

DEFINED BENEFIT DEFINED CONTRIBUTION

DE BEERS PENSION FUND

BENEFIT SUMMARY

WITHDRAWAL BENEFITS

If you leave your Employer due to resignation, dismissal or retrenchment before being eligible for retirement (normal or early), you will receive a withdrawal benefit from the Fund. As your Fund savings are one of the largest assets you may have for retirement, it is important that you carefully consider the options available to you. Spending your withdrawal benefit inappropriately at that stage could mean financial hardship during your retirement and you should therefore consider preserving your pension benefits.

What options do I have on withdrawal?



OPTION 1 — Preserve your full benefit

You can preserve your benefit by leaving all your pots in the Fund and becoming a deferred pensioner.

OR

You can transfer your benefit (pots) to an approved pension fund, retirement annuity fund, provident preservation fund or pension preservation fund.

These transfers are generally transferred tax-free.

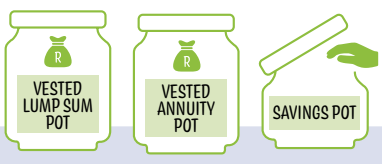
If you withdraw from employment and do not advise the Fund what you would like to do with your Fund Credit, you will automatically become a deferred pensioner of the Fund.

The same Rules, terms and conditions, investment provisions and fees apply to members who become deferred pensioners on withdrawal from service as apply to deferred retirees with one important difference: A deferred retiree may not exit the Fund other than by retirement, whereas a deferred pensioner who has withdrawn from service has the following options:

- Deferred pensioners can withdraw from the Fund at any time prior to age 60. The same options for the payment or transfer of withdrawal benefits (Fund Credits) that apply to other withdrawals (see below) also apply to deferred pensioners; or
- Deferred pensioners can retire from the Fund at any time after the age of 50. The same options for the payment or transfer of retirement benefits (Fund Credits) that apply to other retirees (see below) also apply to deferred pensioners.
- You will receive a deferred pensioner certificate within 2 months of becoming a deferred pensioner. Please keep this certificate safe and remember to pass it on to your new employer's fund if applicable.



OPTION 2 — Take the maximum cash portion of your Fund Credit and preserve the balance in the Fund or transfer it to another approved fund



Maximum cash portion (subject to tax): You can take your vested pot + savings pot in cash.



Balance of your Fund Credit: The balance must be preserved in the Fund or transferred to another approved fund.

If you do not want to take your full vested and savings pots in cash, but still want to preserve your benefit in the Fund, you must transfer the portion you do not want to take in cash from your vested pot to your retirement pot while you are still a working member.



OPTION 3 — Take part of your benefit in cash and preserve the balance in an approved fund

You can take a portion (any amount that is less than the balance in your vested pot & savings pot combined) of your benefit in cash (subject to tax) excluding your retirement pot and preserve the balance by transferring it to an approved pension fund, retirement annuity fund, provident preservation fund or pension preservation fund.

If you choose option 2 or 3, you will be liable for tax on the amount you chose. Depending on your personal circumstances, a portion of the benefit **may** be tax-free. For more information tailored to your situation, please contact the Fund at 053 807 3222.

In the case of retrenchment, different tax-free thresholds apply. Members are encouraged to contact the Fund directly for specific details regarding these provisions.

If you do not preserve your Fund Credit in a recognised retirement vehicle, you may find that you do not have enough saved when you retire. Consider speaking to a CFP before making any decisions in this regard.

You should consider issues such as tax, flexibility, the extent to which you have made additional provision for your retirement, opportunity for growth and your own needs before making a decision as to what to do with your withdrawal benefit.

What about tax?

A tax directive will be obtained from SARS before any cash benefit is paid. If you have any Namibian service, a tax directive will be obtained from the Namibian tax authorities.

When will your benefit be paid?

Your withdrawal documentation must be submitted to the Fund as soon as possible. The Fund will disinvest your Fund Credit from your relevant life-stage portfolio usually within the first week of the month following your withdrawal and provided you have submitted your instructions. Once your Fund Credit has been deposited in the Fund's bank account and the Fund has received all the necessary documentation and tax directives, payment will be made to you.

2026/09