

For immediate release

Media Statement

Implementation of compareFIRST web portal and Direct Purchase Insurance (DPI) effective 7 April 2015

Singapore, 7 April 2015 – The Life Insurance Association Singapore (LIA Singapore) has been working closely with the Monetary Authority of Singapore (MAS) for the successful implementation of the information portal on life insurance products compareFIRST and the Direct Purchase Insurance (DPI), both of which were launched today. 12 life insurers¹ are involved in these efforts.

We believe that these two initiatives will provide individuals more choices and help them make better informed decisions when purchasing insurance.

For individuals who require holistic financial planning, we strongly recommend that they approach financial advisers who are certified professionals equipped with knowledge and skills to offer customised solutions to meet their individual needs.

The introduction of these initiatives is part of ongoing efforts by the life insurance industry, regulators and other like-minded organisations to bridge the protection gap and secure the quality of life of the community in Singapore.

LIA Singapore is committed to expending efforts to increase awareness and understanding of life insurance. We do this by promoting the value of being insured, transparency of products in the market, and keeping consumers informed of industry initiatives.

compareFIRST web portal

LIA Singapore has been working in close collaboration with the Consumers Association of Singapore (CASE), the Monetary Authority of Singapore (MAS) and MoneySENSE to leverage technology for the implementation and launch of compareFIRST now available at www.compareFIRST.sg.

Our priority is to help individuals make better informed choices when making their purchase of life insurance products.

For individuals, this means that they will have a one-stop information platform where they can more easily compare and find life insurance plans most suited to their personal financial objectives. This will enable them to make better informed decisions when they then proceed to purchase directly from the relevant life insurer (for DPI products) or have a discussion with their financial adviser. Individuals with higher financial literacy will also have increased awareness of their need for life insurance.

¹ Refer to appendix for list of insurers. Contact details of individual life insurers offering DPI can be found on <http://www.lia.org.sg>.

Types of life insurance products available for comparison on compareFIRST are:

- Term life insurance (including Direct Purchase Insurance products);
- Whole life insurance (including Direct Purchase Insurance products); and
- Endowment insurance.

There will also be a listing of general product information on investment-linked products which are not easily compared given the varied features of the products.

Individuals can navigate the site via two “routes” – by type of insurance or by product listing. Individuals can also search by various criteria including by Sum Assured, Benefits or Premium prices, amongst others.

We are confident that compareFIRST will increase accessibility to accurate and reliable information, promote greater understanding of life insurance products in the market and, in the long-run, facilitate the narrowing of the protection gap amongst the community in Singapore.

We also believe that it will enhance transparency and boost competitiveness amongst life insurers, encouraging companies to further develop their own unique value proposition.

Direct Purchase Insurance (DPI) products

Our objective in providing this new class of simple term and whole life insurance products is to offer individuals in Singapore a new avenue to obtain affordable protection products. These plans can be identified by the prefix “DIRECT” in their product name and are broadly standardised, though terms and conditions may vary.

DPI products are designed to meet the basic protection needs of individuals and are particularly suitable for those who are self-directed. This is because DPI products are sold without financial advice and can only be purchased directly from life insurance companies at their customer service counters or on the company’s website.

Individuals are otherwise recommended to approach their financial adviser to seek comprehensive financial planning to get adequately insured with the appropriate policies that best meet their personal needs.

There are two main types of DPI available:

- Term life with total and permanent disability (TPD) cover and an optional critical illness (CI) rider; and
- Whole life with TPD cover and an optional CI rider.

Before signing an application to purchase a DPI product, an individual is required to read and respond to a standard Factsheet and Checklist document. This is to ensure that the individual has a clear understanding of the insurance product being purchased, has considered whether the product is suitable for his/her individual needs, and can afford the price.

Individuals who purchase DPI products will be provided with a 14-day free look period from the date on which the policy documents are received. The premiums paid will be refunded without interest should the individual cancel the policy within this period, and the individual will bear the cost incurred for any medical examination done as part of the application for their policy. All queries about the DPI, including claims, should be directed to the life insurer directly.

Product factsheets of DPI offered by the different life insurers in Singapore are available on respective websites.

- End -

Appendix: List of Insurers

- (i) AIA Singapore Pte. Ltd.
- (ii) AXA Life Insurance Singapore Private Limited
- (iii) Aviva Limited
- (iv) Etiqa Insurance Pte. Ltd.
- (v) Great Eastern Life Assurance Company Limited
- (vi) HSBC Insurance (Singapore) Pte. Ltd.
- (vii) Manulife (Singapore) Pte. Ltd.
- (viii) NTUC Income Insurance Co-operative Limited
- (ix) Overseas Assurance Corporation Limited
- (x) Prudential Assurance Company Singapore (Pte) Ltd
- (xi) Tokio Marine Life Insurance Singapore Ltd
- (xii) Zurich Life Insurance (Singapore) Pte Ltd

###

Life Insurance Association, Singapore (LIA Singapore)

Established in 1962, the Life Insurance Association, Singapore (LIA Singapore) is the not-for-profit trade body of life insurance product providers and life reinsurance providers based in Singapore and licensed by the Monetary Authority of Singapore (MAS).

Vision and Mission

The vision of member companies is *to provide individuals with peace of mind and to promote a society where every person is prepared for life's changing cycles and for those situations unforeseen.*

They are committed to being a progressive life insurance industry by collectively enhancing consumer understanding, promoting industry best practices, and through the association fostering a spirit of collaboration and mutual respect with government and business leaders.

Values underpinning the association and its members

- Unified** in our resolve to deliver innovative solutions where every individual's needs are best met.
- Professional** in the way we conduct ourselves and in the counsel we give.
- Ethical** in ensuring our policyholders' interests are managed with utmost integrity.
- Fair** in how we strive to provide favourable outcomes to both our policyholders and shareholders.
- Open & honest** in all that we do to build an environment of trust and transparency.

Proactive in the steps we take to give our people the skills and knowledge to provide sound solutions at all times.

For more information, please contact:

Pauline Lim (Ms.)

Executive Director, LIA Singapore

Tel: +65 6438 8900 / +65 9648 6407

Email: pauline.lim@lia.org.sg

Kerri Tan (Ms.)

Ogilvy Public Relations

Tel: +65 6417 3907 / + 65 9018 0566

Email: kerri.tan@ogilvy.com

Q Akashah (Ms.)

Ogilvy Public Relations

Tel: +65 6213 7881 / +65 9825 1944

Email: akashah.q@ogilvy.com