

insured/covered and keep the purchase receipts of the household items to support a claim under the householder policy/takaful certificate; and

- c. **PA insurance/takaful:** *the FSP must inform that if financial consumers have purchased/participated in multiple PA policies/takaful certificates, certain losses such as medical expenses are compensated on reimbursement basis. The financial consumers will be compensated only once for the actual loss suffered.*

- S 4.2.4** A FSP shall inform financial consumers of the possible implications of the claims on future renewal of the consumers' policy/takaful certificate.

For example:

Motor insurance/takaful: *imposition of excess or loading, loss of no-claim-discount and increase in premium/takaful contribution.*

- S 4.2.5** A FSP shall inform financial consumers that a policy/takaful certificate can be cancelled by financial consumers at any time by giving a written notice to the FSP and that upon cancellation the financial consumers are entitled to a refund of the premium/takaful contribution.

For example:

- a. **Motor insurance/takaful and Houseowner/householder insurance/takaful:** *Refund of the premium/takaful contribution is on short period rates.*
- b. **PA insurance/takaful:** *Refund of the premium/takaful contribution can be either based on short period rates or pro-rated basis.*

4.3 During the term of the contract

- S 4.3.1** A FSP shall issue a notice of the expiry of the existing policy/takaful certificate to financial consumers at least thirty (30) calendar days before the expiry date, to ensure that the consumers are given sufficient notice to obtain or renew the insurance/takaful cover.

- S 4.3.2** For houseowner/householder insurance/takaful, a FSP must remind financial consumers to ensure the property is adequately insured/covered in the notice of expiry. The FSP must highlight that the sum insured/covered should cover the cost of rebuilding the property in the event of loss/damage.

- S 4.3.3** For motor insurance/takaful where the vehicle's current market value is provided in the notice of expiry, a FSP shall ensure the market value is based on reference to a credible VVD. If the vehicle's current market value is not available in the VVD, the FSP must inform financial consumers on the recommended market value and the basis for such recommendation at the point of renewal for the motor insurance/takaful cover. The FSP shall also include the following information in the notice of expiry-
 - a. applicable discount or rebate if the financial consumers choose to renew the policy/takaful certificate directly with the FSP;
 - b. no-claim-discount entitlement to the financial consumers; and
 - c. warning statement that it is an offence under the laws of the Republic of Singapore to enter the country without extending passenger liability cover.