



# TWO-POT RETIREMENT SYSTEM AND MYCLAIM: IMPORTANT DATES



As we approach the implementation of the Two-Pot Retirement System on 1 September 2024 and the launch of our new MyClaim digital channel, we would like to outline important administrative tasks and requirements needed from you to ensure a smooth transition.

## 1. Whose retirement savings will be seeded?

All **Active** members as at 31 August 2024 will be seeded. ([Click here](#) for an explanation on how future contributions will be split between the two Pots.)

Provident Fund members who were over 55 years and older on 1 March 2021 and have remained in the same fund (this refers to the Tax Laws Amendment Act) will have to elect to be part of the new Two-Pot system. A separate communication will be issued regarding this.

**Exited** members with a submitted claim as at 31 August 2024 will **NOT** be seeded.

## 2. End of August 2024 payroll submissions

### Allocation of contributions

All contributions due for the end of August 2024 payrolls will be allocated to the **member's Vested Pot**. This includes all arrear contributions, irrespective of when they are paid.

All contributions for September 2024 payrolls onwards will be split as follows:

- One-third into the Savings Pot
- Two-thirds into the Retirement Pot

Money is reflected in a member's record once it is **invested**. Only invested retirement savings will be seeded.

For August 2024 contributions to be included in the seeding, they need to be **paid by Monday, 26 August 2024**. This will allow enough time for all contributions to be invested and reflected against the member's accumulated retirement savings. Note that this may impact some of your employees' Savings Pot value.

You will still be able to submit your payroll after this date. However, the contributions will be excluded from the seeding. There will be a brief pause for processing payments to allow for investment unit pricing.

## 3. Exiting members

Please create and submit an E-claim for all exiting members by COB 30 August 2024. Members whose status is reflected as "Active" **as at 31 August 2024 will be seeded**.

To ensure exit members are not seeded, both August contributions and E-claims submissions must be complete by the dates above.

### Employer Liens (money due by the member to the employer)

Before retirement savings are paid out, member records are checked for flags indicating third-party dues from housing loans, divorce orders, or employer liens.

Please report all liens to the fund timeously. If the record is not flagged, the member's full value will be paid out. We are currently reviewing the lien-reporting process and will communicate updates separately.

## 4. Investment switching

The switching capability will be **unavailable between 26 August and 2 September 2024**.

## 5. Member data is critical to the success of all processes

The updated Section 13A legislation introduced compulsory data fields effective 19 February 2023. The accuracy of these fields is critical. Names and ID numbers are also verified against the Department of Home Affairs (DHA).

When members apply to withdraw from their Savings Pot, their data will be verified against this submitted data. Mismatched data will result in a delayed payment of these claims.

## 6. Employer contact details

Please keep us up to date with the correct contact people in your company, including your authorised payroll submission team, claim submission team and your Section 13A responsible person.

## What to do before 1 September 2024

- Submit payroll data and payment by 26 August 2024 to include August contributions in seeding.
- Members on Disability are Active members of the Fund and any separate Disability payrolls will also need to be submitted by this date.
- Create and submit E-claims for all exited members by 30 August 2024.
- Advise your service contact person of any new liens or changes in your authorised contacts.
- Ensure your payroll data is accurate.
- Remove/delete all existing forms used when a member withdraws or retires from the fund. Please replace these with [this infographic](#).

### Moving from the current E-claim system to the new MyClaim

The implementation of Two-Pot has changed the complexity of a member's exit. With multiple Pots, the member will need to make more than one decision about their accumulated retirement savings value. To facilitate this, we have introduced a digital exit process called MyClaim.

## What does this mean?

- The E-claim system will be closed on 30 August 2024.
- MyClaim will open on 16 September 2024.
- Exits that have NOT been seeded will continue to be processed in the current system.
- All seeded exit claims will be cancelled. (See note above on seeding of exiting members.)
- All exiting members who have been seeded will need to be processed via MyClaim. The member will need to create a MyClaim. [Click here](#) for a quick, step-by-step guide on how to create a MyClaim.

Please encourage exiting members to provide personal contact details to facilitate communication during this transition period.

## The requirements for Savings Pot withdrawals are:

- Full name as per the member's ID book/Smartcard, i.e. as per the DHA
- Cellphone number
- Email Address
- ID/Passport Number
- Tax number as per the South African Revenue Service (SARS)

We can provide you with a view of your DHA-validated data if this will be helpful.

*Remember, retirement savings allocated to the Savings Pot due to seeding will be taxed at Marginal Tax rates. Retirement savings in the Vested Pot will be taxed at Withdrawal Tax rates.*

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