**Examples illustrating withdrawal of Retirement Account savings above Basic Retirement Sum using a property bought with CPF savings**

**Note :**
- 'Retirement Account (RA) balance' below refers to the savings that the member has set aside in his Retirement Account (RA). It excludes interest earned, any government grants received and top-ups made under Retirement Sum Topping-up Scheme.

- "P+I" refers to the CPF savings used towards the property plus the accrued interest.

<u>**EXAMPLE 1**</u>:

| | **Where RA balance after withdrawal and P+I is more than Full Retirement Sum** | |
|---|---|---|
| A. | Initial RA balance | : $176,000 |
| B. | Amount that member would like to withdraw from RA | : $ 88,000 |
| | | |
| C. | Remaining RA balance after withdrawal [i.e. A – B] | : $ 88,000 |
| D. | Total CPF savings used for property plus accrued interest at point of RA withdrawal [i.e. P+I] | : $100,000 |
| E. | Remaining RA balance after withdrawal + (P+I) [i.e. C+D] | : $188,000, which is more than his Full Retirement Sum |

Member will have $88,000 remaining in his RA if he withdraws $88,000. As the remaining RA balance and his P+I of $100,000 is enough to make up his Full Retirement Sum of $176,000* should he sell/transfer his property in future, he may withdraw the $88,000 from his RA.

* The Basic Retirement Sum and Full Retirement Sum for members who turn 55 between January 2019 and December 2019 are $88,000 and $176,000 respectively.

<u>**EXAMPLE 2**</u>:

| | **Where RA balance after withdrawal and P+I is equal to the Full Retirement Sum** | |
|---|---|---|
| A. | Initial RA balance | : $128,000 |
| B. | Amount that member would like to withdraw from RA | : $ 40,000 |
| | | |
| C. | Remaining RA balance after withdrawal [i.e. A – B] | : $ 88,000 |
| D. | Total CPF savings used for property plus accrued interest at point of RA withdrawal [i.e. P+I] | : $ 88,000 |
| E. | Remaining RA balance after withdrawal + (P+I) [i.e. C+D] | : $176,000, which is equal to his Full Retirement Sum |

Member will have $88,000 remaining in his RA if he withdraws $40,000. As the remaining RA balance and his P+I of $88,000 is enough to make up his Full Retirement Sum of $176,000 should he sell/transfer his property in future, he may withdraw the $40,000 from his RA.

**EXAMPLE 3**:

| | Where RA balance after withdrawal and P+I is less than the Full Retirement Sum | |
|---|---|---|
| A. | Initial RA balance | : $176,000 |
| B. | Amount that member would like to withdraw from RA | : $ 88,000 |
| | | |
| C. | Remaining RA balance after withdrawal [i.e. A – B] | : $ 88,000 |
| D. | Total CPF savings used for property plus accrued interest at point of RA withdrawal [i.e. P+I] | : $ 70,000 |
| E. | Remaining RA balance after withdrawal + (P+I) [i.e. C+D] | : $158,000, which is less than his Full Retirement Sum |

Member will have $88,000 remaining in his RA if he were to withdraw $88,000. The remaining RA balance and his P+I of $70,000 is not enough to make up his Full Retirement Sum of $176,000. Hence, for him to withdraw $88,000, he will need to pledge to refund an additional $18,000 to his RA, on top of his P+I, should he sell/transfer his property in future. This withdrawal is subject to a few conditions including current value of the property, outstanding loan(s) on the property and owner(s)' share in the property. Alternatively, he can choose to withdraw $70,000 without a property pledge.

**EXAMPLE 4**:

| | Where RA balance after withdrawal and P+I is less than the Full Retirement Sum | |
|---|---|---|
| A. | Initial RA balance | : $128,000 |
| B. | Amount that member would like to withdraw from RA | : $ 40,000 |
| | | |
| C. | Remaining RA balance after withdrawal [i.e. A – B] | : $ 88,000 |
| D. | Total CPF savings used for property plus accrued interest at point of RA withdrawal [i.e. P+I] | : $ 10,000 |
| E. | Remaining RA balance after withdrawal + (P+I) [i.e. C+D] | : $ 98,000, which is less than his Full Retirement Sum |

Member will have $88,000 remaining in his RA if he were to withdraw $40,000. The remaining RA balance and his P+I of $10,000 is not enough to make up his Full Retirement Sum of $176,000. Hence, for him to withdraw $40,000, he will need to pledge to refund the withdrawal amount of $40,000 to his RA, on top of his P+I, should he sell/transfer his property in future. This withdrawal is subject to a few conditions including current value of the property, outstanding loan(s) on the property and owner(s)' share in the property.