

Dated 24 December 2021

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**

**and**

**INCOME INSURANCE PTE. LTD.**

**SCHEME FOR THE TRANSFER OF INSURANCE  
BUSINESS UNDER SECTION 49FB OF THE  
INSURANCE ACT, CHAPTER 142**

**SCHEME FOR THE TRANSFER OF INSURANCE BUSINESS  
UNDER SECTION 49FB OF THE INSURANCE ACT, CHAPTER 142 BETWEEN  
NTUC INCOME INSURANCE CO-OPERATIVE LIMITED AND  
INCOME INSURANCE PTE. LTD.**

**1. PRELIMINARY**

**1.1 Definitions**

In this Scheme, unless there is something in the subject or context inconsistent therewith:

1.1.1 the following expressions bear the following meanings, namely:

<b>Expression</b>	<b>Meaning</b>
<b>“Act”</b>	the Insurance Act, Chapter 142 of Singapore;
<b>“Business Day”</b>	a day on which commercial banks are open for business in Singapore (excluding Saturdays, Sundays and public holidays);
<b>“Closing Amount”</b>	shall have the meaning ascribed to it in Clause 2.3.1;
<b>“Companies Act”</b>	the Companies Act, Chapter 50 of Singapore;
<b>“Effective Date”</b>	0001 hours on 1 July 2022 or such other date as NTUC Income and NewCo may agree in writing and the High Court may allow;
<b>“Employment Act”</b>	the Employment Act, Chapter 91 of Singapore;
<b>“High Court”</b>	the High Court of the Republic of Singapore;
<b>“Insurance Policies”</b>	all life and general insurance policies underwritten or issued by NTUC Income (whether in Singapore or offshore) including without limitation all insurance policies and/or cover notes (if any) issued, whether underwritten by NTUC Income’s participating, non-participating, investment-linked or general insurance funds, and whether past or present, current or expired,

<b>Expression</b>	<b>Meaning</b>
	or capable of renewal or reinstatement, on or after, the Effective Date;
<b>“Intellectual Property”</b>	all trade marks, service marks, trade names, domain names, logos, get-up, patents, inventions, registered and unregistered design rights, copyrights, database rights and all other similar rights in any part of the world including without limitation, where such rights are obtained or enhanced by registration, any registration of such rights and applications and rights to apply for such registrations;
<b>“MAS”</b>	the Monetary Authority of Singapore;
<b>“Net Book Value”</b>	the net book value of the NTUC Income Insurance Business to be transferred to and assumed by NewCo under this Scheme, as determined based on the latest available unaudited management accounts of NTUC Income as at the Effective Date, save in relation to the assets and liabilities in the NTUC Income Insurance Business which are set out in, and which value shall be determined in accordance with, Appendix B;
<b>“NewCo”</b>	Income Insurance Pte. Ltd. (Registration No.: 202135698W), a company incorporated in Singapore whose registered office is at 75, Bras Basah Road, NTUC Income Centre, Singapore 189557;
<b>“Non-Scheme Assets”</b>	(i) the investment properties held directly by NTUC Income immediately prior to the Effective Date. The investment properties held directly by NTUC Income as at the date hereof are set out in Appendix A; and

Expression	Meaning
	<p>(ii) any and all plant, equipment and machinery (including computer software (and any enhancements or modifications thereto)) which are owned directly by NTUC Income immediately prior to the Effective Date (whether located in or on the investment properties held directly by NTUC Income or otherwise);</p>
<p><b>“NTUC Income”</b></p>	<p>NTUC Income Insurance Co-operative Limited (Registration No.: S97CS0162D), a co-operative society registered in Singapore whose registered office is at 75, Bras Basah Road, NTUC Income Centre, Singapore 189557;</p>
<p><b>“NTUC Income Insurance Business”</b></p>	<p>the entire business, goodwill, assets, liabilities, duties and obligations of the insurance business of NTUC Income and all businesses ancillary thereto, in each case, as at the Effective Date, including without limitation:</p> <p>(i) all Insurance Policies;</p> <p>(ii) all Intellectual Property owned by NTUC Income in connection with its insurance business;</p> <p>(iii) all data, files and records belonging to and in the possession of NTUC Income, whether in a physical or electronic form; and</p>

<b>Expression</b>	<b>Meaning</b>
	<p>(iv) all assets, debts, liabilities, properties, rights, obligations, duties and reserves (known, contingent, reported and not yet reported) of NTUC Income in connection with its insurance business subsisting as at the Effective Date, including without limitation:</p> <p>(a) all reinsurance contracts and treaties in connection with the insurance business of NTUC Income;</p> <p>(b) all contracts or agreements in connection with the insurance business of NTUC Income;</p> <p>(c) all premiums outstanding and due to, or payable by, NTUC Income in connection with the insurance business of NTUC Income; and</p> <p>(d) the entire claims portfolio of NTUC Income in connection with the insurance business of NTUC Income,</p> <p>but excluding the Non-Scheme Assets;</p>
<b>“Other Agreements”</b>	shall have the meaning ascribed to it in Clause 3.5.1;
<b>“Reinsurance Agreements”</b>	shall have the meaning ascribed to it in Clause 3.4.1;
<b>“Scheme”</b>	this scheme for the transfer of the NTUC Income Insurance Business to NewCo (or if modified or amended in accordance with

**Expression****Meaning**

Clause 6 below, this Scheme as from time to time so amended or modified); and

**“Singapore Dollar(s)”  
and “S\$”**

the lawful currency of Singapore.

- 1.1.2 any reference to a statutory provision shall include such provision and any regulations made in pursuance thereof as from time to time modified or re-enacted, whether before or after the date of this Scheme;
- 1.1.3 words denoting the singular number only shall include the plural and vice versa; and
- 1.1.4 words importing persons shall include corporations.

**1.2 Reasons for the Scheme**

- 1.2.1 NTUC Income, the transferor in this Scheme, is a co-operative society registered in Singapore under the provisions of the Co-operative Societies Act, Chapter 62 of Singapore. NTUC Income is currently licensed as a direct composite insurer to carry on life and general insurance business in Singapore under the provisions of the Act.
- 1.2.2 NewCo, the transferee in this Scheme, is a company incorporated in Singapore under the provisions of the Companies Act. NewCo is a wholly owned subsidiary of NTUC Income. An application has been made to the MAS for NewCo to be licensed as a direct composite insurer to carry on life and general insurance business in Singapore under the Act. It is intended that, promptly following the signing of this Scheme by NTUC Income and NewCo and the lodgement of this Scheme with the MAS pursuant to section 49FC(1) of the Insurance Act, NewCo will be converted from a private company limited by shares to a public company limited by shares with the name “Income Insurance Limited”.
- 1.2.3 The object of this Scheme is to effect the transfer of the NTUC Income Insurance Business to NewCo with effect from the Effective Date, subject to confirmation by the High Court. This is a necessary step to transition NTUC Income from the corporate form of a co-operative society to a company incorporated under the Companies Act. Such transition is to future-proof NTUC Income and to best position it for future growth and long-term sustainability in view of the significant shifts in operating environment over the years. These include a mature domestic market, evolving regulatory expectations and requirements, as well as increased competition from insurers with extensive distribution scale and access to growth channels and markets locally and regionally. The latter is further compounded by technology players entering the insurance sector

and playing to customers' increasing demand for more diverse and targeted products and solutions that are embedded in their digital-first lifestyles. While NTUC Income has been agile in responding to these market shifts, it is looking to the proposed corporatisation exercise to achieve operational flexibility and access capital, strategic partnerships, and growth paths to compete on an equal footing with other insurers in the market. In turn, NTUC Income will be better placed to address not only current market shifts, but also future challenges to ensure long-term growth and its ability to serve customers better.

- 1.2.4 It is intended that an application shall be made pursuant to Section 49FB of the Act for an order of the Honourable High Court that on the Effective Date the NTUC Income Insurance Business be transferred to and vested in NewCo by virtue of this Scheme without further or other assurance and be dealt with in accordance with this Scheme.
- 1.2.5 It is intended that, for the purposes of facilitating capital allowance claims to be made by NewCo following the Effective Date, the Non-Scheme Assets will be transferred by NTUC Income to NewCo separately under agreements entered into between NTUC Income and NewCo on or around the date hereof, as part of the corporatisation exercise. Such transfer shall be conditional upon this Scheme becoming effective and shall complete concurrently with the transfer of the NTUC Income Insurance Business under this Scheme on the Effective Date.

## **2. THE SCHEME**

### **2.1 Effectiveness of Scheme**

This Scheme shall take effect only in the event of NewCo becoming licensed as a direct composite insurer to carry on life and general insurance business in Singapore under the Act.

### **2.2 Transfer of the NTUC Income Insurance Business**

- 2.2.1 Save and except for the Non-Scheme Assets, NewCo shall acquire the entire undertaking of NTUC Income comprising the NTUC Income Insurance Business to the extent that the same shall be transferred to and vested in NewCo with effect from the Effective Date for all the estate and interest of NTUC Income therein and that all the assets, debts, liabilities, properties, rights, obligations, duties and reserves (known, contingent, reported and not yet reported) of NTUC Income in connection with the NTUC Income Insurance Business shall be transferred to and become the assets, debts, liabilities, properties, rights, obligations, duties and reserves of NewCo with effect from the Effective Date.
- 2.2.2 The transfer of the life and general insurance business of NTUC Income under this Scheme shall not include the Non-Scheme Assets.

- 2.2.3 The Non-Scheme Assets will be transferred by NTUC Income to NewCo under separate agreements to be entered into between NTUC Income and NewCo, and such transfers shall be subject to and conditional upon, and will take place concurrently with, the transfer of the NTUC Income Insurance Business pursuant to this Scheme on the Effective Date.
- 2.2.4 The employment of each of the employees of NTUC Income will be transferred to NewCo with effect from the Effective Date pursuant to, and in accordance with, Section 18A of the Employment Act, as if originally made with NewCo without any break in the continuity of the period of employment.

### **2.3 Consideration for the Transfer of the NTUC Income Insurance Business**

- 2.3.1 On the Effective Date, NewCo will acquire the NTUC Income Insurance Business for an amount equivalent to the Net Book Value (the “**Closing Amount**”).
- 2.3.2 The Closing Amount shall be wholly satisfied by the allotment and issue of such number of fully-paid up ordinary shares in the capital of NewCo to NTUC Income on the Effective Date as may be agreed between NTUC Income and NewCo, provided that the aggregate issue price shall be equivalent to the Closing Amount.

## **3. EFFECT OF SCHEME**

Without prejudice to or limiting the generality of Clause 2.2 above:

### **3.1 Insurance Policies**

- 3.1.1 On the Effective Date, all the Insurance Policies will vest without further act or other assurance in NewCo so as to constitute NewCo as the insurer of the Insurance Policies in place of NTUC Income.
- 3.1.2 Registration of the Insurance Policies will be automatically transferred to NewCo and will thereafter be subject to the same terms and conditions issued by NTUC Income.
- 3.1.3 All references in an Insurance Policy, proposal or application for an Insurance Policy, or any other document evidencing or relating to an Insurance Policy to NTUC Income will have effect and be construed as a reference to NewCo on and from the Effective Date.

### **3.2 Holders of Insurance Policies**

Every holder of an Insurance Policy recorded in the insurance policy register of NTUC Income shall on and from the Effective Date become entitled in substitution for any right or rights available to him under such policy against NTUC Income to the same right or rights against



NewCo and (as regards policies under which premiums continue to be payable) shall account to NewCo for any further premiums as and when they become due.

### **3.3 Proceedings Pending by or Against NTUC Income**

- 3.3.1 If on the Effective Date, any proceedings shall be pending by or against NTUC Income in any court in connection with the NTUC Income Insurance Business to be transferred to NewCo under this Scheme, the same shall be continued by or against NewCo, and any judgment entered after the Effective Date for or against NTUC Income in any such proceedings shall have effect between NTUC Income and NewCo as if such judgment had been entered for or against NewCo.
- 3.3.2 On and from the Effective Date, NewCo shall, to the extent provided for under the applicable laws be fully subrogated to all defences, set-offs and counterclaims to which NTUC Income would otherwise have been entitled to against any holder of an Insurance Policy in the absence of the transfer of such Insurance Policy pursuant to this Scheme.

### **3.4 NTUC Income Reinsurance Agreements**

- 3.4.1 As of the Effective Date, the rights and obligations of NTUC Income in respect of each of the reinsurance agreements or treaties relating to the Insurance Policies entered into by NTUC Income (the “**Reinsurance Agreements**”) will be transferred, novated or assigned over to NewCo, to the extent that such rights and obligations can be transferred, novated or assigned without the consent of the relevant reinsurer, or that the consent of the relevant reinsurer has been obtained prior to the Effective Date for the transfer, novation or assignment of such rights and obligations.
- 3.4.2 In the event that consent of the relevant reinsurer is required for the transfer, novation or assignment of the rights and obligations of NTUC Income in respect of any Reinsurance Agreement and such consent has not been obtained for the transfer, novation or assignment of such rights and obligations to NewCo prior to the Effective Date, NewCo will use its best endeavours in cooperation with NTUC Income to arrange for an alternative reinsurance agreement on similar terms and conditions as those contained in such Reinsurance Agreement.

### **3.5 Other Agreements**

- 3.5.1 As of the Effective Date, the rights and obligations of NTUC Income in respect of each of the other agreements relating to the NTUC Income Insurance Business entered into by NTUC Income and not otherwise described in this Clause 3 (the “**Other Agreements**”) will be transferred, novated or assigned over to NewCo, to the extent that such rights and obligations can be transferred, novated or assigned without the consent of the relevant counterparty, or that the consent of the relevant counterparty has been obtained prior to the Effective Date for the transfer, novation or assignment of such rights and obligations.

- 3.5.2** In the event that consent of the relevant counterparty is required for the transfer, novation or assignment of the rights and obligations of NTUC Income in respect of any Other Agreement and such consent has not been obtained for the transfer, novation or assignment of such rights and obligations to NewCo prior to the Effective Date, NewCo will use its best endeavours in cooperation with NTUC Income to arrange for an alternative agreement on similar terms and conditions as those contained in such Other Agreement.

### **3.6 Offshore Assets and Liabilities**

If any assets or liabilities of NTUC Income to be transferred under this Scheme are situated outside Singapore, and this Scheme and the order of High Court are not effective under the laws of the foreign jurisdiction in which such assets and liabilities are situated to effect the transfer of the same, each of NTUC Income and NewCo shall use their best endeavours to procure the transfer of such assets.

### **3.7 Personal Data**

As of the Effective Date, the personal data and the rights and obligations of NTUC Income in respect of the personal data comprised in the NTUC Income Insurance Business (including any consents obtained by NTUC Income in relation to the collection, use and disclosure of such personal data) will be transferred to NewCo pursuant to this Scheme without the need to have obtained the prior express consent of the relevant persons whose personal data is transferred.

## **4. UNDERTAKINGS**

### **4.1 Undertakings by NTUC Income**

NTUC Income undertakes that:

- 4.1.1** it shall file or procure the filing of this Scheme with the Registrar of Co-operative Societies on such date as may be agreed to in writing by each of NTUC Income and NewCo; and
- 4.1.2** it shall not on or after the Effective Date issue any new insurance policies in Singapore; and
- 4.1.3** it shall take the necessary steps to surrender its insurance licence as soon as practicable after the Effective Date.

### **4.2 Undertaking by NewCo**

NewCo undertakes that:

**4.2.1** it shall file or procure the filing of this Scheme with the Registrar of Companies on such date as may be agreed to in writing by each of NTUC Income and NewCo; and

**4.2.2** on and from the Effective Date, it shall conduct its insurance business in Singapore in accordance with sound insurance principles and the provisions of the Act.

#### **4.3 Wrong Pockets**

If and to the extent that after the Effective Date, NTUC Income owns any assets, properties or rights (or is subject to any duties, liabilities or obligations) which immediately before the Effective Date would have formed part of the NTUC Income Insurance Business, then NTUC Income and NewCo shall execute all such deeds and documents, do and procure to be done all such acts and things, and take such other steps as may be necessary for the purpose of transferring such assets, properties, rights, duties, liabilities and/or obligations to NewCo.

### **5. COSTS AND EXPENSES**

#### **5.1 Costs and Expenses in connection with Scheme**

NTUC Income shall bear all the costs and expenses (including without limitation legal fees) incurred in connection with the negotiation, preparation, execution, delivery, registration and implementation of this Scheme prior to the Effective Date, and NewCo shall bear all the costs and expenses (including without limitation legal fees) incurred in connection with the negotiation, preparation, execution, delivery, registration and implementation of this Scheme on and after the Effective Date.

#### **5.2 Reimbursement to the MAS**

NTUC Income and NewCo shall be jointly and severally liable to reimburse to the MAS under Section 49FC of the Act for any expenses incurred by the MAS in connection with this Scheme and such liability shall as between NTUC Income and NewCo be borne by NTUC Income if reimbursed prior to the Effective Date, and by NewCo if reimbursed on and after the Effective Date.

### **6. MODIFICATION OF THE SCHEME**

NTUC Income and NewCo may jointly consent on behalf of all persons concerned to any modification of or amendment to this Scheme or to any condition affecting the same which the High Court may think fit to approve or impose.

### **7. RIGHTS OF THIRD PARTIES**

Save for holders of the Insurance Policies, a person who is not party to this Scheme shall not have any right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any provision of this Scheme.

**8. GOVERNING LAW**

This Scheme shall be governed by, and construed in accordance with, the laws of Singapore.

SIGNED by Andrew Yeo Seng Thean

for and on behalf of

**NTUC INCOME INSURANCE CO-OPERATIVE LIMITED**

in the presence of:

  
\_\_\_\_\_  
Witness's signature

Name: Heng Yea Lee  
Designation: VP, Corporate Affairs

} 

SIGNED by Ang Chieh Hwee

for and on behalf of

**INCOME INSURANCE PTE. LTD.**

in the presence of:

  
\_\_\_\_\_  
Witness's signature

Name: Heng Yen Lee  
Designation: VP, Corporate Affairs

} 

## Appendix A

### NTUC Income Properties

No.	Property	Property address
1.	Blk 730 Ang Mo Kio Avenue 6	Blk 730 Ang Mo Kio Avenue 6 #01-4272 & #02-4272 Singapore 560730
2.	Blk 215 Bedok North Street 1	Blk 215 Bedok North St 1 #02-87, Singapore 460215
3.	East Point Mall	3 Simei Street 6 Singapore 528833
4.	NTUC Income @ Prinsep House	30 Prinsep Street Singapore 188647
5.	NTUC Income @ Bras Basah	75 Bras Basah Road Singapore 189557
6.	SLF Building (3 Floors)	510 Thomson Road #4-00, #5-00 & #06-00 SLF Building, Singapore 298135
7.	NTUC Income @ Tampines Junction	300 Tampines Avenue 5 Singapore 529653
8.	NTUC Income @ Tampines Point	2 Tampines Central 6 Singapore 529483
9.	Ubi 55 (90 Strata Units)	55 Ubi Ave 1 Singapore 408935

**Appendix B**  
**Valuation of Certain NTUC Income Assets and Liabilities**

No.	Item	Basis of Valuation	Date of Valuation
<b>Assets</b>			
1.	Level I assets, including listed debt and equity instruments and units in trust funds held directly by NTUC Income	Quoted price on the relevant exchange where such instruments are listed	As at 12 Business Days prior to Effective Date
2.	Interests in private equity and property funds	Quarterly fund reports relating to the relevant fund	As at the latest available quarterly fund report prior to Effective Date
3.	Cash	Cash held in NTUC Income's bank accounts	As at 12 Business Days prior to Effective Date
<b>Liabilities</b>			
4.	Liabilities in relation to bonds issued by NTUC Income	Based on the latest available unaudited management accounts of NTUC Income as at the Effective Date, subject to adjustments for the period thereafter up to 12 Business Days prior to the Effective Date	As at 12 Business Days prior to Effective Date
5.	Short term liabilities	Based on the latest available unaudited management accounts of NTUC Income as at the Effective Date, subject to adjustments for the period thereafter up to 12 Business Days prior to the Effective Date	As of 12 Business Days prior to Effective Date



**This Agreement** is made on 20 January 2022 **between:**

- (1) **NTUC Income Insurance Co-operative Limited** (Registration No.: S97CS0162D), a co-operative society registered in Singapore whose registered office is at 75 Bras Basah Road, NTUC Income Centre, Singapore 189557 ("**NTUC Income**"); and
- (2) **Income Insurance Limited** (formerly known as Income Insurance Pte. Ltd.) (Registration No.: 202135698W), a company incorporated in Singapore whose registered office is at 75 Bras Basah Road, NTUC Income Centre, Singapore 189557 ("**NewCo**").

**Whereas:**

NTUC Income and NewCo had, on 24 December 2021, entered into a scheme for the proposed transfer of the entire business, goodwill, assets, liabilities, duties and obligations of the insurance business of NTUC Income and all businesses ancillary thereto (save for certain assets which will be transferred concurrently with the transfer under such scheme), pursuant to Sections 116 to 119 (inclusive) of the Insurance Act 1966 of Singapore (formerly Sections 49FA to 49FD (inclusive) of the Insurance Act, Chapter 142 of Singapore) (the "**Scheme**").

**1. Effective Date**

NTUC Income and NewCo hereby agree that the Effective Date (as defined in the Scheme) shall be 0001 hours on 1 September 2022 or such other date as NTUC Income and NewCo may agree in writing and the High Court of the Republic of Singapore may allow. Save in relation to the foregoing, the Scheme shall continue in full force and effect in all other respects.

**2. Counterparts**

This Agreement may be executed and delivered (including by electronic transmission) in one or more counterparts, and by NTUC Income and NewCo in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts of this Agreement transmitted by electronic transmission as well as digitally executed counterparts shall have the same legal effect as original signatures and shall be considered original executed counterparts of such documents.

**3. Governing Law**

This Agreement shall be governed by, and construed in accordance with, the laws of Singapore.

**In witness whereof** this Agreement has been entered into on the date stated at the beginning.



---

Andrew Yeo Seng Thean  
for and on behalf of

**NTUC Income Insurance Co-operative Limited**



---

Ang Chieh Hwee  
for and on behalf of  
**Income Insurance Limited**