



Protecting your Home

A guide to
the CPF Home
Protection Scheme



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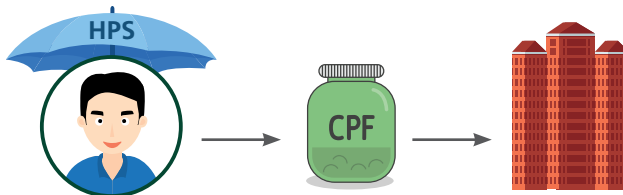
What you need to know about HPS



The Home Protection Scheme (HPS) is a mortgage-reducing insurance that protects you and your loved ones from losing your HDB flat in the event of death, terminal illness or total permanent disability. HPS insures members up to age 65 or until the housing loans are paid up, whichever is earlier.

Requirement for HPS cover

You are required to be insured under HPS if you are using your CPF savings to pay the monthly housing instalments of your HDB flat.



If you are using cash for the monthly housing instalments, you can still apply to be insured if you are an owner of the flat.

How to apply?

HDB or lawyers will advise you to apply for HPS when you apply to withdraw your CPF savings to pay the monthly instalment of your HDB flat financed with HDB or bank loan respectively.



You can also apply for HPS at CPF website with your Singpass (via [my cpf Online Services > My Requests](#)).

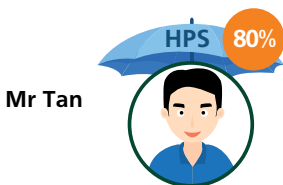
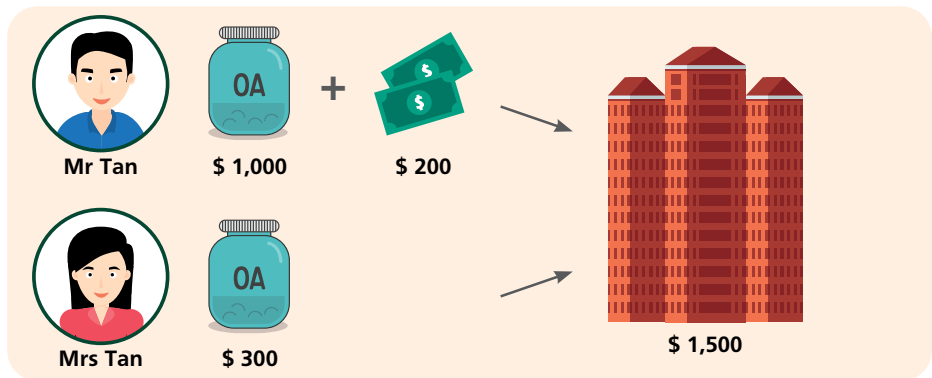
Share of HPS cover

You are encouraged to be insured according to your share of responsibility in repaying the loan (using your CPF savings and/or cash). The total share of cover per household must add up to at least 100%. However, you and your co-owner(s) can also each choose to insure for a higher share of cover, up to 100% share of cover per owner. In the event of a claim, HPS pays the sum assured based on the share of cover that you have applied for.

A higher share of cover will result in a higher annual premium which is deducted from your CPF Ordinary Account (OA). As such, when deciding the share of cover, you and your co-owner(s) should consider your needs for financial protection as well as future retirement needs.

Example:

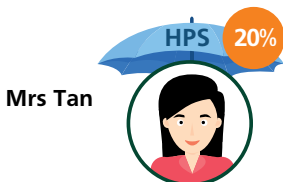
Mr Tan and his wife service their monthly housing loan instalment of \$1,500 with CPF savings and cash. Mr Tan uses \$1,000 from his CPF account and \$200 in cash, and his wife uses \$300 from her CPF account.



Mr Tan's share of the cover should be at least:

$$\$1,200 / \$1,500 \times 100\% = 80\%$$

Mr Tan can however, opt for up to 100% share of cover.

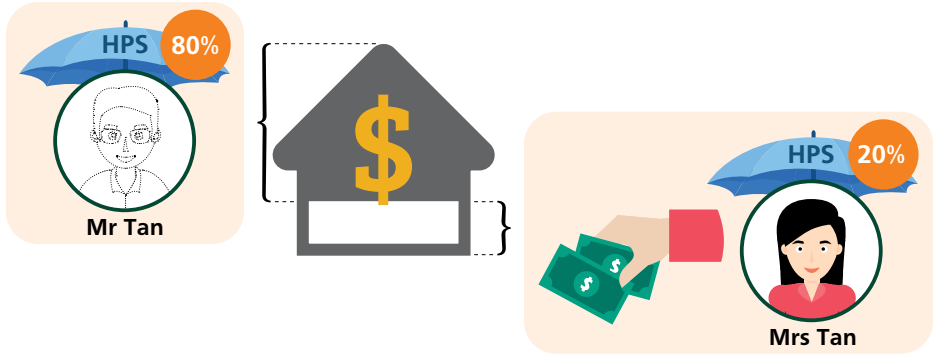


Mrs Tan's share of the cover should be at least:

$$\$300 / \$1,500 \times 100\% = 20\%$$

Mrs Tan can also opt for up to 100% share of cover.

If Mr Tan is eligible for a claim, we will pay the sum assured, based on Mr Tan's 80% share of cover, as at the date he is eligible for the claim. Mrs Tan will need to finance the remaining loan amount, after payment of HPS benefits.

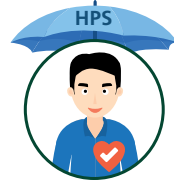


If Mr Tan has chosen to be covered for 100% share of cover, the sum assured based on his 100% share of cover will be paid as at the date he is eligible for claim. There will be no further payment required from Mrs Tan if the HPS benefits can fully pay off the outstanding loan.



Eligibility of HPS cover

Eligibility for an HPS cover is subject to you being in good health. You must declare and fully disclose all information regarding your health, including



- ✓ **All your past and current illnesses;**
- ✓ **Any surgery/treatment/medical test(s) that you had previously undergone or will be undergoing; and**
- ✓ **Any physical or mental impairment.**

If you are not sure about the relevance of the information, you are advised to disclose it. You must inform us immediately if there is a change in the state of your health before the HPS cover is issued to you.

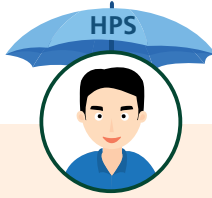
We will assess your eligibility for HPS cover based on the declared information. You may be required to undergo a medical examination. We may also request a copy of the medical report on your health condition from your attending doctor.



If you are not eligible for HPS cover, you can still use your CPF savings to pay the monthly housing instalment.

We will not consider claims or refund premiums to a member who had given false or misleading information, or who had not provided relevant information in his/her health declaration.

You will be covered under HPS when all of the following conditions are met:



You have obtained legal ownership of the flat i.e. legal documents are signed and keys are collected



You have executed the loan document with HDB or the approved mortgagee and are legally liable for the loan



You have made a health declaration and are accepted for cover under HPS



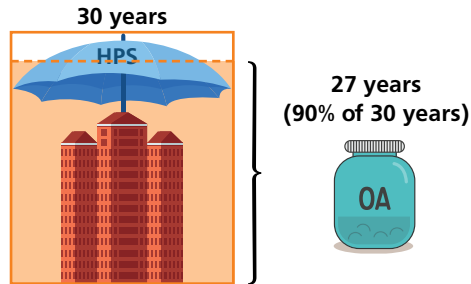
You have paid your first HPS premium

An HPS certificate will be sent to you after your HPS application has been approved and the premium deducted. The certificate will include details such as the sum you are insured for, your share of cover, the policy commencement and expiry date, the address of the insured flat and your annual premium.

You can also view the details of your HPS cover at CPF website with your Singpass (via [my cpf Online Services > My Messages](#)).

HPS premium payment

The premium is paid annually and will automatically be deducted from your Ordinary Account. You will only need to pay the annual premium for 90% of the HPS cover period. For example, if your HPS cover period is 30 years, you will only need to pay the premium for 27 years.



The premium is calculated based on five factors:



**Outstanding housing
loan of the flat**



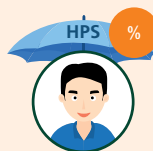
**Loan repayment
period**



**Type of loan
(concessionary
or market rate)**



**Age and gender
of the member**

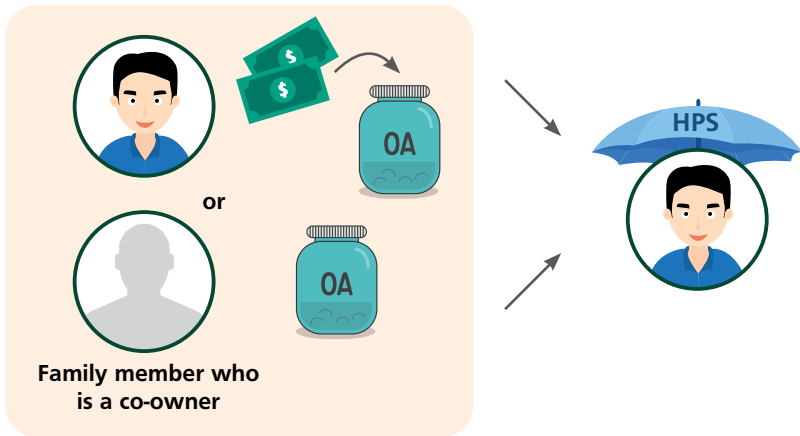


**Percentage share
of cover**

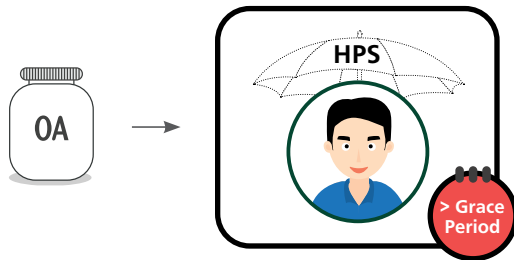


You can estimate your premium using the online HPS Premium Calculator at CPF website (Tools > Housing > [Home Protection Scheme Premium Calculator](#)).

You will be notified to top up your Ordinary Account if the balance is not enough to pay the premium. Your family member i.e. your spouse/parent/child/sibling, who co-owns the flat with you, can authorise us to use his/her Ordinary Account savings to pay for your HPS premium shortfall.



You will be given a grace period to pay the premium for your HPS policy to continue. Your HPS cover will end if we are unable to deduct the premium by the end of the grace period. You will lose the insurance protection and the HPS claim will not be payable in the event of death, terminal illness or total permanent disability.



During the grace period, any available balance in your Ordinary Account will be first used to pay your HPS premium before you can use it for any payments, including your monthly housing instalments.

You will need to apply again if you want to join HPS after your cover has ended. Your eligibility will be subject to your health condition at the point of the reapplication.

Adjusting and terminating HPS coverage



Adjustment of HPS cover

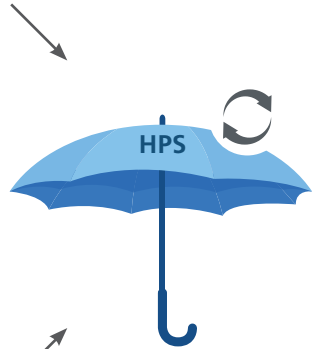
You will need to adjust your HPS cover if:

- i. The loan repayment period or loan amount has changed due to loan restructuring or capital repayment



or

- ii. Your share of responsibility in repaying the loan has changed



A new HPS cover based on the new loan information/share of responsibility will be issued to you, and your premium will be adjusted accordingly. This is to ensure that you are adequately covered.

However, any increase to your HPS cover, e.g. increase in cover period or sum assured, is subject to your health condition. As such, you will need to apply to increase your HPS cover and make a health declaration for reassessment of eligibility. If you are not eligible for the additional cover, you can continue to be insured under the earlier HPS cover.



Scenarios resulting in adjustment of HPS cover

1. Change in share of responsibility in repaying the loan

If your share of responsibility in repaying the loan has changed, please inform us to adjust your HPS cover.

You can request to adjust your HPS cover at CPF website with your Singpass (via [my cpf Online Services > My Requests](#)).

2. Capital repayment of loan/restructuring of loan

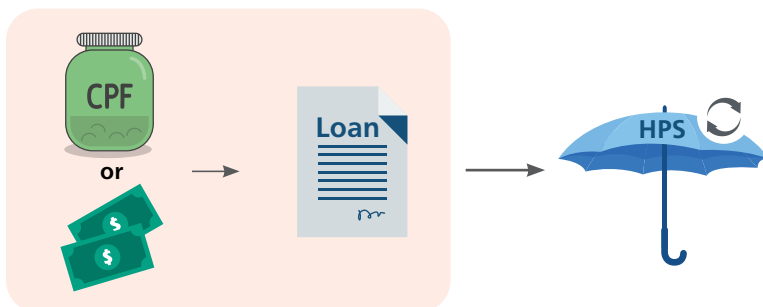
For members who have taken an HDB loan

We will be notified by HDB for any capital repayments or restructuring of your loan. We will adjust your HPS cover and no further action is needed from you.

For members who have taken a bank loan

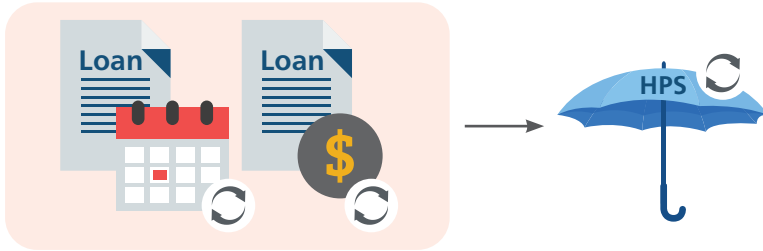
If you are using your CPF savings for capital repayment of your bank loan, we will be notified and we will adjust your HPS cover. No further action is needed from you.

If you are using cash for capital repayment of your bank loan, or you have revised your loan repayment period, you can request to adjust your HPS cover at CPF website with your Singpass (via [my cpf Online Services > My Requests](#)).



3. Refinancing of existing loan to bank loan

If you are using your CPF savings for refinancing of your existing loan, we will be notified and we will adjust your HPS cover if there are any changes to the loan repayment period or amount.

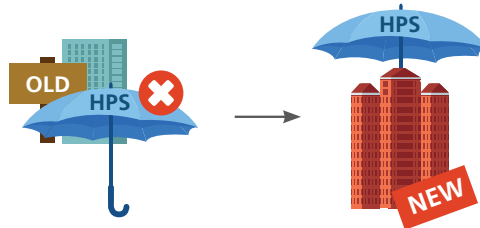


If there is no change to the loan repayment period or amount, we will only update the records to reflect your new mortgagee.

Scenarios resulting in termination of HPS cover

1. Sale of property

Your HPS cover will end when you sell your flat. The unused portion of your premium (if applicable) will be paid into your Ordinary Account.



Similarly, if you buy a new flat, the HPS cover for your old flat will end while an HPS cover will be issued for your new flat. However, the cover for your new flat is subject to your health condition. As such, you will need to declare and fully disclose all information regarding your health when you apply for an HPS cover for your new flat.

2. Full redemption of loan

Your HPS cover will end when you have fully redeemed your loan. The unused portion of your annual premium will be paid into your Ordinary Account.

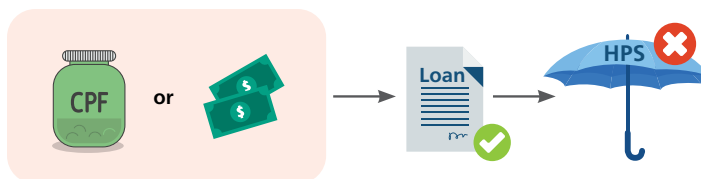
For members with an HDB loan

We will be notified by HDB on the full repayment made to your loan. We will end your HPS cover and no further action is needed from you.

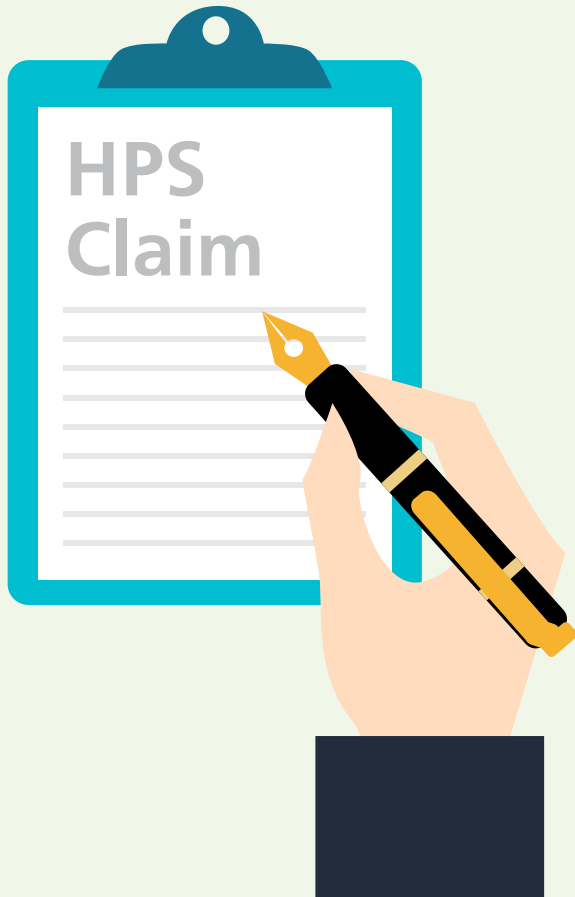
For members with a bank loan

If you have used your CPF savings to fully repay your bank loan, we will be notified and we will end your HPS cover. No further action is needed from you.

If you have used cash to fully repay your bank loan, please notify us via email at insurance@cpf.gov.sg. Upon your mortgagee's confirmation on the full repayment, we will end your HPS cover.

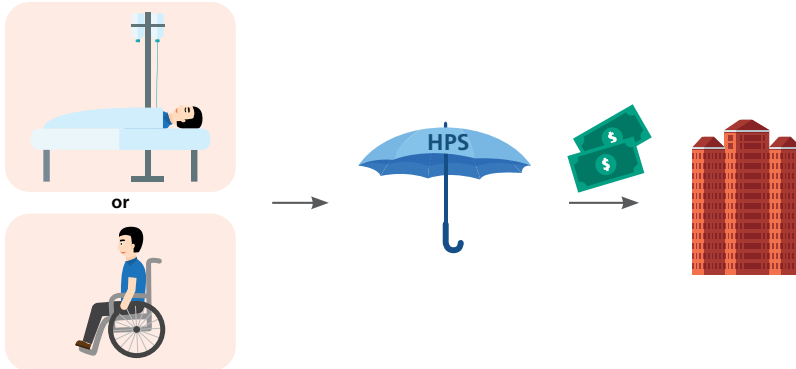


Making an HPS claim



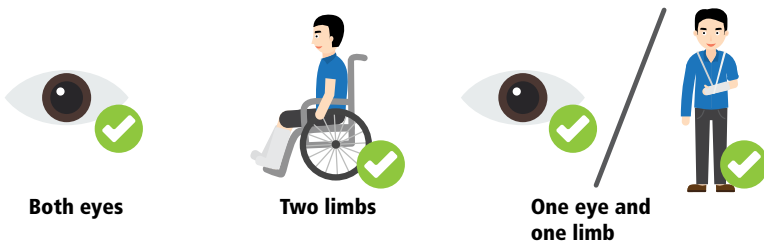
Claim under medical grounds

We will pay the sum assured under the HPS policy if the insured is certified by an accredited doctor¹ to be suffering from terminal illness or total permanent disability during the term of the policy.



Terminal illness refers to an illness that is likely to result in the death of the member within 12 months. Total permanent disability refers to:

- i. the inability to take part in any employment permanently; or
- ii. the total permanent loss of physical function of any of the following:



A member can apply for HPS claim under medical grounds at CPF website with his/her Singpass (via [my cpf Online Services > My Requests](#)).

To qualify for claim under (i), the member must also have stopped physical employment.

A detailed medical report may be obtained from the member's doctor to determine his eligibility to claim HPS benefits. If the member's doctor is not from the accredited list, arrangements may be made for the member to be further examined by CPF Board's panel of doctors.

¹ The list of accredited doctors are those from government restructured hospitals, polyclinics or specialists.

Death claim

A coroner's report may be required to confirm the cause of death.

The family of the deceased can file for a claim at CPF website with his/her Singpass (via [my cpf Online Services > My Requests](#)).

How is claim payment made?

We will settle the outstanding housing loan, up to the sum assured, with HDB or the mortgagee directly. If the sum assured is higher than the outstanding loan², the excess amount will be paid into the insured member's Ordinary Account.

For deceased members, their CPF savings, which include savings in the Ordinary Account, will be distributed to their nominees. In cases where no nominations are made, the Public Trustee will distribute the deceased member's CPF savings under the intestacy laws or Muslim inheritance laws.

Claim benefits are not payable if the following events occur within the first policy year of the cover:

- member committed self-inflicted injury or suicide; or
- member committed a criminal offence punishable by death; or
- member's claim arose out of his/her own intentional criminal act.

Claim benefits are also not payable if:

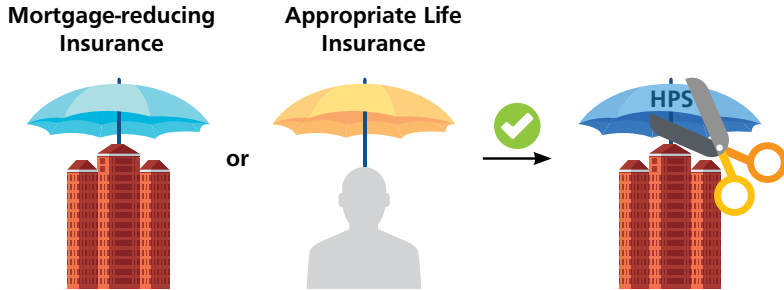
- member is/was not in good health before the commencement of the HPS cover; or
- member provided false or misleading information; or
- member's claim arose from wars or any warlike operations or participation in any riot.

² For example, this can happen when the rate that the outstanding loan decreases is faster than the rate at which HPS sum assured decreases.

Exemption from HPS



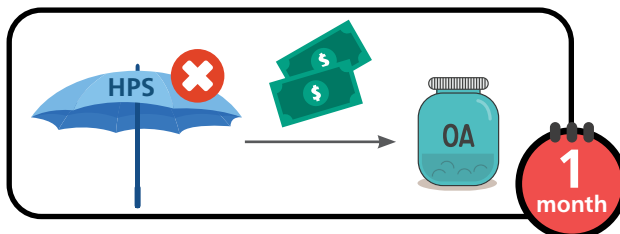
You can apply to be exempted from HPS if you already have a mortgage-reducing insurance or an appropriate life insurance policy that is enough to cover your outstanding housing loan up to the full term of loan or age 65, whichever is earlier. Your private insurance policy must be able to provide coverage for terminal illness, total permanent disability and death.



You can apply for exemption at CPF website with your Singpass (via [my cpf Online Services > My Requests](#)).

If you intend to use your CPF savings to pay for the monthly housing instalment, we would advise you to apply for HPS first. You can then apply for HPS exemption after you have obtained legal ownership of the flat. This ensures that your monthly housing instalment arrangement will not be disrupted if the HPS exemption is not submitted and approved in time.

You will get a full premium refund into your Ordinary Account if the exemption application is received by us within one month from the issuance of the HPS cover. Otherwise, a pro-rated premium refund will be paid into your Ordinary Account upon the termination of your HPS cover.



Types of insurance policies

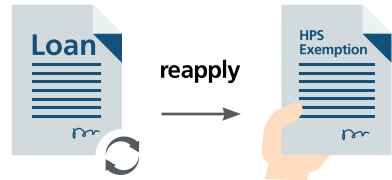
You can use the following types of insurance policies, both traditional and investment-linked, to support your exemption application:

- Whole Life
- Term Life
- Endowments
- Life Riders (must be attached to a basic policy)
- Mortgage Reducing Term Assurance (MRTA)/Decreasing Term Rider

When do you need to reapply for exemption?

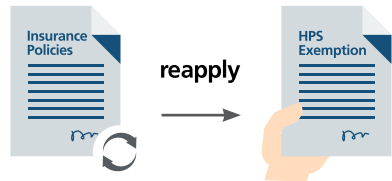
1. Refinancing of loan

If you have refinanced your housing loan, you will need to apply again for HPS exemption. This ensures that your existing insurance policies are still sufficient to cover your refinanced loan. Even if there are no changes to your housing loan amount, your existing insurance policies may not cover you adequately as a result of higher mortgage interest rates. Therefore, we will need to reassess the adequacy of your insurance policies.



2. Changes to your insurance policies

Your exemption from HPS may be cancelled if any of the insurance policies used for the exemption is discontinued or altered. We would then issue an HPS cover to you based on the declared percentage that you are exempted for, subject to your health condition and our terms and conditions. You would need to apply again if you wish to remain exempted from HPS.



This brochure is for general information only.

For more information on HPS, please visit CPF website [CPF Schemes > Housing > [Home Protection Scheme](#)].

For applications relating to HPS such as exemption from HPS or termination of your HPS cover, please visit CPF website and login with your Singpass (via [my cpf Online Services > My Requests](#)).

For enquiries on HPS, please call 1800 227 1188.

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