



Helping you manage your future!

Human Resources News Update

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Dear Human Resources Officers

Important Announcement effective from 1 October 2026!

We are excited to announce a new chapter in Retirement Governance. In light of this, we are proud to announce that the Fund's administrative services have officially transitioned to Pension Path Administrator (Pty) Ltd. [Click here](#) for more information on how this new path supports the Fund's vision to ensure that all members have the right to clear information, dependable administration and dedicated support.

Navigating Councillor Exit Options: A Guide for HR Teams

With the Local Government Elections taking place on 4 November 2026, your HR department will likely experience an increase in queries from Councillors regarding their Fund withdrawal options should they not be re-elected.

When a Councillor's term of office ends and they exit the municipality, the financial decisions they make will heavily impact their retirement savings. As HR, it is crucial to help them understand how their member share in the Fund—consisting of a Vested Component, Savings Component, and Retirement Component—will be treated upon exit.

Option 1: Defer the Benefit in the CRF

Councillors can elect to keep their retirement savings invested in the CRF by becoming Deferred Members.

- All-or-Nothing Rule: Please inform members that deferment is an all-or-nothing choice. They cannot choose to defer one portion of their benefit and withdraw another portion in cash. The full applicable benefit must remain invested in the Fund.
- Investment Control: Deferred members remain invested in the Fund and retain the right to select their preferred investment portfolios.
- No further contributions: Once an account becomes deferred, it is considered paid-up. No further monthly contributions can be made to a deferred account.
- Future Withdrawal and Two-Pot Component Options: Deferred members can access their benefit at

a later stage, subject to Two-Pot retirement system legislation rules as explained in this newsletter.

Option 2: Withdraw or Transfer the Benefit

If a Councillor chooses not to defer their full benefit, their options will vary strictly by component:

1. Vested Component

Depending on their specific circumstances, departing Councillors may:

- Withdraw the full Vested Component in cash.
- Take a partial cash payout and transfer the remaining balance to an approved external retirement fund.
- Transfer the Vested Component directly into their CRF Retirement Component.
- Transfer the full Vested Component to an approved external retirement fund.

Notes: If a member takes a partial cash withdrawal from this component, the remaining balance—along with their Savings and Retirement Components—must be transferred to an external provider.

Any portion of the Vested Component taken in cash is taxable.

2. Savings Component

- **Cash Out:** Upon complete termination of their Fund membership, Councillors can elect to withdraw their remaining Savings Component in cash (subject to tax).
- **Transfer:** The component can also be transferred to either their CRF Retirement Component or an approved external retirement fund.

3. Retirement Component

- **No Cash Withdrawals:** This component **cannot** be taken in cash upon withdrawal from the Fund.
- **Permitted Actions:** It must either remain invested in the CRF until retirement or be transferred to an approved external retirement fund.

Exception: If the value of the Retirement Component is **less than R240,000** (current threshold) when the member reaches retirement age, it may be paid out as a lump sum (subject to tax).

Important Check: Is the Councillor age 50 or Older?

Please remind your Councillors that the CRF Rules allow members to retire from age 50.

- They may qualify for retirement options rather than standard withdrawal options, which often carry different tax implications.
- Councillors who have already reached the Normal Retirement Age of 65 years can choose to officially retire or remain active members until the end of their term of office.

HR Reminders for Processing Withdrawals

- **Interdependent Choices:** The selections made on the Withdrawal Application Form are critical and impact all three components. Certain choices dictate what must happen to the remaining components. Please encourage members to read the "Important to Note" sections carefully before signing.
- **The Cost of Cash:** While a cash payout offers immediate financial relief, it triggers tax implications and drastically reduces long-term retirement wealth.

Support and Financial Advice

To safeguard your members' financial futures, the Fund Rules explicitly provide for retirement benefit

counselling and financial advice.

Before finalising their election forms, please direct Councillors to Portfolium for expert guidance. Their political term may be ending, but their retirement journey continues—let's help them make their next financial decision count.

Newly Elected Councillors

We would like to remind you that the CRF's comprehensive benefits are fully available to Councillors. These industry leading benefits include:

- Premium Annuity Options
Flexible, modern options to sustain members' unique lifestyles and individual needs.
- Lifelong Funeral Cover
No age limits for contributing members or members who retire within the Fund.
- Integrated Health Insurance – Through Health4Me
Essential medical protection when members need it the most.

Should you need any assistance in introducing your councillors to the CRF please let us know. Our communication team is available to assist you with your induction process. We are also readily available to assist via virtual meetings.

Good luck with the upcoming elections. Remember we are just a phone call or email away if you need any assistance.

Warm Regards

Your Consolidated Retirement Fund Communication Team

Board of Trustees: Mr SA Mokweni (Chairman), Mr JJ Wagner (Deputy Chairman), Mr PJS Gouws, Mr IR Iversen, Mr TA Loko, Mr PJF Louw, Mr L Mbandazayo, Ms C Meyer, Mr ET Scott, Mr SN Toni, Mr FA Willemse
Principal Executive Officer: Ms N Botha

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