

## **CPF NOMINATION CHANGES 2010**

**1. Why is the Government allowing nomination of CPF monies into beneficiaries' CPF accounts?**

This new option is introduced in response to public feedback that CPF monies could be transferred to nominees' CPF accounts to better provide for their dependents' retirement and healthcare adequacy.

**2. What is the current way of distributing a member's CPF savings to the nominees named in CPF nomination?**

Upon the demise of the member, the Board will distribute his CPF savings to the nominees in cash as a lump sum.

**3. Which CPF assets would be covered under this new mode of nomination?**

Savings in the Ordinary Account (OA), Special Account (SA), Medisave Account (MA) and Retirement Account (RA) and Discounted SingTel shares (SDS) will be covered under this mode of nomination as per existing practice.

**4. Is it compulsory to transfer my CPF savings to my Nominees' CPF accounts upon death?**

No, it is optional.

**5. Will members be given a choice to nominate different amounts to the various CPF accounts of a nominee?**

Yes. Members will be able to allocate their CPF savings to each nominee's Special Account / Retirement Account and Medisave Account, subject to rules of existing top-up schemes, i.e. Minimum Sum Topping-Up Scheme and Voluntary Contribution to Medisave Account Scheme.

**6. Are there limits to how much can be nominated into beneficiaries' CPF accounts?**

Yes, the nominees' balances are subject to the caps under the existing Minimum Sum Topping-Up Scheme (MSTU) and Voluntary Contributions to Medisave Account Scheme (VC-MA) limits. Nominees can receive in their Special Account/Retirement Account monies up to the prevailing Minimum Sum (currently \$117,000), and in their Medisave Account up to the Medisave Contribution Ceiling (currently

\$37,000) and subject to the CPF Annual Voluntary Contribution Limit (currently \$26,393).

**7. When will the scheme be implemented?**

The change to the CPF nomination system will be effective in 2011. More details will be released at a later date.

**8. How do I sign up for the new mode of nomination?**

You will be required to complete a nomination form. More details will be released at a later date.