

For immediate release

**Media Release**

## **Life insurance industry announces further initiatives to assist policyholders financially impacted by COVID-19**

**Singapore, 18 September 2020** – The Life Insurance Association, Singapore (LIA Singapore) today announced further measures to support policyholders as the initial six-month Deferred Premium Payment (DPP) scheme comes to a close on 30 September 2020<sup>1</sup>.

### ***Second Deferred Premium Payment (DPP) window for new applications***

*New applications can be submitted to the respective life insurers from 1 October 2020 to 31 March 2021*

Policyholders who are in financial difficulties can apply for premium deferment of up to six months if their premium due date or policy renewal date falls between 1 October 2020 and 31 March 2021 inclusive. Only policies which are not already on DPP are eligible.

Insurance coverage is maintained during the period of deferment.

Applications will be assessed according to individual insurers' considerations. Members of LIA will assess deserving cases appropriately.

Policyholders are also receiving additional support from life insurers during this challenging period for their life or health insurance policies in the following ways:

- ***Various options for making payments of deferred premiums***

*Assistance in making payment can be sought from the respective life insurers*

Policyholders with policies on DPP who continue to face financial difficulties and remain unable to pay the deferred premiums in full at the end of their deferment period should approach their respective life insurers to find out about available options, which may include:

- Instalment payment plan of 3 months;
- Extension of policyholder's DPP by 3 months;
- Existing options stated in the policy contract, for example, automatic premium loan, conversion to a paid-up policy, premium holiday.

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<sup>1</sup> In April 2020, LIA Singapore announced that all life insurers would offer a grace period of up to six months to allow more time for policyholders to pay their premiums. This was in addition to any options provided in their policy. It applied to policyholders in financial difficulties as a result of COVID-19 with premium due date or policy renewal date between 1 April and 30 September 2020 inclusive.

Policyholders are advised to discuss their specific situation with their life insurer(s) or financial advisory representative(s) to ensure that they understand the implications on their policy as a result of the option chosen.

- ***Pro-active engagement with policyholders to consider right-sizing policies on DPP***

*Holistic review of policy coverage and premium commitment to ensure sustainability going forward*

Life insurers and financial advisory representatives are pro-actively engaging their policyholders who have policies on DPP to holistically review the policy or policies with them, to consider if any available policy option should be exercised to adjust insurance coverage and premiums to sustainable levels going forward.

“Life insurers in Singapore are providing these industry-wide support measures to further assist policyholders in financial difficulties. In addition, individual insurers also have their own initiatives to help their policyholders to tide through the current situation. Let us stand together and emerge from these challenging times in a stronger position to face the future,” said Mr Khor Hock Seng, President, LIA Singapore.

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### **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 be 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**

<b><i>Unified</i></b>	in our resolve to deliver innovative solutions where every individual’s needs are best met.
<b><i>Professional</i></b>	in the way we conduct ourselves and in the counsel we give.
<b><i>Ethical</i></b>	in ensuring our policyholders’ interests are managed with utmost integrity.
<b><i>Fair</i></b>	in how we strive to provide favourable outcomes to both our policyholders and shareholders.
<b><i>Open &amp; honest</i></b>	in all that we do to build an environment of trust and transparency.
<b><i>Proactive</i></b>	in the steps we take to give our people the skills and knowledge to provide sound solutions at all times.

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