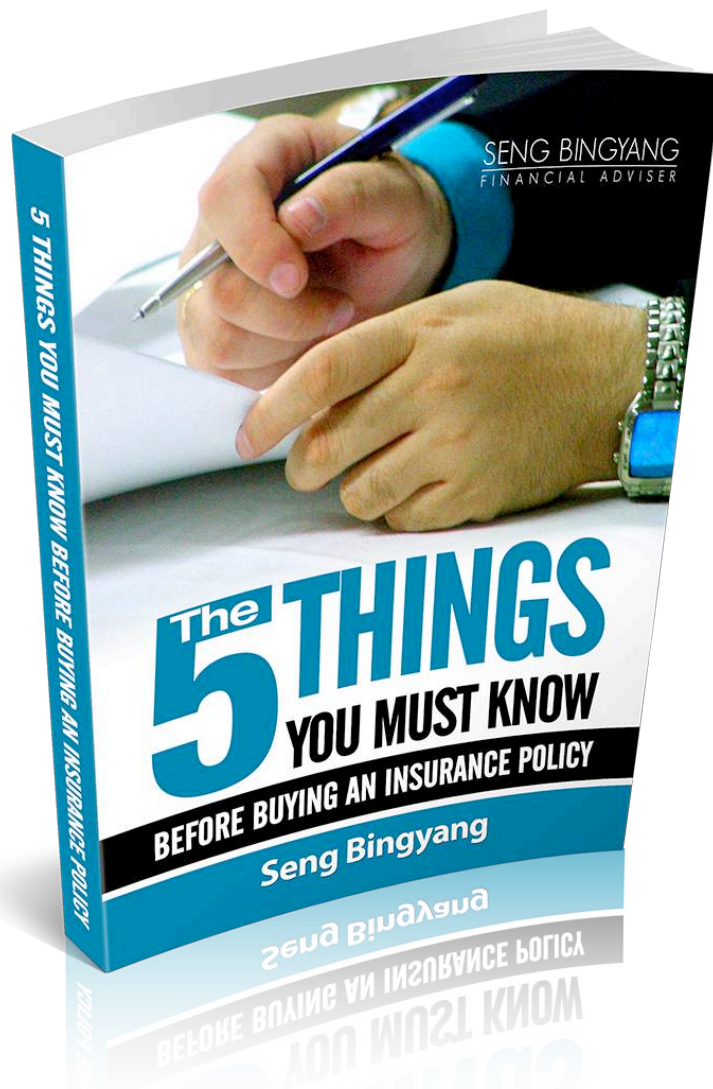


The 5 Things You MUST Know Before Buying an Insurance Policy



Seng Bingyang

Studies have shown that Singaporeans are **grossly underinsured**. And underinsurance is most common in young professionals and families with young children.

These groups tend to be **misinformed about proper financial planning**, focusing on earning returns and neglecting the needs of themselves and loved ones should something untoward happen.

Hence in my career as a **trusted financial advisor**, many young ambitious professionals just like you have **consulted me on insurance planning**.

A very **common mistake** I observe them making is **to look at an insurance policy as a commodity that works the same for everyone**.

Look around you. How do your peers usually make their buying decisions?

They often ask their friends for advice and recommendations on the latest IT gadgets, movies to watch and restaurants to eat at.

And guess what, their friends would be more than happy to help!

Think about it. **Dispensing advice is one of the easiest things to do in life**. It cost you nothing, and when someone else buys an identical item, it validates your own purchase!

Being a young professional myself, I do the EXACT same thing when it comes to such items, and I am in fact conditioned to apply the same methods to most of my purchases.

However, there are **two crucial differences** I would need to point out when you are selecting something as important as your insurance programmes.

First of all, watching a movie that your friend recommended rarely has dire consequences on you. It is highly probable that you would enjoy the same movie because friends tend to be like-minded in the first place! Therefore, you and your good buddy would likely have similar tastes for entertainment.

This DOES NOT apply to an insurance policy, which **only serves its full purpose if implemented correctly and adequately** to your UNIQUE situation.

Secondly, even if you were to disagree with your friend that Spiderman was an amazing movie, all it cost you were 2 hours of your time and \$10 for the movie ticket. Hardly something that would wipe out your hard earned savings, right?

This again DOES NOT apply to an insurance policy, which very often is **long term and much more costly if you were negligent**.

When I am approached by young professionals looking to buy an insurance policy, they often ask me the following questions:

- Should I buy Term or Whole Life?
- What about Endowments?
- I already have this and that. Can you tell me what else I need to buy?
- Should I buy ABC plan or XYZ plan?
- Will you tell me what the best insurance policy to own is?

And they are surprised when I follow up with this, “Why do you think you need this particular policy?”

You must be wondering if I am crazy. **Doesn't everyone need life insurance?**

Let me assure you that more often than not, before working with me, these people are unable to come up with a clear answer.

The fact is this; I have met people who don't need it. I would then duly recommend and help them to deploy their resources elsewhere.

But most of us do need insurance in one form or another. Yet, **until you know the 5 things I am going to share, you can't be sure what type of policy you need and how much of each to buy.**

With so many wants in life and limited resources, a young professional like you has to prepare yourself on many fronts.

The last thing you want to do is to allocate your money inaccurately to a long term commitment like an insurance policy.

Worse, **by owning the wrong policy**, you could be **under the illusion of false security and be devastated by life's surprises.**

Nonetheless, let me promise you that if you make the correct purchase and administer it appropriately, it will be **one of the greatest investments** you can ever acquire.

So how do you decide whether you need a particular insurance policy or not?

To ensure that your insurance policy does not potentially become a costly mistake, I am going to reveal the **5 things you MUST know** before buying an insurance policy.

These are the **exact steps** that my clients take in planning for their insurance needs with me, which ultimately **save them immense time, headaches and allow them to sleep better at night.**

But most importantly, these steps **prevent the pain of seeing their financial dreams collapse**

The 5 Things You MUST Know Before Buying an Insurance Policy

1. What Are Your Goals? Prioritize Them!
2. Where Do You Currently Stand Financially?
3. What is Your Plan in Reaching Your Goals?
4. What Are Your Options? Decide and Execute them!
5. Anything That Can Go Wrong Will Go Wrong. Commit to Monitoring and Reviewing Your Plan!

What Are Your Goals? Prioritize Them!

Why do you think many young people start off by asking the wrong questions?

As explained earlier, we are conditioned by our buying habits from elsewhere.

However, since insurance is not a commodity that works the same for everyone, for it to be **utilized in its proper manner** and for it to **serve its full purpose** as a cornerstone of your financial plan, you need to apply it correctly and adequately to your own unique situation.

Insurance policies are to us what pills are to doctors and patients.

So instead of asking what the best insurance policy to buy is right off the bat, it is better to first ask yourself what your goals are!

Whether it is to provide pocket money for your parents or to get a head-start in life or to start a children's education fund, **you need to know what your dearest goals are** before you can implement the correct policy!

Where Do You Currently Stand Financially?

You need to **know where you stand financially** right now in order to **design a plan to get you to your goals.**

Think about it. If you have no clue where you are or how fast you can run, wouldn't it be extremely difficult to determine how long the journey to your destination will take?

In fact, you would even have trouble deciding which direction to begin your run!

Therefore, please **be brutally honest with yourself** here and the truth will set you free.

Do you own any assets? What are they?

Do you already hold some form of insurance? How much?

What is your income and expense? Do you spend more than you save? What about debts?

What is Your Plan in Reaching Your Goals?

Now **create a financial plan that will take you to your goal.**

How much should you save and invest to get to your destination? What instrument are you going to use? And for how long?

Are you aware of any blind spots or risks that may show up in life that can stop you from reaching your goals? What do you do about them?

Would you consider retaining the risk? Or perhaps manage the risk with insurance?

Have you set aside any emergency funds to tide you over difficult times?

What Are Your Options? Decide and Execute them!

Congratulations! Now is the time for you to **find out what policies to buy** that will complement your financial plan.

Forget what others do. Last thing you want is to obtain something that neither fits your profile nor takes you closer to your goal.

Again, you need to be brutally honest with yourself as **only you know yourself best.**

Are you someone who is extremely undisciplined? Do you need sure-fire strategies to save money or assistance in implementing your financial plan? Are you the conservative or aggressive sort?

Note that even **the best financial plan is good for nothing if you don't take ACTION!**

Consider working with a trusted financial advisor. With him as an accountability partner, he can guide you with his expertise in this area, and also help you to execute your plan.

Anything that can go wrong will go wrong

Murphy's Law states that "Anything that can go wrong will go wrong."

It is unrealistic to expect your plan to be perfect today and to remain perfect for the rest of your life.

We can neither be certain what the inflation rate and interest rates are, nor what new policy our government can come up with.

Therefore, **don't be alarmed when things go wrong** in your financial plan!

As time passes, circumstances may result in you changing your goals too.

So **always monitor and review your plans**, and respond accordingly.

As long as you remain committed to achieving your goals, you can always calibrate your efforts towards them, and things will turn out great!

What's Next?



I understand that it could be a Herculean task for you to work on these 5 things alone.

We all know that **learning something and implementing it are two entirely different things.**

With so many personal commitments and so little time, it is no wonder that **many young professionals find it too tiring and overwhelming to properly plan for their insurance and financial needs.**

Some people make the **fatal mistake** of leaving their plan up to destiny, and guess what plan destiny has in store for them? The “Not Much” plan.

Others take it one step further by **randomly purchasing some insurance products**, and thinking that their job is done. They spend precious time haggling over the cost they pay, without focusing on the benefits that relate to them or even questioning whether they need the purchase in the first place!

However, we all know that **financial planning is a life-long process.**

An outdated or slipshod plan will always contain countless blind spots and may even **bring up many of life's ‘surprises’** that could **cripple your finances** and derail you from achieving the success you deserve.

Look, I hope I am not telling you anything that you don't already know.

Ask yourself the following:

1. Have you ever sat down diligently for a weekend or two to consider and prioritize your goals?
2. Are you truly aware of the risks that could derail your goals?
3. Are you really able to find out all your options and execute your plan on your own?
4. Do you feel that you absolutely understand insurance law and your rights that go along with these programmes?
5. Will you always be up to date on the latest developments in the world of insurance and personal finance?

If you are honest with yourself, you will know where the gaps are and it's time to fill them.

But, **do you need to spend all your precious time and energy** on the above? Is this the best use of your talents?

Have you considered **having a trusted financial advisor by your side** while you conquer this world?

Just imagine applying everything that you have learned, with **expertise and support** from the right person.

If you believe that the right person is me, then click below to find out more about my **complementary** consultation service and submit your application.

I strongly believe that **with the right partnership**, you can **focus on what you do best**, that is striving to **be a superstar** in your own profession.

So meet me halfway. And I promise to help you take care of the rest.

Get Your Complementary 60mins Consultation [Worth \$147]

I know that you want to **get ahead in life**. But most clients I work with either **do not know where to start** or are **so confused that they are paralysed by choice**.

That is why I am giving away **A Complementary Consultation Session** to young professionals to support them in achieving their goals.

In this Free Consultation, I will help you to

- Analyze Your Current Financial Picture
- Investigate Your Risks and Insurance Needs
- Tailor A Plan For You to Implement to Achieve Your Goals

“Hold on... What is the catch?”

I can work with young professionals either on a **fee-only basis** or **commission-only basis**.

This consultation is worth \$147 which is what I would charge per session if you work with me on a fee-only basis.

But to tell you the truth, I prefer to work on a commission-only basis.

Why?

Earlier in my career, I had the fortune of meeting and having dinner with Mr. Norman Levine, a legend in the Insurance and Financial Services Industry.

One story Mr. Norman Levine had spoken of was that of an earnest individual who had his financial plan drawn up by his financial advisor. His plan was both comprehensive and impressive, and he could tell that the man was extremely proud of it, having paid USD15,000 for it.

Yet, when Mr. Norman Levine enquired how much of the plan had been administered, the man sheepishly admitted that he had not done anything, and that he was effectively still at square one.

Moral of the story: It cannot be too often repeated that **the best financial plan is good for nothing if you don't take ACTION!**

I enjoy guiding people towards their goals by taking proper action and this includes implementing legitimate solutions. Designing a plan and leaving them to their own devices does not always sit well with me.

Hence, this complementary consultation session is offered to like-minded young professionals like you to see if we can forge a **win-win partnership**.

While I want to implement your solutions for you, I don't believe in bait-and-switch tactics.

So if for whatever reason, you feel that what I do for you during the consultation is of no value, there will be no hard feelings. We will shake hands and be on our way!

On the other hand, if you like my work and solutions, I will respectfully request that you make your insurance purchases with me, and I will follow through with your plans over the long term.

Finally, while I love to help people, you know I cannot possibly serve every young professional out there.

I do my best work with people who value what I bring to our partnership. And I can only help those who want to be helped.

Since time is limited, **I can only offer generously of my skills and expertise to a limited number of people.**

This is definitely not for everyone, so to help me determine who is serious; I would respectfully ask of you to [fill up a form](#) with a few questions about yourself. Once I have that information, I will do some research and set a meeting with you.

See you on the other side!

Bingyang



Many young working professionals like you have trusted Bingyang to tailor a financial plan for them to achieve their goals and aspirations. His insightful advice has also helped many first-time insurance buyers obtain the appropriate policy with great confidence.

Graduated from the National University of Singapore with a Major in Finance, Bingyang also holds professional designations – Chartered Financial Consultant®/Singapore (ChFC®/S) and Accredited Financial Counsellor.

Find out how Bingyang can help you to achieve your financial goals by protecting and growing your money at SengBingYang.com