



## Media Release

*For immediate release*

### **Opt-Out Marketing Methods Not Employed by Life Insurance Companies**

*Singapore, 15 July 2004* – The Life Insurance Association, Singapore (LIA) has confirmed that none of its twelve member companies have ever employed or currently employ “opt-out” marketing methods in the sale of their life insurance products. On occasions, there may be some confusion on the part of the consumer over the nature of the product or service they are purchasing. LIA member companies will always endeavour to address such misunderstandings.

Consumers can be assured that the LIA places extreme importance on ensuring that the best interests of the consumer are protected. When a consumer agrees to purchase a life insurance product either in writing or verbally, the consumer’s right to reverse the decision is protected by a 14-day ‘free look’ period from the start date of the policy. The 14-day ‘free look’ period provides consumers with additional comfort and protection to enable them to review in detail what they have purchased and discuss this further. They are free to cancel the product in the event they change their mind in that period

Before entering into any financial contract, it is also in the best interest of consumers to take the responsibility of fully understanding the product and their financial needs before agreeing to purchase it. The LIA has recently initiated a consumer education programme aimed at helping consumers gain a better understanding of life insurance products and its role in proper financial planning.

Mr Raymond Kwok, President of the Life Insurance Association, Singapore and Managing Director of UOB Life Assurance Limited, said, “The LIA actively and constantly strives for its member companies to maintain the highest best practice standards for the industry. As the Singapore financial industry matures, we hope that an increasing number of consumers will keep pace with the changes in order to be able to properly take charge of their finances.”

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## **Contact Information**

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### **About the Life Insurance Association of Singapore**

The Life Insurance Association is a trade association comprising twelve direct insurers and three reinsurers who are licensed by the Monetary Authority of Singapore (MAS) to transact life insurance or life reinsurance business in Singapore.

Its objective is to promote the growth and development of the Singapore life insurance industry and to protect interests shared by life insurers and life insurance policyholders. To meet these objectives, the LIA undertakes various activities each year with current emphasis on:

- the development of the life insurance industry in consultation with MAS;
- promotion of standards of industry practice;
- promotion of public awareness of life insurance.

For more information, visit our website at [www.lia.org.sg](http://www.lia.org.sg)