



12 May 2021

## ANNOUNCEMENT – MEMBER ACTION REQUIRED

### 1. Life Stage Option change

The Fund's Normal Retirement Age changed to 65. For most members this is great news because they get to save more, and they do not have to make any adjustments. In the Lifestage Option, we changed the automatic switch intervals to reflect the change, as follows:

Age Brackets		CRF Balanced Portfolio	CRF Stable Portfolio
Previously	Effective 1 June 2021		
Up to age 55	Up to age 60	100%	
Age 56	Age 60	80%	20%
Age 57	Age 61	60%	40%
Age 58	Age 62	40%	60%
Age 59	Age 63	20%	80%
Age 59 and 60	Age 64 and 65		100%

We will contact affected members to discuss the impact during the next few weeks. Should you plan to retire earlier, or if you are uncomfortable with this change, please consult your financial advisor. You can use the Investment Choice Form found here (<https://www.col-ret.co.za/my-investment-options.html>).

### 2. Provident fund changes (Annuitisation)

From 1 March 2021, provident fund retirement benefits are treated the same as pension and retirement annuity funds. This means that up to a third can now be taken as a cash lump sum and the balance must be used to buy a (compulsory) annuity, also called "Annuitisation". There are important exceptions called "vested rights".

#### Vested rights

Your Provident Fund benefit up to 28 February 2021, plus future growth on that portion, are excluded. You will have the same access to these benefits, and you could select (not our advice) to take the full benefit plus growth in cash at retirement as per the current practice. This is called your "vested right".

If you were 55 and older on 1 March 2021, your full past and future Provident Fund benefit is a vested right at retirement, if you remain a member of the same fund until retirement.

Pension and provident contributions and benefits of new members from 1 March 2021 will be subject to the same rules as pension and retirement annuity funds.

### 3. Expression of Wish Form

Not having a valid Expression of Wish (EOW) Form cause hardship for those who you leave behind if you die in service. The benefit does not form part of your estate and the Board of Trustees are then forced by the Pension Funds Act to investigate and decide who must be allocated your pension benefit. A valid EOW expedite the payment of benefits and prevent the Board from making decisions on your behalf. An up to date and valid EOW form, is one of the biggest gifts to your surviving dependants. We explain the requirements for a valid EOW on the Fund's website (<https://www.col-ret.co.za/death-benefits.html>) and encourage you to discuss this with your financial advisor. Please hand the completed EOW to your Payroll Consultant or email it to [yourfund@columbus.co.za](mailto:yourfund@columbus.co.za).

If you have any questions regarding this note, please contact the Fund Administrator, Lézelle Meyer, at (012) 648 9180 or [yourfund@columbus.co.za](mailto:yourfund@columbus.co.za) or the Principal Officer at [jhartz@outlook.com](mailto:jhartz@outlook.com).