

HANDOUT ACCOMPANYING MINISTER FOR MANPOWER'S  
SPEECH ON FINANCIAL SECURITY IN RETIREMENT AT COS  
DEBATES 2008

**ILLUSTRATION OF CPF LIFE PLANS**

Mr Kumar is age 50 this year and by the time he reaches 55 years, he would have saved \$67,000 in his Retirement Account. At age 55, if he doesn't make a choice, he will be assigned the Standard Plan where he will get \$610 a month for life from age 65. He can choose one of the other plans which gives him more income, say \$650 a month, but in this case his beneficiaries will get less than under the Standard Plan when he dies. Alternatively, he can choose one of the plans which gives him less income, say \$560, but his beneficiaries will get more than under the Standard Plan when he dies.

Chart 2A: Trade-offs between CPF LIFE Plans

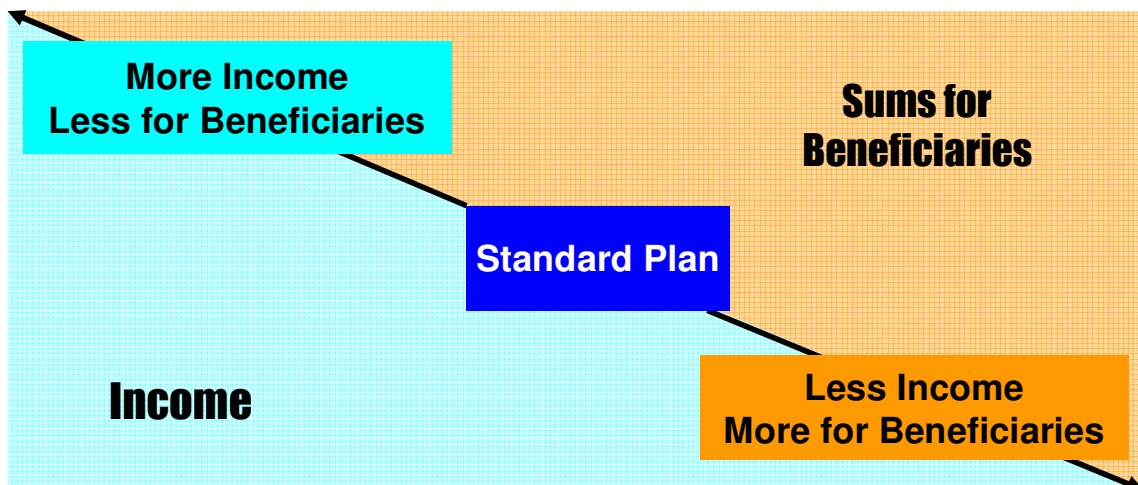


Chart 2B: Monthly Income of CPF LIFE Plans with MS of \$67,000

