



## Who Gets Your Policy? Why You Should Name A Beneficiary

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Picture this: you've spent years ensuring you and your loved ones are financially protected. Your coverage is in place, your plans are set, and you feel confident knowing your family will be taken care of. But here's a question to pause on: do you actually know who will receive your policy benefits when the time comes?

The reality is that many policyholders haven't given their beneficiary nomination much thought since purchasing their policy. While that might not feel urgent now, it can leave your loved ones in a difficult, drawn-out situation at exactly the moment when clarity matters most.

### What is a Nomination of Beneficiary (NOB)?

A NOB is a formal instruction you give to your insurer, specifying who should receive the proceeds of your policy. Think of it as telling your insurer directly: "If something happens to me, this is the person I want the money to go to."

What makes a valid nomination particularly powerful is how it operates under [Singapore's Insurance Act](#). A properly made nomination can allow proceeds to be paid out independently, bypassing the probate process entirely. That's significant because it means your nominated beneficiary doesn't have to wait for your estate to be settled before they can access the funds.

Nomination is not legally mandatory. But it is one of the most straightforward and impactful steps you can take in building a sound financial plan. Whether you hold a [whole life insurance](#) policy or another form of coverage such as a [personal accident](#) plan, making a nomination puts you in control of what happens to your policy proceeds.

### Why is NOB important?

A beneficiary nomination is about making sure the right people receive the right money at the right time. Without one, even the most carefully chosen policy can fall short of doing what you intended it to do.

A nomination gives your insurer clear, legally recognised instructions. It removes guesswork, reduces the risk of disputes among family members, and most importantly, it ensures that your loved ones aren't left navigating administrative hurdles during an already difficult time. The Life Insurance Association Singapore (LIA) also highlights why naming a beneficiary is one of the most important steps a policyholder can take; you can find out more on the [LIA website](#).

It's also helpful to understand that the type of nomination you make carries implications. Under Singapore's Insurance Act, there are two main types (a Trust Nomination and a Revocable Nomination) and each works differently in terms of how binding it is and who can be named. Understanding which applies to your situation is part of making a nomination that truly holds up.

### The stakes of getting it wrong

What actually happens if you pass away without a valid beneficiary nomination on your policy?

#### • Without a nomination

Without a nomination, your policy proceeds don't go directly to your loved ones. Instead, they are paid into your estate, and from there, they become subject to the probate process or an application for Letters of Administration. Under [Singapore's Intestate Succession Act](#), if there's no valid will in place, the distribution of your estate is determined by a fixed legal formula. That formula may not reflect your actual wishes at all. More practically, this process takes time, months, and sometimes years. During that entire period, the people you meant to protect may have little or no access to the funds you left behind.

Consider a scenario that plays out more often than most people realise. A young parent passes away unexpectedly. They had life insurance coverage but no beneficiary nomination. Their spouse, suddenly managing grief, young children, and household expenses alone, finds themselves pending for the policy payout to clear the estate process. The money was always meant for them, but the absence of a simple nomination meant it couldn't reach them when they needed it most. When someone eventually does get around to [making a claim](#) for your insurance, the last thing they should have to navigate is a bureaucratic maze on top of everything else they're dealing with.

#### • With a valid nomination

With a valid nomination, proceeds are paid directly to the named beneficiary, typically far more quickly and with considerably less administrative burden. There's no ambiguity about who should receive the money, which also means fewer opportunities for family disagreements to arise.

### How to make a nomination

The process itself is far simpler than most people expect. You don't need a lawyer. You don't need to file anything with a court. In most cases, it comes down to completing a nomination form directly with your insurer. Many insurers also offer electronic NOB option, making it possible to submit your nomination digitally without even needing to visit a branch.

Here's what you'll typically need to prepare:

- Your nominee's full name and NRIC or identification number
- Their relationship to you (e.g. spouse, child, parent)
- The proportion of the proceeds each nominee should receive, if you're nominating more than one person
- The type of nomination, depending on your circumstances and intentions

That's genuinely it. For most people, it's a single appointment or a short online session. The paperwork is straightforward, and your insurer can walk you through if you have questions.

### Conclusion

Whether you've just taken up a new policy or you've been covered for years and never quite got around to it, now is a good time to check. Log into your insurer's portal or call your advisor, and find out whether your nomination is in place and still reflects your current circumstances.

When you're ready to take stock of your full financial protection picture, including whether your beneficiary nominations are up to date across all your policies, speak to your preferred financial advisor. They can help you ensure that what you've built truly reaches the people you've always intended it for.