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KWSP-annuity

EPF STOPS NEW PARTICIPATION FOR ANNUITY SCHEME

KUALA LUMPUR, Oct 8 (Bernama) -- The Employees Provident Fund (EPF) has stopped new participation for the annuity scheme, which was launched in July last year following the government's announcement that the EPY would take over the running of the scheme.

EPF Public Relations Manager Nik Affendi Jafaar said the scheme however would be continued for EPF members who signed for the scheme as stated under its terms and conditions.

"There are 286,000 members who have opted for the scheme and they will continue to enjoy the benefit of the scheme," he said in a press statement here.

He said the EPF would conduct a new option scheme to provide monthly income to its members after retirement.

"At the moment, the EPF is formulating the guidelines for the scheme which will be announced soon," he said.

He said the new scheme would be a renovation of the periodic payment withdrawal scheme introduced by the EPF in 1994.

The annuity scheme was managed by a consortium of six conventional insurance companies and two Takaful companies.

However on May 1, the scheme which would assured EPF contributors of financial guarantee similar to government pensions was suspended following objections from some workers and unions.

Last Friday, Prime Minister Datuk Seri Dr Mahathir Mohamad announced that the scheme would be fully by the EPF.

-- BERNAMA

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