

# Alexforbes One

One fund. One goal. For life



**Keep your money invested  
in the fund when you defer  
your retirement**



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# You can keep your money invested in the fund when you defer your retirement

The fund would like to help you preserve or keep your retirement savings for when you need it most, and the simplest solution is to keep it invested in the fund until you do.

## When does it make sense to defer retirement?



I'm reaching my retirement age soon and have been offered a half-day post at another company. I don't need to draw a monthly pension yet, so I am leaving my nest egg with the fund so that it has more time to grow.

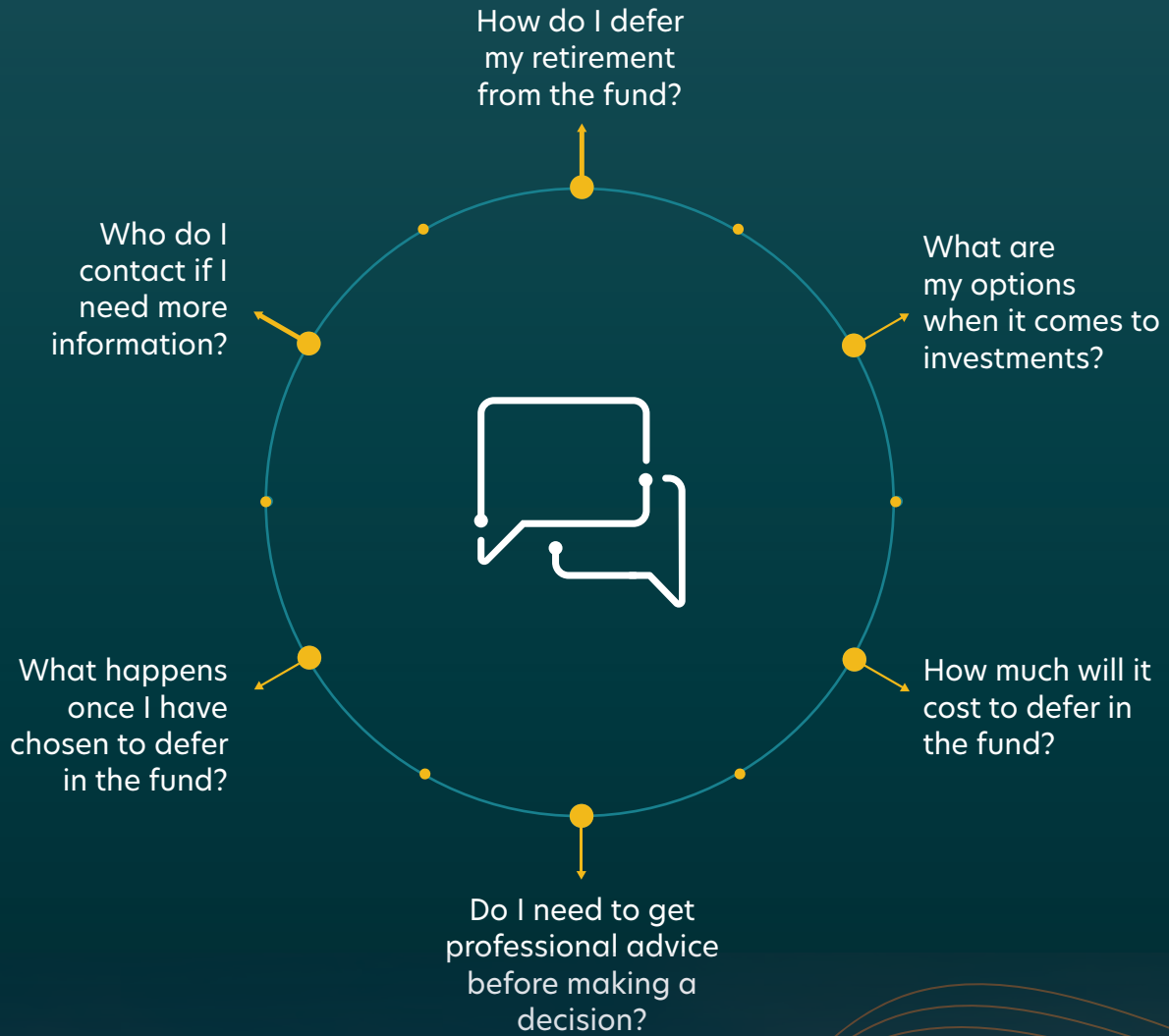


I'm retiring soon. I have other investments that I will be able to live off, so I decided to defer my retirement from the fund to a later date. This in-fund option is convenient for me because I can leave my money invested in the fund until I retire or instruct the fund what to do with my benefit.



My company doesn't allow late retirements. I'm not ready to stop working, so I started my own small business when I left, and the income I receive from my business currently covers my expenses. This in-fund solution suits me because I am financially stable enough to leave my money to grow until I am ready to stop working.

Here are some of the questions these members asked before choosing to defer retirement and leave their money in the fund:



# How do I defer my retirement from the fund?

Fill out a retirement claim form. You can find it on **AF Connect**, print it from the fund's website or collect it from your human resources department

Make sure your new contact details are on the form so that the fund can stay in touch with you after you leave the company. You must keep this information up to date.

Hand your form in to your human resources department

**There's no minimum amount of money you need to have to be able to leave it in the fund.**



## **NOTE! Risk benefits**

You won't have life insurance and/or disability cover through the fund. We encourage you to get advice from your licensed financial adviser or an Alexforbes financial adviser if you don't have one to consider your risk benefit needs.

# What are my options when it comes to investments?

You have two options when it comes to your investments:

## **Option 1**

### **Keep your investment strategy**

You can keep your money invested in an investment portfolio and strategy similar to the one that you were invested in while working.

**Just remember:** If you were invested in a portfolio or strategy that is not available, you will have to choose a revised portfolio option or strategy.

## **Option 2**

### **Change your investment strategy**

You can switch portfolios at any time and at no cost by submitting a switch form.

**Just remember:** The new portfolio you choose may have a different ongoing investment fee.

[Click here to access the investment guide](#)



You can get a switch form from **AF Connect**



Infund portfolios and investment options are priced net of fees. This means the fees are deducted before the daily unit price is calculated



The growth of your retirement savings will depend on the portfolio you have chosen to invest in.

## How much will it cost to defer in the fund?

The fund will not charge you any upfront administration, investment or advice fees. The only advice fee paid will be as agreed between you and your licensed financial adviser (if you have one).



The ongoing administration fee of **R78.26** and **governance levy of R3.26** are payable monthly and will be deducted from your savings. These fees exclude VAT. The fees may be subject to revision in the future.

**The investment fee is** charged as a percentage of your retirement savings in the fund. Each portfolio has a different fee.

## Do I need to get professional advice before making a decision?

It is not required, but we strongly recommend that you get financial advice before making any decisions about your retirement savings, as all retirement planning decisions are important to your long-term financial security. Speak to your employer-appointed or personal financial adviser. If you don't have an adviser, contact the **My Money Matters** center at **0860 000 381** or email **[mymoneymatters@alexforbes.com](mailto:mymoneymatters@alexforbes.com)**.

- On your instructions the fund will pay the agreed advice fee from your benefit to the financial adviser, provided the financial adviser is registered and accredited by Alexforbes
- The maximum advice fees for financial advisers are as follows:
  - **Upfront advice fee is 1.00% of assets a year excluding VAT**
  - **Annual advice fee is 0.75% of assets a year excluding VAT**
- You should regularly assess the ongoing service and value provided by your adviser.

# What happens once I have chosen to defer in the fund?

- > You remain a member of the fund, but will no longer be linked to your employer. You will be categorised as an Infund deferred retiree and communicated with accordingly.
- > Once you have received your paid up member certificate, login to AF Connect and complete your beneficiary nomination forms - <https://online.alexforbes.com/>.
- > Your money will be transferred with the same values in the savings, retirement and vested pots.
- > You will still have access to the money in your savings pot and if you withdraw money, you'll pay the same percentage tax that you pay on your salary.
  - You can make one withdrawal from you savings pot within a tax year (**1 March - 28 Feb**)
  - The minimum amount you can withdraw is **R2 000**.

## Before you withdraw

Withdrawals reduce the amount of cash available when you retire. You need to have cash available at retirement for emergencies and to increase your retirement income. You can get up to R550 000 tax free on cash you take when you retire.

[Click here for more Two-pot System information](#)

[Click here to register for AF Connect](#)

The employer you are retiring from can claim money from your retirement benefit if there has been any wrongdoing such as theft, fraud or misconduct when you leave them. If there is a claim, you will be able to keep the balance of the money in the fund once the employer has been paid.

## The fund will:



### Communicate with you ...

You will receive a new member certificate as proof of your membership. The fund will communicate further through newsletters, annual trustee reports and yearly benefit statements. To enable the fund to communicate with, you must keep your contact details up to date.



## Give you access to AF Rewards.

It's a big deal and there's no subscription fee. Here's what you get:



### Online shopping platform

Digital shopping mall for all members, get valuable savings and discounts on everyday products and services



### Supermarket coupons

**Shoprite, Checkers, Checkers Hyper and Pick n Pay**

Save on day-to-day necessities with exclusive rand values from leading retail chains



### Wellness coupons

**Dischem**

Stay healthy and save next when you shop for health and wellness products



### Travel offers

**RANDGO**

Expert agents guiding you to find holiday and travel solutions



### Discounted airtime

**Vodacom, Virgin Mobile, Telkom Mobile, Cell C, MTN**

Access to discounts on airtime and data from South Africa's leading providers



## Be flexible with you ...

To allow you to focus on other important things like you career, family, friends and holidays. The trustees review portfolios on an ongoing basis to measure their reliability for retirement savings.



## Allow you to withdraw your money at a later stage ...




Or leave it in the fund until you are ready to retire. Before making a decision, we encourage you to get advice from an accredited financial adviser so that you understand the cost and savings implications of your decisions.



# What happens if I'm ready to retire?

You were in a **provident fund** ...

Depending on your age and choices you've made, you may have retirement savings in some or all of these pots. The table below illustrates which pots you have and what you can do with your retirement savings:




Your pots	Members aged 55 years or older on 1 March 2021 - and you <b>do not join</b> the two-pot system	Members aged 55 years or older on 1 March 2021 - and you choose to <b>join</b> the two-pot system	Members aged 55 or older on 1 March 2021 and have <b>changed funds</b>	Members younger than age 55 on 1 March 2021 you <b>will automatically join</b> the two-pot system	What <b>you can do with your pots of money</b> when you retire
 <p><b>Savings Pot</b> - <b>One-third</b> of your ongoing contributions made after 1 September 2024</p>	✗	✓	✓	✓	<ul style="list-style-type: none"> <li>Take all the money in cash or</li> <li>Use it to create an income for retirement.</li> </ul>
 <p><b>Retirement Pot</b> - <b>Two-thirds</b> of your ongoing contributions made after 1 September 2024</p>	✗	✓	✓	✓	<ul style="list-style-type: none"> <li>You must use this money to set up your income for retirement.</li> <li>If the amount in your retirement pot, plus two thirds of your <b>non-vested money</b> is less than R240 000 then you can take everything in cash.</li> </ul>
 <p><b>Vested Money</b> <b>*Vested Pot</b> contains the money saved before 31 August 2024 (less seed capital)</p>	✓	✓	✓	✓	<ul style="list-style-type: none"> <li>Use all or some of this money to buy an income for retirement.</li> <li>Take all the money in cash.</li> </ul>
<p><b>Non-vested money</b> is the money you saved between 1 March 2021 and 1 September 2024 or to the date you change funds</p>	✗	✗	✓	✓	<ul style="list-style-type: none"> <li>Take a maximum of one third of the money in cash.</li> <li>Use at least two thirds of the money to buy an income for retirement.</li> </ul>

**\*Vested pot:** Members aged 55 or older on 1 March 2021 that did not opt into the two-pot system will have their ongoing contributions allocated to the vested pot. You will not have a savings pot nor a retirement pot.



## You were in a pension fund ...

The table below illustrates which pots you have and what you can do with your retirement savings:

Your pots	What you can do with your pots of money when you retire
 <p><b>Savings Pot - One-third</b> of your ongoing contributions made after 1 September 2024</p>	<ul style="list-style-type: none"> <li>You can take all the money in cash or</li> <li>Use it to create an income for retirement.</li> <li>All cash taken is subject to tax</li> </ul>
 <p><b>Retirement Pot - Two-thirds</b> of your ongoing contributions made after 1 September 2024</p>	<p>You must use all of this money to set up an income at retirement.</p>
 <p><b>Vested Pot</b> - the money saved before 1 September 2024</p>	<ul style="list-style-type: none"> <li>You must use at least two thirds of this money to set up an income in retirement.</li> <li>If the amount in your retirement pot plus two thirds of your vested pot is less than R240 000 then you can take this money in cash.</li> <li>All cash taken is subject to tax.</li> </ul>

If you only start contributing to a provident fund after 1 September 2024 and have no other retirement savings, you will only have money in the retirement pot and savings pot.

You may take all the money in your savings pot in cash and use your retirement pot to set up an income for retirement.





# Who do I contact if I need more information?

**My Money Matters**  
Centre on 0860 000 381 or at  
[mymoneymatters@alexforbes.com](mailto:mymoneymatters@alexforbes.com)



You can register on **AF Connect** – a practical website where you can find real-time information about your savings and keep up to date with your investments and benefits. It's user-friendly, and provides access to information you need to help you secure your financial well-being.

Register for access at [www.alexforbes.com](http://www.alexforbes.com)