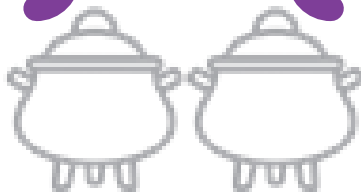
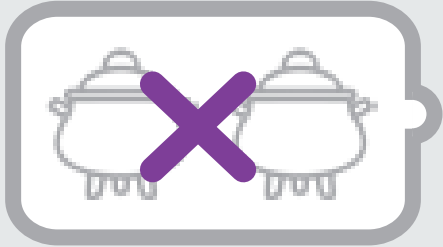




Two-pot retirement system

The choice for older provident fund members

TWO-POT OR NOT-TWO-POT? THAT IS THE QUESTION



- ✓ I am member of a provident fund,
- ✓ On 1 March 2021, I was 55 years or older,
- ✓ I am still a member of the same fund...

...I won't be included in the two-pot system.

...but I can OPT IN before 1 September 2025.

If I opt in, some of my savings will move to my savings pot for immediate access.

STAYING OUT OF TWO-POT

BEFORE RETIREMENT

- I will contribute to the vested pot and nothing will change.
- I won't be able to withdraw from my savings while employed.



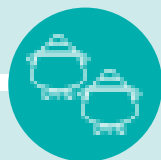
AT RETIREMENT

- All my retirement savings can be taken in cash on retirement.

OPTING IN TO TWO-POT

BEFORE RETIREMENT

- My savings pot will be seeded with 10% of my retirement savings up to R30 000. This will happen on the last day of the month in which I opt in to the two-pot system.
- I can withdraw from the savings pot once a tax year without leaving my job.
- Future contributions will be split $\frac{1}{3}$ to my savings pot and $\frac{2}{3}$ to my retirement pot.



AT RETIREMENT

- Retirement pot must be used to buy an annuity (unless the amount is below a certain minimum).
- Savings pot can be taken in cash.
- Vested pot (savings before I opt in) can be taken $\frac{1}{3}$ in cash but at least $\frac{2}{3}$ must be used to buy an annuity (monthly pension).