

# Investor Guide on Private Retirement Scheme (‘PRS’)



## PRS in a nutshell



- PRS is a voluntary long-term savings and investment scheme designed for retirement, centrally administered by the Private Pension Administrator Malaysia (PPA) and regulated by the Securities Commission Malaysia. However, don't mistake PRS as a substitution for EPF because PRS is meant as an additional retirement fund

## Who manages your investment?



- Your investment is managed by PRS Providers licensed by Securities Commission Malaysia. You can find out more about these providers and how to set up your account at <https://www.ppa.my/prs-providers/> or contact Private Pension Administrator at 1300-131-772

## Why do you need additional retirement fund?



- Adequacy: You are recommended to have 1/3 of your monthly salary now to have 2/3 of your last drawn income when you retire
- Sufficiency: Malaysians have life expectancy up to 72 years old for male and 77 years old for female. Therefore, you need sufficient savings to last at least a minimum of 20 years post retirement
- Sustainability: In view of inflation, maintaining your standard of living now will cost you more in the future

## Additional benefits



- PRS investment will entitle you for an income tax relief up to RM3,000 per annum, until 2021
- Malaysians age 20-30 years old are eligible for RM1,000 PRS Youth Incentive for RM1,000 invested in one single PRS fund within 2018
- There are 56 funds available in Shariah and Conventional scheme which gives you freedom to invest in more than one fund
- You have the choice to switch or transfer your funds to different PRS Providers