

## **Fee Protection Scheme Insurance (EduTrust Certified Private Education Institution)**

### **Important Notice**

This Insurance Policy is issued to You based on the information You provided Us when You applied for the Insurance. You should note that You must disclose to Us fully and faithfully the facts You know or ought to know that are relevant to Your insurance application. If You have failed to disclose the relevant facts to Us, the Insurance Policy issued to You may be void and You may not receive any benefit from it.

This Insurance Policy, inclusive of the Schedule, any Memorandum and Endorsement, is an important document. It explains the Insurance cover We provide You, the rights the Insurance Policy gives You, the conditions You are to comply with and situations where We will not pay under the Insurance Policy. Please read this Insurance Policy carefully and ensure that it meets Your requirements. If the Insurance Policy does not meet Your requirements or You find any error in the Insurance Policy, kindly return it to Us and contact Us immediately for correction.

### **DEFINITIONS**

Some words and phrases in this Insurance Policy have special meanings. These words and phrases have the following meanings wherever they appear in the Insurance Policy.

“Authority” means any Singapore governmental authority or agency having regulatory supervision over private education institutions under any written law.

“Course” has the same meaning as in Section 2 of the Private Education Act, Cap.247A (“the Act”)

“Certificate of Insurance” means the certificate of Insurance issued by Us to the eligible student for a course offered or provided by the PEI and enrolled by the student.

“EduTrust” or “EduTrust Certification” means the voluntary scheme administered by CPE under Section 49 of the Act and the certification hereunder.

“Fee Protection Scheme” means the fee protection scheme established and maintained by CPE under Part IV of the Act which a PEI must enter into to be eligible for the EduTrust Certification.

“Insolvency Event” means the making of an order by a Singapore court for the judicial management, dissolution, liquidation, winding up or bankruptcy of the PEI, any of its partners or sole proprietor (as the case may be) and without affecting the preceding shall include the inability of the PEI to carry on and perform its business due to financial reasons whether or not in the usual course of business and any arrangement arising therefrom by which any aspects of the affairs of the PEI are run or determined other than exclusively by its management.

“Judgment Sum” means a sum awarded by a court, arbitrator, tribunal or any adjudicator of competent jurisdiction of first instance in Singapore during the Period of Indemnity in favour of the Student and to be paid by a PEI in relation to a dispute between the Student and the PEI directly arising out of or in relation to the Student Fees paid by the Student to the PEI including an order, award, declaration or decision obtained in default.

“Judgment Debt Default Event” means the notification by a Student to CPE in writing with supporting evidence that the relevant PEI has failed, refused and/or neglected to discharge or satisfy the whole or part of the Judgment Sum within fourteen(14) days after the time in which the PEI is obliged to discharge or satisfy the Judgment Sum and, if no time for discharge or satisfaction is stated therein or in any order of Court made thereafter, within fourteen (14) days of the date of the order, award, declaration or decision giving rise to the Judgment Sum.

“Limit of Indemnity” is the maximum amount payable under this Insurance Policy in respect of each Student named in the Certificate of Insurance.

“Maximum Insurable Limit” represents the maximum possible aggregation of all Limits of Indemnity which We can issue to Students at any one time under this Insurance Policy by us to you. The Maximum Insurable Limit is shown in the Schedule and may be adjusted from time to time by way of an Endorsement issued by Us.

“Payout event” means a Termination Event or a Judgment Debt Default Event.

“Payout Instruction” means a notice issued by the Authority to Us certifying the occurrence of a Payout Event.

“PEI” means “private education institution” in the Private Education Act.

“PEI Closure” means:

- a. The permanent cessation, termination or deregistration of the operations and/or the business of the PEI by reason of the operation of or administration of the Act or any written law of the Republic of Singapore or any other jurisdiction; or
- b. The permanent cessation or termination by a PEI of its operations and/or business including but not limited to the cessation or termination of all or substantially of its educational programmes (including courses, diplomas and distance learning programmes) offered by it to Students.

“Period of Insurance” means the period commencing from the date shown in the Schedule and as may be extended by way of an Endorsement issued by Us.

“Period of Indemnity” means the period specified in the certificate of insurance issued by us to the Students

“Person” includes a corporation or an incorporated association.

“Pre-cover arrangement” means coverage to the Students for Course Fees paid by the Student from the date of each payment of Course Fees by the Student to the PEI until, whichever is the earlier,

- a. the date of commencement of the Period of Indemnity in a subsequent certificate of insurance issued to the Students; or
- b. seven (7) working days after the payment of the Course Fees.

“Student” means a person who enrolls for a Course with a PEI by applying for and being accepted into that Course and who is eligible for cover under the Fee Protection Scheme.

“Student Fees” or “Course Fees” means the gross fees payable to the PEI in relation to a Course (in terms of its instruction or teaching) by a Student, or a person who intends to become or who has taken any steps towards becoming a Student (referred to as “intending Student”) or another person who pays the money on behalf of the Student or intending Student but before any commission payable to third parties is deducted and excluding prevailing good and services tax (GST), the application fee for the sole purpose of processing the submitted application for admission to the Course and any non-mandatory ad-hoc miscellaneous fee payable on per need basis to the PEI.

“Termination Event” means an Insolvency Event or PEI Closure.

“Working day” or “Business day” means Mondays to Fridays, excluding Saturdays, Sundays and gazetted public holidays in Singapore.

"Terms" refers collectively to the terms, conditions and exclusions contained in or endorsed on this Policy.

"We", "Us", "Our" means The Insurance Company

"You", "Your" means the insured PEI.

## 1. YOUR INSURANCE

In consideration of You paying or agreeing to pay Us the premium set out in the Schedule, We agree to cover You during the Period of Insurance on the Terms subject to the following:

- 1.1 This Insurance Policy is subject to the Maximum Insurable Limit as stated in the Schedule. Upon each application by You to Us for inclusion of a person to be covered as a Student under this Insurance Policy accepted by Us and Our issuance of a Certificate of Insurance in relation to that Student, the available Insurable Limit shall be reduced by the Limit of Indemnity applicable to such an accepted application. The available Insurable Limit after such deduction shall be the amount available for consideration of future new applications for cover under this Insurance Policy.
- 1.2 We shall have the right at any time and at Our absolute discretion to:
  - a. review the Maximum Insurable Limit; and
  - b. increase or decrease the Maximum Insurable Limit (including reducing the said limit to zero). Where We decrease the Maximum Insurable Limit, We shall give You 14 days' prior written notice and the relevant decrease shall have effect after the expiry of such notice.
- 1.3 We shall have the right to accept or reject any application by You for the inclusion of any person to be covered as a Student under this Policy without having to provide any reason therefore, including but not limited to rejecting such an application in the following situations:
  - a. Where the Maximum Insurable Limit stated in the Schedule has been reached or will be exceeded with the acceptance of that application;
  - b. The applicant is not eligible to apply for the cover under this Policy as set out in the Eligibility section of this Policy.
- 1.4 Each application by You for any person to be covered as a Student under this Policy which is accepted by Us shall be conditional upon Your or any person specified by us executing and maintaining in force a counter-indemnity in Our favour and in a form acceptable to Us indemnifying Us for an amount equivalent to the Maximum Insurable Limit during the Period of Insurance.

## 2. SCOPE OF COVER

- 2.1 Subject to the Terms of this Insurance Policy, We will indemnify a Student up to the Limit of Indemnity for:
  - a. loss of Course Fee paid by the Student to the PEI in the event that the Student is unable to commence, continue with or complete the Course due to a Termination Event during the Period of Indemnity. The indemnity provided herein shall be limited to the portion of the paid Course Fee deemed un-utilised as at the date of the Termination Event and pro-rated to the time elapsed in respect of that part of the Course as relates to the Course Fee paid for the Period of Indemnity and to the extent the same is not refunded to the Student; and/or

- b. such part of a Judgment Sum that may be attributed to the Period of Indemnity as may be in-force as at the date of the Judgment Sum and remaining unpaid by the PEI as at the date of the issuance of a Payout Instruction in respect of a Judgment Debt Default Event.
- 2.2 Subject to the Terms of this Insurance Policy, We will indemnify a Student for the Pre-cover arrangement. For the avoidance of doubt, the Pre-cover arrangement is subject to the Maximum Insurable Limit, and Clause 1.1 shall apply mutatis mutandis.
- 2.3 For the avoidance of doubt, save for the indemnity expressly provided herein, this Insurance Policy does not pay for any other indirect or consequential loss, damage, liability, cost and/or expenses whatsoever suffered or incurred by the Student.

### 3. EXCLUSIONS

This Insurance does not cover and We do not pay for loss arising from:

- 3.1 the failure by the PEI to provide adequate, qualified and/or suitable teachers, teaching resources or any deficiency in the quality of the curriculum, the Course, the qualification awarded or the learning experience of the Student, or the Student's dissatisfaction with the course or with the PEI;
- 3.2 the accreditation of the qualification awarded to a Student or the authenticity of certificate(s) issued by the PEI;
- 3.3 the termination or withdrawal of any Course for any reason other than due to a Termination Event;
- 3.4 the termination, cessation or suspension of the PEI's business for any reason other than due to a Termination Event;
- 3.5 the breach by the PEI and/or the Student of their respective obligations or undertakings under any contractual arrangement between the Student and the PEI in relation to the Course, other than by reason of a Termination Event;
- 3.6 the failure of the Student to commence, continue or complete the Course for any reason other than due to a Termination Event;
- 3.7 any dispute between or involving the PEI and the Student whether arising out of the PEI's refund policy or Course Fee upon withdrawal from or termination by the Student of the Course or in relation to the adequacy of any refund arising from any reason other than for the events described in Clause 1b of the Scope of Cover;
- 3.8 war, invasion, act of foreign enemy, hostilities or warlike activities (whether war be declared or not), civil war, mutiny, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or military authorities;
- 3.9 radioactivity or from the use, existence or escape of any nuclear fuel, material or waste;
- 3.10 criminal or illegal act of the PEI.

#### 4. ELIGIBILITY

The PEI and the Student applying for this Insurance must meet the eligibility criteria set out herein.

##### 4.1 The PEI must:

- a. be registered or deemed registered as a private education institution under Part III of the Act;
- b. have and maintain in force an EduTrust certification; and
- c. comply with such other eligibility requirements that We or the Authority may prescribe from time to time.

##### 4.2 The Student must:

- a. be a fee-paying student who has applied for enrolment in a Course and is accepted by the PEI for the same; and
- b. comply with such other eligibility requirements that We or the Authority may prescribe from time to time.

#### 5. GENERAL CONDITIONS

##### 5.1 Due Observance

Your due observance and fulfillment of the Terms insofar as they relate to anything to be done or complied with by You and truth of statements and declaration shall be a condition precedent to Our liability to make any payment under this Insurance Policy.

##### 5.2 No Assignment

This Insurance Policy and any right to indemnity under this Insurance Policy shall not be transferred or assigned whether in whole or in part by the PEI and/or the Student to any other party.

##### 5.3 Cancellation of the Policy

- a. Subject to the approval of the Authority:
  - (i) You may cancel this Insurance Policy at any time by giving Us no less than thirty (30) days' prior written notice. In return, We will confirm in writing the effective date of cancellation of this Policy.
  - (ii) We may cancel this Insurance Policy by giving You at least thirty (30) days' notice in writing (sent to Your last known address) and stating in the notice the effective date of cancellation.
- b. This Insurance Policy will be automatically cancelled without further notice on the date on which the PEI's EduTrust certification expires or is withdrawn or revoked.

Notwithstanding the termination of this Insurance Policy by cancellation as aforesaid, any Certificate of Insurance issued prior to the termination of this Insurance shall continue to be in force and the cover on the relevant Student named in such Certificate of Insurance shall continue until the expiry of the Period of Indemnity stated in that certificate.

##### 5.4 Termination of Cover

The cover on each Student shall terminate upon the occurrence of any one of the following events:

- a. the occurrence of a Payout Event;
- b. the Student ceases to be a student of the PEI for any reason whatsoever; or
- c. the Student switches to another course of study that differs from the Course regardless as to whether the other course of study is provided by the PEI or any other party.

In the event that cover on the Student is terminated other than upon the occurrence of a Payout Event and provided no claim has been paid or is payable under the Certificate of Insurance, We will return the pro rata unearned portion of the premium We have received in respect of the Certificate of Insurance to which the termination relates.

5.5 Premium

For all covers on the Student accepted by Us and where Certificates of Insurance have been issued, You are obliged to pay Us the premiums arising from such Certificates of Insurance when they fall due. In the event that premium stated in the Certificate of Insurance, including any Goods and Services Tax thereon or other tax, charge or levy chargeable by law and payable by You is not received by Us within seven (7) days from the issue date of the Certificate of Insurance, We will inform the Authority of the default in premium payment and We shall have the right to immediately suspend acceptance of any further application of cover on any of Your Students and/or cancel this Insurance in accordance with Clause 5.3.

5.6 Claim Notification and Co-operation

a. We will make payment to a Student within ten (10) Business Days of receipt by Us of a Payout Instruction issued by the Authority to Us.

b. We shall be entitled to rely upon any order, judgment, decree, certification, demand, notice, or other written instrument delivered to Us (including but not limited to a Payout Instruction) without being required to determine the authenticity or the correctness of any fact (including signatures) stated or validity of the service of such a document. We shall have no responsibility for the contents of any award, order or ruling (whether in relation to a Judgment Sum or Termination Event or otherwise) and may rely without any liability upon the contents of any such award, order or ruling.

c. We may at all times immediately make a payment in accordance with the terms of any Payout Instruction without any reference to or further authority from You and/or a Student, without further investigation or inquiry and without inquiring and without requiring proof or Your concurrence that a Payout Instruction has been properly or validly issued.

d. In the event of any disagreement between the Authority, You and/or any Student resulting in adverse claims or demands being made in connection with any payment under or pursuant to this Insurance Policy, or in the event that We in good faith are in doubt as to what action We should take under or pursuant to this Insurance Policy, We shall be entitled to retain any funds We may be required to pay to You and/or a Student until required to release it in accordance with this Insurance Policy and/or any Payout Instruction.

5.7 In the event that any law, regulation, decree, order, government act, custom, procedure or practice to which We are subject, or to which a payment under or pursuant to this Policy is subject (including without limitation any written law relating to anti-money laundering or the prevention of terrorism financing), prevents or limits the performance by Us of our duties and obligations, then until such time as We are again able to perform such duties and obligations hereunder, such duties and obligations shall be suspended .

5.8. Contribution

If at the time of any claim, there be any other subsisting insurance or insurances, whether effected by You or any other person, covering the same contingency as is covered under this Insurance Policy, We shall not be liable to pay or contribute more than the rateable proportion of such claim.

- 5.9 **Arbitration**  
If any difference and/or dispute shall arise as to any amount to be paid under this Policy (liability being otherwise admitted), such difference and/or dispute shall be resolved by arbitration in Singapore conducted in English by a single arbitrator pursuant to the rules of the Singapore International Arbitration Centre, 3<sup>rd</sup> Edition. Where any difference and/or dispute is by this condition to be referred to arbitration, the making of an award shall be a condition precedent to any right of action against Us. Unless any such action or suit be commenced within six months of the making of an award, We shall not be liable to make any payment in excess of the amount of the award.
- 5.10 **Legal Proceedings**  
This Insurance Policy shall be construed according to and governed by Singapore law. No action at law or in equity shall be brought to recover any sum under this Insurance Policy prior to the expiration of sixty (60) days after written proof of claim has been furnished in accordance with the requirements of this Insurance Policy. The parties submit themselves to the exclusive jurisdiction of the Singapore courts for the resolution of any conflict or dispute with regards to this Policy except where the circumstances are governed by the Arbitration section in this Policy. No such action shall also be brought after the expiration of one (1) year after the time written proof of claim is required to be furnished.
- 5.11 **Currency**  
Premiums and claims payable under this Policy shall be in Singapore dollars.
- 5.12. **Exclusions of Rights Under the Contracts (Rights of Third Parties) Act**  
A person who is not a party to this Policy shall have no right under the Contracts (Rights of Third Parties) Act (Cap.53B) to enforce any of its terms.
- 5.13. **Disclosure of information**  
You consent to the use, storage and transfer by Us (whether within or outside Singapore) and/or the exchange of any information provided by You or a Student in relation to a proposal for insurance, Policy or Certificate to or with all such persons as We may consider necessary including but not limited to any member of the insurer for any and all purposes in connection with the proposal, Insurance Policy or Certificate of Insurance.

