



**HEADLINE  
NEWS**

- ☞ In-person and online Two Pot member presentations will start soon - please attend so you can understand the process
- ☞ The Trustee term of office has been extended to 31 March 2025 – member trustee elections will take place in the first quarter of 2025

**DITABAKGOLO**

- ☞ Go tsenela ka sebele goba ka inthanete dithagišo tša maloko tša mehuta e mebedi ya phenšene (Dipitša tše Pedi) di tla thoma e se kgale – o kgopelwa go di tsenela gore o tle o kgone go kwešiša tshepetšo
- ☞ Nako ya Boratrasete ya go ba baswari ba ofisi e okeditšwe go fihla ka 31 Mopitlo 2025 – dikgetho tša maloko a botrasete di tla swarwa mo kotareng ya mathomo ya 2025

**IZINDABA  
EZINOHLOLONZE**

- ☞ Ukwethulwa komuntu mathupha kanye naku-inthanethi kwamalungu eZimbiza Ezimbili (Two Pot) kuzoqala maduze-sicela ubekhona ukuze uqonde inqubo
- ☞ Isikhathi sokuba sesikhundleni se-Trustee selulelwe kuze kube zingama-31 kuMashi 2025 -Ukhetho lwama-Trustees luzobanjwa ngekota yokuqala ka-2025

**MAHUNGUKULU**

- ☞ Mapfhumba yo hlamusela swirho hi ta matirhelo ya Timbita Timbirhi ya ta sungula kungarikhale. Swirho swi nga ngenela hi nyama kumbe hi endlelo ra xilekitironiki – hi kombela leswaku mi va kona loko swi hlamuseriwa, mi ta twisisa kahle matirhelo ya kona
- ☞ Nkarhi wa ku tirha ka swirho swa Thirasiti wu engeteriwile kufika hi siku ra 31 Nyenyakulu 2025 – nhlawulo wa swirho leswintshwa wu ta khomiwa eka kotara yo rhangya ya 2025

## TWO POT - EMERGENCY ACCESS TO RETIREMENT BENEFITS

The Revenue Laws Amendment Bill implementing the Two Pot process for members to access a portion of their retirement savings without leaving employment was signed into law by the State President on 1 June 2024. The key features remain unchanged:

- The effective date will be 1 September 2024.
- Initial seeding capital will be transferred into each member's Savings Pot equal to 10% of the member's Fund Credit at 31 August 2024, subject to a maximum of R30 000.
- 1/3<sup>rd</sup> of retirement funding contributions after 1 September 2024 will be allocated to each member's Savings Pot and 2/3<sup>rd</sup>s to the member's Retirement Pot.
- Members may withdraw part or all of the balance in their Savings Pot at any time, subject to:
  - A minimum withdrawal amount of R2 000.
  - Only one withdrawal is allowed in each tax year from 1 March to the end of February the following year.
  - The deduction of tax (based on the member's income) and an administration fee from the amount withdrawn.
- Any amount in the member's Retirement Pot must be preserved to retirement, i.e. it cannot be paid out if the member leaves employment and leaves the Fund.

- The balance of the member's Fund Credit at 31 August 2024 (after the transfer of the initial seeding capital) will retain any existing rights to be paid out in cash on resignation or retirement.

The rule amendments allowing for the required Pots and Savings Pot payments to members have been prepared by the Trustees and submitted to the Financial Sector Conduct Authority for approval. The Fund's administrator is in the process of amending its administration system to be able to administer the Two Pot system from 1 September 2024.

In-person and online member presentations will be held to explain the Two Pot system and the process for members to request a Savings Pot payment. The Fund is co-ordinating with the HR departments at the City and the Municipal Entities for the presentations to take place from 18 June 2024 to 15 August 2024. Dates and times of the presentations will be communicated on the Fund's website and by the HR Departments.

***Two Pot member presentations will commence soon - all members are encouraged to attend***

A detailed explanation of the Two Pot system will also be set out in the Fund's next Newsletter.

## TRUSTEE TERM OF OFFICE

The five-year term of office of the member-elected and employer-appointed trustees was due to expire on 30 September 2024. Unfortunately, this coincides with the implementation date of the Two Pot system which is a complex and material change for the Fund and the retirement system in South Africa. The trustees feel it would be better to bed down the Two Pot implementation before handing over to the new trustees.

A rule amendment was submitted to, and approved by, the Financial Sector Conduct Authority to extend the term of office of the current trustees to 31 March 2025. Member trustee elections will be held in the first quarter of 2025 to elect new member trustees to take office on 1 April 2025.

***Member Trustee elections will take place in the first quarter of 2025***

## ADMINISTRATION SYSTEM CHANGES FROM 1 JULY 2024

The Two Pot system requires a small change to the administration process and the rules of the Fund, in that death and disability benefit premiums and the allocation to Fund expenses must be deducted from the employer contributions each month before the balance is allocated to member's Fund Credits. Currently the full contribution is allocated to member Fund Credits and the risk premiums and the expense allocation are then deducted from the Fund Credits. The required change does not affect members' benefits in any way.

A rule amendment to effect the change has been prepared by the trustees and submitted to the Financial Sector Conduct Authority for approval.

## MEMBERS WHO JOIN THE FUND OVER NORMAL RETIREMENT AGE

In the unlikely event that an employer, for operational reasons, employs someone who is older than the normal retirement age, they may join the Fund subject to certain conditions:

- Such members are not covered for the disability benefits provided by the Fund and the disability benefit premiums that would have been paid to the insurer are instead allocated to the members Fund Credits.
- Such members are not covered for the death benefits provided by the Fund and the funeral benefit on the death of the member, unless the death is due to an accident. Full cover will apply if, and when, the member has provided the evidence of good health required by the Fund. Funeral cover in respect of the death of an eligible spouse or child applies as for all other members.

A rule amendment clarifying the above conditions was submitted to, and approved by, the Financial Sector Conduct Authority.

## FUND INVESTMENTS

### Fund investment returns over the last 12 months

The returns over the 12-month period to 31 May 2024 for the three portfolios are set out in the following table.

Period	High Growth Portfolio	Medium Growth Portfolio	Money Market Portfolio
June 2023	1.54%	1.12%	0.84%
July 2023	1.11%	0.60%	0.82%
August 2023	(0.08%)	1.46%	0.78%
September 2023	(2.76%)	(2.22%)	0.73%
October 2023	(2.66%)	(0.90%)	0.82%
November 2023	7.45%	5.15%	0.89%
December 2023	1.89%	1.65%	0.75%
January 2024	(0.49%)	0.77%	0.85%
February 2024	0.74%	1.40%	0.71%
March 2024	1.45%	0.47%	0.71%
April 2024	0.77%	(0.16%)	0.85%
May 2024	1.49%	1.05%	0.86%
<b>1 June 2023 to 31 May 2024</b>	<b>10.57%</b>	<b>10.73%</b>	<b>10.04%</b>

### Fund long-term investment returns

The investment returns earned on each of the portfolios for longer periods to 31 May 2024 are set out in the table below.

Period to 31.5.2024	High Growth Portfolio (inception 1.9.2005)		Medium Growth Portfolio (inception 1.5.2014)		Money Market Portfolio (inception 1.9.2005)	
	Actual per annum	Target: Inflation plus 5% per annum	Actual per annum	Target: Inflation plus 3% per annum	Actual per annum	Target: Inflation plus 1% per annum
Last 12 months	10.57%	10.21%	10.73%	8.21%	<b>10.04%</b>	<b>6.21%</b>
Last 3 years	9.43%	11.01%	<b>8.73%</b>	<b>9.01%</b>	7.72%	7.01%
Last 8 years	<b>7.75%</b>	<b>9.94%</b>	7.73%	7.94%	7.94%	5.94%
Since inception	11.80%	10.63%	8.11%	8.00%	7.95%	6.63%

This Newsletter is issued for the general information of the members of the eJoburg Retirement Fund.

It is not intended as a substitute for specific legal, financial or other advice in considering the implications for each member's particular circumstances.