



## The two-pot retirement system

# Provident fund members over 55 years as at 1 March 2021



If you were 55 years old or older on 1 March 2021 (the date that provident funds were annuitised), and are still a member of that provident fund, you need to note the following:

### 1 If you do nothing, the two-pot system will not apply to you -

- You will only have a vested pot and it will contain your retirement savings up to 31 August 2024.
- A seed amount will be not allocated to your savings pot.
- All your future retirement contributions will be allocated to your vested pot.
- Your future retirement savings will not be allocated to the savings pot (one-third) or retirement pot (two-thirds).

### 2 If you choose to participate in the two-pot system (opt-in) within 12 months from 1 September 2024 -

- You will become entitled to a seed amount that will be allocated to your savings pot.
- Your contributions to the fund from 1 September 2024 will be split, one-third to your savings pot and two-thirds to your retirement pot.

The decision to opt into the two-pot retirement system is irreversible and it is strongly advised that you speak to your financial advisor to understand the implications of opting into the two-pot retirement system.