



Policy Owners' Protection Scheme for General Insurance Policyholders

Introduction:

The Policy Owners' Protection (PPF) Scheme is an additional safety net that protects the interests of general insurance policy owners in the event a general insurer fails. The PPF Scheme is administered by the Singapore Deposit Insurance Corporation (SDIC).

All general insurance companies are regulated entities in Singapore. The PPF Scheme provides added assurance that there is a protection scheme for policy owners to reduce the financial impact on individuals in the event an insurer fails. Experience in other countries has shown that consumers are less likely to panic, if and when things go wrong, if there is a mechanism in place to guarantee the safety of insurance policies.

The PPF Scheme provides 100% coverage for the types of general insurance policies covered under the Scheme. No caps are applicable for protection of your general insurance policies.

All insurers licensed by the Monetary Authority of Singapore (MAS) to carry out direct general insurance business (other than captive insurer or specialist insurers) are members of the Policy Owners' Protection Scheme (PPF Scheme members).

What are the types of general insurance policies covered under the PPF Scheme?

All compulsory insurance policies under the Motor Vehicles (Third Party Risks and Compensation) Act and Work Injury Compensation Act and Singapore policies of specified lines issued by registered general insurers which are PPF Scheme members are covered. A Singapore policy insures risks arising in Singapore or where the insured is a Singapore resident or has a permanent establishment in Singapore.

The specified lines covered are:

- Personal motor insurance policies
- Personal travel insurance policies
- Personal property (structure and contents) insurance policies
- Foreign domestic maid insurance policies
- Individual and group short-term accident and health insurance policies

What types of general insurance policies are not covered under the PPF Scheme?

General insurance policies that are not within the specified lines are not covered.

Examples are: -

- Property (Structure and Contents) Insurance Policies issued to non-individuals
- Tuition fee protection policies issued to individuals.

What does a policy holder need to do to be part of the PPF Scheme?

Nothing. Coverage is automatic and there are no charges. Marketing collateral and policy documents of general insurance products will clearly disclose which products are covered under the PPF Scheme.

Who is in charge of the PPF Scheme?

The Singapore Deposit Insurance Corporation (SDIC) administers the PPF Scheme in Singapore. The SDIC Board is accountable to the Minister in charge of the MAS.

For more information on the PPF Scheme, please visit the AIG, GIA or SDIC websites at www.AIG.com.sg or www.gia.org.sg or www.sdic.org.sg.