

Reinstate EPF annuity scheme, group urges PM

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KUALA LUMPUR: The Annuity Insurance Agents Movement (AIAM) will be submitting a memorandum with an endorsement of 100,000 policy holders to Prime Minister Datuk Seri Dr Mahathir Mohamad for the reinstatement of the EPF annuity scheme tomorrow.

Its chairman Sam Ho said they could not understand why MTUC had asked EPF to manage the scheme when the EPF board had reiterated many times that it did not have the expertise to run it.

"Studies have shown that

the scheme is good. A task force has been set up to gather signatures from policy holders who are satisfied that the scheme is run by insurance companies.

"They might have their own agenda in rejecting the scheme. However, we welcome the move by MTUC to debate this issue with insurance companies," he said after meeting about 2,000 insurance agents here yesterday.

When asked whether commission charged by agents would substantially reduce returns payable to policy hold-

ers, Ho said that this was controlled by Bank Negara and was among lowest of all the schemes.

He said insurance companies could make use of their current network of agents and expertise to manage the scheme.

This, he added, would keep expenses lower than EPF using their own employers who lacked the ability to manage the scheme.

He added that another memorandum by insurance agents would be submitted to the Prime Minister in 10 days.