

Circular No. ID 02/19

13 March 2019

To Chief Executives  
All PPF Scheme Members

Dear Sir/Madam

## **DISCLOSURE REQUIREMENTS FOR THE POLICY OWNER'S PROTECTION ("PPF") FUND**

MAS Circular No. ID 21/11 presently sets out the disclosure requirements for PPF Scheme members under the Deposit Insurance and Policy Owners' Protection Schemes (Policy Owners' Protection Scheme) Regulations 2011 ("the Regulations") and the standard disclosure statement adopted by the insurance industry.

2 In December 2018, MAS and the Singapore Deposit Insurance Corporation ("SDIC") engaged the Life Insurance Association ("LIA") and the General Insurance Association ("GIA") to gather feedback from PPF Scheme members on proposed revisions to the disclosure requirements, including the standard disclosure statement. Whilst the disclosure requirements set out in Circular No. ID 21/11 generally remain fit-for-purpose, revisions have been proposed to better align the disclosure requirements across PPF and Deposit Insurance ("DI") Scheme members, and to take into account developments in the marketing practices of Scheme members. MAS and SDIC would like to thank LIA and GIA members for the valuable feedback received. The finalised rules can be found in the enclosed Annex.

3 PPF Scheme members are required to continue providing the following standard disclosure statement (which remains unchanged) on policy contracts, product summaries and policy renewal letters for insurance policies covered under the PPF Scheme ("insured policies"), whether in electronic, print or other form.

*"This policy is protected under the Policy Owners' Protection Scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your policy is automatic and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact your insurer (or name of Scheme member) or visit the GIA/LIA or SDIC web-sites ([www.gia.org.sg](http://www.gia.org.sg) or [www.lia.org.sg](http://www.lia.org.sg) or [www.sdic.org.sg](http://www.sdic.org.sg))."*

4 The requirement to include the standard disclosure statement shall be extended to the following documents issued to policyholders:

- Statements to Policyholders<sup>1</sup>
- Annual Bonus Update<sup>2</sup>

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<sup>1</sup> Please refer to paragraph 34(a) of MAS Notice 307.

<sup>2</sup> Please refer to paragraph 10 of MAS Notice 320.

5 PPF Scheme members may amend the pronouns of the standard disclosure statement for ease of reading and presentation, as well as amend the statement to plural form where applicable. For marketing materials or policy documents which contain both insured and non-insured policies, Scheme members may substitute “This policy” in the first sentence of the standard disclosure statement with the name of the insured policy.

6 Other than the aforementioned areas in paragraph 5, the wordings of the standard disclosure statement shall not be amended. This is to achieve consistency across the industry.

7 For product advertisements to market insured policies such as those placed through newspapers, brochures, television, radio, short message service, internet and outdoor platforms, such as bus, taxi, pillar, wall, banner and billboard advertising, PPF Scheme members may substitute the standard disclosure statement in paragraph 3 with the following standard abbreviated form:

*“Protected up to specified limits by SDIC”*

8 For internet product advertisements such as Google and Yahoo search advertisements, a PPF Scheme member may omit the inclusion of the standard disclosure statement, provided the advertisement has an active link to the product’s landing page and the landing page contains the standard disclosure statement specified in paragraph 3.

9 PPF Scheme members are required to comply with the additional requirements set out from paragraphs 4 to 8, by 1 September 2019.

10 For avoidance of doubt, PPF Scheme members may make additional disclosures on their websites or in other marketing forums, if they so wish. Should you have any queries, please contact your company’s liaison officer in MAS.

Yours sincerely,

(sent via MASNET)

MR DANIEL WANG  
EXECUTIVE DIRECTOR  
INSURANCE DEPARTMENT

cc: Singapore Deposit Insurance Corporation

Annex:



SDIC\_PPF  
Disclosure Statemen