

## In-Fund Preservation

As a retirement fund member, you can choose to stay a member of the same fund and preserve your savings until you choose to retire. This is because retirement fund regulations allow you to leave your retirement savings exactly where they are, in your existing fund, even if you leave your employer, for whatever reason.

**DID YOU KNOW ?**

If you resign, retire, are retrenched or dismissed, you don't have to add to your stress by wondering what to do with your retirement savings. You can leave it exactly where it is currently invested, and it will continue to grow. You will only pay a small monthly administration fee that is generally very competitive.



*Simply put, if you aren't sure what to do, you can leave your retirement savings in your current retirement fund until you decide to retire one day.*

If you are still working and you choose the in-fund preservation option when you change jobs, you will become what is called a **paid-up or deferred member** of your current fund. If you retire from employment but don't want to take your retirement savings just yet, you will become what is called a **phased or deferred retiree** of your current fund, until you choose to retire from your fund.

What's more, if you aren't sure what is best for you, leaving your retirement savings in your current fund allows you to take some time, get expert advice, and only make a decision once you are sure what is right for you.

To help you even further, retirement funds provide access to retirement benefit counselling to help their members understand their options and which ones have a cost and tax implication.

Taking your time is a much better idea than just taking your retirement savings in cash and getting taxed heavily in the process. In fact, for as long as you leave your retirement savings where it is, **you won't need to pay any tax on it.**

If you choose to leave your retirement savings in your fund after you have left employment, there are a few things you need to know.

- You will no longer make monthly fund contributions.
- You will no longer be covered for risk benefits.
- If you pass away, your money will still be distributed among your beneficiaries, exactly as if you were an 'active in-service' fund member.

**Most importantly you remain a member of the fund with the opportunity of growing your retirement savings until you choose to retire!**