

APPLICATION FOR WITHDRAWAL OF PERSONAL PENSION SAVINGS

NAME	ID. NO.	
DOMICILE	LOCATION	
HOME TEL.	WORK TEL.	
ARRANGEMENTS FOR PAYMENT: <input type="checkbox"/> LUMP SUM (see Point 2.A on the reverse of the application) <input type="checkbox"/> MONTHLY PAYMENTS (See Point 2.A on the reverse of the application) Monthly amount ISK _____ for _____ months <input type="checkbox"/> ANNUITY (see Point 2.B on the reverse of the application) <input type="checkbox"/> DUE TO DISABILITY (see Point 3 on the reverse of the application) <input type="checkbox"/> DUE TO DEATH (see Point 4 on the reverse of the application)		
IF AN APPLICATION IS MADE FOR WITHDRAWAL DUE TO DEATH THE FOLLOWING MUST BE FILLED OUT:		
FUND MEMBER'S NAME	ID. NO.	DATE OF DEATH

<p>TAX INFORMATION</p> <p>Income tax is withheld on pension payments as in the case of normal wages paid. It is the responsibility of each fund member to inform the fund of the income tax rate which should apply. Total monthly wages from other employers can be entered into the space for "Other monthly income" or the appropriate tax rate can be indicated.</p> <p>Other monthly income _____</p> <p><input type="checkbox"/> Tax rate 1 (36.94% tax on total taxable monthly income of up to ISK 834,707) <input type="checkbox"/> Tax rate 2 (46.24% tax on total taxable monthly income over ISK 834,708)</p> <p>INCOME TAX CARD</p> <p>The income tax card and details of tax rate are entirely the responsibility of the fund member. Please provide the fund with written details of tax card utilisation.</p>
--

BANK ACCOUNT DETAILS NOTE: If a pension is paid from the mutual insurance division, payments from personal pension savings will be deposited in the same bank account. Payments are made from the personal pension division on the last working day of each month. The application must be received before the 20th of the month when payment is to be made.

NAME OF BANK AND BANK BRANCH NO.	LEDGER NO.	ACCOUNT NUMBER
----------------------------------	------------	----------------

SIGNATURE

DATE	SIGNATURE OF APPLICANT
------	------------------------

Rules on pension payments from B division (personal pension savings)

1. Pension payments from B division can begin once the fund member has reached 60 years of age.
2. A fund member can, when drawing his/her pension, choose to have the assets in B division paid using either of or a mixture of both of the following repayment arrangements.
 - A. When a fund member has reached age 60 he/she can withdraw the savings from a personal pension account in a lump sum or spread this over whatever period is desired.
 - B. The member's balance on his/her personal pension savings will be transferred to A division, the mutual insurance division, which will pay this as a lifelong annuity with monthly payments. If a fund member selects this repayment option his/her personal right to the balance is cancelled, and any remaining balance will then not be inherited by his/her heirs.
3. A fund member who must cease work before reaching 60 years of age due to permanent disability is entitled to have his/her balance in B division paid in equal monthly payments over a period of at least 7 years. Derogations can be made from the above-mentioned withdrawal period if the balance on the account is less than ISK 500,000. This reference amount will change each year to reflect changes in the CPI from the base index of 173.5.
4. Upon the death of a fund member with a positive balance in his/her personal B division account, this balance will be paid to the member's heirs in accordance with the rules of the Inheritance Act on legal heirs.