

FOR IMMEDIATE RELEASE

03 October 2025

Dear Members and HR Representatives,

We hope this message finds you well.

Effective **1 September 2024**, the Two-Pot Retirement System was introduced to provide a more flexible and sustainable approach to retirement savings. Under this system, all retirement fund contributions from that date forward are split into two components:

- **Savings Pot:** Allows limited pre-retirement access under specified conditions.
- **Retirement Pot:** Preserved strictly for use at retirement.

All members **younger than 55 years on 1 March 2021** were **automatically enrolled** in the Two-Pot System from **1 September 2024**. Their contributions are now being allocated between the Savings and Retirement Pots, in accordance with the legislative requirements.

All members **over 55 years** were not automatically included in this new system and were required to make a **once-off, irrevocable decision** to opt in.

This meant that:

- Members who were **55 years or older as of 1 March 2021**, and
- Who were still active members of their fund as of **1 September 2024**.

These members were given a **12-month window**, from **1 September 2024 to 31 August 2025**, to opt in to the new system.

Closure of the Opt-In Period

Please be advised that the **opt-in window officially closed on 31 August 2025**.

- This was a **strict, one-time opportunity** as determined by legislation.
- No late opt-ins will be accepted, and **no exceptions** can be made under any circumstances.
- Members who **did not opt in** by the deadline will **remain in the previous retirement structure** and will **not have access** to the early withdrawal features provided under the Two-Pot System.

We request all HR representatives to ensure this information is shared widely within your departments and with affected employees to avoid any confusion regarding the implementation and opt-in requirements of the Two-Pot System.

Should you or your members require further clarity or assistance regarding the Two-Pot System or your retirement benefits, please do not hesitate to contact us at:

Tel: 011 578 5333

Email: Pension@akafin.co.za

Best Regards,
Municipal Employees Pension Fund
Your no.1 Pension Fund”

-ENDS-