

China Taiping Insurance Singapore on Delivering Highly Relevant Life Insurance Solutions to The HNWI Community

Lance Tay is responsible for the establishment and development of the Life Insurance business of composite insurer China Taiping Insurance (Singapore) Pte. Ltd., which he joined in 2018 as General Manager for the Life Insurance Business. He was mandated to build the Life Insurance business from scratch. The firm's origins date back to 1938 as a leading general insurer in Singapore. In three years, Tay and his team have built what he believes is a business poised for quality growth, armed with a suite of HNW life solutions for clients in Singapore and further afield in Asia. Hubbis met with him recently to learn of the journey so far, the strategy, the products, the distribution and technology, and the plans for the future.

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China Taiping Insurance

Singapore (“CTPIS”) obtained its composite insurance license to operate both life and General Insurance businesses in late 2018. The firm set out to build on its already significant track record in General Insurance that dates back to 1938 in the form of Tai Ping Insurance (Singapore). CTPIS is today a leading composite insurer for both Life and General Insurance businesses and is armed with a financial strength rating of “A-” (Strong) by Standard &

Rapid progress from the get-go

Lance explains that progress, since he arrived in mid-2018 has been dynamic. By the end of 2018, he and his new team had made the Life Insurance business operationally ready, including preparation for the required licensing and the feasibility study to get the business going. “We actually launched the Life Insurance business in record time. To be exact, it took only four months from the time we received the composite insurance

Building the ecosystem

“We knew we needed to work with the right types of channels to access the HNW clients in Singapore and further afield in the region, with the supporting infrastructure and technology, we expect to deliver a high quality of service, and to offer a seamless and professional underwriting experience for our partners when they do business with us,” he reports.

In Singapore, he continues, the firm reaches out to the typical private banking clients that are based here and in the region, CTPIS connects through their international broker partners who work with the private banks. “All overseas clients must be accredited investors, which allows for the entire sales process to be completed via video conference and that means the applications can be signed electronically, which is a vital element in these times.”

Right now, he explains that this “non-face-to-face” sales process is available to residents of eight markets, namely mainland China, Hong Kong, Macau, Taiwan, Malaysia, Thailand, Philippines and Indonesia.

Refining the product offering

As to products, he says that Universal Life (“UL”) has diminished in significance in recent years, while Whole of Life plans have gained traction in the last two to three years, along with more specialised products such as Indexed UL, Variable UL and the PPLI, or Private Placement Life Insurance.

“We are a relatively new Life Insurance operation, so we have to pick our battles and we cannot be in every product line in the market,” he explains. “Right now, we are

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Poor’s, as well as “A” (Excellent) and long-term issuer credit rating of “A” (Stable) by the AM Best Company of the US, both specialise in ratings and financial data products and services for the insurance industry.

CTPIS is wholly owned by giant Chinese state-owned group China Taiping Insurance Holdings Company Limited, which was listed on the Hong Kong Stock Exchange in 2000, making it the first Chinese-funded insurer to be publicly traded overseas. China Taiping Insurance Group Limited is a major multinational financial and insurance group with an extensive business network in Mainland China, Hong Kong, Macau, North America, Europe, Oceania, East and Southeast Asia.

licence to incept our first Life Insurance policy in late Dec 2018. 2019 was then our first full year in business, and some three years later we have expanded dramatically.”

He explains that the firm specifically focuses on two major target markets. One is the high-net-worth insurance segment in Singapore and the region, and the other is the retirement savings business. For the conversation, he focuses mostly on the HNW segment, where he says CTPIS aims to differentiate by producing innovative and high-value products to the customers and armed with an experienced and professional distribution network that are sharp in their focus and delivery.



Lance Tay
China Taiping Insurance Singapore

concentrating on participating Whole of Life solutions, offering a full suite of participating Whole of Life plans for the affluent and HNW clients, covering both protection and income generation needs, and to include both Singapore dollar and US dollar versions, plus single premium and limited payment options.”

The suite is fully open

The firm now has four core products in its HNW par whole life ‘Infinite’ suite. The first of the CTPIS products arrived in February 2019 in the form of the Infinite Harvest Singapore dollar product that is effectively a legacy plan for three generations and a lifetime income provider for retirement needs.

“That was designed as a cornerstone of legacy planning from wealth accumulation to wealth transfer,” Lance elucidates. “With Infinite Harvest, policyholders can have a peace of mind knowing that a lifetime income is secured. They can enjoy the fruits of their labour and allow their future generations to savour them too.” The US dollar edition of that product then

Getting Personal with Lance Tay

Lance Tay was born in Singapore, where he went to school and completed his National Service before heading to the University of Florida to study for his degree in Computer & Information Science. Following this, he enrolled in the Duke University MBA programme, but decided first to return to Singapore to work for an American insurer. As it turns out, he did not go back to the US, as he excelled quickly in his working life in Singapore and also met his wife. He decided to stay back in Singapore to build his career and family.

“It was the right decision,” he says, “and our son has just graduated last June from the University of Southern California, Marshall School of Business, so I am delighted that he is back in Singapore now and working as a young consultant at Deloitte Consulting. However, I am not quite off the financial bandwagon, as he wants to return later to the US for an MBA, which would take another two rather expensive years, a move I would entirely support.”

Throughout his career, Lance has most enjoyed his ability to build high performance teams. “It is about learning how to build a successful business through people,” he says. “And that is why I always have a very strong support base - because I take good care of my people, and they are very loyal, it is a two-way street.”

In his spare time, he loves watching mixed martial arts competitions. “I think it is one of the biggest sports in the world now,” he says. “If you do some research on mixed martial arts, you will see that it became really big through UFC in the USA. Now there is the Asian version known as One Championships.”

He says that one positive from the dreadful pandemic is that it has proved possible to spend so much time at home and still hit their business targets. “I guess we are all very adaptable,” he observes, “and although it is not the preferred long-term model for us, we know it can be done. Realistically, we will hopefully end up with a hybrid work model when the pandemic abates, but we are not there yet of course.”

A downside however is that it is hard to build and sustain the corporate culture, tough to orientate new team members, challenging for those new arrivals to feel integrated and connected to existing team members.

For now, Lance remains optimistic about the business and the course of the pandemic. “We can but hope that life returns to some sort of normality,” he says. “But we must, I think, all be very patient.”



Key priorities

His priority is to complete the HNW suite of products with the newly launched Infinite Legacy (II) in Singapore dollar to round up the suite neatly. Secondly, and specifically related to HNW business, he reports that they are working towards supporting their partners with more premium financing facilities and a greater amount of credit line.

“That is really important, as the Independent Financial Advisors and even the consumer bankers do not have the natural ability that perhaps a private bank would have to premium finance their own clients, so we fill the gap by working out deals with banks to provide our clients premium financing facility. , The international brokers that work directly with the private banks do not need this type of additional support because their clients are able to obtain the premium financing by their referral banks.”

“There is no doubt that the pandemic has focused people’s minds on issues of mortality and making sure they protect their loved ones and across the generations,” he says. “Our focus on the HNW market is paying off, and we will continue to deliver tailored products that address their needs, expectations and dreams.”

followed, named Infinite Elite Harvest, and next was Infinite Elite Legacy, a US dollar product centred on legacy protection.

First of its kind

Infinite Legacy (II) is a new protection plan launched in February 2022, that he says is the first protection plan in the market to offer a secondary life insured option, allowing for the secondary life insured to continue with the same insurance coverage upon the death of the primary insured, without conditions and the need for underwriting.

“It is therefore a very good way to facilitate the transfer of a legacy across generations,” he comments, “as the primary insured might be a father and his son or daughter might be the secondary life insured. In this structure, the death benefit then effectively goes to the primary insured’s grandchild, in other words to the third generation.”

He also clarifies that the secondary life insured can be a spouse, or anyone with an insurable interest. “We already have this feature for our income generation product in US dollars under the name of

Infinite Elite Harvest, but this is a first for any protection plan.”

He says the most important point here is that CTPIS has the whole range of four products in this HNW suite, covering protection, income generation, two different types of needs in different currencies and different payment modes.

“The products essentially take care of two key needs,” he elucidates. “One is protection and legacy planning, and the other is for income generation. We have designed all of them following discussions with our international broker and our financial advisor partners, then working out the different permutations and options for our HNW clients.”

Building momentum

Lance also explains that the ‘Harvest’ income generation version launched back in February 2019 has gained a lot of traction since then. “As it is a guaranteed issuance plan, it doesn’t require medical underwriting, and in the past couple of years, it has become very popular with HNW clients, especially if they use a premium financing facility, because this plan on the first day has 80% cash value, so it can be premium financed by a private bank or any other banks. And for the ‘Legacy’ type protection plans, they are also premium financeable due to the 80% cash value from day one and hence rapidly becoming a

popular plan to replace the once-popular Universal Life plan.”

Rapid execution

He adds that aside from carefully designed products, speed and efficiency are also vital ingredients for success, explaining that they have assembled three specialist underwriters for the HNW business. “The three senior underwriters for HNW business means that we can fast-track large policies that perhaps normal underwriters may not have the authority to underwrite, so you need the HNW underwriters with significant underwriting authority that the reinsurer will agree to. This in turn enables us to deliver excellent response and service to our partners and clients,” he elucidates. For the Financial Advisor partners and the banks, they have also launched the e-submission platform called ‘iSPEED’ that achieves straight-through processing for products to China Taiping Insurance Singapore. “And iSPEED offers the speed and quality of execution vital in this digitised, remote-working world we now live in.”

Leveraging expertise

Before taking his current position at CTPIS, Lance had held several prominent leadership roles in Singapore and the region, in the Life Insurance industry, amassing almost four decades of experience spanning across a number of

markets. He has significant cross-cultural experience, having worked in Singapore and various Asian markets covering Indonesia, Philippines, Vietnam, and China. Prior to joining China Taiping, Lance was CEO and Director of a Japanese insurer where he had built it to achieve Singapore’s tier-one significant insurer status. He also held several leadership roles in multi-national insurers in the region including China.

“It has been a great experience so far working for what is effectively a giant Chinese state-owned financial conglomerate,” he says. “We have worked well, and we have combined our backgrounds and business cultures well, brought in international best practices, launched an exciting range of highly relevant products, and built a very robust commercial infrastructure.”

Seize the day

Lance closes the conversation by reiterating the opportunity and how the firm has positioned itself for the market trends and in light of the wider economic and financial environment. “There is no doubt that the pandemic has focused people’s minds on issues of mortality and making sure they protect their loved ones and across the generations,” he says. “Our focus on the HNW market is paying off, and we will continue to deliver tailored products that address their needs, expectations and dreams.” ■

