

**EPF urged to amend beneficiary process**  
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The Bar Council has submitted a memorandum to the management of Employee's Provident Fund (EPF) requesting amendments to EPF regulations to safeguard the interest of members' spouses and children.

In the memorandum submitted in January, the council wants the present regulations pertaining to naming of beneficiaries redesigned so that members are required to name a nominee again after their marriage.

At present, spouses of EPF members tend to lose out if the members' fail to change the beneficiary to their savings. Usually parents or siblings are made beneficiaries before marriage.

The memorandum calls for the original nomination to be made invalid upon the marriage of a member. The member is then required to nominate another person as his/her beneficiary.

The Bar Council Law Reform and Special Areas Committee chairperson M Ramachelvam today said the proposed amendments was seen as a way to protect the charity of the spouse and children of a dead member.

"The memorandum was put forward as there are rising numbers of cases where a nominated beneficiary is not inclined to help the dependants of the deceased claiming the funds and leaving the dependants in dire straits," he said in a press conference at the Bar Council Secretariat in Kuala Lumpur.

"Members often fail to revise their nominations that were made when they first started to work. Some forget and some seem to show indifferent attitude towards the revision of nominations," said Ramachelvam.

"This, more often than not, will result in unpleasant events upon the members' death, especially when a non-Muslim member dies," he added.

### **Islamic law**

According to the present EPF regulations, when a Muslim member dies having a nominated beneficiary, the nominee will become the rightful receiver of the funds and become the executor, who will distribute the funds to the family of the deceased.

This is done according to the Islamic law.

However, this is not the case in the event of a non-Muslim member's death. The nominee is not required to distribute the funds to the family of the deceased.

Statistics show that there are 11 million members registered with the EPF, of which only 4.2 million members have nominated beneficiaries. Out of this 4.2 million members, 20 percent have not made revision to their original nomination.

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