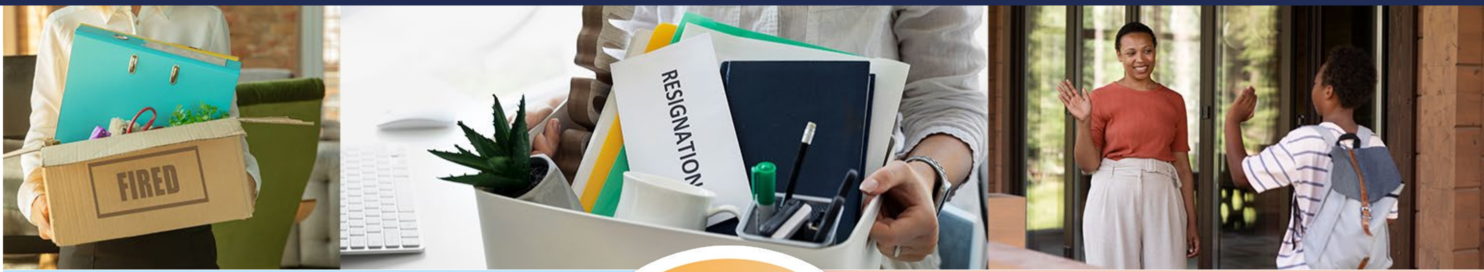
RETIREMENT FUND
ISASA

Caring about your financial future

Learning Planning Living

Withdrawal Fact Sheet

May 2026



Qualifying Criteria

A withdrawal benefit becomes payable when you leave the service of your employer, either due to resignation, retrenchment or dismissal, before you reach normal retirement age.

Options

If you resign or abscond then the three components and tax payable will be paid as follows:

Vested component	Savings component	Retirement component
Take part or full cash. Preserve in-fund. Transfer to another retirement fund with other components.	Take part or full cash. From 1 March 2026, a member leaving the Fund can claim a second savings withdrawal benefit in the same year of tax assessment, even if the amount available is above the R2 000 threshold. Transfer to another fund with other components.	Cannot take in cash. Preserve in-fund OR must transfer to another retirement fund. If you decide to take your full vested components and full savings component in cash, you can elect to retain your retirement component in the fund, or transfer everything out.
Tax treatment per component:		
Vested Component Using withdrawal tax tables first R27 500 is tax free.	**Savings component** Via marginal tax rates.	**Retirement component** A non-tax event.

Savings component withdrawals

Members will be allowed to make one withdrawal from the savings component every tax year, thus from March to February of each year. This once-off withdrawal has a minimum amount of R2 000 per tax year and the maximum amount is the amount available in the savings component. Members will pay tax at marginal rates and an admin fee of R250. Early withdrawals will lead to less money being available at retirement, and do not underestimate the power of compound interest. It is in the best interest of members to consult a financial adviser prior to making an early withdrawal.

Benefit Composition

If you leave the Fund you will automatically become a Preserver member of the Fund after 120 days, unless you actively elect another option. This is the **Fund's Default Preservation** strategy that is ***in line with the Default Regulations.***

Preserver members do not make contributions to the Fund and are not covered for death or disability benefits. You will remain invested in the same portfolio you were invested in when you were an active member, unless you make a selection from the available portfolios in the Fund. Preserver members will be able to make an annual Savings component withdrawal.

Inter-school Transfers: Should you transfer to another School which participates in the ISASA Retirement Fund it is compulsory that the full value of your Accumulated Credit as at the date of transfer be transferred to your account at the new school. You will continue to enjoy unbroken membership in the Fund.

Accumulated credit consists of your and the employer's retirement contributions, less costs, plus investment returns.

From 1 September 2024 your Fund Credit is the total value of the Vested Component, the Savings Component and the Retirement Component.

Bits and Tips

It will be wise to preserve your money until you retire. A cash withdrawal may seem attractive at this stage, but will influence your retirement plans negatively in the future. Tax affairs must be up to date at all times as any benefit pay-out due from the Fund is subject to tax clearance from SARS.

Financial Planning Institute at www.fpi.co.za

Call **Old Mutual's toll free** number: **0860 388 873**

The **Fund Call Centre** toll free number **0860 455 455**