

Allen & Gledhill

EXECUTION COPY

Dated 7th April 2017

THE OVERSEAS ASSURANCE CORPORATION LIMITED

and

THE GREAT EASTERN LIFE ASSURANCE COMPANY LIMITED

**SCHEME FOR THE TRANSFER OF INSURANCE BUSINESS
UNDER SECTION 49FB OF THE INSURANCE ACT,
CHAPTER 142**

ALLEN & GLEDHILL LLP
ONE MARINA BOULEVARD #28-00
SINGAPORE 018989

**SCHEME FOR THE TRANSFER OF INSURANCE BUSINESS
UNDER SECTION 49FB OF THE INSURANCE ACT, CHAPTER 142 BETWEEN
THE OVERSEAS ASSURANCE CORPORATION LIMITED AND
THE GREAT EASTERN LIFE ASSURANCE COMPANY LIMITED**

1. PRELIMINARY

1.1 Definitions

In this Scheme, unless there is something in the subject or context inconsistent therewith:

1.1.1 the following expressions bear the following meanings, namely:

Expression	Meaning
"Act"	the Insurance Act, Chapter 142 of Singapore;
"Business Day"	a day on which commercial banks are open for business in Singapore (excluding Saturdays, Sundays and public holidays);
"Companies Act"	the Companies Act, Chapter 50 of Singapore;
"Effective Date"	0001 hours on 1 July 2017 or such other date as OACS and GELS may agree in writing and the High Court may allow;
"Encumbrance"	any claim, charge, mortgage, lien, option, equity, power of sale, right of pre-emption, right of first refusal or other third party rights or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing other than repairers or similar liens or suppliers' retentions of title in the ordinary course of business;

Expression	Meaning
"Excluded Liabilities"	shall have the meaning ascribed to it in Clause 2.1.2;
"GEH"	Great Eastern Holdings Limited (Registration No.: 199903008M), a company incorporated in Singapore whose registered office is at 1 Pickering Street, #16-01, Great Eastern Centre, Singapore 048659;
"GELS"	The Great Eastern Life Assurance Company Limited (Registration No.: 190800011G), a company incorporated in Singapore whose registered office is at 1 Pickering Street, #16-01, Great Eastern Centre, Singapore 048659;
"High Court"	High Court of the Republic of Singapore;
"Insurance Policies"	all life insurance policies of OACS (whether Singapore or offshore) including but not limited to all insurance policies and/or cover notes (if any) issued, whether underwritten by OACS' participating, non-participating or investment-linked funds, and whether past or present, current or expired, or capable of renewal or reinstatement, on or after, the Effective Date;
"MAS"	the Monetary Authority of Singapore;
"OACS"	The Overseas Assurance Corporation Limited (Registration No.: 192000003W), a company incorporated in Singapore whose registered office is at 1 Pickering Street, #16-01, Great Eastern Centre, Singapore 048659;
"OACS Insurance Business"	the entire business, goodwill, assets, liabilities, duties and obligations of the life insurance business of OACS as at the Effective Date, including without limitation: <ul style="list-style-type: none"> (i) all Insurance Policies;

Expression

Meaning

- (ii) all intellectual property rights owned by OACS in connection with its life insurance business, including without limitation, the "MAX" trademark as set out in Schedule 1; and
 - (iii) all assets, debts, liabilities, properties, rights, obligations, duties and reserves (known, contingent, reported and not yet reported) of OACS in connection with its life insurance business subsisting as at the Effective Date, including without limitation:
 - (a) all reinsurance treaties in connection with the life insurance business of OACS;
 - (b) all contracts or agreements in connection with the life insurance business of OACS;
 - (c) all premiums outstanding and due to, or payable by, OACS in connection with the life insurance business of OACS; and
 - (d) the entire claims portfolio of OACS in connection with the life insurance business of OACS,but excluding the Excluded Liabilities;
- "Perpetual Trust Assets"**
- (i) all investments of OACS that are in liquidation as at the Effective Date;
 - (ii) all investments of OACS that are subject to corporate restructuring as

Expression	Meaning
	at the Effective Date;
	(iii) all investments of OACS that are involved in litigation as at the Effective Date; and
	(iv) all securities held by OACS listed on any security exchange whose trading have been suspended or halted as at the Effective Date;
"Perpetual Trust End Date"	in relation to:
	(i) an investment of OACS that is in liquidation as at the Effective Date, the date of dissolution of the subject of such liquidation;
	(ii) an investment of OACS that is subject to corporate restructuring as at the Effective Date, the date of completion of such corporate restructuring;
	(iii) an investment of OACS that is involved in litigation as at the Effective Date, the date of final settlement of such litigation, or the date on which the court delivers a final and binding judgment in respect of such litigation for which there is no further avenue of appeal, whichever is earlier; and
	(iv) a security held by OACS listed on any security exchange whose trading has been suspended or halted as at the Effective Date, the date on which such security is sold, transferred or otherwise disposed of, or the date on which such trading suspension or halt is lifted, whichever is earlier;
"Perpetual Trust	in relation to each Perpetual Trust Asset,

Expression	Meaning
Period	means the period commencing on the Effective Date and ending on the Subsequent Transfer Date relating to such Perpetual Trust Asset, which shall be on or around the Perpetual Trust End Date relating to such Perpetual Trust Asset, or such other period as may be agreed between MAS, OACS and GELS;
"Scheme"	this scheme for the transfer of the OACS Insurance Business to GELS (or if modified or amended in accordance with Clause 6 below, this Scheme as from time to time so amended or modified);
"Singapore Dollar(s)" and "S\$"	the lawful currency of Singapore;
"Subsequent Transfer Date"	in relation to any Trust Asset and any Perpetual Trust Asset, means the date (and each date) after the Effective Date on which all registration or procedural formalities required for the transfer of such Trust Asset or Perpetual Trust Asset (as the case may be) to GELS is completed in accordance with the applicable law;
"Trust Assets"	shall mean the assets as set out in Schedule 2; and
"Trust Period"	in relation to each Trust Asset, means the period commencing on the Effective Date and ending on the Subsequent Transfer Date relating to such Trust Asset, which shall be no later than the date falling four months from the Effective Date, or such other period as may be agreed between MAS, OACS and GELS.

1.1.2 any reference to a statutory provision shall include such provision and any regulations made in pursuance thereof as from time to time modified or re-enacted, whether before or after the date of this Scheme;

1.1.3 words denoting the singular number only shall include the plural and vice versa; and

1.1.4 words importing persons shall include corporations.

1.2 Reasons for the Scheme

1.2.1 OACS, the transferor in this Scheme, is a company incorporated in Singapore under the provisions of the Companies Act. OACS is currently registered as a Singapore composite insurer to carry on life and general insurance business in Singapore under the provisions of the Act. OACS is also a wholly owned subsidiary of GEH, a company incorporated in Singapore whose shares are listed on the Singapore Exchange Securities Trading Limited.

1.2.2 GELS, the transferee in this Scheme, is a company incorporated in Singapore under the provisions of the Companies Act. GELS is currently registered as a Singapore life insurer to carry on life insurance business in Singapore under the provisions of the Act. GELS is also a wholly owned subsidiary of GEH.

1.2.3 The object of this Scheme is to effect the transfer of the OACS Insurance Business to GELS with effect from the Effective Date, subject to confirmation by the High Court, in order to:

- (i) leverage on the stronger corporate branding of GELS;
- (ii) allow for synergies and greater operational efficiencies of the combined life insurance businesses of OACS and GELS; and
- (iii) ensure dedicated oversight and focus on the general insurance business by OACS.

1.2.4 It is intended that an application shall be made pursuant to Section 49FB of the Act for an order of the Honourable High Court that on the Effective Date the OACS Insurance Business be transferred to and vested in GELS by virtue of this Scheme without further or other assurance and be dealt with in accordance with this Scheme.

2. THE SCHEME

2.1 Transfer of the OACS Insurance Business

2.1.1 Save and except for the Excluded Liabilities, GELS shall acquire that part of the undertaking of OACS comprising the OACS Insurance Business to the extent that the same shall be transferred to and vested in GELS with effect from the Effective Date for all the estate and interest of OACS therein and that all the assets, debts, liabilities, properties, rights, obligations, duties and reserves (known, contingent, reported and not yet reported) of OACS in connection with the OACS Insurance Business shall be transferred to and become the assets, debts, liabilities, properties, rights, obligations, duties and reserves of GELS with effect from the Effective Date.

2.1.2 The transfer of the life insurance business of OACS shall not include all outstanding tax liabilities of the OACS Insurance Business arising or accrued before the Effective Date (the "Excluded Liabilities").

2.2 Consideration for the Transfer of the OACS Insurance Business

On the Effective Date, the value of the assets of the OACS Insurance Business to be transferred to GELS will be equal to the value of the liabilities of the OACS Insurance Business to be transferred to and assumed by GELS under this Scheme, as determined based on the audited returns of OACS filed with the MAS for the financial year ended 31 December 2016, subject to adjustments based on the unaudited management accounts of OACS for the period from 1 January 2017 to the date immediately before the Effective Date.

3. EFFECT OF SCHEME

Without prejudice to or limiting the generality of Clause 2.1 above:

3.1 Insurance Policies

3.1.1 On the Effective Date, all the Insurance Policies (other than those referred to in Clause 3.1.4) will vest without further act or other assurance in GELS so as to constitute GELS as the insurer of the Insurance Policies in place of OACS.

3.1.2 Registration of the Insurance Policies (other than those referred to in Clause 3.1.4) will be automatically transferred to GELS and will thereafter be subject to the same terms and conditions issued by OACS.

3.1.3 All references in an Insurance Policy, proposal or application for an Insurance Policy, or any other document evidencing or relating to an Insurance Policy to OACS (other than those referred to in Clause 3.1.4) will have effect and be construed as a reference to GELS on and from the Effective Date.

- 3.1.4 In the case of those Insurance Policies which may under applicable law only be assigned with the consent of third parties, OACS shall use all reasonable endeavours in co-operation with GELS to obtain all such necessary consents or to arrange for the novation thereof, in each case on or before the Effective Date.

3.2 Holders of Insurance Policies

Every holder of an Insurance Policy recorded in the insurance policy register of OACS (other than those referred to in Clause 3.1.4) shall on and from the Effective Date become entitled in substitution for any right or rights available to him under such policy against OACS to the same right or rights against GELS and (as regards policies under which premiums continue to be payable) shall account to GELS for any further premiums as and when they become due.

3.3 Proceedings Pending by or Against OACS

- 3.3.1 If on the Effective Date, any proceedings shall be pending by or against OACS in any court in connection with the OACS Insurance Business to be transferred to GELS under this Scheme, the same shall be continued by or against GELS, and any judgment entered after the Effective Date for or against OACS in any such proceedings shall have effect between OACS and GELS as if such judgment had been entered for or against GELS.
- 3.3.2 On and from the Effective Date, GELS shall, to the extent provided for under the applicable laws be fully subrogated to all defences, set-offs and counterclaims to which OACS would otherwise have been entitled to against any holder of an Insurance Policy (other than those referred to in Clause 3.1.4) in the absence of the transfer of such Insurance Policy pursuant to this Scheme.

3.4 OACS Reinsurance Agreements

- 3.4.1 As of the Effective Date, the rights and obligations of OACS in respect of each of the indemnity reinsurance agreements or treaties relating to the Insurance Policies entered into by OACS (the "**Reinsurance Agreements**") will be transferred, novated or assigned over to GELS, to the extent that such rights and obligations can be transferred, novated or assigned without the consent of the relevant reinsurer, or that the consent of the relevant reinsurer has been obtained prior to the Effective Date for the transfer, novation or assignment of such rights and obligations.
- 3.4.2 In the event that consent of the relevant reinsurer is required for the transfer, novation or assignment of the rights and obligations of OACS in respect of any Reinsurance Agreement and such consent has not been obtained for the transfer, novation or assignment of such rights and obligations to GELS prior to the Effective Date, GELS will use its best endeavours in cooperation with OACS to arrange for an alternative indemnity reinsurance agreement on similar terms and conditions as those contained in such reinsurance agreement.

3.5 Offshore Assets and Liabilities

If any assets or liabilities of OACS to be transferred under this Scheme are situated outside Singapore, and this Scheme and the order of High Court are not effective under the laws of the foreign jurisdiction in which such assets and liabilities are situated to effect the transfer of the same, each of OACS and GELS shall use their best endeavours to procure the transfer of such assets.

3.6 Trust Arrangement for the Trust Assets

- 3.6.1** OACS will, as bare trustee, hold each of the Trust Assets together with any proceeds of sale, income or other accrual or return arising in respect thereof, on trust for GELS absolutely during the Trust Period relating to such Trust Asset.
- 3.6.2** During the Trust Period relating to each Trust Asset (on the basis that GELS shall be entitled to amounts received by OACS in connection with such Trust Asset), OACS and GELS shall promptly account to each other for all amounts received by or liabilities incurred by OACS in respect of or relating to such Trust Asset.
- 3.6.3** OACS, as bare trustee, shall be subject to GELS' directions in respect of any Trust Asset until the relevant Trust Asset is transferred to or otherwise vested in GELS or is disposed of (whereupon OACS shall account to GELS for the proceeds thereof) and GELS shall have authority to act as the attorney of OACS in respect of such Trust Asset and to administer such Trust Asset for all purposes. In relation to any Trust Asset which is a contract, GELS shall, to the extent that such Trust Asset is not transferred to or otherwise vested in GELS, as OACS' agent, perform all obligations of OACS to be performed on or after the Effective Date.
- 3.6.4** On and with effect from each Subsequent Transfer Date, each Trust Asset to which such Subsequent Transfer Date applies shall, subject to Clause 3.6.1, by this Scheme and without further act or instrument be transferred to, and legal title (the beneficial title having transferred on the Effective Date pursuant to the creation of the trust described in Clause 3.6.1), interests and rights in respect of such Trust Asset shall vest in, GELS (subject to all Encumbrances affecting such assets).

3.7 Perpetual Trust Arrangement for the Perpetual Trust Assets

- 3.7.1** OACS will, as bare trustee, hold each of the Perpetual Trust Assets together with any proceeds of sale, income or other accrual or return arising in respect thereof, on trust for GELS absolutely during the Perpetual Trust Period relating to such Perpetual Trust Asset.
- 3.7.2** During the Perpetual Trust Period relating to each Perpetual Trust Asset (on the basis that GELS shall be entitled to amounts received by OACS in connection

with such Perpetual Trust Asset), OACS and GELS shall promptly account to each other for all amounts received by or liabilities incurred by OACS in respect of or relating to such Perpetual Trust Asset.

3.7.3 OACS, as bare trustee, shall be subject to GELS' directions in respect of any Perpetual Trust Asset until the relevant Perpetual Trust Asset is transferred to or otherwise vested in GELS or is disposed of (whereupon OACS shall account to GELS for the proceeds thereof) and GELS shall have authority to act as the attorney of OACS in respect of such Perpetual Trust Asset and to administer such Perpetual Trust Asset for all purposes. In relation to any Perpetual Trust Asset which is a contract, GELS shall, to the extent that such Perpetual Trust Asset is not transferred to or otherwise vested in GELS, as OACS' agent, perform all obligations of OACS to be performed on or after the Effective Date.

3.7.4 On and with effect from each Subsequent Transfer Date, each Perpetual Trust Asset to which such Subsequent Transfer Date applies shall, subject to Clause 3.7.1, by this Scheme and without further act or instrument be transferred to, and legal title (the beneficial title having transferred on the Effective Date pursuant to the creation of the trust described in Clause 3.7.1), interests and rights in respect of such Perpetual Trust Asset shall vest in, GELS (subject to all Encumbrances affecting such assets).

4. UNDERTAKINGS

4.1 Undertakings by OACS

OACS undertakes that it shall lodge or procure the lodgement of this Scheme with the Registrar of Companies on such date as may be agreed to in writing by each of OACS and GELS.

4.2 Undertaking by GELS

GELS undertakes that on and from the Effective Date, it shall continue to conduct its life insurance business in Singapore in accordance with sound insurance principles and the provisions of the Act.

5. COSTS AND EXPENSES

5.1 Costs and Expenses in connection with Scheme

GELS shall bear all the costs and expenses (including legal fees) incurred in connection with the negotiation, preparation, execution, delivery, registration and implementation of this Scheme.

5.2 Reimbursement to the MAS

OACS and GELS shall be jointly and severally liable to reimburse to the MAS under Section 49FC of the Act for any expenses incurred by it in connection with this Scheme and such liability shall as between OACS and GELS be borne solely by GELS.

6. MODIFICATION OF THE SCHEME

OACS and GELS may jointly consent on behalf of all persons concerned to any modification of or amendment to this Scheme or to any condition affecting the same which the High Court may think fit to approve or impose.

7. RIGHTS OF THIRD PARTIES

A person who is not party to this Scheme shall not have any right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any provision of this Scheme.

8. GOVERNING LAW

This Scheme shall be governed by, and construed in accordance with, the laws of Singapore.

Schedule 1

TRADEMARKS

Mark	Registration No.	Country	Class
MAX	T0709420Z	Singapore	36

Schedule 2

TRUST ASSETS

The assets that shall be held in trust are as follows:

- a) Equities;
- b) Fixed Income Securities;
- c) Cash that arises out of investment activities;
- d) Private Equity Funds;
- e) Real Estate Funds;
- f) Collective Investment Scheme; and
- g) Corporate Loans,

in each case, to the extent registration or procedural formalities required for the transfer of such asset to GELS are not completed on the Effective Date; and

- h) Any other assets where registration or procedural formalities required for the transfer of the assets to GELS are not completed on the Effective Date.

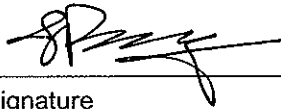
SIGNED by Ronnie Tan, Group Chief Financial Officer
for and behalf of
THE OVERSEAS ASSURANCE CORPORATION LIMITED
in the presence of:



Witness's signature
Name: Jeffrey Lowe
Head, Accounting and Financial Control



SIGNED by Khor Hock Seng, Group Chief Executive Officer
for and behalf of
THE GREAT EASTERN LIFE ASSURANCE COMPANY LIMITED
in the presence of:



Witness's signature
Name: Jennifer Wong
Group Company Secretary & General Counsel

