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**CENTRAL PROVIDENT FUND ACT
(CHAPTER 36)**

**CENTRAL PROVIDENT FUND
(HOME PROTECTION INSURANCE SCHEME)
(AMENDMENT) REGULATIONS 2012**

In exercise of the powers conferred by section 39 of the Central Provident Fund Act, Mr Tan Chuan-Jin, Senior Minister of State, charged with the responsibility of the Minister for Manpower, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Central Provident Fund (Home Protection Insurance Scheme) (Amendment) Regulations 2012 and shall come into operation on 1st January 2013.

Deletion and substitution of regulations 5 and 6

2. Regulations 5 and 6 of the Central Provident Fund (Home Protection Insurance Scheme) Regulations (Rg 11) (referred to in these Regulations as the principal Regulations) are deleted and the following regulations substituted therefor:

“Disposal of property by insured

5.—(1) Where an insured has sold, transferred or otherwise disposed of his property —

- (a) he shall cease to be covered under the Scheme on the date the sale, transfer or disposition of the property by him is completed; and
- (b) subject to regulation 22A, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is the surrender value of the insurance cover

calculated in accordance with the applicable Table set out in the First Schedule.

(2) For the purposes of this regulation, the surrender value shall be ascertained on the date of the sale, transfer or disposal of the property by the insured.

Board exempted from payment

6.—(1) Subject to regulation 22A, where the Board is exempted from making any payment to an insured under the Scheme by section 36(9)(a), (b) or (c) of the Act, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount which the Board determines to be the premium paid by the insured under the Scheme.

(2) Subject to regulation 22A, where the Board is exempted from making any payment to an insured under the Scheme by section 36(9)(d) or (10) of the Act, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is the surrender value of the insurance cover calculated in accordance with the applicable Table set out in the First Schedule.

(3) For the purposes of paragraph (2), the surrender value shall be ascertained —

(a) in a case where the Board is exempted from making any payment to an insured under the Scheme by section 36(10) of the Act and the Board has terminated his insurance cover under regulation 19B(1)(b), in accordance with regulation 19B; or

(b) in any other case, on the date of the death or incapacity of the insured, as the case may be.”.

Amendment of regulation 7

3. Regulation 7 of the principal Regulations is amended —
- (a) by deleting the word “Where” in paragraph (1) and substituting the words “Subject to regulation 22A, where”; and
 - (b) by deleting paragraph (2) and substituting the following paragraph:

“(2) For the purposes of this regulation, the surrender value shall be ascertained on the date of the full redemption or reduction of the housing loan, but where such date cannot reasonably be determined by the Board, then on the date the Board was notified of the full redemption or reduction of the housing loan, as the case may be.”.

Amendment of regulation 10

4. Regulation 10 of the principal Regulations is amended —
- (a) by deleting sub-paragraph (a) of paragraph (1) and substituting the following sub-paragraph:

“(a) in the case of an insured referred to in regulation 9(b), on the date the insured adjusted his housing loan, but where such date cannot reasonably be determined by the Board, then on the date the Board was notified that the insured has adjusted his housing loan;”;
 - (b) by deleting paragraph (2) and substituting the following paragraph:

“(2) Subject to regulation 22A, upon the cessation of cover under Part II, an insured shall be covered under Part III and the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is the surrender value of an insured’s cover under Part II calculated in accordance with the applicable Table set out in the First Schedule and ascertained on the date of

the cessation of the cover, unless the Board has earlier made any payment to the insured in respect of any previous claims made under the Scheme.”.

Deletion and substitution of regulation 14

5. Regulation 14 of the principal Regulations is deleted and the following regulation substituted therefor:

“Commencement and period of cover

14.—(1) An insured to which this Part applies shall be covered under the Scheme, where the first premium required to be paid under the Scheme has been paid, with effect from the date the first premium became payable under regulation 12.

(2) Where a member of the Scheme fails to pay the first premium in such manner and within such time as specified by the Board in a notice to the member or within such further time as the Board may allow, the member shall not be covered under the Scheme but he may apply to the Board to be covered under the Scheme subject to such terms and conditions as the Board may impose.

(3) Where the Board has approved the member’s application to be covered under the Scheme under paragraph (2), the member shall be covered under the Scheme only with effect from the date the annual premium required to be paid for the first year of cover under the Scheme becomes payable under regulation 12.

(4) If a member of the Scheme fails to pay the annual premium required to be paid for any subsequent year of cover under the Scheme in such manner and within such time as specified by the Board in a notice to the member or within such further time as the Board may allow, the member’s cover under the Scheme shall not be renewed but he may apply to the Board for the renewal of his cover under the Scheme subject to such terms and conditions as the Board may impose.

(5) Where the Board has approved the member’s application to renew his cover under the Scheme under paragraph (4), the member shall be covered under the Scheme only with effect from

the date the annual premium becomes payable under regulation 12.”.

Deletion and substitution of regulations 16, 17 and 18

6. Regulations 16, 17 and 18 of the principal Regulations are deleted and the following regulations substituted therefor:

“Disposal of property by insured

16. Where an insured has sold, transferred or otherwise disposed of his property —

- (a) he shall cease to be covered under the Scheme on the date the sale, transfer or disposition of the property by him is completed; and
- (b) subject to regulation 22A, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is a proportion of the premium that corresponds to the unexpired portion of the cover in the policy year.

Board exempted from payment

17.—(1) Subject to regulation 22A, where the Board is exempted from making any payment to an insured under the Scheme by section 36(9)(a), (b) or (c) of the Act, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount which the Board determines to be all the premiums paid by the insured under the Scheme.

(2) Subject to regulation 22A, where the Board is exempted from making any payment to an insured under the Scheme by section 36(9)(d) or (10) of the Act, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is a proportion of the premium that corresponds to the unexpired portion of the cover in the policy year.

(3) For the purposes of paragraph (2), the amount of refund shall be calculated —

- (a) in a case where the Board is exempted from making any payment to an insured under the Scheme by section 36(10) of the Act and the Board has terminated his insurance cover under regulation 19B(1)(b), in accordance with regulation 19B; or
- (b) in any other case, with reference to the date of the death or incapacity of the insured, as the case may be.

Full redemption or partial discharge of mortgaged property

18.—(1) Subject to regulation 22A, where the housing loan of an insured has been fully redeemed or reduced (whether by a partial discharge of the mortgaged property or otherwise), the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is a proportion of the premium that corresponds to the unexpired portion of the cover in the policy year, calculated with reference to the date of the full redemption or reduction of the housing loan, as the case may be.

(2) For the purposes of this regulation, where the date of the full redemption or reduction of the housing loan cannot reasonably be determined by the Board, then the amount of refund prescribed in paragraph (1) shall be calculated with reference to the date on which the Board was notified of the full redemption or reduction of the housing loan, as the case may be.”.

Amendment of regulation 19

7. Regulation 19 of the principal Regulations is amended by inserting, immediately after paragraph (3), the following paragraphs:

“(4) An insured may apply in writing to the Board to amend the extent of liability declared by him for repayment of the housing loan.

(5) Subject to regulation 22A, where the Board accepts the new extent of liability declared by the insured in his application made under paragraph (4), the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is —

- (a) for a cover under Part II, the surrender value of the insurance cover calculated in accordance with the applicable Table set out in the First Schedule and ascertained on the date of the Board's receipt of the insured's application under paragraph (4) or such other date as the Board may determine in that case; or
- (b) for a cover under Part III, a proportion of the premium that corresponds to the unexpired portion of the cover in the policy year, calculated with reference to the date of the Board's receipt of the insured's application under paragraph (4) or such other date as the Board may determine in that case.”.

New regulations 19A and 19B

8. The Central Provident Fund (Home Protection Insurance Scheme) Regulations (Rg 11) (referred to in these Regulations as the principal Regulations) are amended by inserting, immediately after regulation 19, the following regulations:

“Cessation of insurance cover

19A.—(1) Subject to regulation 22A, where an insured's cover under the Scheme in respect of any immovable property ceases by virtue of section 30(2) of the Act, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is —

- (a) for a cover under Part II, the surrender value of the insurance cover calculated in accordance with the applicable Table set out in the First Schedule and ascertained on the date of the cessation of the cover; or
- (b) for a cover under Part III, a proportion of the premium that corresponds to the unexpired portion of the cover in

the policy year, calculated with reference to the date of the cessation of the cover.

(2) Subject to regulation 22A, where an insured's cover under the Scheme in respect of any immovable property ceases by virtue of section 30(4) of the Act, the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is the surrender value of the insurance cover calculated in accordance with the applicable Table set out in the First Schedule and ascertained on the date of the cessation of the cover.

Cancellation or termination of insurance cover

19B.—(1) If any insured has made or furnished to the Board any statement or fact that is false or misleading in a material particular or has failed to disclose to the Board any material fact or circumstance which, if known to the Board, might influence the Board as to whether he should be insured under the Scheme, the Board may —

- (a) in the case where the Board has reason to believe that the insured is incapacitated, or is suffering from a terminal illness, on or before the date of commencement of his cover under the Scheme, cancel the insured's cover whereupon that person shall be deemed never to have been insured under the Scheme; and
- (b) in any other case, terminate the insured's insurance cover whereupon that person shall cease immediately to be insured under the Scheme.

(2) Subject to regulation 22A, where the Board has cancelled the insured's insurance cover under paragraph (1)(a), the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount which the Board determines to be all the premiums paid by the insured under the Scheme, together with the whole or such part, as the Board may determine, of the interest that would have been payable if the amount of such premiums had been standing to the credit of that person's account in the Fund.

(3) Subject to regulation 22A, where the Board has terminated the insured's insurance cover under paragraph (1)(b), the Board shall, subject to such terms and conditions as it may impose, refund to the insured by crediting to his account in the Fund an amount that is —

- (a) for a cover under Part II, the surrender value of the insurance cover calculated in accordance with the applicable Table set out in the First Schedule and ascertained on the relevant date; or
- (b) for a cover under Part III, a proportion of the premium that corresponds to the unexpired portion of the cover in the policy year, calculated with reference to the relevant date.

(4) In this regulation, “relevant date” means the date the Board determines to be the date on which it is established that the insured made or furnished the false or misleading statement or that the insured was required but failed to disclose the material fact, as the case may be.”.

Amendment of regulation 20

9. Regulation 20 of the principal Regulations is amended —

- (a) by deleting the word “or” at the end of paragraph (1)(a);
- (b) by deleting the full-stop at the end of sub-paragraph (b) of paragraph (1) and substituting the word “; or”, and by inserting immediately thereafter the following sub-paragraph:
 - “(c) the member is not using the moneys standing to his credit in the Fund to repay any instalment of housing loan obtained for, or to finance or re-finance, the purchase of any immovable property from a Housing Authority.”;
- (c) by inserting, immediately after paragraph (1), the following paragraphs:

“(1A) Where the Board has exempted a member from the Scheme under paragraph (1), the member shall not be

or shall cease to be covered under the Scheme, as the case may be, with effect from —

- (a) the date on which the Board receives the application by the member; or
- (b) such other date as the Board may determine in that case.

(1B) Subject to regulation 22A, upon the exemption from the Scheme referred to in paragraph (1A), the Board shall, subject to such terms and conditions as it may impose, refund to the member by crediting to his account in the Fund an amount that is —

- (a) for a cover under Part II, the surrender value of the insurance cover calculated in accordance with the applicable Table set out in the First Schedule and ascertained on the effective date of the exemption from the Scheme; or
- (b) for a cover under Part III, an amount which the Board determines to be all the premiums paid by the insured under the Scheme, or a proportion of the premium that corresponds to the unexpired portion of the cover in the policy year calculated with reference to the effective date of the exemption from the Scheme, as the case may be.”;

(d) by deleting the word “or” at the end of paragraph (2)(a); and

(e) by deleting the full-stop at the end of sub-paragraph (b) of paragraph (2) and substituting the word “; or”, and by inserting immediately thereafter the following sub-paragraph:

“(c) the member’s application to use the moneys standing to his credit in the Fund to repay any instalment of housing loan obtained for, or to finance or re-finance, the purchase of any immovable property from a Housing Authority has been approved.”.

New regulation 22A

10. The principal Regulations are amended by inserting, immediately after regulation 22, the following regulation:

“Refund of premium to member who is spouse of insured

22A.—(1) Where a member has, under section 32(5) of the Act, paid for the whole or part of the premium which an insured referred to in any applicable provision is liable to pay under the Scheme —

- (a) the Board may, where it considers appropriate, deduct the amount of premium paid by the member from the amount of refund prescribed in that applicable provision to credit to the account of the member in the Fund; and
- (b) the Board shall refund to the insured by crediting to his account in the Fund any balance of the amount of refund prescribed.

(2) In paragraph (1), “applicable provision” means regulation 5(1), 6(1) or (2), 7(1), 10(2), 16, 17(1) or (2), 18(1), 19(5), 19A(1) or (2), 19B(2) or (3) or 20(1B).”.

Amendment of First Schedule

11. The First Schedule to the principal Regulations is amended by deleting the Schedule reference and substituting the following Schedule reference:

“Regulations 5(1), 6(2), 7(1), 10(2), 19(5), 19A, 19B(3) and 20(1B)”.

Made this 28th day of December 2012.

CHAN HENG KEE
*Permanent Secretary,
Ministry of Manpower,
Singapore.*

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