



[Home](#) > [Invest](#) > [Story](#)

March 23, 2008



ME & MY MONEY

He never falls back on credit

That's why insurance claims specialist Nehemiah Neo sleeps soundly - he's debt-free, his homes are all paid up

By **Lorna Tan**, Finance Correspondent

MR NEHEMIAH Neo, 55, an insurance claims specialist for more than 30 years, dislikes living on credit. It explains why the founder of home-grown Insight Adjusters and Surveyors makes it a point to pay his credit card bills in full every month. He is also able to sleep soundly every night because the mortgages on his two homes are fully paid-up.



MR NEO IS OFTEN TOO WRAPPED UP IN THE FINANCIAL WOES OF OTHER PEOPLE, in particular those embroiled in complicated insurance claims, to devote much time to his own investment portfolio, and so prefers to rely on unit trust funds and the professionals who run them. -- ST PHOTO: WANG HUI FEN

'I feel very uneasy when I don't give or pay on time. I don't like owing people money,' he said.

This practice is extended to his business dealings. His landlord at The Octagon at Cecil Street revealed that Insight was the only one of his tenants there who had paid on time every month, for five years. Insight, which used to occupy 6,000 sq ft of office space at The Octagon, moved out of the building two years and into Temasek Tower at Shenton Way.

As a claims specialist - also known as a loss adjuster - Mr Neo's job is to ascertain whether, and to what extent, the insurer is liable under the terms of the insurance policy when a claim is made.

His company, Insight Adjusters and Surveyors, was set up in 1992 and is the largest firm of its kind in Singapore, with 55 employees.

When it comes to personal savings, Mr Neo said he has no set pattern, but he generally saves around 25 per cent of what he earns. It could be more. A fervent Christian, he has been giving tithes, which amount to 10 per cent of his income, to his church at Odeon Katong for the past 16 years.

UNGLAMOROUS JOB, VARIED INVESTMENTS

THE work of an insurance claims specialist is neither glamorous nor well-understood by the public.

When a claim is made, Mr Nehemiah Neo has to ascertain whether, and to what extent, the insurer is liable under the terms of the insurance policy.

[... more](#)

outset but, for the first six years, my partners and I chose not to declare any dividends as we believe in saving the surplus for business contingencies.

The cash reserve did come in real handy in later years when the business needed funds to expand into China and other countries in the region. My firm is fortunate to be ranked among Singapore's top 500 small and medium-sized enterprises this year.

I have more than \$200,000 invested in a portfolio of stocks such as Neptune Orient Lines and unit trusts, and it has generated average annual returns of 6 to 10 per cent. I prefer to go into stocks I'm more familiar with, like property counters,

'Some of my friends and relatives balked at hearing this, but I told them I've been keeping a much greater sum for myself, being the balance of 90 per cent,' he said.

He has been married to Hazel, 55, for 30 years. They have two children, Gabriel, 28, and Angie, 21.

Q What financial planning have you done for yourself?

A My investments are mainly in my business, properties and some Singapore stocks and unit trust funds. I invested \$110,000 to start my business with three other partners. It has been profitable to a varying degree virtually from the

- [Home](#)
- [Latest News](#)
- [Free Stories](#)
- [Print Edition](#)
- [News](#)
- [Invest](#)
- [Think](#)
- [Sweat](#)
- [Click](#)
- [Gen Y](#)
- [Talk](#)
- [Lifestyle](#)
- [Podcast](#)
- [Video](#)
- [Columnists](#)
- [Saturday](#)
- [Special Report](#)
- [Most Read Stories](#)
- [Discussion Board](#)
- [Jobs](#)
- [Cars](#)
- [Property](#)
- [Shops](#)
- [Mind Your Body](#)
- [Digital Life](#)
- [Urban](#)
- [Correspondents](#)
- [News In Pictures](#)
- [Photo Essays](#)
- [Increase font](#)

Other Invest Stories

- [Should you invest your CPF savings now?](#)
- [Astute bargain hunters ferret out the choicest investments](#)
- [He never falls back on credit](#)
- [Muted market gives buyers more bargaining power](#)
- [Will I be forced to sell home upon divorce?](#)
- [How to find work after being retrenched?](#)

because I handle the insurance claims and surveys for many construction projects in the course of my work. For unit trusts, I talk to the banks before I purchase them.

My wife and I own a landed property in Katong, which is fully paid-up, and we rent out a four-bedroom condominium unit at Tanjong Rhu. The latter was bought for \$1.3 million seven years ago and its value has gone up by about 40 per cent since.

Q What about insurance planning?

A Although I am an insurance man, I don't really purchase much life insurance. I bought whole-life protection totalling about \$500,000, with an additional personal accident cover of \$1.5 million. The annual premium is less than \$10,000. I also have hospitalisation and critical illness cover.

Q What's your investment philosophy?

A I don't really have the time to monitor share prices, so I am more inclined to invest in unit trust funds, where professionals help to look after a spread of portfolios.

When it comes to investments - whether they are in property, stocks or funds - I prefer to buy and hold. This way, I'm not caught out by the vagaries of the market cycle, and do not suffer cyclical anxieties. Meanwhile, I enjoy regular dividends and there's a good chance I will ultimately get capital gains from my investments when they appreciate.

Q Any other investments?

A I love local paintings and have pieces at home by famous Singapore Chinese brush painters, such as Tan Kian Por. Some people have remarked that the reception area of my office is like a mini gallery. It sports several batik paintings by Sarkasi Said and a rare picture of my old kampung in Punggol painted by world-renowned watercolour artist Ong Kim Seng.

Q Moneywise, what were your growing-up years like?

A I was born with a silver spoon, but I tasted real poverty when I turned five, after my dad's construction business, which built the old KK hospital, collapsed.

My family used to live in a landed property in the Macpherson area, but after my dad's business failed, we lived with relatives in a shophouse in Punggol. I come from a large family of 11; I was the eldest son and the second child.

When I was in primary school, I had to scrounge for a living by picking up condensed milk cans to sell. My hands would get all cut up from handling the discarded cans.

My mum and siblings sewed reinforcement pieces for attap roofs at a building material yard using metal needles that we had fashioned ourselves from discarded Ovaltine cans, and they were paid by the piece.

Money didn't come easily; we had to earn it the hard way.

I saw how lives could be wrecked or torn apart because of money woes. After national service, I had to forgo my reserved place at university as my family was poor then.

I went into insurance as I saw an opportunity to get a professional insurance qualification - an associateship with The Chartered Insurance Institute, which is equivalent to a university degree - at the same time that my contemporaries graduated from varsities.

Q What has been a bad investment?

A I had a bad experience with a capital-guaranteed structured notes product that involved shares in the United States. This incurred a loss of some \$50,000. I bought it about three years ago and the maturity date was five or seven years later, but I decided to liquidate it last year.

I wasn't told about the downside and I was given the hope that I could cash in the profit after one year should the bank call back the product, which didn't happen. I decided to cut my losses and reinvest my money.

Q Your best investment to date?

A I invested \$200,000 of company funds into a regional unit trust, which produced a profit of about 60 per cent after two years.

It was enough to pay for the cost of my company's 15th anniversary gala dinner last October at the Shangri-La's grand ballroom. The event was attended by some 500 clients and business associates from many countries.

Q What's your retirement plan?

A It would be very nice if I could take several months of sabbatical leave just to goof off, after having worked for nearly 35 years.

However, what keeps me going are the passion I find in the job when I help clients achieve peace of mind and financial security; the unstinting support of clients who have become friends; and the great team of colleagues I have in the region.

When I retire will depend on where the Lord leads me.

Q And your home now is... ?

A A two-storey, 2,800 sq ft landed property in Katong. It was purchased 20 years ago for more than \$700,000. The value could have gone up four times by now.

Q And your car is... ?

A A dark-grey Mercedes E200.

lorna@sph.com.sg

Best viewed at 1152x864 resolution with IE 6.0 or FireFox 2.0 and above
Copyright © 2007 Singapore Press Holdings Ltd. Co. Regn No. 198402868E | [Privacy Statement](#) | [Terms & Conditions](#)