

TSRF frequently asked questions on the TWO-POT SYSTEM implementation

Moving Towards A Better Future

1. When is the implementation date?

1 September 2024

2. How will your retirement savings be managed from 1 September 2024?

Your retirement savings in your Fund will be divided into 3 components, a vested, savings and retirement component. Different rules apply to each component.

Retirement savings on 31 August 2024

Your Fund will do a once-off compulsory transfer of **10% or R30 000**, whichever is the **lowest**, of your retirement savings on **31 August 2024** to the **savings component**. The rest of the money will remain in your vested component.

Retirement contributions from 1 September 2024

Your **retirement contributions** will be **split into 2 components**.

One third (33%) to your savings component

Two thirds (67%) to your retirement component.



Vested component

10% or R30 000
whichever is lower



Savings component



Retirement component

Vested component	Savings component	Retirement component
The money in your vested component will still follow the same rules as before.	You can withdraw this money as cash lump sum when you retire OR	You cannot withdraw any money from this pot when you leave your employer. The money must remain invested until your retirement.
When you leave your employer you can: <ul style="list-style-type: none"> - stay in the Fund as a paid-up member - take your money in cash - transfer the money to another fund. 	You can withdraw only in cases of emergencies, a minimum of R2000 (before fees and taxes) once a tax year without leaving the Fund. There is no maximum withdrawal amount from this pot.	You must buy a pension with your money when you retire. If this value is below R165 000 you may take the entire benefit in cash.

3. Members who were part of the Fund on 1 March 2021

If you were a member of the Fund on 1 March 2021 (T-day), your vested component will be made up of your T-day vested and T-day non-vested benefit.

1 March 2021

T-day vested benefit | T-day non-vested benefit



Vested component

When you retire, you may take your full T-day vested benefit, and a maximum of 1/3rd of your T-day non-vested benefit in cash. You have to use the remaining amount in your T-day non-vested benefit to buy a pension, unless that value is below R247 500 then you may take it in cash.

4. If you are a member of the Fund and were older than 55 years on 1 March 2021 (T-day)

- If you were 55 years or older on T-day and remained in the Fund, your T-day vested benefit is your Fund savings as at 28 February 2021 and all your retirement savings from T-day. You only have a vested component. You will not have a T-day non-vested benefit.
- If you were older than 55 years on 1 March 2021 you are exempted from the Two-Pot system as you may continue to take all your retirement savings in cash at retirement.
- If you wish to participate in the Two-Pot system (meaning you want to be able to withdraw money from your savings pot) you have to apply to the Fund by completing a Two-Pot Opt In form.

5. What will happen on 31 August 2024?

Salt Employee Benefits will do a once-off compulsory transfer of 10% or R30 000 of your retirement savings on 31 August 2024, whichever is the lowest, to your savings component (except for members who were 55 years on 1 March 2021). The rest of the money will remain in your vested component. Let's look at how your money will be allocated!

Retirement savings on 31 August 2024	Amount transferred to your Savings Pot (Component)
R5000	R500
R10 000	R1000
R20 000	R2000
R50 000	R5000
R100 000	R10 000
R300 000	R30 000
R500 000	R30 000

As seen from the table above - if you have less than R20 000 as a Fund Credit (retirement savings) as at 31 August 2024 you will not be able to make a savings withdrawal from the Fund on 1 September 2024. You will have to wait until you have at least R2000 in your savings component before you can withdraw this money.

6. If you have an emergency and want to withdraw from the savings pot, what do you need to know?

- ✓ You can withdraw a minimum of R2000 (before fees and taxes) once a tax year without leaving your employer.
- ✓ You will pay tax (marginal tax rates - which is the highest tax rate) and a processing fee on saving withdrawals.
- ✓ If you decide to withdraw your money from your savings component you need to notify the Fund. The Fund will not automatically transfer the money to your bank account.
- ✓ From 1 September 2024, one of the primary ways you will be able to withdraw from your savings component will be through the TSRF Online Benefit Counsellor Tool, we will give you more detail about the process within the next few months. For now please ensure that you are registered on the Benefit Counsellor.
- ✓ You can only start the process of withdrawing money from 2 September 2024 (first business day), and only if you have at least R2000 in your savings component (pot). It will take at least two weeks to process your request and for you to get your money. Remember that the tax and processing fee will be deducted so you will not receive the full R2000.

7. How will I know what the value of my savings pot is?

The Fund's Benefit Counsellor will provide you with a balance on 2 September 2024 and the balance will also be shown on the annual benefit statement you receive from the Fund.

8. How do I register on the benefit counsellor?

To register type **transport benefit counsellor.com** in your internet browser

Step 1: Select Register

Step 2: Enter your ID, accept T&Cs

Step 3: Answer the security questions

Step 4: Update your details and enter a password

Step 5: Enter a referral code if you were helped

Step 6: See your referral code

Step 7: Take a selfie for facial recognition

Once registered, you can **dial *120*15552#** or

WhatsApp 087 240 7004 to see your fund balance.

Please remember:

The money in your savings component should also be saved for retirement and will be available as a cash lump sum when you retire.

Think carefully before you withdraw this money.