

3 June 2022

Dear Policyholder,

## **UPDATE ON NTUC INCOME'S CORPORATISATION EXERCISE – SCHEME OF TRANSFER**

In January 2022, NTUC Income announced that it is embarking on a corporatisation exercise to further strengthen its competitive edge for the long term.

In the announcement, we shared that, as part of the corporatisation process, the insurance business of NTUC Income (including all existing insurance products and policies issued or underwritten by NTUC Income) will be transferred to the new corporate entity known as Income Insurance Limited (the "**Transfer**"). The Transfer will be carried out via a Scheme of Transfer under Section 117 of the Insurance Act 1966 (the "**Scheme**") and other transfer agreements. This is a necessary step to transition NTUC Income from a co-operative society to a company incorporated under the Companies Act 1967.

As an update on our corporatisation exercise, we would like to inform you that we have published a notice of our intention to apply to the General Division of the High Court of the Republic of Singapore (the "**High Court**") for confirmation of the Scheme in the Government Gazette, the Straits Times and Lianhe Zaobao on 13 May 2022. A copy of the notice of intention is available on our website at <https://www.income.com.sg/corporatisation>.

### **About the Transfer**

We propose to transfer all the insurance policies issued by NTUC Income to Income Insurance Limited. This includes your policy/policies and any personal data that we hold in relation to your policy/policies.

Subject to confirmation of the Scheme by the High Court, the Transfer is expected to take place on 0001 hours 1 September 2022 or such later date as NTUC Income and Income Insurance Limited may agree in writing and the High Court may allow (the "**Effective Date**").

From the Effective Date, Income Insurance Limited will be the insurer of your existing policies in place of NTUC Income and Income Insurance Limited will be the manager of all Investment-Linked Policy (ILP) sub-funds.

### **No change to your existing policies and no further action required**

The Transfer will not change the coverage, benefits, and terms of your existing policies with NTUC Income (including how such policies will be administered following the Transfer). The only change is the legal entity which is responsible for your policy. You can also continue to engage with your servicing advisor and our experienced customer service team, which remains unchanged.

There is a rigorous review process to ensure that your interests as a policyholder of NTUC Income are being protected. This process includes the ability for you (and other policyholders) to raise concerns and object to the Transfer and the requirement for confirmation of the Scheme by the High Court. Unless you wish to raise any concerns or object to the Transfer, you do not have to take any further action.

### **Visit our website for more information**

A summary of the key terms of the Scheme relevant to you is enclosed as an Appendix to this letter for your reference. You can also view the Scheme in full online at <https://www.income.com.sg/corporatisation>.

To find out more, you may refer to our latest list of Frequently Asked Questions on Income's corporatisation exercise, including the Transfer, at <https://income.com.sg/corporatisation/faq>.

If you have further questions about your policy (whether or not about the Transfer), you can call us on 6788 1777 from 8.30am to 5.30pm on Mondays to Fridays (excluding public holidays), email us at [csquery@income.com.sg](mailto:csquery@income.com.sg), or contact your servicing advisor.

We thank you for your trust and support, and look forward to our continued relationship with you.

Yours sincerely,

**Andrew Yeo**  
Chief Executive

## Appendix

### Summary of the Scheme of Transfer

#### Introduction

1. We, NTUC Income Insurance Co-operative Limited ("**NTUC Income**") are proposing to transfer the entire insurance business of NTUC Income ("**Transfer**"), including all the life and general insurance policies issued or underwritten by NTUC Income (the "**Insurance Policies**") to Income Insurance Limited ("**NewCo**").
2. This Summary has been prepared to provide you with an overview of the Transfer; it summarises the key elements of the Transfer and how it affects policyholders of NTUC Income and NewCo. Please take the time to read and understand it.
3. On the Effective Date (as defined below), the Insurance Policies will be transferred to NewCo and the insurer of the Insurance Policies will change from NTUC Income to NewCo. No other terms and conditions of the Insurance Policies will change as a result of the Transfer.

#### The Transfer

4. The Transfer will be carried out by a scheme of transfer under Section 117 of the Insurance Act 1966 (the "**Scheme**") and other transfer agreements. The Scheme has been approved by the Monetary Authority of Singapore ("**MAS**") and is subject to confirmation by the General Division of the High Court of the Republic of Singapore ("**High Court**").
5. If the Scheme is confirmed by the High Court, it is intended that it will become effective as at 0001 hours (Singapore Time) on 1 September 2022 or such later date as NTUC Income and NewCo may agree in writing and the High Court may allow (the "**Effective Date**").

#### Key Terms of the Scheme of Transfer

6. Subject to the confirmation of the Scheme by the High Court and the grant of an insurance licence by MAS to NewCo, the Insurance Policies will automatically transfer to NewCo on the Effective Date. You do not need to do anything for this to happen.
7. Under the Scheme, NewCo will acquire the insurance business of NTUC Income as at the Effective Date (save for certain assets which will be separately transferred to NewCo on the Effective Date), including all the life and general insurance policies issued or underwritten by NTUC Income, subject to the receipt of the necessary consents and/or waivers to effect such transfer.
8. With effect from the Effective Date, holders of the Insurance Policies will continue to have the same rights, benefits and obligations and be subject to the same terms and conditions in relation to such Insurance Policies, save that NewCo will be substituted as the insurer in place of NTUC Income. This means that from the Effective Date:
  - a. your benefits will be payable by NewCo, and not NTUC Income;
  - b. the premiums for your Insurance Policies should be made payable to NewCo and not NTUC Income; and
  - c. all rights, benefits, obligations or liabilities of NTUC Income in respect of the Insurance Policies will be transferred to and assumed by NewCo.

9. We can also confirm that as a result of the Transfer:
- a. your policy number(s) will not change;
  - b. the terms and conditions of your Insurance Policy will not change, except that references to NTUC Income and/or its group will become references to NewCo and/or its group on and from the Effective Date;
  - c. the payment obligations under your Insurance Policy will not change and your payments (including recurring GIRO and credit card payments) will continue to be made to the same bank account (however, for cheque and remittance payments on and from the Effective Date, it should be made payable to 'Income Insurance Limited');
  - d. any mandates, including direct debits, standing orders or other instructions or authorities, payable from NTUC Income in respect of the Insurance Policies will, on and from the Effective Date, be payable from NewCo instead;
  - e. documents, files and other records held by, or on behalf of, NTUC Income relating to your Insurance Policy will be transferred to and held by, or on behalf of, NewCo on and from the Effective Date; and
  - f. if you have made a nomination to NTUC Income with respect to the interests and/or benefits relating to your Insurance Policy under the Co-operative Societies Act 1979 or the Insurance Act 1966, such nominations will be transferred to, recognised by and binding on NewCo on and from the Effective Date.
10. Unless you wish to raise any concerns or object to the Transfer, you do not have to take any further action.