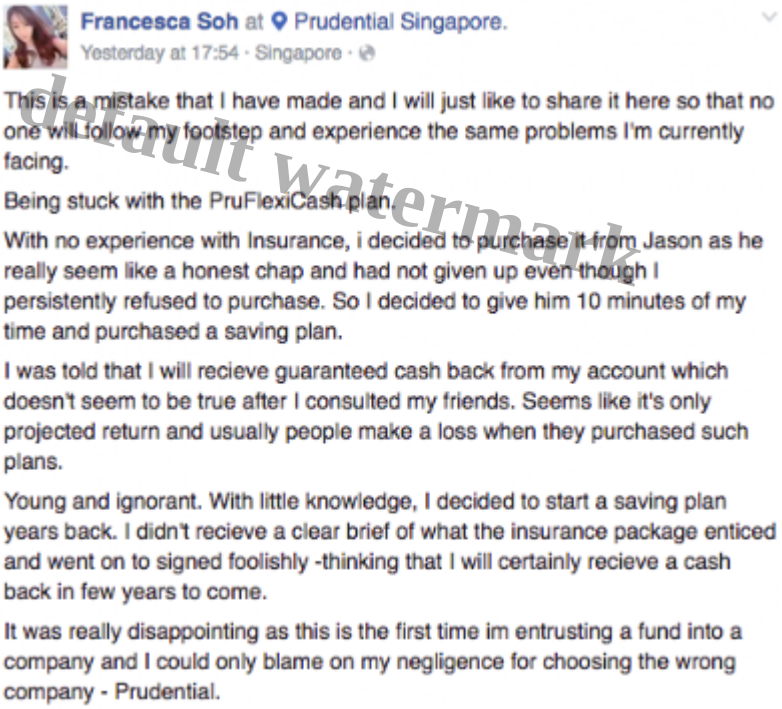
Lifestyle Influencer Francesca Soh Learns The Truth About â??Guaranteed Cash Backâ?• In Her Insurance Policy

Description

Financial literacy and insurance is back in the spotlight again, after a 25-year-old lifestyle influencer and a 73-year-old lady shared about their unfortunate experience with their insurer.

Everyone is talking about Francesca Sohâ??s bad experience with her insurance agent and company after she publicly shared this on her Facebook Wall yesterday:



Francesca Soh at Prudential Singapore.
Yesterday at 17:54 · Singapore ·

This is a mistake that I have made and I will just like to share it here so that no one will follow my footstep and experience the same problems I'm currently facing.

Being stuck with the PruFlexiCash plan.

With no experience with Insurance, i decided to purchase it from Jason as he really seem like a honest chap and had not given up even though I persistently refused to purchase. So I decided to give him 10 minutes of my time and purchased a saving plan.

I was told that I will recieve guaranteed cash back from my account which doesn't seem to be true after I consulted my friends. Seems like it's only projected return and usually people make a loss when they purchased such plans.

Young and ignorant. With little knowledge, I decided to start a saving plan years back. I didn't recieve a clear brief of what the insurance package enticed and went on to signed foolishly -thinking that I will certainly recieve a cash back in few years to come.

It was really disappointing as this is the first time im entrusting a fund into a company and I could only blame on my negligence for choosing the wrong company - Prudential.

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Few months after I signed he decided to leave the company without informing. So my account was thrown to another agent and I only got to know when I received a Christmas card. So I consulted him and he told me he's just merely leaving the company awhile before he comes back and could take over my account back to handle it personally.

Recently (4 years later), I decided to check on my plans and only came to realized that I have to hold on the plan until 2038 and it's only a "projected return" that I'm gonna risk if I want to continue to risk.

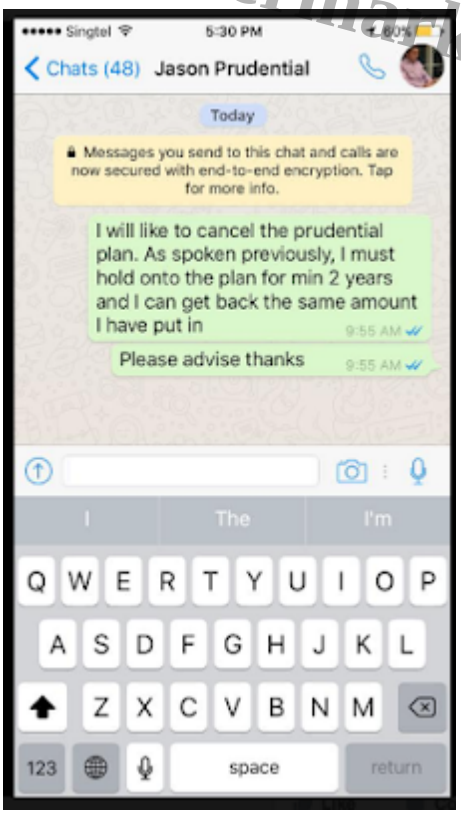
Dropped him a text again and he just blue-ticked me. Personally, I felt that it was unprofessional as he was the one I first dealt with despite the fact that he have left the company. The current agent has never called me but does send me greetings yearly and I'm abit hesitant to contact her as I have not known her before.

So next time, make sure your consultant is staying on with you else don't sign.

Just called the helpline and they told me they could not disclosed to me when is the best time to drop the plan. Seriously? Is that how you make people stick with you for life?

I guess all I require was the agent to do a follow up yearly. Perhaps meet over a coffee. You never know if your existing customers could potentially give you more deals. I do recieve yearly statement but I just wanted to understand how they could help advise me on ways I could manage my finance better.

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As of today, her post has been shared over 600 times on the Internet, with many coming forward to share about their own similar experiences as well. Clearly, Francesca isnâ??t the only one who believed something different when she bought her policy.



Daryl Rio Leonard Would just like to share my Girlfriend bought the exact same plan PruFlexiCash a couple of years back when she was young and didn't know anything about insurance plans.

The plan premiums were ridiculously high and was also tied to her medical plan. Which mean she couldn't stop either one without risking losing everything.

I consulted other trustable friends in Prudential who had just joined and they told me it was a bad deal. Explaining in detail. So basically she decided to cancel it losing about 10k+ within 2 years and getting back a pathetic 5% cash back.

Not naming or shaming the agent here but I wonder sometimes how does such ethics come about. Or maybe they have none. That being said, either buy from someone you can trust, or don't buy at all.

Like · Reply · 3 · 21 hrs

Irene Myt Totally same as you. Cancel also bohua, just pay finish 25 years. Mine worst kana the longest plan 😭

Like · Reply · 1 · 20 hrs

Li Ting Pon Same ! Haix.. Face the same thing .. Luckily I lost only 1800

Like · Reply · 4 hrs

Kew Yanling Anson How Nicholoden Wong is it true that amount is not guarantee?

Like · Reply · 8 mins

Francesca Soh
23 hrs · Singapore ·

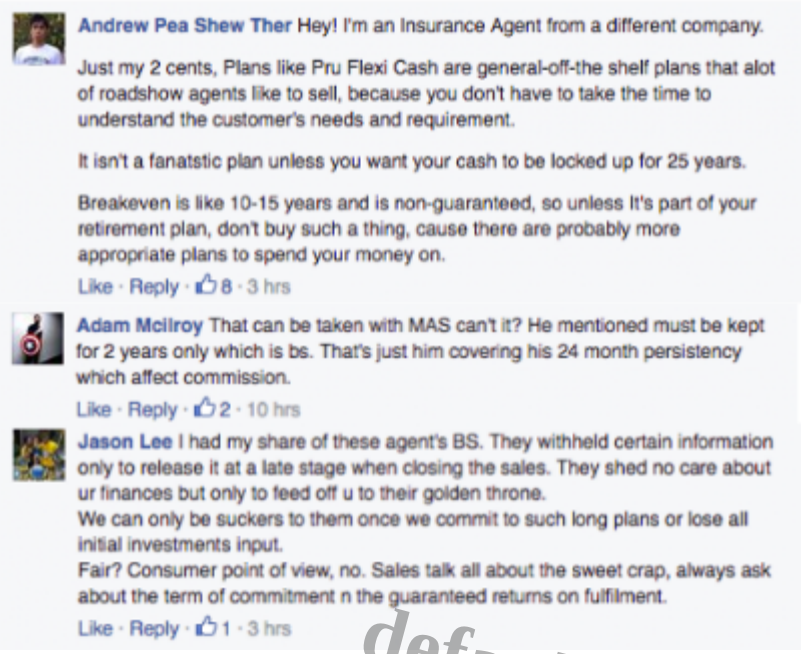
I'm not the one experiencing the same issue with Prudential.

Even my girlfirend, Vanessa Ong experienced it herself.

I'm just speaking from a personal experience. So hope everyone could just treat it as a case study before deciding on saving plans. It may be wrong for us but it doesn't mean it will be the same for every case. #justsharing

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Some also stepped up to talk about why this is common and how (black sheep) agents manage this:



Andrew Pea Shew Ther Hey! I'm an Insurance Agent from a different company.

Just my 2 cents, Plans like Pru Flexi Cash are general-off-the shelf plans that alot of roadshow agents like to sell, because you don't have to take the time to understand the customer's needs and requirement.

It isn't a fanatstic plan unless you want your cash to be locked up for 25 years.

Breakeven is like 10-15 years and is non-guaranteed, so unless It's part of your retirement plan, don't buy such a thing, cause there are probably more appropriate plans to spend your money on.

Like · Reply · 8 · 3 hrs

Adam McIlroy That can be taken with MAS can't it? He mentioned must be kept for 2 years only which is bs. That's just him covering his 24 month persistency which affect commission.

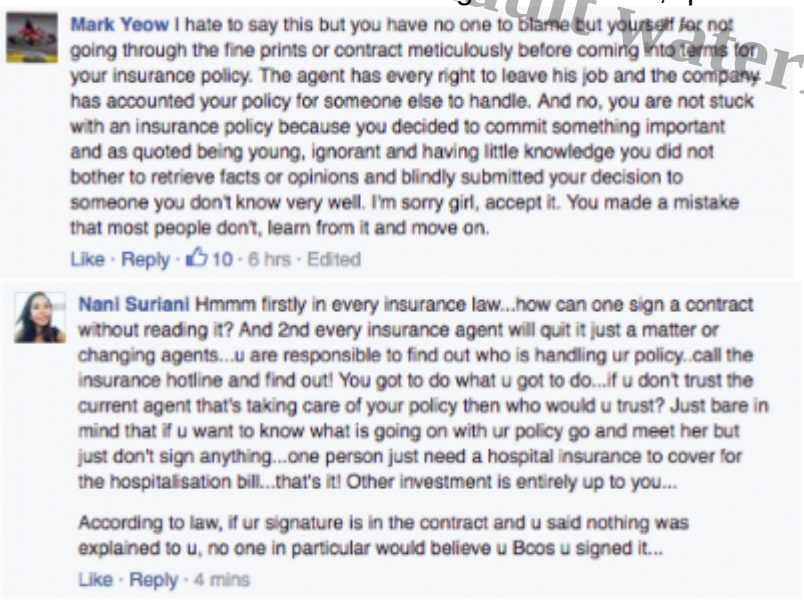
Like · Reply · 2 · 10 hrs

Jason Lee I had my share of these agent's BS. They withheld certain information only to release it at a late stage when closing the sales. They shed no care about ur finances but only to feed off u to their golden throne.
We can only be suckers to them once we commit to such long plans or lose all initial investments input.
Fair? Consumer point of view, no. Sales talk all about the sweet crap, always ask about the term of commitment n the guaranteed returns on fulfilment.

Like · Reply · 1 · 3 hrs

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There were also some who thought Francesca, quite frankly, should blame herself instead of the agent:



Mark Yeow I hate to say this but you have no one to blame but yourself for not going through the fine prints or contract meticulously before coming into terms for your insurance policy. The agent has every right to leave his job and the company has accounted your policy for someone else to handle. And no, you are not stuck with an insurance policy because you decided to commit something important and as quoted being young, ignorant and having little knowledge you did not bother to retrieve facts or opinions and blindly submitted your decision to someone you don't know very well. I'm sorry girl, accept it. You made a mistake that most people don't, learn from it and move on.

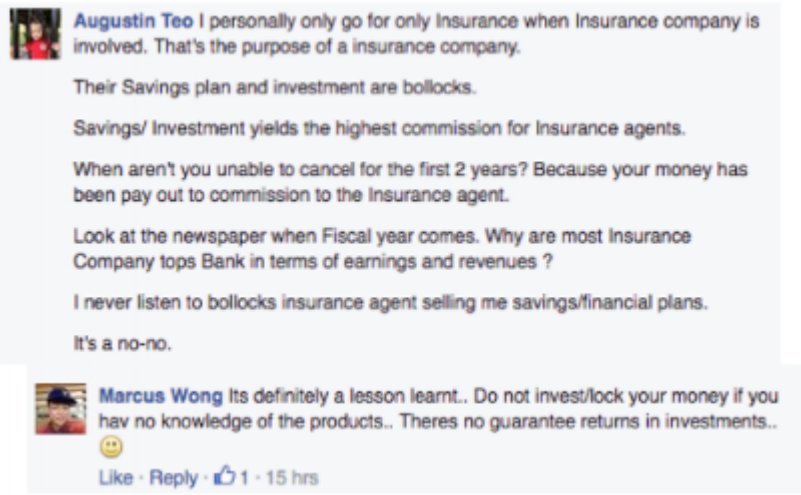
Like · Reply · 10 · 6 hrs · Edited

Nani Suriani Hmmm firstly in every insurance law...how can one sign a contract without reading it? And 2nd every insurance agent will quit it just a matter or changing agents....u are responsible to find out who is handling ur policy..call the insurance hotline and find out! You got to do what u got to do...if u don't trust the current agent that's taking care of your policy then who would u trust? Just bare in mind that if u want to know what is going on with ur policy go and meet her but just don't sign anything...one person just need a hospital insurance to cover for the hospitalisation bill...that's it! Other investment is entirely up to you...

According to law, if ur signature is in the contract and u said nothing was explained to u, no one in particular would believe u Bcos u signed it...

Like · Reply · 4 mins

But more importantly, the lessons to be learnt here were succinctly highlighted : **become financially educated yourself so you donâ??t fall for such schemes.**



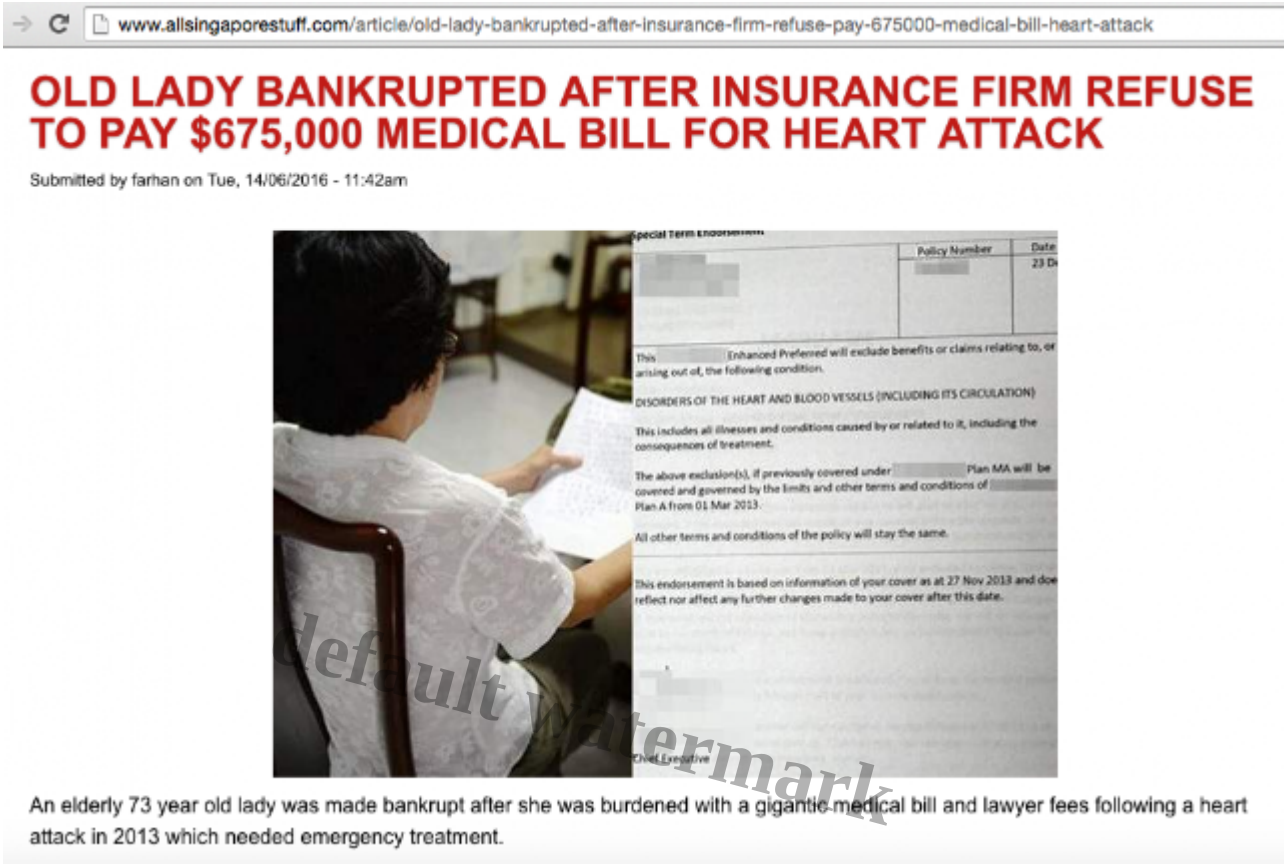
Francesca Soh is not the only one. Iâ??ve previously shared about how I cancelled my ILP (which I naively bought from a trusted friend as a fresh graduate) and waved goodbye to the 4-digit premiums I paid over 2 years. It was a painful and expensive lesson, but it taught me the importance of financial literacy, and opened my eyes up to how plenty of financial advisors operate.

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We often donâ??t realise that there are plenty of financial advisors who join the industry because they are lured by the promise of big money and fat commissions. Just go for any recruitment talk by an insurance company and youâ??ll know what I mean (yes, Iâ??ve experienced it myself). Once they join, they are trained to sell.

Many may also not be financially-savvy themselves â?? just take a look at this local insurance agent who landed himself in a $110,000 debt.

What about the 73-year-old lady I mentioned at the beginning of this post? Sheâ??s in even dire states.



Screenshot from AllSingaporeStuff

For the elderly lady, she had undergone medical treatments which added up to $675,000, but her insurance company only paid less than 20% of her hospital bill. The irony was that she had renewed and upgraded her policy in 2011 (Iâ??m guessing she might have paid more premiums as result?) ; but instead of giving her a peace of mind, it ended up landing her in debt.

AllSingaporeStuff reported that she had initially taken the insurance to court but has since decided to drop the suit as she has no more money to continue fighting. Her current debt inclusive of legal fees add up to $684,000.

Many people shared advice on Francescaâ??s post on how one should find a trusted agent who will stick around till the end. Unfortunately, that alone is hardly enough either. Just look at this case last year where a man went for surgery after his agent assured him that â??everything was claimable up to 600K a yearâ•, only to be left with a $85,000 hospital bill when his insurance company refused to pay.

So what can we learn from the mistakes of others? Simple â?? get yourself financially educated. Ultimately, the best financial adviser isâ?¦none other than yourself. When it comes to money and protection, it is better to be safe than sorry, because who else will *truly* have your best interests at heart?

Iâ??m not saying there arenâ??t good insurance agents â?? Iâ??m sure there are the golden gems among the black sheep. The problem is, there are too many black sheep around, and most consumers donâ??t know how to distinguish the good from the bad.

If youâ??ve stuck around long enough with me on this blog, I hope youâ??ve learned how not to become such a victim.

In my next post, Iâ??ll share more about **some questions you can ask your insurance agent before you purchase any policy from them**. That way, you can discern and make an informed decision. Most importantly, be 100% sure of what youâ??re committing to before you sign anything!

With love,
Budget Babe

Category

1. Insurance

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