



DEFINED BENEFIT



DEFINED CONTRIBUTION

DE BEERS PENSION FUND



# THE TWO-POT RETIREMENT SYSTEM

The two-pot retirement system was introduced on 1 September 2024.

**Your Fund Credit is now made up of different pots:**



## VESTED ANNUITY POT:

If you joined the Fund before 1 September 2024, this pot contains your Fund Credit up to and including 31 August 2024 less the seeding capital transferred to your savings pot. If you joined the De Beers Pension Fund (the Fund) on or after 1 September 2024 and transferred your previous pension or provident fund's vested annuity pot to the Fund, this will be invested in your vested annuity pot.



## VESTED LUMP SUM POT:

This pot only applies to members who transferred a vested provident fund benefit into the De Beers Pension Fund.



## RETIREMENT POT:

Two-thirds of your monthly contributions are allocated to this pot. This pot can only be accessed at retirement to buy an annuity/pension.



## SAVINGS POT:

One-third of your monthly contributions are allocated to this pot (plus any seeding capital as of 1 September 2024). You can make one withdrawal from your savings pot in a tax year. The minimum withdrawal amount is R2 000 and the maximum amount is what is available in your savings pot. Any amount withdrawn is taxed at your marginal rate of tax. If you have any arrear taxes, these will be deducted from your withdrawal amount before it is paid to you.

All amounts in the pots listed above are invested in the life-stage portfolio appropriate for your age or in the portfolio you selected if you opted out of the default life-stage portfolio. Your pots will earn monthly investment returns (positive or negative).

## AVCs:

1/3rd of any AVC you make will be paid into your savings pot and 2/3rds into your retirement pot.

You can read more about the two-pot retirement system on the Fund's [website](https://www.debeerspensionfund.co.za).

