









TWO POT RETIREMENT SYSTEM

It is IMPORTANT to always try to PRESERVE your retirement savings and the savings component should only be used for EMERGENCIES

	 VESTED COMPONENT	 RETIREMENT COMPONENT	 SAVINGS COMPONENT
 OPENING BALANCE AT 1 SEPTEMBER 2024	Accumulated Retirement Savings up to 31/08/2024 MINUS Seed Capital	R0.00	10% of Vested Component as at 31/08/2024 Maximum of R30,000 This is called your SEED CAPITAL
 CONTRIBUTIONS TOWARDS YOUR RETIREMENT SAVINGS FROM 1 SEPTEMBER 2024 ONWARDS	You will not contribute towards the Vested Component	2/3 of your net Fund contributions will be allocated to your Retirement Component	1/3 of your net Fund contributions will be allocated to your Savings Component
 ON RETIREMENT	Balance will be paid according to the Fund rules	Balance must be used to buy a Pension/Annuity. If the balance is less than R165,000 it can be taken in cash subject to tax 	Balance can be paid as a lump sum and taxed or used to buy a Pension/Annuity
 WITHDRAWALS (SAVING COMPONENT)	No Withdrawals allowed	No Withdrawals allowed	In the case of an EMERGENCY <ul style="list-style-type: none"> • One withdrawal a tax year (1March to 28 Feb) • Min of R2,000 to Max of R30,000 • Maximum is the balance in your Savings Component from 1 March 2025 • Tax and Processing Fee (R200) will be deducted before it is paid out

Consequences of Withdrawals:

- You lose out on the effect of compound interest
- You have less at retirement
- TAX and COSTS

If uncertain, contact a financial advisor for guidance

WHAT YOU NEED TO KNOW?

Make sure your Employer has your correct personal information eg. Surname change, cell phone details, ID/Passport number, tax reference number

Savings withdrawal channels – refer to the following website/email address to direct you to the ONLINE savings claim withdrawal form.



www.bcmnt.co.za



savingsclaims@wadavidson.co.za