



FREQUENTLY ASKED QUESTION (FAQs) ON EPF ACCOUNT RESTRUCTURING

NO.	BASIC CONCEPT
1.	<p>What is EPF account restructuring?</p> <p>The EPF account restructuring aims to enhance members' income security after retirement while addressing their life cycle needs.</p> <p>The account will be restructured from two (2) accounts to three (3) accounts as below:</p> <ol style="list-style-type: none"> i. The existing Account 1 is renamed to "Akaun Persaraan"; and Account 2 to "Akaun Sejahtera" with no change in the purpose of both accounts; ii. Introducing the third account which is "Akaun Fleksibel"; iii. Savings in Akaun Fleksibel can be accessed or withdrawn by members, subject to terms and conditions. iv. After the effective date, new EPF contributions will be credited according to the ratio of 75:15:10, where 75% will go into Akaun Persaraan, 15% into Akaun Sejahtera, and 10% into Akaun Fleksibel.
2.	<p>Why did the EPF implement the account restructuring?</p> <p>The account restructuring seeks to:</p> <ul style="list-style-type: none"> • Increase savings adequacy to increase retirement income security for members; • Align short, medium and long term requirements with members' life cycle and lifespan; • Develop EPF Schemes that factor in the evolving employment landscape, demographic shifts, and members' present and future needs; and • Address short-term financial needs that may affect members' wellbeing during retirement.
3.	<p>What is Akaun Persaraan?</p> <p>Akaun Persaraan, originally Account 1, is renamed to suit the purpose or objective of the account. This account aims to accumulate and increase the members' saving level for the long term in order to achieve comfortable life after retirement.</p> <p>Savings in Akaun Persaraan cannot be withdrawn before the member reaches 55 years old. However, eligible members can invest a portion of their Retirement Account savings in investments managed by the approved Fund Management Institutions (FMIs), subject to the terms and conditions.</p>



4.	<p>What is Akaun Sejahtera?</p> <p>Akaun Sejahtera, originally Account 2, is renamed to suit the purpose or objective of the account. This account aims to meet the pre-retirement life cycle needs for the medium term which contributes to retirement wellbeing.</p> <p>Savings in Akaun Sejahtera can be withdrawn for pre-retirement purposes (subject to EPF terms and conditions) such as:</p> <ul style="list-style-type: none"> i. Housing ii. Education iii. Health iv. Insurance protection v. Hajj vi. Age 50 Years Old
5.	<p>What is Akaun Fleksibel?</p> <p>This account is designed to meet members' short-term financial needs.</p> <p>Savings in Akaun Fleksibel can be withdrawn by members any time, subject to terms and conditions. However, members are encouraged to withdraw only for emergency purposes and immediate needs only.</p>
6.	<p>When will the EPF account restructuring be implemented?</p> <p>The account restructuring will be implemented on 11 May 2024.</p>
7.	<p>Is the EPF account restructuring applicable for all EPF members?</p> <p>The restructuring of EPF accounts is applicable for all EPF members, including non-Malaysians who have yet to attain the age of 55 on 11 May 2024.</p>
8.	<p>What will happen after members attain the age of 55, after the implementation of the EPF account restructuring?</p> <p>When the members attain the age of 55, the members' savings balance in all three accounts will be transferred to Akaun 55. New contributions received after age 55 will be credited into Akaun Emas for retirement purposes at the age of 60.</p>



NO.	ACCOUNT RESTRUCTURING
9.	<p>What will happen to the existing savings in Account 1 and Account 2 when the account restructuring is implemented?</p> <p>Savings balances in Account 1 and Account 2 will remain in Akaun Persaraan and Akaun Sejahtera respectively, while Akaun Fleksibel will start with a zero balance.</p> <div data-bbox="523 600 1209 824" style="text-align: center;"> <pre> graph TD A1[AKAUN 1] --> AP[AKAUN PERSARAAN] A2[AKAUN 2] --> AS[AKAUN SEJAHTERA] AF[AKAUN FLEKSIBEL] </pre> </div>
NO.	NEW CONTRIBUTIONS
10.	<p>How will the new contributions be credited after the implementation date of the account restructuring?</p> <p>After the implementation date, new contributions will be distributed as follows:</p> <div data-bbox="497 1115 1235 1205" style="text-align: center;"> </div> <p>The distribution of contributions are as illustrated below:</p> <div data-bbox="459 1326 1273 1599" style="text-align: center;"> <pre> graph TD C[Contribution received after implementation date 11 May 2024 Example: RM1,840] --> AP["AKAUN PERSARAAN RM1,380 (RM1,840 x 75%)"] C --> AS["AKAUN SEJAHTERA RM276 (RM1,840 x 15%)"] C --> AF["AKAUN FLEKSIBEL RM184 (RM1,840 x 10%)"] </pre> </div>
NO.	OPTION FOR INITIAL AMOUNT TRANSFER
11.	<p>What is meant by the option for initial amount transfer?</p> <p>After the implementation date, members have the option to transfer part of the savings balance (refer to question 12) in Akaun Sejahtera as an initial amount to Akaun Fleksibel.</p>



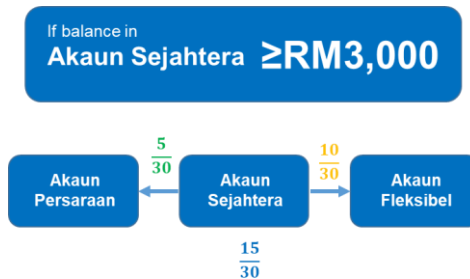
12. **How is the initial amount in Akaun Fleksibel determined?**

The determination of the initial amount in Akaun Fleksibel is subject to the savings balance in members' Akaun Sejahtera on the application date as follows:

For members who have a savings balance of **RM3,000 and above** in Akaun Sejahtera

The balance of savings in Akaun Sejahtera is distributed according to the following ratio:-

- i. Ten out of thirty (10/30) of the Akaun Sejahtera savings will be transferred to the Akaun Fleksibel;
- ii. Five out of thirty (5/30) of the Akaun Sejahtera will be transferred to the Akaun Persaraan; and
- iii. The balance of fifteen out of thirty (15/30) will remain in the Akaun Sejahtera.



Example:



ADAM
 Akaun Persaraan: **RM70,000**
 Akaun Sejahtera : **RM30,000**
 Akaun Fleksibel : **RM0**

IF ADAM DOES NOT OPT FOR INITIAL AMOUNT



If ADAM DOES NOT OPT for initial amount, the balance in the existing account will remain in Akaun Persaraan and Akaun Sejahtera

IF ADAM OPTS FOR INITIAL AMOUNT



The balance of savings in Akaun Sejahtera is distributed according to the following ratio

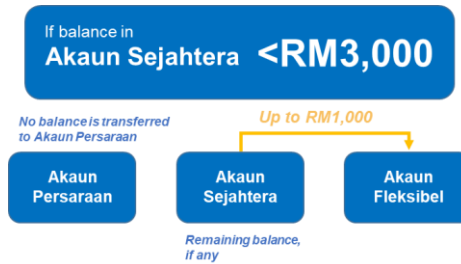
- 10/30 will be transferred to Akaun Fleksibel
- 15/30 will remain in Akaun Sejahtera
- 5/30 will be transferred to Akaun Persaraan

Transfer of savings balance of **less than RM3,000** in Akaun Sejahtera will be made as follows:

- i. Akaun Sejahtera with savings of RM1,000 and below, the entire amount will be transferred to the Akaun Fleksibel.



- ii. Akaun Sejahtera with savings of more than RM1,000 and not exceeding RM3,000, the amount transferred to the Akaun Fleksibel is RM1,000, while the balance will remain in the Akaun Sejahtera.
- iii. No distribution will be made to the Akaun Persaraan for those whose savings in Akaun Sejahtera is less than RM3,000.



Example:

- Akaun Sejahtera with savings of RM1,001 to RM3,000:



BAZLI
 Akaun Persaraan: **RM7,000**
 Akaun Sejahtera : **RM2,700**
 Akaun Fleksibel : **RM0**



- Akaun Sejahtera with savings of RM1,000 and below:



ADLI
Akaun Persaraan: **RM5,000**
Akaun Sejahtera : **RM900**
Akaun Fleksibel : **RM0**

IF ADLI OPTS FOR INITIAL AMOUNT



CURRENT SAVINGS in Adli's **Akaun Sejahtera** will be distributed as follows:

- **All amount** in Akaun Sejahtera will be transferred to Akaun Fleksibel.
- No distribution will be made to Akaun Persaraan or Akaun Sejahtera.



13.	<p>How can a member apply for the initial amount transfer?</p> <p>Members can apply for the initial amount transfer through the following channels:</p> <ul style="list-style-type: none"> i. KWSP i-Akaun; or ii. Self-Service Terminal (SST) at any EPF office.
14.	<p>When can a member make opt for the initial amount transfer?</p> <p>Members can opt for the initial amount transfer starting from 12 May 2024 until 31 August 2024. This application can only be <u>made once</u> at any time during the period and <u>cannot be cancelled</u>.</p>
15.	<p>What happens if the member did not opt for the initial amount transfer?</p> <p>If a member chooses not to have an initial amount transfer to Akaun Fleksibel, the balance in the existing account will remain in Akaun Persaraan and Akaun Sejahtera.</p> <p>Meanwhile, new contributions starting 11 May 2024 will be credited into Akaun Persaraan, Akaun Sejahtera, and Akaun Fleksibel.</p>
16.	<p>When will the initial amount transfer to Akaun Fleksibel be approved?</p> <p>The initial amount transfer will be approved within 3-5 days.</p>
NO.	SAVINGS TRANSFER
17.	<p>Can a member transfer their savings from Akaun Fleksibel to Akaun Sejahtera or Akaun Persaraan?</p> <p>Members can transfer their savings as follows:</p> <ul style="list-style-type: none"> i. Akaun Fleksibel to Akaun Sejahtera i. Akaun Fleksibel to Akaun Persaraan iii. Akaun Sejahtera to Akaun Persaraan <p>Savings can only be transferred in one direction and cannot be reversed back into the original account. There is no limit on the amount that can be transferred between accounts.</p> <p>Refer to the illustration below:</p> <div style="text-align: center; margin-top: 20px;"> <p><i>One-way transfer</i></p> <pre> graph TD A[AKAUN FLEKSIBEL] --> B[AKAUN PERSARAAN] A --> C[AKAUN SEJAHTERA] </pre> </div>



18.	<p>Can members apply to transfers their savings?</p> <p>At this moment, members may submit a savings transfer application at any EPF Offices by completing the 'Savings Transfer To Akaun Persaraan/Akaun Sejahtera Form (KWSP 12)'.</p>
NO.	AKAUN FLEKSIBEL WITHDRAWAL
19.	<p>Will members' withdrawal eligibility be affected by the account restructuring?</p> <p>No, members are still eligible to make existing withdrawals subject to current terms and conditions.</p>
20.	<p>What types of withdrawals are allowed after the implementation of EPF account restructuring?</p> <p>All existing types of withdrawal are still applicable, subject to the terms and conditions. Among the withdrawals allowed are:</p> <p><u>Before Age 55 Years</u></p> <ul style="list-style-type: none"> • Akaun Persaraan: Members Investment Scheme • Akaun Sejahtera: Housing Withdrawal, Education Withdrawal, Health Withdrawal, Hajj Withdrawal, Age 50 years Withdrawal and Member Protection Plan Withdrawals • Akaun Fleksibel: Akaun Fleksibel Withdrawal (new) • All Accounts: Disability Withdrawal, Death Withdrawal, Leaving the Country Withdrawal and Pensionable Employee Withdrawal • Withdrawal Exceeding RM1 Million <p><u>After Age 55 Years</u></p> <ul style="list-style-type: none"> • Akaun 55: Age 55 years Withdrawal • Akaun Emas: Age 60 years Withdrawal • All Accounts: Disability Withdrawal, Death Withdrawal and Leaving the Country Withdrawal
21.	<p>When can members apply for Akaun Fleksibel Withdrawal?</p> <p>Members can apply for Akaun Fleksibel Withdrawal as soon as Akaun Fleksibel has a minimum balance of RM50 either after the transfer of the initial amount from Akaun Sejahtera has been made or after the crediting of new contributions.</p>
22.	<p>What are the conditions Akaun Fleksibel withdrawal?</p> <p>The conditions for Akaun Fleksibel withdrawal are as follows:</p> <ol style="list-style-type: none"> a. Below 55 years old. b. Have savings in Akaun Fleksibel; and c. Minimum withdrawal limit is RM50.



23.	<p>Can members cancel the application for Akaun Fleksibel Withdrawal?</p> <p>Applications for Akaun Fleksibel Withdrawal cannot be cancelled once the application has been approved. Members are advised to make an informed decision before applying.</p>
24.	<p>How to apply for Akaun Fleksibel Withdrawal?</p> <p>Members can apply Akaun Fleksibel Withdrawal through the following channels:</p> <ul style="list-style-type: none"> i. KWSP i-Akaun; or ii. EPF Offices.
25.	<p>Do members need to submit any supporting documents when applying?</p> <p>Members do not need to submit any supporting documents. However, an active bank account number need to be submitted to ensure a smooth payment processing.</p>
26.	<p>Do members need to visit EPF Office for thumbprint verification if Akaun Fleksibel withdrawal applications is submitted online?</p> <p>Generally, members do not need to be physically present for identity verification at EPF Offices as it can be done online; however, it is subject to the member's previous withdrawal history and the withdrawal amount does not exceed RM30,000.</p> <p>For members who do not have previous withdrawal history, or their bank account information differs from previous withdrawal records, members need to perform identity verification through:</p> <ul style="list-style-type: none"> • Thumbprint verification via Self-Service Terminal (SST) at any EPF Offices, for withdrawal application amount of more than RM10,000; OR • Online verification, subject to withdrawal application amount of less than RM10,000.
27.	<p>What is the payment method for Akaun Fleksibel Withdrawal?</p> <p>Akaun Fleksibel Withdrawal payments will be direct credited into the member's bank account. To ensure ease of receiving Akaun Fleksibel Withdrawal payments, please ensure the following conditions are met:</p> <ul style="list-style-type: none"> • Bank account (savings or current account) status is active; and • Bank account is registered under the member's own name (not a joint/company account) <p>Reminder:</p> <ul style="list-style-type: none"> • Members who do not have a bank account are advised to open a bank account before applying for Akaun Fleksibel Withdrawal.
28.	<p>Can members who have applied for Age 50/55 Conditional Withdrawals under Facility Support Account 2 (FSA2) apply for Akaun Fleksibel Withdrawal?</p> <p>Yes, members may apply for Akaun Fleksibel Withdrawal, subject to the terms and conditions stated in No. 22.</p>



29.	<p>When will the Akaun Fleksibel Withdrawal payment be credited into members' bank account?</p> <p>Payment will be made within three (3) working days upon application approval.</p>
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NO.	OTHERS
30.	<p>Is there a difference in the dividend rate between the three accounts?</p> <p>At this time, the restructuring of EPF account will not change the current policy on establishing dividend rates. The same dividend rate will apply to all three accounts.</p>
31.	<p>Does the restructuring of the EPF account have an impact on the member's Simpanan Shariah account status?</p> <p>The restructuring of the EPF account will not change the account status of members who have switched to Simpanan Shariah.</p>
32.	<p>Are Muslim members required to pay zakat after making Akaun Fleksibel Withdrawals?</p> <p>If Akaun Fleksibel Withdrawal is made by a member who does not have sufficient financial resources or whose source of income is to cover their basic living needs and their dependents such as food, clothing, shelter, education and health, then zakat is not obligatory upon them.</p> <p>Apart from the reasons above, any withdrawals from Akaun Fleksibel are subject to zakat at the rate of 2.5% without having to wait for a one-year period of "haul", if the amounts withdrawn have reached "nisab" (after taking into account all income for one-year period of haul).</p> <p>Muslim members are advised to consult their respective state zakat authorities on matters relating to zakat.</p>
33.	<p>Are Muslim members required to pay zakat on the savings balance in the Akaun Fleksibel if it is not withdrawn?</p> <p>Yes, the savings balance in the Akaun Fleksibel is subject to zakat on savings at the rate of 2.5% annually in accordance to "Haul" if it has reached "Nisab", after taking into account the member's all other savings.</p> <p>As the savings in the Akaun Fleksibel are allowed to be withdrawn, the savings have fulfilled one of the zakat requirements of perfect ownership.</p> <p>Muslim members are advised to consult their respective state zakat authorities on matters relating to zakat.</p>



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