

nexnews

WHAT CAN WE LEARN FROM OUR SPEAKERS? PART 2.

Last week's TOPIC 1 covered the general business environment in Brunei. In this week's newsletter, we'll highlight the points and key take-aways of financial literacy covered by three other speakers we had during the induction week.

Why do we need to know about financial literacy and why is it important? As last week talks about how to start a business, understanding financial literacy helps you understand why it's **important to have savings and financially protect yourself, especially when you want to start your own business**. Not only that, TOPIC 2's speakers highlighted that **financial literacy is important because it equips us with the knowledge and skills we need to manage money effectively**. Without it, our financial decisions and the actions we take—or don't take—lack a solid foundation for success.

TOPIC 2 – THE BASICS OF FINANCIAL LITERACY

Speakers:

- **AK. MD FADHLI PG. SULAIMAN** OF AUTHORITI MONETARI BRUNEI DARUSSALAM on Anyone Can Fall Victim
- **HAJAH NOOR TAMTINI HAJI BASIR** OF BANK ISLAM BRUNEI DARUSSALAM on Syariah-Compliant Banking and Products
- **SRI NAZRINA HAJI JOHARI** OF TABUNG AMANAH PEKERJA on Retiring With A Peace of Mind

At Nex.U.S, we're starting to re-discover our career paths and future plans. We're all at different points of our lives – some of us are just starting out our careers, some of us are approaching retirement, some of us may be thinking of purchasing that first new home, or a brand-new car, or even putting aside money for our children's education. But one thing we all have in common is that we want financial security and stability for our future to enable us to make these plans and purchases.



AMBD talked about the basics of protecting your finances and having awareness of potential scams that are 'too good to be true'.

AK. FADHLI highlighted that **scams target people of all backgrounds, ages and income levels**. At this day and age, scammers are getting smarter and taking advantage of new technologies to create believable stories that will convince you to give them your money or personal details.

While preying on our fears, scammers also prey on our desires. 'Skim Cepat Kaya' or the supposed 'Get Rich Quick' schemes being the common ones in Brunei.

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Some of the important highlights from this talk is to always protect yourself. The speaker reminded us:

- **Be alert to the fact that scams exist**. When dealing with uninvited contacts from people or businesses, whether it's over the phone, or on social networking sites, always consider the possibility that the approach may be a scam. Remember - if it looks too good to be true, it probably is.
- **Know who you're dealing with first**. If you've only met someone online or are unsure of the legitimacy of a business, take time to do a bit of research.
- **Don't respond to phone calls or texts from unknown numbers**, especially when they request for your personal details.

Above all - never rush to make a financial decision. Understand what you're getting yourself into before making that decision.

Although it may be an exciting prospect to ‘receive’ money almost-instantly [from scammers or unlicensed money lenders] and that it seems like an easy and fast solution, it's dangerous and its long-term damaging. **As AMBD cautions us all – always be smart and understand your needs vs. wants.**



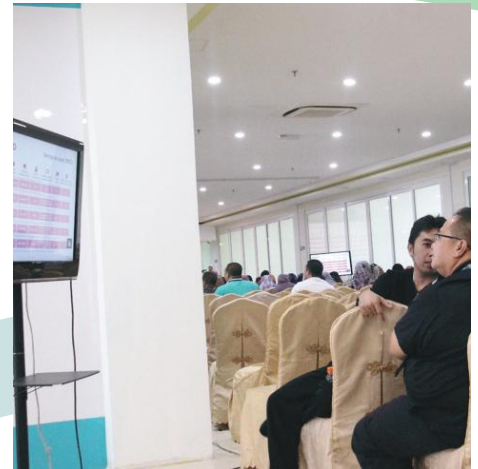
So how can you protect yourself and avoid falling victim to scammers or fraud? HAJAH NOOR of BIBD tells us that they've made it simple and easy - and that's starting by having savings, putting it into a bank account, and securing it safely. In general, having a bank account can provide security and serves as a resource in case of an emergency or better yet, when a business opportunity arises.

BIBD offers multiple different types of bank accounts that can be used for many different purposes that can cater to our needs and lifestyle. For example – if you want to save up to perform Haj, then BIBD has a perfect account for this purpose, which is with their Haj Saver Account.

What distinguishes BIBD too from the other banks available in Brunei is their SME 360 Account; with this, those of you who are thinking of starting your own businesses can have easy access to begin managing your businesses' finances through a corporate company account. **As business owners, you'll be able to keep personal finances and business accounts separate, which is an important step in better financial management and governance.**

Putting money away with BIBD is a ‘win-win situation’, not only will they be able to provide you a Shariah-compliant bank system, BIBD provides value-added services and benefits that can help you manage and increase your savings, such as by getting discounts on purchases [made with BIBD cards] or cashback rewards, and depending on the account you decide, earns you interest. Overall, this increases the money you put in with them and the perks you earn can help improve your income.

Regardless of which bank or account you decide, protecting your finance with the right bank may seem simple and plain, but it is an essential part of many lives.



At some point you may wonder – if I’ve managed to secure my finances and make the right financial decisions, is it really possible to achieve financial peace of mind while pursuing dreams when I decide to retire?



One of the greatest rewards is the ability to live worry-free in retirement. According to SRI NAZRINA, the starting point of any pre-retirement planning conversations is this question: **“what do I want from my retirement?”**

As emphasized by both AMBD and TAP, these questions usually brings up some common concerns – financial security over an indefinite period; good health and the cost of maintaining it; the possibility of needing long-term care, and expenses such as major home repairs. More and more, however, it also opens up other questions about how to achieve long-held dreams and goals of how to use the time spent in an “ideal” retirement life.

Securing a steady income and having a financial plan are the keys in a successful retirement plan – planning for the impact of unforeseen emergencies, as well as ensuring that you don’t outlive your savings, is crucial. So while you’ve done your part in putting aside your savings, the speaker reminded us that TAP is also there to hold on to your additional side-savings so you can retire with a peace of mind.



Above all, the main key-take away from TOPIC 2 is – **plan, plan and plan.**

- **AVOID GETTING YOURSELF INTO QUESTIONING-SOUNDING FINANCIAL SCHEMES**
- **DON’T MAKE IRRATIONAL FINANCIAL DECISIONS**
- **HAVE AN EMERGENCY FUND**
- **ASSESS AND PLAN YOUR EXPENSES**
- **MAINTAIN A GOOD CREDIT REPORT**
- **TALK TO YOUR BANK OR FINANCIAL PLANNER(S)**

Stay tuned for the last part of this series same time next week!