due to illness or injury.

By having these protections in place, you can ensure your family is financially supported, no matter what life throws your way.

Footprint - now you have assets

It's easy to think of car or home insurance as an unnecessary expense until some-

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thing goes wrong. Your car, for example, isn't just a vehicle; it's a critical asset that gets you to work and helps you earn a living. Similarly, insuring valuable items like laptops and electronics can save you time, money, and stress in the long run.

Insurance isn't just about covering losses; it's about peace of mind. If the unexpected happens, you'll be glad you took the steps to protect your assets.

Big feet - now you're an entrepreneur

If you're an entrepreneur, your business is your livelihood. But what happens if a key employee falls ill, becomes disabled, or passes away? Business insurance can help mitigate the impact of such disruptions, providing financial support to keep your operations running smoothly.

This type of insurance isn't just about protecting your business, it's about safeguarding your vision, your employees, and your future.

Many feet - family

As you grow older, your responsibilities grow too. You're no longer just a participant in family decisions—you're a decision-maker. With that role comes the need to protect your loved ones. Funeral and life cover for parents, siblings, aunts, uncles, and other family members can help you prepare for the unexpected.

While it's not something anyone likes to think about, being prepared can ease the financial burden during difficult times, allowing you to focus on what truly matters - your family.

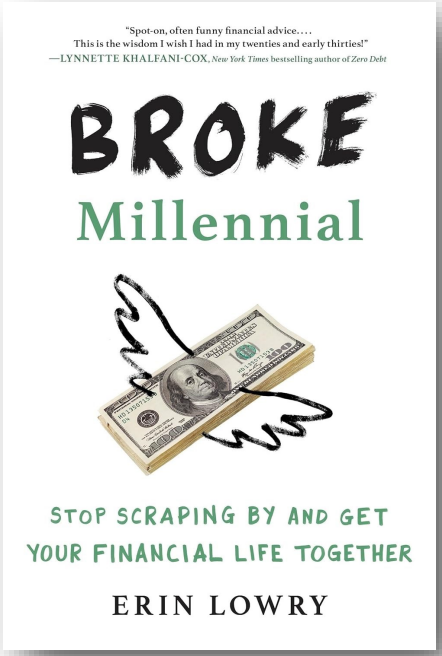
You may be getting older, but with age comes wisdom - and the opportunity to make smart financial decisions. Insurance isn't just a safety net; it's a tool to protect your dreams, your loved ones, and your hard-earned assets. Whether you're a parent, a business owner, or simply someone who wants to be prepared, taking the time to evaluate your insurance needs is a crucial step toward building a secure and prosperous future.

Don't wait for life to surprise you, take control today by speaking to a financial adviser. Your future self will thank you.

Reduce your financial stress

Reducing your financial stress is probably one of the biggest gifts you can give to yourself. It isn't easy but it can be done by following these tried and tested tips:

- Not knowing enough about money: Many people don't take the time to learn about managing their finances. Start by reading, taking courses, or consulting with a financial adviser.
- Avoiding financial responsibility: Some prefer to live in the moment rather than plan for the future. Developing financial discipline and long-term thinking will pay off in the end.
- Spending on wants, not needs: Prioritising luxuries over clearing debt can hold you back. Focus on paying off debt first.
- Not tracking spending: Without a budget, it's easy to miss payments or waste money. Create a simple budget to keep track of your expenses.
- Earning too little: Cutting back on expenses helps, but increasing your income through side gigs or career advancement can speed up your progress.
- No financial goals: It's hard to stay on track without clear goals. Take time to define what financial freedom means for you and create a plan to get there.
- Thinking wealth is only for the rich: Anyone can build financial security with the right plan and patience.
- Not seeking the right advice: Managing your finances alone can be tricky. That's where a financial adviser can make all the difference.



If you're a cash-strapped 20- or 30-something, it's easy to get freaked out by finances. But you're not doomed to spend your life drowning in debt or mystified by money. It's time to stop scraping by and take control of your money and your life with this savvy and smart guide.

Broke Millennial shows step-by-step how to go from flat-broke to financial badass. Unlike most personal finance books out there, it doesn't just cover boring stuff like credit card debt, investing, and dealing with the dreaded "B" word (budgeting). Financial expert Erin Lowry goes beyond the basics to tackle tricky money matters and situations most of us face #IRL, including:

- Understanding your relationship with moolah: do you treat it like a Tinder date or marriage material?
- Managing student loans without having a full-on panic attack
- What to do when you're out with your crew and can't afford to split the bill evenly
- How to get "financially naked" with your partner and find out his or her "number" (debt number, of course) . . . and much more.

Packed with refreshingly simple advice and hilarious true stories, *Broke Millennial* is the essential roadmap every financially clueless millennial needs to become a money master.



Daylight robbery!

The saying "daylight robbery" is popularly believed to originate with the much-despised Window Tax introduced in England in 1696. Taxes are rarely popular, but the Window Tax, which was considered to tax the very stuff of life, that is, light and air, was singled out for particular loathing. People went to great pains to avoid paying it and many windows were bricked up for that reason. That's daylight robbery in anyone's book, so do we need to look any further for the origin of the phrase? Well, yes we do. The phrase isn't known in print until 1804, when it was used in its literal sense, that is, to describe an actual robbery which took place in daylight hours. That citation is in the English literary journal The Monthly Review September 1804. The first example that relates to our current colloquial meaning of unfair overcharging

(Continued on page 4)

Strange taxes through the ages

It was Benjamin Franklin, the US statesman, who famously said that in this world nothing is certain except death and taxes. He was speaking over 200 years ago, yet the adage is as true today as it was then. Rulers and governments have levied various types of taxes throughout the centuries.

Taxation has its historical roots in the first years of record-keeping: the earliest signs are recorded on clay tablets found in Mesopotamia, part of modern-day Iraq. Tax records there date from around 3300 BC. Archaeology confirms that Egypt employed one of the first tax systems: between 3000 and 2800 BC, Egyptian pharaohs employed collectors or scribes to impose levies on a range of goods and produce, such as cooking oil. Tax was collected twice a year and provided revenue primarily to fund government activity, to support the head of state and to finance the conduct of wars.

Ancient Greece and Rome are often cited, too, among the earliest regimes attempting to raise taxes in an effort to generate funds for government expenditure. Greek city states imposed taxes on commodities when wars were fought or when there was an emergency (where some form of democracy applied), but usually direct taxation only applied to the part of the population entitled to vote. In times of peace, the state governors sometimes paid back revenue no longer required for military purposes.

Income tax (i.e. a tax specifically levied on the earnings of individuals and corporations) is a common tax in modern times, but it is a relatively modern form of taxation. This is because the levying of income tax requires a fairly orderly society with a money-based economy and reliable records. Until a few centuries ago, these requirements did not exist and until then the most common forms of taxes were those based on ownership of assets, such as land or slaves. Before income tax was possible, rulers had to be far more creative to extract their dues from the citizens. Here are some examples of strange taxes levied through the centuries.

Cooking Oil Tax

In order to fund the construction of the pyramids, the Pharaohs of Egypt levied many taxes, mostly on food produce. One of their oddest laws concerned the taxation of cooking oil. Citizens were obliged to obtain their cooking oil from the Pharaoh's officials and recycling was prohibited. Egyptian tax collectors would audit every household to ensure that they were using the appropriate amount, confiscate their old supplies and force them to buy fresh, taxed cooking oil. As the Egyptians at this time didn't have an official currency, the tax was taken from harvests and property.

Urine Tax

In Ancient Rome, human urine was highly valued – the ammonia it contained was used for tanning and laundering and, shockingly, brushing teeth. The emperor Nero levied a tax on those collecting it from public urinals and Emperor Vespasian reintroduced it in around 70 AD. The tax led to the Latin saying "Pecunia non olet": "money does not stink".

Beard Tax

Peter the Great, Tsar of Russia from 1682-1725, was surely one of history's greatest advocates of odd taxes. Taking taxation to new levels of absurdity he levied taxes on drinking water, beehives and souls (actually this was just a poll tax - not quite as interesting as it sounds). He even created a committee whose sole purpose was to think up new taxes. One of his most ludicrous taxes, introduced in 1705, was levied on men who grew beards.

The tax was part of Peter's modernising reforms and was used to coerce his countrymen into dropping archaic hirsutist customs and bring them into line with the clean-shaven citizens of modernised Western Europe.

Window Tax

Window tax, or glass tax, was introduced in England (and subsequently the whole of Britain) in 1696 during the reign of King William III. The window tax was a type of property tax where the tax liability was determined by the number of windows a dwelling had. To minimize tax liability, some homeowners bricked up windows or built houses with fewer windows, sometimes even creating windowless floors. Houses with more than 10 windows had to pay a huge 10 shillings. The tax negatively impacted the health of the nation as unscrupulous landlords bricked up the windows in their tenants' houses, leading to damp and unlit conditions. After years of campaigning, the tax was repealed in 1851. Interestingly, the consequences of the window tax can still be seen in Britain today: many of the period's surviving buildings feature bricked-up window spaces.

Hat Tax

Hat Tax, much like window tax, was levied by the British Government in 1784 as a way of taxing citizens according to their wealth without resorting to income tax. First introduced by Prime Minister Pitt the Younger, hat tax laws forced hat sellers to acquire licences and employed a tiered tax system dependent upon the cost of the hat with mandatory tax-revenue stamps pasted in its lining. Apparently, many tried to dodge the tax by claiming that their headwear wasn't actually a hat. This form of evasion became so widespread that it led to government amendments to the legal definition of a hat in 1804.

Salt Tax

The crucial role of sodium chloride in the diet of humans and countless applications within science, religion and other areas have seen it shape cultures, define economies, cause wars and become one of history's most taxed commodities. A tax that led to huge change was the "gabelle" salt tax in France, so unpopular from its establishment in the mid-14th century that it was a contributing factor in the French Revolution. Although it was repealed in 1790, Napoleon reinstated it just 16 years later, and it was only abolished in 1945 after the Second World War. The British also taxed salt, leading to Gandhi's Salt March in 1930 to protest British rule in India.

Radios/Television

The UK was the first country to create a licence to fund the public radio service in 1923 when an annual fee of 10 shillings was introduced to cover radio sets under the Wireless Telegraphy Act. This later extended to TV, with the BBC licence fee launching in 1946. Two-thirds of countries in Europe and half of countries in Asia and Africa (including South Africa) also use licences to fund public TV, although the US and Canada have never pursued this path.

Playing cards

King James of England and Scotland is said to have passed a law requiring the Ace of Spades in every pack of cards to carry its printing house's insignia, to prove tax had been paid on its manufacture. Forging an ace of spades was punishable by hanging – and the card is still known as the "death card". Stamp duty on playing cards was only abolished in 1960.

Squirrels

This wasn't a tax paid on squirrels, but with squirrels. Gray squirrels were once so numerous in Ohio that an 1807 law required taxpayers to turn in to the township clerk a quota of squirrel scalps "in proportion [to] their county levies, provided that it does not exceed 100 or be less than ten" along with their tax payment.

Taxes are more than just a source of revenue—they shape our lifestyles, influence what we buy, and even affect how we behave. From fashion to food, governments have used taxes to nudge behaviours, encourage certain choices, or discourage others, often with unexpected or negative consequences. These quirky examples remind us that while taxes are inevitable, they can also leave a lasting impact—or even become the punchline of history's oddest decisions. So the next time you pay a tax, just be glad it's not on your beard or the number of windows in your home!

(Continued from page 3)

comes a little later, in the London magazine The Temple Bar in September, 1863: "It would be a bull worthy of an Irishman to call 1s. 6d. for 'bougies' a 'daylight robbery' ".

So, if the phrase came from the Window Tax, why no mention of it in print for over a hundred years after the tax was introduced?

If we are looking for evidence that is beyond reasonable doubt, the Window Tax story doesn't provide it. Unless and until evidence that relates the phrase to the tax is found we have to say that the origin is unknown.



Hat stamp from 1803



Busting life insurance legends



Life insurance has been around a long time. Like anything else that has lasted the test of time, numerous legends and myths have found their way into popular culture. Whether it's the old fashioned saying, "heaven forbid" or more contemporary thinking, there are several that need to be busted.

Let's have a closer look at some life insurance misconceptions and reveal the surprising truths that could change your perspective and your financial future.

Legend 1: Only for the well healed

The Reality: Life insurance is a financial tool accessible to individuals across various income levels. In South Africa, the life insurance industry is robust and well-capitalised, managing assets worth R4.3 trillion as of June 2024. This financial strength enables insurers to offer a range of policies tailored to different budgets, ensuring that life insurance isn't a luxury reserved for the rich but a practical option for many.

Legend 2: Only for the old

The Reality: Securing life insurance at a younger age can be both cost-effective and strategic. Premiums are typically lower for younger, healthier individuals, making it an opportune time to lock in affordable coverage. Moreover, unforeseen circumstances can affect anyone, regardless of age. Having coverage in place at any stage of life provides peace of mind.

Legend 3: Term Life isn't worth it

The Reality: While it's true that only a small percentage of term life insurance policies payout, this statistic reflects the policy's design to provide peace of mind during critical periods, such as while raising a family or paying off a mortgage. The primary value lies in the financial protection it offers your loved ones during these times. Additionally, many term policies offer options to convert to permanent coverage or extend the term, providing flexibility as your needs evolve.

Legend 4: Claims are often not paid

The Reality: Contrary to this belief, South African life insurers have demonstrated a strong commitment to honoring claims. In 2023 alone, the industry paid out R599 billion in claims and benefits, providing crucial financial support to policyholders and their beneficiaries during times of need. This substantial payout reflects the industry's reliability and the critical role life insurance plays in financial planning.

Legend 5: Only for the unhealthy

The Reality: That's exactly why you should get it. The best time to buy life insurance is before you need it. Life is unpredictable, and having coverage means that if something happens, your family won't be left scrambling. Think of it as future-proofing your finances.

Don't let these outdated legends fool you. Life insurance isn't just for the wealthy, the old, or the unlucky, it's for anyone who wants to safeguard their future. The real surprise? It's probably more accessible and affordable than you think.

What is underwriting in life insurance?

Underwriting in life insurance is a detailed process that life insurance companies use to assess an applicant's eligibility for coverage and determine the appropriate premium. This involves two key approaches: medical underwriting and financial underwriting. Medical underwriting examines an individual's health and lifestyle factors, including age, medical history, habits and occupation, to evaluate the risk they present to the insurer. On the other hand, financial underwriting focuses on ensuring that the coverage amount aligns with the applicant's financial needs and circumstances. Insurers may review income, assets, liabilities and other financial indicators, along with the applicant's credit history and existing insurance coverage.

The objective is to determine that the policy's face amount is justified, preventing being over-insured and underlining the policy's role as a safety net rather than a financial windfall. Together, these underwriting facets work to create a fair, balanced assessment of the applicant, guiding the insurer in offering a policy that reflects the true risk and financial context of the individual.

Which type of life insurance is best for me?

Whether you opt for whole or term life cover depends on your needs and wants. For instance, term life cover could be ideal if you want financial protection only until all of your children become independent. Whole life cover typically means paying a slightly higher premium than you would for term life insurance as it doesn't expire. On the upside, is that you don't have to worry about renewing it at a later stage or potentially being charged an ever higher premium due to being older.

Term life cover has its advantages too. It's a good solution for someone who doesn't have a big debt they wouldn't want to leave to their family, such as a bond. In this case, term life insurance would be ideal if you only require financial protection for a certain number of years, such as until your children become financially independent.