00:00:00.000 --> 00:00:05.590
Pieter Cronje
Cheers at a document that I I did. I I'm not going to go.

00:00:07.180 --> 00:00:12.170
Pieter Cronje
Exactly 100% through each and everything it can. You guys see my document.

00:00:18.300 --> 00:00:18.900
Pieter Cronje
Anyone?

00:00:20.240 --> 00:00:22.500
Pieter Cronje
Can you share the document? Yes.

00:00:21.460 --> 00:00:22.290
Anita Roodman (Simeka Consult)
Yes we can.

00:00:21.960 --> 00:00:23.070
Manson, Chantal
Yes, yes.

00:00:22.160 --> 00:00:23.050
Nancy Andrews
This plan.

00:00:22.890 --> 00:00:29.280
Pieter Cronje
OK, lovely lovely. So I think we we we need to talk about a couple of issues and.

00:00:30.360 --> 00:00:35.200
Pieter Cronje
The big issues that we we need to talk about and we can just switch off my my screen.

00:00:35.730 --> 00:00:41.420
Pieter Cronje
Uh, will typically be. Firstly, are we going to support the 1/3?

00:00:42.230 --> 00:00:44.400
Pieter Cronje
Uh, two suit pot?

00:00:45.020 --> 00:00:45.440
Pieter Cronje
And.

00:00:46.360 --> 00:01:01.080
Pieter Cronje
In our initial discussion, we actually did did support, uh A1 set or rating pushing, and I think that is the first question that I have is is there anyone that do have a big issue with the 1/3?

00:01:02.120 --> 00:01:04.830
Pieter Cronje
But then I know you specifically.

00:01:05.350 --> 00:01:20.730
Pieter Cronje
Uh, always sheet. We must be careful not to talk about the 1/3. I understand we're the ones that comes from because they see it as basically just one third commutation that you can take earlier.

00:01:21.740 --> 00:01:23.240
Pieter Cronje
So on on.

00:01:24.810 --> 00:01:28.660
Pieter Cronje
Underscore is there anyone who has a strong view against the 1/3?

00:01:31.520 --> 00:01:36.240
Leanne Van Wyk
My point was that if we started 1/3, it's only ever going to increase.

00:01:37.070 --> 00:02:06.480
Leanne Van Wyk
I am so I think that's you know if we can at least raise the issue. Just say well, what is the rationale behind the 1/3? If it's something linked to you, know we think it's understandable because there's a 1/3 commutation. I think that's a silly reason because one wanted commutation is a totally different thing, so I'm not sure why it adds to understanding, but I think that we need to understand if there is, you know, a reason for starting at 1/3, or whether it's.

00:02:06.870 --> 00:02:09.100
Leanne Van Wyk
It would be more sensible to start lower.

00:02:11.940 --> 00:02:15.670
Pieter Cronje
You're, I think that that.

00:02:16.460 --> 00:02:19.760
Pieter Cronje
Uh, it's also one of the comments made by.

00:02:20.520 --> 00:02:23.630
Pieter Cronje
Someone else would see that the important thing is that.

00:02:24.380 --> 00:02:37.360
Pieter Cronje
Whatever percentage they use must not be only a percentage that they publish in a cassette or something, or while in a in a regulation or something with that, they can change. It must be a policy principle that's not easy to change.

00:02:39.320 --> 00:02:41.280
Pieter Cronje
So maybe we can add that as well.

00:02:39.450 --> 00:02:39.930
Leanne Van Wyk
Yeah.

00:02:41.650 --> 00:02:47.530
Leanne Van Wyk
I think that's a good point, you know, I, I just don't want us to be seen as like a moving target going forward.

00:02:49.130 --> 00:02:53.530
Pieter Cronje
No, I I I agree and the there was definitely another comment on that as well.

00:02:54.540 --> 00:02:58.630
Pieter Cronje
Thanks yeah anyone else? I should strong comment on that.

00:03:02.320 --> 00:03:19.540
Pieter Cronje
OK thanks. I think then the next thing that I would like us to just consider this is still gone shipped and when we made our initial proposal we started off with the premises to say this is a long term.

00:03:20.490 --> 00:03:29.110
Pieter Cronje
The investment Vehicle retirement savings and we still believe it is long term. But what we say is we know that.

00:03:30.280 --> 00:03:34.630
Pieter Cronje
Members do not have any access to emergency savings.

00:03:35.290 --> 00:03:37.980
Pieter Cronje
And therefore we recommended that.

00:03:38.750 --> 00:03:39.340
Pieter Cronje
Uhm?

00:03:40.040 --> 00:03:43.180
Pieter Cronje
They'll be actually spot because that would prevent them from.

00:03:45.350 --> 00:03:46.420
Pieter Cronje
Withdrawing

00:03:47.200 --> 00:03:50.820
Pieter Cronje
just to get access to the money, so in principle.

00:03:52.550 --> 00:03:57.930
Pieter Cronje
What we started off was to say we, we believe that the one set must remain.

00:03:59.390 --> 00:04:06.570
Pieter Cronje
Long term, hold the 1/3 actually spot must remain long term money must remain part of the retirement savings.

00:04:07.260 --> 00:04:17.780
Pieter Cronje
And English at period. I'm specifically talking yet to your comment as well on the the secondary type of product I'll get you that dumb as we do so.

00:04:18.980 --> 00:04:30.300
Pieter Cronje
If if the primary focus of this product is told to be retirement funding and the secondary focus is to get access to a certain portion of that.

00:04:30.880 --> 00:04:32.090
Pieter Cronje
In emergencies.

00:04:34.070 --> 00:04:47.940
Pieter Cronje
Uh, I patiently find it difficult to see how we can split it out to a separate model, but dumb English I I did take note of you. Your comment, as well as the comment made by.

00:04:48.630 --> 00:05:08.160
Pieter Cronje
Here here I want the tax free savings vehicle and it's not only use the the the in other groups, they will also people that ask about the tax free savings vehicle I did might comments. So for some of you that rated why I believe it, it should rather be part of the retirement savings pot, but I just want to.

00:05:08.860 --> 00:05:11.160
Pieter Cronje
To allow quick discussion around that.

00:05:15.180 --> 00:05:19.860
Pieter Cronje
So firstly the long term are you all guys all in agreement that it is long term?

00:05:20.970 --> 00:05:26.170
Pieter Cronje
With a shaking duty purpose of accessing a smaller portion of your money.

00:05:31.030 --> 00:05:31.570
Pieter Cronje
Anyone?

00:05:32.220 --> 00:05:32.680
Jenny Gordon
Yes.

00:05:34.220 --> 00:05:36.800
Pieter Cronje
Thanks Angus, you your comment.

00:05:38.380 --> 00:05:39.880
Pieter Cronje
Are you comfortable?

00:05:40.470 --> 00:05:50.130
Pieter Cronje
With the long term and she can clean your comment around the secondary tax free savings vehicle to be used.

00:05:55.700 --> 00:05:57.530
Pieter Cronje
English are you there? Can you hear me?

00:06:03.010 --> 00:06:05.550
Pieter Cronje
Challenged me like English is not.

00:06:06.360 --> 00:06:13.040
Pieter Cronje
Leaves, I'm sorry I can unfortunately not see who's on the call 'cause I'm sharing my.

00:06:10.160 --> 00:06:13.150
Manson, Chantal
Happy Pizza doesn't, it doesn't.

00:06:13.820 --> 00:06:15.240
Manson, Chantal
Yeah, it doesn't look like he's on.

00:06:15.960 --> 00:06:17.570
Pieter Cronje
Oh, because she was on.

00:06:19.400 --> 00:06:22.820
Pieter Cronje
A while back, let me just stop sharing for a moment.

00:06:30.940 --> 00:06:33.580
Pieter Cronje
No, it's not on there anymore.

00:06:36.150 --> 00:06:36.970
Pieter Cronje
Just see.

00:06:47.080 --> 00:06:52.790
Pieter Cronje
Yeah, so uh illegal. Each team focus on the rest of the group or you guys comfortable with that approach.

00:06:55.000 --> 00:06:56.440
Pieter Cronje
That we keep it in the.

00:06:57.250 --> 00:06:58.830
Pieter Cronje
In the retirement fund.

00:06:59.990 --> 00:07:11.580
Leanne Van Wyk
I think that's preferable Pieter because I'm concerned that if we move it out to, for example, the tax free savings account or something like that, it's also kind of fact more than.

00:07:12.790 --> 00:07:26.860
Leanne Van Wyk
Just how you access the money. So for example it affects your overall investments, etc. I mean, it's not necessarily true that people are going to take money out of that access pot every every year.

00:07:15.400 --> 00:07:15.660
Pieter Cronje
Yep.

00:07:27.980 --> 00:07:51.680
Leanne Van Wyk
So you know if if you taking money out of that access pot, because you can, and putting it into your tax free savings account rather than thinking well, should I be leaving this in my retirement fund, they can only decrease what's in their retirement fund over the long term, and that will affect things like liquidity, how you invested, and things like that.

00:07:52.270 --> 00:07:56.560
Pieter Cronje
I I support that Leona she Chantal Santis option to.

00:07:57.200 --> 00:08:12.490
Manson, Chantal
I'm yeah, just building on what the end said. If you remove it out of the retirement vehicle, it also impacts your risk benefits. You know you're approved risk benefits 'cause that. That's also based on your salary which your contributions are then placed on as well, potentially.

00:08:12.730 --> 00:08:36.580
Pieter Cronje
No, no, that that's a good point. I I agree now I'm yeah and you'll see in my comments I I support that it is there any chance think we can go with the support that it remains within the the depending on our strong Angus fuels are we may need to raise a minority view, but I'll I'll talk to him and I think he did. Seemed comments.

00:08:37.190 --> 00:08:43.160
Pieter Cronje
Well, not I did. I think he did Shane comments. I'm just not sure if he commented on that specific thing or like the look.

00:08:44.090 --> 00:08:49.320
Pieter Cronje
Then that also brings us to the taxation Ashby

00:08:50.010 --> 00:08:56.130
Pieter Cronje
the moment we say that it remains in the retirement space, and it's the primary purpose is.

00:08:57.400 --> 00:09:05.120
Pieter Cronje
Story, time and savings and the secondary purpose is to access it. Then I think there's a motivation to say that.

00:09:06.080 --> 00:09:09.060
Pieter Cronje
They need to be a penal tax, right?

00:09:09.900 --> 00:09:14.440
Pieter Cronje
To demotivate people from accessing the money. And I think we we.

00:09:15.140 --> 00:09:19.460
Pieter Cronje
In line with our proposal to try and stick as close as possible to the current.

00:09:20.190 --> 00:09:32.300
Pieter Cronje
Uhm, text dispensation. I think that that's achievable. Jenny. I I I want you to specifically now talk about you proposal I, I like your proposal.

00:09:33.240 --> 00:09:36.360
Pieter Cronje
Uh, it's sort of still within the.

00:09:38.550 --> 00:09:42.050
Pieter Cronje
The current dispensation I'm just not sure if it is.

00:09:42.840 --> 00:09:44.040
Pieter Cronje
Uh oh.

00:09:44.850 --> 00:09:45.610
Jenny Gordon
He said.

00:09:44.880 --> 00:09:50.300
Pieter Cronje
If it is a uniform view or I think we'll have to probably give more than one.

00:09:51.370 --> 00:09:52.520
Pieter Cronje
View the.

00:09:51.900 --> 00:10:18.710
Jenny Gordon
Yeah, I agree. It's it's something that we do need to discuss. I mean, it's you know it's just something that we looked at and I think our starting point was we looked at all at changing things completely, as were those four proposals that were put in. And as you might if we look at that, I think that everyone everyone has. Its like every one of those proposals has benefits as well.

00:10:18.760 --> 00:10:48.990
Jenny Gordon
As as downsides, and whenever there's a downside and a new proposal, we have a whole new learning curve on what problems actually exist. So we looked at it and thought perhaps we shouldn't deviate too much from the current system, but there are certain real downsides of the the current system. OK, so we started saying, you know, let you know why should one actually lose one 500,000? And if you really do need your money.

00:10:21.030 --> 00:10:21.310
Pieter Cronje
Yeah.

00:10:49.040 --> 00:11:06.840
Jenny Gordon
And during your build up phase for emergency needs, I mean the principle of having that 500,000 effort I meant is is good. You know every time and it gives people the chance to pay off date to be in heaven. That freedom to start living on their pension.

00:11:07.450 --> 00:11:37.380
Jenny Gordon
And so we started off from the point of view of maybe we should have one table, just the 500,000 table. OK, and then we realized that that actually really wasn't going to work, because then everyone is going to be taking their money out early to get the 500,000. So although it would be nice to have the white, that fact that like what one table and and and you know simple system, that really wasn't going to work. We don't also look at the whole retrenchment situation.

00:11:37.670 --> 00:12:07.890
Jenny Gordon
And just looked at it from a position of it being in principle and sound. You know, before 2011 and when you had that severance table which now joined with the retirement table, we had a whole different regime for discretionary money paid from an employer on retrenchment, and you'll remember we had that. We had that section 10-1 X etc, which gave you 30,000, which in those days was many plus an amount.

00:12:00.760 --> 00:12:01.100
Pieter Cronje
No.

00:12:07.940 --> 00:12:18.400
Jenny Gordon
At your average rate of tax, but problem with that average rate of tax is that we could manipulate it so we could manipulate it right down to 17% in a year.

00:12:14.540 --> 00:12:14.920
Pieter Cronje
No.

00:12:19.090 --> 00:12:34.190
Jenny Gordon
And so, and we could do that also with withdrawal benefits from a retirement fact, so that whole system was taken away, but there's actually no reason to be lumping you're retrenchment benefit with your retirement benefit.

00:12:34.720 --> 00:13:01.550
Jenny Gordon
I'm really you know that 500,000 that you gave or your your lump sum table is for your retirement plans at 4 retirement when you retrieved you don't ask to be retrenched, it's something that you have to cope with as a result of an employer decision. It's not a voluntary act, and it should still be a laugh time retrenchment table for that app forward treatment.

00:12:35.020 --> 00:12:35.360
Pieter Cronje
So.

00:12:45.000 --> 00:12:45.360
Pieter Cronje
No.

00:12:50.000 --> 00:12:50.400
Pieter Cronje
OK.

00:12:55.120 --> 00:12:55.400
Pieter Cronje
No.

00:12:59.910 --> 00:13:16.610
Pieter Cronje
OK, and she needs your I I, I think let's just hear what the others are saying. I see it is anti sub. Like I said I I I actually liked your proposal I I would like to hear what the rest of the group is. He's saying 80.

00:13:17.760 --> 00:13:46.890
Hettie Joubert
I already expressed my by my concern with delinking withdrawal entertainment because then everybody will have to take a withdrawal benefit to get there five, 25,000 tax free and the other thing is, I remember that we already did knock on Treasury's door under delinking of retrenchment and retirement and they slammed their door in our face. So are we going to go back again just to have their answer?

00:13:47.210 --> 00:13:49.640
Hettie Joubert
You already asked me already said no go away.

00:13:50.790 --> 00:14:22.230
Jenny Gordon
Later you might be right that they marked not accept it, but they have put forward to us a whole lot of potential changes in the tax system. So this is our opportunity to say we've looked at those we think they have their own set of problems. We think the current system has a set of problems. That's why you're even asking us, you know, to look at it, and we think let's not change too substantially. Let's try make the current system that we've got.

00:14:22.460 --> 00:14:23.850
Jenny Gordon
Just a little bit better.

00:14:24.540 --> 00:14:55.390
Jenny Gordon
And I actually think that if you have a standard and the retrenchment situation, we can go again. If we we we've never put this to them. You could almost basically have a situation that you get a 200,000 on retrenchment and then you have a normal withdrawal benefit from your retirement fund that the the principles are consistent whenever you withdraw wonder withdrawal table whenever you retire your on the retirement table you don't get any special dispensation.

00:14:55.440 --> 00:15:00.550
Jenny Gordon
From your retirement fund, just 'cause you've retreat. Being retrenched, you get it on the retrenchment table.

00:15:00.900 --> 00:15:13.410
Pieter Cronje
OK now OK uhm thanks. Uh Mindy, thanks Jenny, I just want to hear Chantal on it or Fiona Welfare now I know you're Leanne Nancy.

00:15:14.380 --> 00:15:15.180
Pieter Cronje
Any of you?

00:15:18.560 --> 00:15:18.910
Manson, Chantal
Pete

00:15:18.970 --> 00:15:26.710
Manson, Chantal
section, so yeah, I still need to get a view from our group tax on this. We don't. I don't have a view yet.

00:15:26.290 --> 00:15:26.760
Pieter Cronje
OK.

00:15:27.450 --> 00:15:29.110
Pieter Cronje
No, no problem Juanita.

00:15:31.630 --> 00:15:43.770
Anita Roodman (Simeka Consult)
I almost like that idea of, UM, so you withdrawal. So I've always been linked to your access pot and the retirement table is being linked to your.

00:15:44.930 --> 00:15:47.070
Anita Roodman (Simeka Consult)
Preservation pot is that is that what you're saying?

00:15:47.810 --> 00:16:18.500
Jenny Gordon
Do your retirement pot you retirement table is is blue be used on any retirements. So when you have a retirement you forget about what you took on your withdrawal table, you're withdrawal table or can stand on its own. It's it's penal enough. If you withdraw your going to be get a text where me OK, that's so you look at it. In our situation you don't go then damage your retirement table just because you need an emergency fans during your laugh. So I was already got their money back.

00:16:18.710 --> 00:16:19.580
Jenny Gordon
On the withdrawal.

00:16:20.450 --> 00:16:30.580
Anita Roodman (Simeka Consult)
Like I I agree with that may be to address. It is concerned he's saying if you reach your time and and you haven't used UM the point instance at 25,000 plants.

00:16:31.020 --> 00:16:36.260
Anita Roodman (Simeka Consult)
A tax free portion that you keep that additional when you're retired just too too.

00:16:37.340 --> 00:16:41.660
Anita Roodman (Simeka Consult)
Motivate people more to to rather wait for retirement.

00:16:41.930 --> 00:17:14.210
Jenny Gordon
Yeah, I think that would be an idea with their 25,000 we could work with in some way or other other adding it to the retirement table. Take it away or people will access 25,000 once during their lifetimes to get it. It's you know it's better than you know, accessing everything, and I think that if you say or close, closing in on retirement or couple of years before retirement, you'll look at it and say you know what, I'm at 27 or 36% on mail withdrawal table. If that's waiting five years.

00:16:48.180 --> 00:16:48.530
Anita Roodman (Simeka Consult)
Yeah.

00:17:14.270 --> 00:17:17.410
Jenny Gordon
I'm going to get 500,000 device still got money left in my pot.

00:17:18.770 --> 00:17:26.250
Jenny Gordon
I think I'll wait. I think it could be an incentive for two people to leave their money tour at retirement.

00:17:27.020 --> 00:17:30.540
Pieter Cronje
Right, so I'm reach here P and you have a strong view.

00:17:35.710 --> 00:17:36.330
Pieter Cronje
Nancy

00:17:38.150 --> 00:17:39.460
Leanne Van Wyk
Sorry, you don't.

00:17:38.970 --> 00:17:39.440
Nancy Andrews
Peter

00:17:39.760 --> 00:17:42.330
Pieter Cronje
OK sorry. Learn early on and then Angie.

00:17:40.190 --> 00:17:47.270
Leanne Van Wyk
Technical difficulties there. And no, I don't have a. I don't have a difficulty with that view, but I do think that.

00:17:47.330 --> 00:17:58.550
Leanne Van Wyk
It's, you know, the more alternatives we put in the wider that discussion with Treasury will be so in in the more they will consider. So I think that we should put out Senator views on.

00:17:59.070 --> 00:18:01.140
Pieter Cronje
OK, thank you and I Nancy.

00:18:01.830 --> 00:18:04.080
Nancy Andrews
so I'm I don't have.

00:18:05.920 --> 00:18:21.880
Nancy Andrews
I think these guys come with me if if it stays the same that we get an increase on the other tax free amount and we remove aggregation and 2nd files, for me it would be the delinking. So I'm happy that we go and both proposals.

00:18:23.120 --> 00:18:23.860
Pieter Cronje
OK.

00:18:24.330 --> 00:18:27.400
Angus Lawrie
Sorry I missed all of this because I'm up computer froze.

00:18:26.170 --> 00:18:29.720
Pieter Cronje
All brief, you just now English teacher.

00:18:30.530 --> 00:18:42.280
Pieter Cronje
Uh, Chagnon she what I hear you say preference reminder sign with the increase of the 500,000 but you don't have issue that we have an alternative view.

00:18:38.640 --> 00:18:39.430
Nancy Andrews
Yeah, I mean.

00:18:42.300 --> 00:19:10.570
Nancy Andrews
Yeah, if if it starts with we know what the intention is. I mean they want to actually get this out discreetly as possible and they they there's a lot of pressure on them already. As to why this is being delayed till 2023 and if there's complications and having to revisit the entire system, they should actually give some reprieve. Now why they why while they consider the delinking the Jenny suggested, but I'm not against the delinking, I don't think it's.

00:18:43.210 --> 00:18:44.440
Pieter Cronje
In line with this.

00:19:10.180 --> 00:19:12.090
Pieter Cronje
OK, so so I.

00:19:10.620 --> 00:19:13.790
Nancy Andrews
Then I think we should put both feet.

00:19:13.960 --> 00:19:20.810
Pieter Cronje
Yeah, so I what I hear. Clearly both English and we were talking about it. Tax proposal by Jenny.

00:19:21.530 --> 00:19:27.380
Pieter Cronje
Uh, on delinking? The withdrawal table, shaver and stable and the retirement table.

00:19:27.930 --> 00:19:29.010
Angus Lawrie
Yeah, I saw that.

00:19:28.070 --> 00:19:29.010
Pieter Cronje
And dumb.

00:19:29.700 --> 00:19:34.840
Pieter Cronje
So I've given everyone a chance to just express the view and.

00:19:36.030 --> 00:19:39.760
Pieter Cronje
Before you joined, I think with Nancy it's clear that.

00:19:40.360 --> 00:19:57.680
Pieter Cronje
Everyone is no, not every on everyone is comfortable that we put both views. The one view would be to keep the status quo and the next view would be there is an alternate view to say that we delink it as as per Jenny recommendation, the only uh?

00:19:58.390 --> 00:20:03.830
Pieter Cronje
Addition to the first one is that we also request an increase of the 500,000.

00:20:05.160 --> 00:20:08.730
Pieter Cronje
On the table, so any any comments from your side that out that aspect?

00:20:09.220 --> 00:20:17.120
Nancy Andrews
Just one more thing, Pieter I mean unless particular issue if we dealing if we actually asking for the increase.

00:20:17.670 --> 00:20:24.700
Nancy Andrews
Uh, is there any way we could actually add that aggregation on withdrawal should not apply to retirement.

00:20:29.320 --> 00:20:33.790
Pieter Cronje
Nancy, I don't FC on sure. Maybe you guys can think about it while.

00:20:34.500 --> 00:20:40.340
Pieter Cronje
Angus comment, but I I I don't have the answer yet or left you think about it from my personal site.

00:20:40.570 --> 00:20:41.090
Nancy Andrews
Meeting

00:20:41.520 --> 00:20:45.260
Anita Roodman (Simeka Consult)
He states that no, I'm not just a mysqli delinking it.

00:20:46.000 --> 00:20:47.890
Anita Roodman (Simeka Consult)
If the aggregation is not supplied.

00:20:49.040 --> 00:20:51.010
Nancy Andrews
uh, not necessarily.

00:20:51.740 --> 00:20:56.030
Nancy Andrews
Yeah, it would actually include the delinking. Sorry, Anita didn't think that far.

00:20:57.220 --> 00:20:59.830
Nancy Andrews
OK, so it is in the second proposal period, thanks.

00:21:00.420 --> 00:21:01.850
Pieter Cronje
OK, thanks English.

00:21:02.840 --> 00:21:05.050
Angus Lawrie
Yeah, might take us with them.

00:21:06.030 --> 00:21:10.440
Angus Lawrie
Uh, with the Nancy that's.

00:21:11.550 --> 00:21:22.310
Angus Lawrie
They've obviously adopted this icy out there. They see funds in a different way. That's that's the. It's also going to be. The purpose is to help us laugh crisis events, and they're going to allow a bit of access, and they should.

00:21:22.890 --> 00:21:51.960
Angus Lawrie
So that we can implement this thing quickly, they should just leave it as it is all the tables exactly the same, and so withdrawal table being applied and the same deduction regime. And I that's what I've put through in the that document I sent through to you guys. So that's my that I think should be our opening gambit. Leave it as it is. That will be the best case. There's no interruptions and we can carry on. And then you know over time we can maybe look at delinking and all of this stuff later, but.

00:21:38.040 --> 00:21:38.450
Pieter Cronje
OK.

00:21:52.630 --> 00:21:58.160
Angus Lawrie
When we implement this thing, we don't want to also have to think about all these different tax changes that they thought.

00:21:58.600 --> 00:22:05.500
Pieter Cronje
No, no, we taken thanks I I just wanna F 1/5 further question on the 1st proposal.

00:22:06.130 --> 00:22:10.720
Pieter Cronje
Uh, in the document it was quite clear that they are concerned about.

00:22:11.510 --> 00:22:13.780
Pieter Cronje
Uh, the contribution?

00:22:14.760 --> 00:22:38.460
Pieter Cronje
So that people might Mike the diaper before using the access and at 10% savings think 1000 or whatever 9 St tax saving. It's about not so the question I have and I think it's part of my proposals should should we not also include a proposal? A proposal to sort of satisfy treasury to say that?

00:22:39.160 --> 00:22:59.630
Pieter Cronje
Uh, if they are concerned they can put the ceiling amount on the contribution that you can make to the access pot. For example, you might not contribute more than 1/3 of the 350,000, and that is just a question. I also want to post to get clarity and intimacy or ends up first.

00:23:02.770 --> 00:23:05.360
Anita Roodman (Simeka Consult)
I just want to understand that that.

00:23:06.630 --> 00:23:15.240
Anita Roodman (Simeka Consult)
Comment that I mentioned that you might if you make a contribution to retirement so you will not be able to make contribution only to your access pot.

00:23:15.440 --> 00:23:17.390
Pieter Cronje
Agree, agree so you contribute.

00:23:16.770 --> 00:23:43.460
Anita Roodman (Simeka Consult)
So you guys have to make a lot of big contribution just to get that almost tax advantage by withdrawing from the access pot thing. For instance, you will have to make so you make 99,000 grant contribution. You will only give thing 30,000 from the access pot, so I I don't think that will be a incentive for for people to to misuse the system.

00:23:28.260 --> 00:23:29.000
Pieter Cronje
No one.

00:23:43.930 --> 00:23:50.740
Pieter Cronje
So then the alternative to my question or my my recommendation would be to explain to them that.

00:23:51.380 --> 00:23:56.900
Pieter Cronje
The and I think, uh, the these strong view from other Members that I spoke to.

00:23:56.950 --> 00:24:01.660
Pieter Cronje
You know, uh, that we rather go with an explanation to explain to them.

00:24:02.330 --> 00:24:09.510
Pieter Cronje
That it is not a real concern exactly what you're saying. I'm sorry I forgot about that when I started to talk about my question.

00:24:10.260 --> 00:24:10.680
Pieter Cronje
Thanks.

00:24:10.370 --> 00:24:12.130
Angus Lawrie
Yeah, I agree. I agree with that.

00:24:13.180 --> 00:24:15.330
Pieter Cronje
So oh Jenny, you you also have for coming.

00:24:14.960 --> 00:24:42.090
Jenny Gordon
Yeah, so I'm just, you know you terms of your opening comment where you said you want to make a point that they mustn't allow more than 1/3 to the access pot. I don't see the proposal being that you couldn't get that. You can add more. I think that is in the the the document. It's a question of off your 1/3 whether you go to their doctor, get a deduction at 45% and draw it out at 36%.

00:24:36.620 --> 00:24:36.870
Pieter Cronje
So.

00:24:42.490 --> 00:24:43.270
Pieter Cronje
Actually there.

00:24:42.820 --> 00:24:53.670
Jenny Gordon
And now I don't agree. I see it done on or retirement annuity fans all the time. OK, and I I think there is a a certain amount of threat.

00:24:54.480 --> 00:25:11.120
Jenny Gordon
That people are going to put in as much as they can and then draw it out to their lower tax rate because they can. It gives them a short. If you were putting it in at 4% and drawing it out at 636%, you are getting a 9% return.

00:24:54.630 --> 00:24:54.930
Pieter Cronje
But

00:25:11.590 --> 00:25:21.190
Pieter Cronje
that's what they are saying in the paper as well. So it's either either an explanation to say why we don't believe it's going to work, and I don't hear you are saying Nancy is that.

00:25:23.010 --> 00:25:23.510
Jenny Gordon
Jenny

00:25:23.740 --> 00:25:31.330
Pieter Cronje
People are going to make use of it, or the alternative would be to say put a limit on it, but Le Charity as well 80.

00:25:32.200 --> 00:25:59.380
Hettie Joubert
Is it was it was their concern, not about the seed capital pot, so not so much the ongoing contributions, but the fact that you will, if you know this is going to come into effect on the 1st of March 2023, you quickly put in a huge amount just before that, and then if the the legislation says that 10% of your existing benefit Undead Day will be used as seed capital, then you have this huge amount going into your access pot. So not future contributions C.

00:25:57.370 --> 00:26:07.680
Pieter Cronje
Well, he died. I didn't, I didn't read it like that. I rated like they are saying that before the day before you withdraw from your access pot, you.

00:26:01.040 --> 00:26:01.630
Jenny Gordon
like that.

00:26:17.860 --> 00:26:26.820
Pieter Cronje
You will get the attacks benefit or the difference between the footy 4544% and this city 6%.

00:26:30.600 --> 00:26:58.790
Jenny Gordon
Can I, can I say one more? Thing is that that's why the proposal that I heard of that you keep your 500,000 for retirement regardless, and it's not affected by all withdrawal, is actually a part in center. It's not going to work in every case, but it's a party in Center for people to keep their money in the 1/3 pot so that there 'cause they're going to get it out at 500,000 to 500,000 tax free, whereas if they've emptied their 1/3 pot.

00:26:30.860 --> 00:26:31.420
Pieter Cronje
Jenny

00:26:59.480 --> 00:27:09.500
Jenny Gordon
I am and have been taxed at a higher withdrawal rate and there's less incentive to to take the money from the access pot, excepting emergencies.

00:27:10.330 --> 00:27:14.250
Jenny Gordon
That is the the the the main reason of delinking the tables.

00:27:13.940 --> 00:27:14.410
Pieter Cronje
OK.

00:27:15.950 --> 00:27:16.860
Pieter Cronje
OK, so.

00:27:17.070 --> 00:27:27.900
Pieter Cronje
Well, yeah, I know she you are typing something so I'll look out for your comments. So I think we we need to move on from this one, but I just want to conclude the inside.

00:27:29.220 --> 00:27:34.000
Pieter Cronje
It's either the explanation or the proposal to.

00:27:35.220 --> 00:27:36.210
Pieter Cronje
To limit.

00:27:36.950 --> 00:27:42.890
Pieter Cronje
Oh, but with the ceiling amount on what you can contribute to to the access pot that we.

00:27:43.800 --> 00:27:54.480
Pieter Cronje
We would soon, so I'll we know do the document, I'll I'll put this solutions and their proposals and then you guys must just indicate which one you.

00:27:55.540 --> 00:28:01.110
Pieter Cronje
You want to go forward and which one you do not want to go forward, and then we can take it from there because I think, uh.

00:28:01.960 --> 00:28:06.410
Pieter Cronje
When you see it in writing, it's. It might be something that you will think about, and they may be.

00:28:07.610 --> 00:28:14.760
Pieter Cronje
Strong views from the site and that site. I also don't you dare for mandate on that one. I also have to get the proper mandate.

00:28:16.950 --> 00:28:29.280
Pieter Cronje
Thanks Lee and I I will go back to do Angus comment or just after this? So are you guys comfortable that we approach it like that so it's the do proposals and in.

00:28:30.040 --> 00:28:34.280
Pieter Cronje
Uh, in the one proposal, these also two other aspects that we will add.

00:28:35.600 --> 00:28:39.880
Pieter Cronje
The increase of the 500,000 and then the possible limit or the explanation.

00:28:43.010 --> 00:28:50.880
Pieter Cronje
Happy thanks UM English while you were away, we started to talk about the concept of.

00:28:51.720 --> 00:29:00.200
Pieter Cronje
Keeping keeping and I, I did she into a mild this morning with with in which I explained why I don't think we must go to, uh.

00:29:01.170 --> 00:29:04.830
Pieter Cronje
External product for the the access pot.

00:29:05.540 --> 00:29:06.330
Pieter Cronje
But dumb.

00:29:07.120 --> 00:29:08.260
Pieter Cronje
You and.

00:29:08.880 --> 00:29:11.080
Pieter Cronje
Being here might comment on the.

00:29:12.430 --> 00:29:22.240
Pieter Cronje
Actually pot going to tax free savings vehicle. The rest of the group that I tested this morning or sort of not on that page, but we want to allow you.

00:29:23.600 --> 00:29:27.310
Pieter Cronje
Or an oportunity if you feel strongly about that. To put it on the table.

00:29:29.130 --> 00:29:30.520
Angus Lawrie
OK, I can yummy.

00:29:31.070 --> 00:29:31.920
Pieter Cronje
Yes we can.

00:29:33.700 --> 00:30:04.830
Angus Lawrie
Uhm, it just emanates from their proposals to tweet to tweak the rgim. You know some of those proposals, while the 4th one is great, but that's no tweet at all, but those first three and and some of their sentiments around, saying, well, we don't want to give you access for free. And in inverted commas we want to somehow massage the deduction regime to reduce it or change their deduction or the tax regime totally to try and. And you know, deal with affected now, eating.

00:30:04.890 --> 00:30:18.250
Angus Lawrie
Access so so my so my I'm sort of proposal is if we not successful OK with with just having the current regime being maintained.

00:30:19.490 --> 00:30:30.920
Angus Lawrie
That'll be great then. Then I. Then I think it'll be fun and we should be able to handle all the pots. I mean, there's pots are going to be difficult to handle administratively, but I think it should be fine. But if they also.

00:30:31.600 --> 00:30:34.680
Angus Lawrie
Want to change the the the tax regime?

00:30:35.540 --> 00:30:47.570
Angus Lawrie
Uhm and and try, and you know radically. I think that can be a danger and then and then. Possibly that's where I want. I would advocate introducing my my proposal where.

00:30:48.210 --> 00:31:08.070
Angus Lawrie
You know you're just Harvard straight out to the extent that you've had it out of the retirement plan system. You don't get it deduction, of course, but then you in in a in a vehicle that is was developed in the eyes of the policymaker, directly for life, crosses events, which is a tax free saving, so that's that's sort of the angle I'm coming in.

00:31:06.270 --> 00:31:08.270
Pieter Cronje
Yeah, if you if you I agree with you.

00:31:08.750 --> 00:31:17.990
Pieter Cronje
Uh, English if you go to ET for example, then there is no reason why not to use that. But if we keep ET.

00:31:18.980 --> 00:31:31.050
Pieter Cronje
Uh, they know. I think it will be difficult, but at TE will will support your proposal. Will you be comfortable if we put that provision around your proposal?

00:31:32.500 --> 00:31:44.300
Angus Lawrie
Yeah, I mean I don't know. Yeah, you obviously haven't had a chance to look at. Look at some of my wording around the the four options. We are strongly advocated the 4th one, which is just the status quo.

00:31:44.360 --> 00:32:14.260
Angus Lawrie
So I'm I didn't actually even talk about this little proposal that I've talked about in the in the various emails, but it's it's. It's basically taking a position that anything that drastically changes the current tax regime we we all benefited from that tax regime because of its simplicity from 2016, and even understands it's and integrate regime. Simple end to gun. Try and tweak that now. I think that really can upset.

00:31:45.010 --> 00:31:45.350
Pieter Cronje
No.

00:32:14.370 --> 00:32:16.320
Angus Lawrie
And and people will jump all over that.

00:32:16.750 --> 00:32:19.470
Pieter Cronje
OK point point taken on that one.

00:32:16.800 --> 00:32:22.000
Angus Lawrie
And yeah, it can really shoot ourselves as a retirement fund industry in the foot.

00:32:22.630 --> 00:32:24.420
Pieter Cronje
OK, Nancy coming.

00:32:27.310 --> 00:32:33.030
Nancy Andrews
Pieter just on Angus proposal, I mean, have reconsidered if we had to move it to.

00:32:33.080 --> 00:32:40.250
Nancy Andrews
Through a different product what the impact would be for quarter retirement annuity?

00:32:41.760 --> 00:32:55.990
Nancy Andrews
Given that these I mean it wouldn't be, it would actually be treated as a withdrawal from your retirement annuity into a new part. I mean, what about early access penalties?

00:32:57.870 --> 00:33:01.200
Nancy Andrews
So I'd be very concerned how it impact on annari fund.

00:33:02.090 --> 00:33:05.480
Angus Lawrie
Sorry to Denmark, per person is a having wolf before it even hits the fund.

00:33:02.320 --> 00:33:02.660
Pieter Cronje
No.

00:33:07.240 --> 00:33:33.800
Angus Lawrie
So it's all future. It's in respect to future contributions and that the decision is made at the because each year you were paying 9000 to the RA. Now for this year you've decided to only pay 6000 to the RA and three grand of that is going to go to not even going to go into the front. It's going to go straight to to another vehicle and therefore you obviously won't get the deduction for it and it you know there's no no impact on the text version.

00:33:34.380 --> 00:33:35.360
Pieter Cronje
Yeah, 18.

00:33:36.450 --> 00:33:41.990
Hettie Joubert
Well, this hit and automatically this one third two third split Angus or is it at the choice of the member?

00:33:43.420 --> 00:33:48.260
Angus Lawrie
Yeah, it would have to be at the discretion of the Member at the beginning of each each year which tax year.

00:33:48.460 --> 00:33:50.130
Hettie Joubert
But the member can read it.

00:33:48.700 --> 00:33:52.390
Pieter Cronje
I understand you you start complexity here now.

00:33:53.690 --> 00:33:54.360
Pieter Cronje
Right, yeah?

00:33:53.720 --> 00:34:06.300
Hettie Joubert
Yeah, but but the Member can already do that. So so because if if I want to I can voluntarily prefund future loan by putting it in a in a tax free savings accounts. Or how will that be in change?

00:34:07.090 --> 00:34:08.330
Hettie Joubert
The position going forward.

00:34:10.180 --> 00:34:25.470
Angus Lawrie
Uhm, well, I'm just trying to solve for the complexity within the within the text regime that that actually if you if you if you implement that you won't have to change in any way. Your text rules concerning deductibility to retirement funds.

00:34:26.260 --> 00:34:51.470
Angus Lawrie
Because they just got you just reducing it. You can compute it through through the retirement fund, possibly for ease of administration because like for example, employers will have a particular stream. The 9000 in my example. Going into that retirement fund at a certain percentage, and it could possibly be conjugated like a lot of unapproved risk premiums, or conduit it through funds and then onto these vehicles.

00:34:26.280 --> 00:34:26.910
Nancy Andrews
Everything.

00:34:48.830 --> 00:34:49.140
Pieter Cronje
So.

00:34:50.370 --> 00:34:50.630
Pieter Cronje
So.

00:34:51.340 --> 00:34:59.360
Pieter Cronje
No English, I think there are a couple of points that we made this morning that maybe you were not part of the meeting. They missed. The first one is our overall.

00:35:00.030 --> 00:35:03.070
Pieter Cronje
We wish that retirement savings as long term product.

00:35:03.630 --> 00:35:16.470
Pieter Cronje
And also for the Members who do not want to make access off the access pot who take advantage of the access pot to want to annuitise the money, that will be a problem if you put it there being also.

00:35:17.770 --> 00:35:18.910
Pieter Cronje
Exactly what?

00:35:20.040 --> 00:35:22.130
Pieter Cronje
It was discussed now and and.

00:35:23.080 --> 00:35:35.080
Pieter Cronje
Now you should do is you put that money into a different vehicle which is designed as a discretionary vehicles. So in essence you you in any case need to create the new rules around that.

00:35:35.650 --> 00:35:38.140
Pieter Cronje
That vehicle, and if with the.

00:35:38.970 --> 00:35:41.480
Pieter Cronje
Sort of most of the.

00:35:42.970 --> 00:35:46.170
Pieter Cronje
Officials views of us that do. We mustn't go the UM.

00:35:47.350 --> 00:35:56.080
Pieter Cronje
So we must keep it in the retirement need, because the primary focus of the money, even if it's in the access pot, is still full retirement savings and not for.

00:35:56.790 --> 00:36:02.610
Pieter Cronje
For your December holiday type of off scenario and I just want to read quickly what dumb.

00:36:03.260 --> 00:36:26.030
Pieter Cronje
Yeah, I'm saying I'm not in favor of access money, even going anywhere going into the fund because that goes away exactly there with the opportunity that mean which actually decide not to take it. I mean, in the in, Fiona says she agrees with Leanne. I think it reinforces the notion that the access pot must should be taken and it also agreed so. Angus, I think overall.

00:36:26.730 --> 00:36:32.990
Pieter Cronje
The majority of members of the view that the access pot should remain in the retirement fund.

00:36:33.820 --> 00:36:34.340
Pieter Cronje
Uhm?

00:36:35.040 --> 00:36:45.380
Pieter Cronje
It's can you re sync a bit and if you feel very strong when we sent the document around you can you have another stab at it?

00:36:46.220 --> 00:36:49.600
Pieter Cronje
And then you can put it in or you comfortable with that.

00:36:50.620 --> 00:37:03.280
Angus Lawrie
Yeah yeah no, no. I'm I'm happy to go with the majority. It was just a thought from our side to try and minimize the tax impact because if we if we are successful and and in having the status quo then then I'm pretty happy.

00:36:51.860 --> 00:36:52.290
Pieter Cronje
OK.

00:37:03.630 --> 00:37:04.060
Pieter Cronje
OK.

00:37:03.900 --> 00:37:05.060
Angus Lawrie
Yeah, yeah.

00:37:04.830 --> 00:37:08.530
Pieter Cronje
Great, no thank you. Be now. I'm going to move on.

00:37:10.510 --> 00:37:17.710
Pieter Cronje
In addition, other issue around complexity that popped up and that we haven't dealt with in our initial.

00:37:18.380 --> 00:37:30.020
Pieter Cronje
Proposal and that is the over 55 and specifically around the whole aspect of protection of is that right? So we we have proposed prop full protection of vested rights.

00:37:31.700 --> 00:37:37.180
Pieter Cronje
But the I've been concerns expressed around full protection of each Detroit specifically.

00:37:38.230 --> 00:37:47.450
Pieter Cronje
Deep dive over 55 members that Aarthy opportunity to continue to contribute on a lump sum to a Provident fund. And now you suddenly sit with this.

00:37:48.340 --> 00:37:51.640
Pieter Cronje
New once it actually pot and two set actually spots.

00:37:52.130 --> 00:38:04.540
Pieter Cronje
Uh, and the complexity around that, as she concerned or or they as being a concern expressed. I just want to leave that one with you. I don't know if you thought about that one, and if you're my, I've comments around that.

00:38:05.140 --> 00:38:06.100
Pieter Cronje
If you don't.

00:38:06.730 --> 00:38:15.730
Pieter Cronje
Uh, we don't need to spend time on it too, but I I would rather like you then to ask you. Just think about that one specifically.

00:38:16.650 --> 00:38:26.960
Pieter Cronje
Because my initial view is that maybe we mustn't go four at absolute prediction of vested rights and that over 55 from us at the specific date.

00:38:28.180 --> 00:38:29.940
Pieter Cronje
Not be able to continue.

00:38:30.650 --> 00:38:34.280
Pieter Cronje
Going forward, the moment at the two pot system is implemented with.

00:38:34.900 --> 00:38:37.420
Pieter Cronje
Uh, the one student.

00:38:38.570 --> 00:38:47.260
Pieter Cronje
Off the contributions and so yeah, I I. I'm just putting it out there I I don't yet have a very firm view, but I just.

00:38:48.090 --> 00:38:48.480
Pieter Cronje
Uh.

00:38:50.010 --> 00:38:52.640
Pieter Cronje
Realize that it is a complexity concern.

00:38:54.150 --> 00:38:59.770
Pieter Cronje
Any strong views? Comments around that someone would thought about it, every suggestion?

00:39:02.210 --> 00:39:02.890
Pieter Cronje
OK, I think we.

00:39:02.560 --> 00:39:07.020
Angus Lawrie
No, I don't think you could take away if someone is a has been given the rot.

00:39:08.040 --> 00:39:14.160
Angus Lawrie
So it's not a right. It's not a right to access it immediately. It's a right to, as in over 55 two.

00:39:15.640 --> 00:39:22.730
Angus Lawrie
222 and two a cache in the entire amount at retirement. So I mean you can't just take their rights away. That's been given to them.

00:39:22.360 --> 00:39:27.340
Pieter Cronje
And then yeah, no. So what? I'm what I'm asking, let's just think about that one.

00:39:28.000 --> 00:39:32.380
Pieter Cronje
Uh, because remember, one of our principles was simplicity and.

00:39:33.370 --> 00:39:34.570
Pieter Cronje
It if if.

00:39:35.340 --> 00:39:40.930
Pieter Cronje
Ask you administrators, maybe around that one, uh, around whether or not.

00:39:41.570 --> 00:39:43.190
Pieter Cronje
It will be possible or not.

00:39:43.880 --> 00:39:57.760
Pieter Cronje
If the answer is overall yes, then we can just let it slide and and go for full protection of vested rights like we've done in their previous paper. It was just a of someone expressed the concern to me around at that specific point.

00:39:57.780 --> 00:39:58.240
Angus Lawrie
Yeah.

00:39:59.010 --> 00:40:06.970
Angus Lawrie
The other one that I just wanted to raise is actually not for the over 50 fives, but that you're you're vested.

00:40:07.750 --> 00:40:18.330
Angus Lawrie
Pot OK in in those five five pot step in after May maintain the vested pot for visibly the two pot system you're vested right to always.

00:40:18.810 --> 00:40:28.200
Angus Lawrie
Uh, take if you do withdrawal, taking cash or and also it I assume that it's a vested right that that pot when you hit retirement.

00:40:28.540 --> 00:40:31.280
Angus Lawrie
Uhm you you're can take 1/3 of it.

00:40:32.500 --> 00:40:39.770
Angus Lawrie
And that was the end all over complexity. There. The they example that they put in the in the paper seemed to sidestep that that pot.

00:40:40.430 --> 00:40:55.520
Angus Lawrie
That you're going to be building up in excess spot that you. You know that that's a that that is conceptually viewed as a acceleration will be one food, but there's also going to be this retirement spots, which is, uh, a pot that.

00:40:40.750 --> 00:40:41.420
Pieter Cronje
No right.

00:40:55.560 --> 00:41:04.610
Angus Lawrie
So you know will always be subject to the one third 2/3 regime when you retire, so that's a extra sort of level of complexity that we have to administer.

00:41:00.410 --> 00:41:00.760
Pieter Cronje
No.

00:41:04.890 --> 00:41:18.450
Pieter Cronje
No, no, no that that vision, and I think that's actually the over 54 ish. Come in to put on top of that the further complexity but agree. And I think I I. I also filed 2.

00:41:19.260 --> 00:41:28.480
Pieter Cronje
Crossplay example 100% in in the piper exactly around that point, English and but my. My view is that if we if we.

00:41:29.090 --> 00:41:32.480
Pieter Cronje
Go for the full protection of Easter. Tried staying.

00:41:33.290 --> 00:41:35.440
Pieter Cronje
Uh, we treat.

00:41:33.640 --> 00:41:34.580
Angus Lawrie
You have to do it.

00:41:35.680 --> 00:41:39.320
Angus Lawrie
Yeah, I mean we can't. I mean, we wanted administrators simplicity, but.

00:41:40.170 --> 00:41:46.760
Angus Lawrie
Conceptually, we have to we have to protect all of vested rights, so so you've gotta solve for both.

00:41:45.060 --> 00:41:45.330
Pieter Cronje
No.

00:41:47.100 --> 00:41:51.710
Pieter Cronje
OK, then then he charged me majority vested right protection.

00:41:53.150 --> 00:41:55.980
Pieter Cronje
OK, now I want to move to the next aspect.

00:41:57.710 --> 00:41:58.590
Pieter Cronje
In the previous.

00:41:59.230 --> 00:42:06.890
Pieter Cronje
Uh, around we might have very strong comment that in the event of costing that each Member must by the UN cost.

00:42:07.510 --> 00:42:08.480
Pieter Cronje
Around.

00:42:09.240 --> 00:42:16.340
Pieter Cronje
The early access, if they want to make use of that and she off not knowing she's Jenny, you might comment.

00:42:17.030 --> 00:42:17.640
Pieter Cronje
Uhm?

00:42:18.790 --> 00:42:19.870
Pieter Cronje
To say that.

00:42:20.520 --> 00:42:26.470
Pieter Cronje
Uh, and I think you see it. Alexander Forbes View is that every fund must be able to.

00:42:27.330 --> 00:42:28.790
Pieter Cronje
Determine how they.

00:42:29.490 --> 00:42:31.890
Pieter Cronje
Recover cost rather than have.

00:42:33.830 --> 00:42:34.940
Pieter Cronje
A specific.

00:42:35.690 --> 00:42:42.400
Pieter Cronje
Uh, view or well appreciate Pacific rule to save this cost must be recovered so.

00:42:41.980 --> 00:42:48.040
Angus Lawrie
Yeah, I I agree. I think I agree with that. I mean the fund it should should be able to have discretion.

00:42:47.850 --> 00:42:56.680
Pieter Cronje
So I I I would say at based we can go with the with the split view. They do say that some Members because I mean we were really really strong.

00:42:57.510 --> 00:42:57.860
Pieter Cronje
Uh.

00:42:58.830 --> 00:43:00.960
Pieter Cronje
Usually working in an image view of.

00:43:01.860 --> 00:43:11.320
Pieter Cronje
Of buying directly and I I do understand you. Your comment 100% Jenny, but are you guys think comfortable that we go with the.

00:43:13.170 --> 00:43:15.460
Pieter Cronje
Uh, and additional viewed are there.

00:43:17.560 --> 00:43:18.530
Angus Lawrie
I would be happy.

00:43:20.960 --> 00:43:24.800
Pieter Cronje
Anyone else that I should discomfort with with that?

00:43:25.780 --> 00:43:27.160
Pieter Cronje
OK then, thanks.

00:43:31.270 --> 00:43:35.530
Angus Lawrie
So just on the cost, if we if we dealing with costs now Pieter.

00:43:31.660 --> 00:43:32.280
Pieter Cronje
Ltd.

00:43:35.910 --> 00:43:41.450
Angus Lawrie
And the one thing that we were in, if it's been was in your paper, the.

00:43:42.160 --> 00:43:46.640
Angus Lawrie
The sanctity of the pots OK that you can sort of manipulate.

00:43:47.280 --> 00:43:55.420
Angus Lawrie
One pot down more than others means that you you would have to proportionately apply all the costs of the fund.

00:43:56.310 --> 00:44:10.380
Angus Lawrie
And to all the pots and I hope I hope we all got alignment on that and and that should certainly be regulated. Otherwise funds could play silly \*\*\*\*\*\*\* and and you know just minimize the the preservation pot by applying all the costs.

00:43:58.930 --> 00:43:59.720
Pieter Cronje
Correct or?

00:44:00.350 --> 00:44:01.030
Pieter Cronje
Yeah so.

00:44:09.850 --> 00:44:14.240
Pieter Cronje
So so we we added discussion on the Nate.

00:44:15.120 --> 00:44:24.440
Pieter Cronje
Or not, maybe not, we uh, I added discussion on the net contribution concept that they talk about, and at the end of the day, the view is that.

00:44:25.650 --> 00:44:26.850
Pieter Cronje
The cost will.

00:44:27.480 --> 00:44:28.580
Pieter Cronje
Be deducted.

00:44:29.440 --> 00:44:38.640
Pieter Cronje
Other before you split all proportionally so, you can't manipulate the cost and I will take it from the preservation. But Angus so.

00:44:32.480 --> 00:44:32.830
Angus Lawrie
Done.

00:44:36.270 --> 00:44:36.790
Angus Lawrie
Yeah.

00:44:38.290 --> 00:44:59.800
Angus Lawrie
And I think it's another good opportunity. We're on the deduction side, you know 'cause maybe we were battling for quite awhile with trying to get a proportionality embedded in income tax. Well, yeah, in the definitions. And to make that also requirement that it is a divorce order, you know employer priorly and also has to be done proportionately across the pots.

00:44:43.120 --> 00:44:43.430
Pieter Cronje
Yeah.

00:44:58.730 --> 00:44:59.000
Pieter Cronje
So.

00:45:00.310 --> 00:45:07.300
Pieter Cronje
A good guy, so I'm late late. Start with the your views on this one or you on the proportionate pot or or you.

00:45:08.120 --> 00:45:12.040
Pieter Cronje
Any other view or proportional deduction? Should we propose that?

00:45:12.690 --> 00:45:14.730
Pieter Cronje
Or any other view from.

00:45:15.950 --> 00:45:16.520
Pieter Cronje
This group.

00:45:23.130 --> 00:45:26.940
Pieter Cronje
Thank you, OK, then we are moving on to.

00:45:26.990 --> 00:45:29.500
Pieter Cronje
You just get to eat.

00:45:32.040 --> 00:45:44.070
Pieter Cronje
Add the the the with two do suggestions in the document the one was proposed that DB funds also be included in the two pot system and I think we we have also suggested that.

00:45:44.670 --> 00:45:56.870
Pieter Cronje
Uh, in our initial proposal, and I think we should continue to support that, but the English second one is the visa proposal that GEPF be included under the pension Funds act.

00:45:57.430 --> 00:46:05.210
Pieter Cronje
We haven't made any comment on that. The question is, do you think we must make an explicit support to that, or do we just?

00:46:06.310 --> 00:46:07.630
Pieter Cronje
Keep quiet around that.

00:46:09.100 --> 00:46:12.480
Pieter Cronje
I know they are strong view shutdown GPA from sitting members.

00:46:13.480 --> 00:46:18.630
Pieter Cronje
Uh, if someone else is strong view, let's hear it also, we just let it slide.

00:46:20.560 --> 00:46:26.050
Hettie Joubert
I think we should support it because my suspicion is that those are probably the Members that need this submerged.

00:46:28.280 --> 00:46:29.620
Pieter Cronje
Frank senior other member.

00:46:38.280 --> 00:46:42.260
Pieter Cronje
Thanks for it. If no one disagree, then we'll just support it.

00:46:41.730 --> 00:46:42.080
Angus Lawrie
Yeah.

00:46:44.200 --> 00:46:48.360
Angus Lawrie
Do we bet on behalf of the the GPA is all they're members of her family?

00:46:44.440 --> 00:46:44.910
Pieter Cronje
OK.

00:46:50.850 --> 00:46:58.310
Pieter Cronje
No, no no, not not at all. But it's uh, there's a bigger issue of getting the GPF under the pension funds act and that's what they actually are saying.

00:46:57.120 --> 00:46:57.530
Angus Lawrie
Yeah.

00:46:59.790 --> 00:47:04.530
Angus Lawrie
So it's not that we have a mandate to say that, it's just the week said, because if you think about it.

00:47:02.040 --> 00:47:06.870
Pieter Cronje
No no no no no. It's just supporting National Treasury comment. Angus, yeah, yeah we don't.

00:47:06.210 --> 00:47:06.500
Angus Lawrie
Yeah.

00:47:16.500 --> 00:47:24.990
Pieter Cronje
They say implementation date proposed off 2023 by National Treasury we. We proposed a specific date of 1 March 2023.

00:47:25.760 --> 00:47:28.190
Pieter Cronje
Are we still comfortable that we?

00:47:29.550 --> 00:47:34.370
Pieter Cronje
Just come support the implementation. Still one March 2023.

00:47:35.410 --> 00:47:53.500
Hettie Joubert
But Pieter on that they must please just not pull the same stunt that they did before with this annuitisation way. It's on off on off on off. Once I've made up their mind, they must studies that they've made up their mind. It is going to be in legislation from then because this will require a lot of system developments and the sooner we start the better.

00:47:43.730 --> 00:47:44.490
Pieter Cronje
Exactly.

00:47:56.000 --> 00:47:56.660
Pieter Cronje
Agree.

00:48:00.500 --> 00:48:01.320
Pieter Cronje
Thanks ET.

00:48:05.580 --> 00:48:26.440
Manson, Chantal
Pieter, I'm I was just chatting early on this morning, was one of our our business stakeholders and the wording that they use in the the paper is that they say and the intention is that the draft legislation will be published in line with the 2022 budget process and their interpretation of that is that what only sees the draft legislation in June.

00:48:27.120 --> 00:48:36.320
Manson, Chantal
And in terms of giving effect to these amendments, and that's a cause for concern for us for an implementation date of March 2023.

00:48:37.220 --> 00:48:44.020
Pieter Cronje
OK, so you you are talking June 2022 and then we have implementation date of March 2023.

00:48:44.420 --> 00:48:44.800
Manson, Chantal
Yeah.

00:48:46.400 --> 00:48:53.210
Manson, Chantal
And until the legislation is refined and we've got a clear indication of where it's going to to settle.

00:48:46.900 --> 00:48:47.490
Pieter Cronje
Yeah, sure.

00:48:54.550 --> 00:49:13.580
Manson, Chantal
My view and my colleague view is that we should be asking for a 2024 implementation date. Whether that's palatable, I don't know, but just from giving effects to these changes, if we see the first draft in June, it's tight. It is so so tight in terms of what is required from us.

00:49:17.830 --> 00:49:22.590
Pieter Cronje
OK, I'm allowing some convention that comment from Chantelle.

00:49:23.610 --> 00:49:24.220
Pieter Cronje
Anyone?

00:49:28.850 --> 00:49:42.940
Leanne Van Wyk
Yeah, I support that. I've just put in my comments that rather than having a specific date for implementation, they should say for example, you know six months or whatever from the date that the tax legislation is finalized.

00:49:48.080 --> 00:49:51.110
Pieter Cronje
Thank you, I'm just going to make that comment quickly.

00:49:52.180 --> 00:49:58.770
Pieter Cronje
I even every the other other Members, strong view for or against.

00:50:08.480 --> 00:50:13.290
Pieter Cronje
So they basically need to give us a implementation period in the.

00:50:09.860 --> 00:50:10.320
Jenny Gordon
I agree.

00:50:13.970 --> 00:50:15.670
Pieter Cronje
In the final legislation.

00:50:16.410 --> 00:50:23.490
Jenny Gordon
Yeah, I think that makes sense. 'cause if as Chantelle see is if it's in six months later we six months is not enough time.

00:50:17.310 --> 00:50:17.790
Pieter Cronje
Object.

00:50:24.340 --> 00:50:25.980
Jenny Gordon
Plasticky systems really.

00:50:26.910 --> 00:50:30.920
Pieter Cronje
She tries not to low enough time so it should be the inside golf ones.

00:50:32.420 --> 00:50:32.990
Jenny Gordon
I think.

00:50:34.220 --> 00:50:34.970
Pieter Cronje
Yeah, because.

00:50:43.760 --> 00:50:45.270
Pieter Cronje
No, no no the bill.

00:50:46.380 --> 00:50:52.810
Pieter Cronje
Agree, so I I'm going to put off much for the initial document please when you read it.

00:50:54.530 --> 00:50:55.870
Pieter Cronje
Just please come.

00:50:57.190 --> 00:51:12.830
Pieter Cronje
Have a look and we can. We can chop and change slightly if need be. I I I, I'm just very hesitant to put 24 day 2/2 hour comment. Uh, even if 12 points leads to 24 I think it it will go.

00:51:13.820 --> 00:51:16.630
Pieter Cronje
Down easier than to put it 24 date.

00:51:17.380 --> 00:51:21.100
Pieter Cronje
Do some moment you put it 24 diet. It seems like it's never going to happen.

00:51:23.330 --> 00:51:30.190
Pieter Cronje
So I I like the 12 months proposal that OK that being brings us to.

00:51:32.380 --> 00:51:37.840
Pieter Cronje
Did it I meant benefit, although no, sorry, let me just firstly go to the seed funding pot.

00:51:39.580 --> 00:51:40.050
Pieter Cronje
So.

00:51:41.530 --> 00:51:47.730
Pieter Cronje
SC word initial views from us that they must be sheet funding allowed.

00:51:48.010 --> 00:51:50.510
Pieter Cronje
Uh, offtime pushing it off.

00:51:52.960 --> 00:52:01.460
Pieter Cronje
The value of the patients requirements savings and we suggested the floor and uh ceiling amount we suggested to floor amount of 500 and a ceiling amount.

00:52:02.430 --> 00:52:04.370
Pieter Cronje
Of 25,000.

00:52:06.300 --> 00:52:06.970
Pieter Cronje
And.

00:52:09.540 --> 00:52:10.190
Pieter Cronje
So.

00:52:11.560 --> 00:52:13.420
Pieter Cronje
Looking at the documents.

00:52:15.700 --> 00:52:17.890
Pieter Cronje
Yeah, it seems to.

00:52:18.630 --> 00:52:20.450
Pieter Cronje
To me that they are also.

00:52:21.050 --> 00:52:30.830
Pieter Cronje
In some places they are saying that they are they. It's under consideration. But in in in the if you read the initial pot, the introduction for they are basically saying.

00:52:31.770 --> 00:52:34.130
Pieter Cronje
That that they will be.

00:52:35.160 --> 00:52:37.900
Pieter Cronje
And allowance for COVID relief.

00:52:38.720 --> 00:52:44.290
Pieter Cronje
In there, so short of suggesting that they will be a sheet funding approach.

00:52:45.430 --> 00:52:48.260
Pieter Cronje
I've I've looked at some of our large umbrella.

00:52:48.950 --> 00:52:51.470
Pieter Cronje
Phone system should English and.

00:52:53.240 --> 00:52:54.330
Pieter Cronje
Is there one thing that?

00:52:55.830 --> 00:52:56.900
Pieter Cronje
When we looked at.

00:52:58.740 --> 00:53:28.810
Pieter Cronje
The amount used at the moment that you put a ceiling and a floor you actually reduce your team pushing to as little as between 3 and 4%. So if you have it's floor of 1500 and a ceiling of 25,000, the assets that you transfer seed funding will be all on on those type funds. Obviously, depending on the structure of your font, it might be different, but it reduces your team pushing to us about 50 to 60%.

00:53:28.860 --> 00:53:40.330
Pieter Cronje
So just bringing it to do about 4333 point something percent of the assets of Batch Pacific along those specific funds.

00:53:40.950 --> 00:53:41.470
Pieter Cronje
And.

00:53:43.170 --> 00:53:49.260
Pieter Cronje
I would older 20 impact of investment philosophy that much so this situation is.

00:53:50.270 --> 00:53:52.270
Pieter Cronje
That we currently I appreciate funding.

00:53:52.990 --> 00:54:02.510
Pieter Cronje
Uh, I would recommend that we we continue to to go with that recommendation, but that we left our floor from 500.

00:54:03.150 --> 00:54:11.640
Pieter Cronje
To 2000 because the 2000 is aligned with the minimum withdrawal that Treasury was suggesting and that will reduce it.

00:54:12.900 --> 00:54:20.160
Pieter Cronje
Even further, because if you allow less than 2020 be transferred as heat funding that the number of transactions is going to.

00:54:21.040 --> 00:54:30.460
Pieter Cronje
Be very, very high for the value over. That's really low, so I I like the 2000 floor more than the 500 we initially suggested.

00:54:31.350 --> 00:54:34.210
Pieter Cronje
Long story from my side, I see there are comments.

00:54:34.860 --> 00:54:35.310
Pieter Cronje
Uh.

00:54:37.850 --> 00:54:42.140
Pieter Cronje
OK, we supported 20 seed funding treasury washing. They should be linked.

00:54:43.060 --> 00:54:46.820
Pieter Cronje
Two severe financial needs, so we might need to reiterate.

00:54:47.740 --> 00:54:48.190
Pieter Cronje
Uh.

00:54:49.430 --> 00:55:06.890
Pieter Cronje
Yeah, and the endpoint I can I. I think the other point that we will strongly Mike is that it must be accessible. I like the one year once a year and also I like the if you haven't used everything that you can Mike a second withdrawal like that proposal from Treasury and put.

00:55:08.230 --> 00:55:11.840
Pieter Cronje
Would like to support that depending on what the the Members are saying.

00:55:13.290 --> 00:55:22.520
Pieter Cronje
So guys any any any strong views around this? Can we support the support the seed funding with it we need with the 10 percent, 25 and 2000?

00:55:23.850 --> 00:55:25.390
Pieter Cronje
And then also.

00:55:26.070 --> 00:55:27.400
Pieter Cronje
Support.

00:55:28.100 --> 00:55:29.360
Pieter Cronje
That, uh.

00:55:31.490 --> 00:55:47.300
Pieter Cronje
They not be discretional trustees to decide, but that they we rather allow only one time per annum if the value in the access pot is more than 2000 and if the member hasn't taken everything that they can take a second withdrawal.

00:55:49.030 --> 00:55:49.970
Pieter Cronje
Getting that here.

00:55:53.670 --> 00:55:58.950
Pieter Cronje
Supported so if this is not strong views against degrades go for eating.

00:55:59.290 --> 00:56:13.990
Pieter Cronje
Uh I I Jenny, I just need to race 11 aspect here. Use in in that document of yours you indicated that you are not in favor of the seat for all of transferring the 10% and that.

00:56:14.920 --> 00:56:19.950
Pieter Cronje
It should only go with the forward contribution allocation.

00:56:15.300 --> 00:56:15.550
Jenny Gordon
Yeah.

00:56:20.190 --> 00:56:34.400
Jenny Gordon
Yeah, so we weren't in favor of that because we see that in fact retirement savings are so low that once you transfer across, there's going to be almost nothing left in the pot and specially with the 25,000 ran tax free.

00:56:35.000 --> 00:57:04.850
Jenny Gordon
Uhm, people are just going to withdraw it. Whether they need it or not. And we also went believe that we should only have one withdrawal a year and I think that that is very admin in tensor to have two if they want it in the year they'll take it. It's not as if they've lost it forever, they can get at the next year as well, so it's not like the the old proposals on preservation fans where if you didn't use it you lost it. You can get it the next year from your access.

00:57:04.900 --> 00:57:25.670
Jenny Gordon
But but we think that twice a year is is really admin intensive and it's emergency funds. That's not, that's not if it's not our savings pot or short term needs. If you needed an emergency, you look at it and you decide how much to take. You gonna get some kind of retirement benefit counselling.

00:57:26.400 --> 00:57:33.470
Jenny Gordon
Maybe in the form of a just a piece of paper, but it's it's not. It's not a kind of a bank account.

00:57:34.500 --> 00:57:36.080
Jenny Gordon
And so we believe once a year.

00:57:37.050 --> 00:57:39.090
Pieter Cronje
Gay, other views around that point.

00:57:42.270 --> 00:57:45.280
Pieter Cronje
So do you need my my I? I hear what you say.

00:57:45.330 --> 00:57:49.980
Pieter Cronje
Right, and I'm just off the view and.

00:57:51.010 --> 00:57:55.580
Pieter Cronje
I think if you read the document also in the introduction, they are actually saying that they will be.

00:57:56.340 --> 00:58:01.900
Pieter Cronje
He will be allowance for COVID-19 LEAF, which in my opinion relates back to.

00:58:02.670 --> 00:58:03.850
Pieter Cronje
Do sheet funding.

00:58:05.000 --> 00:58:05.500
Pieter Cronje
I.

00:58:06.620 --> 00:58:09.900
Pieter Cronje
I think the the the is going to be seed funding.

00:58:10.520 --> 00:58:15.380
Pieter Cronje
And we have supported the first round. I would rather go for supporting a.

00:58:16.810 --> 00:58:25.390
Pieter Cronje
Proper proposal around three seed funding, then just guide to say now we should not allow for it, but I'm quite comfortable with Azure.

00:58:26.260 --> 00:58:38.080
Pieter Cronje
Fashion minority view Aurora Alternative you now seed funding be every because I understand it, you know. I mean if if you look at it from a retirement savings perspective, there is no argument ability.

00:58:38.860 --> 00:58:41.720
Pieter Cronje
Guys, are you comfortable? I see Nancy, you have raised your hand.

00:58:41.790 --> 00:58:48.880
Nancy Andrews
Yeah, I think that we've got to look at what they intention on this. This change is an intention of these changes to create relief.

00:58:49.490 --> 00:59:05.120
Nancy Andrews
And for for existing members of off balance. So I mean, without seed funding, it makes it very difficult with regards to accumulation of the access pot after the implementation of the legislation.

00:59:09.230 --> 00:59:15.460
Pieter Cronje
Happy happy, I agree. So Jenny, you comfortable we are going to put it as an alternative thing.

00:59:15.800 --> 00:59:16.150
Jenny Gordon
Yeah.

00:59:16.170 --> 00:59:16.600
Pieter Cronje
Uh.

00:59:16.210 --> 00:59:16.600
Jenny Gordon
Thanks.

00:59:17.600 --> 00:59:18.780
Pieter Cronje
Sien UM?

00:59:20.890 --> 00:59:31.130
Pieter Cronje
OK, the the question being around sheet funding is should it be based on a voluntary basis or should it? We haven't made it clear in our initial.

00:59:31.850 --> 00:59:39.420
Pieter Cronje
A comment, should it be voluntary on member choice or should it be transferred if the Member falls within the parameters of?

00:59:40.040 --> 00:59:41.440
Pieter Cronje
Does she funding value I?

00:59:42.260 --> 00:59:47.700
Pieter Cronje
I think it should be compulsive. All not compulsory should happen automatically for each member within the.

00:59:48.750 --> 00:59:58.020
Pieter Cronje
The the boundaries also admin around that just becomes a big big night made the moment that you need distorted communicate with me Mr making election and and and.

00:59:58.900 --> 01:00:00.200
Pieter Cronje
Your views around that?

01:00:02.860 --> 01:00:07.500
Pieter Cronje
Happy with the approach to say it should not happen automatically.

01:00:11.370 --> 01:00:13.520
Pieter Cronje
That guy she Nancy, agree with me.

01:00:15.010 --> 01:00:15.560
Pieter Cronje
Uhm?

01:00:18.420 --> 01:00:29.940
Pieter Cronje
Thanks anecdote Grisha. OK should we we go? We go then with that be there's just one concern and I I'm I. I made a note in the document that I want that that first.

01:00:30.900 --> 01:00:33.180
Pieter Cronje
Months after the sheet funding.

01:00:34.280 --> 01:00:37.100
Pieter Cronje
How are we going to process the requests for?

01:00:39.260 --> 01:00:40.880
Pieter Cronje
For withdrawals and dumb.

01:00:42.610 --> 01:01:07.740
Pieter Cronje
I was thinking maybe we could ask for a specific time dispensation to browse EC two or something at the end of the day, it's actually a product or fun tissue each one, but I. I mean, it's just if you have this flat and I'm thinking umbrella funds they just now way she will be able to process all those those times within the reasonable and its allies standards. I mean, it's just impossible.

01:01:08.750 --> 01:01:14.800
Leanne Van Wyk
I think that's a good point Peter, because a lot of funds might find themselves in breach of the agreements with their friends.

01:01:09.040 --> 01:01:09.450
Pieter Cronje
So.

01:01:14.480 --> 01:01:16.150
Pieter Cronje
Yeah, no, definitely idea.

01:01:15.580 --> 01:01:16.140
Angus Lawrie
John.

01:01:16.840 --> 01:01:21.890
Angus Lawrie
I mean what just a proposal that we should allow funds to?

01:01:22.660 --> 01:01:37.950
Angus Lawrie
Uh, I haven't notice, period. You know, if it's if if they are going to be illiquid and they're going to battle to suddenly extract all these monies to pay, then they can have a 60 day or longer notice period that is required before they have to pay out.

01:01:39.130 --> 01:01:48.130
Pieter Cronje
So we can then recommend that as if she'd funding is allowed, they must also be a notice period allowed for the processing of.

01:01:48.930 --> 01:01:50.690
Pieter Cronje
The initial.

01:01:51.520 --> 01:01:54.940
Pieter Cronje
First two months, three months lime. So something like that.

01:01:55.770 --> 01:01:57.610
Hettie Joubert
Pieter is that not the fund rule issue though.

01:01:58.470 --> 01:01:59.980
Pieter Cronje
It it is over over.

01:02:00.140 --> 01:02:03.830
Pieter Cronje
Uhm, uh, 88 ish fund through issue.

01:02:02.800 --> 01:02:18.070
Angus Lawrie
Yeah, but we don't. But what we don't want is is like a regulation that almost says you. You have to respond within seven days to pay out and then you you know you're you're constrained. You can't have fund rules that you know are in in conflict with that.

01:02:18.850 --> 01:02:21.360
Pieter Cronje
No, no, it's Fiona Europe. You end up.

01:02:23.040 --> 01:02:36.170
Fiona Rollason
Yeah, I'm just gonna toward Hettie, was saying about the fund rules. Do do we need or want the legislation to say that the two pot and seeding applies, notwithstanding what the rules say?

01:02:37.840 --> 01:02:43.670
Fiona Rollason
Simply so we don't have the problem of rules taking longer than the legislation to be registered.

01:02:46.860 --> 01:03:01.160
Hettie Joubert
Fear not. I do believe that if this is in legislation is going to be irrespective of what your rules say. I was commenting more on how long it takes to pay out the climb for withdrawal from the access pot. I don't think that should be regulated.

01:03:01.860 --> 01:03:09.300
Hettie Joubert
Goes to Angus, this point you don't do, don't want legislation to say it will be done in in this period the fund tools will determine that.

01:03:02.250 --> 01:03:02.840
Pieter Cronje
Yeah no.

01:03:08.010 --> 01:03:08.300
Fiona Rollason
Yeah.

01:03:09.580 --> 01:03:12.750
Pieter Cronje
Yeah, show ET. I think we we the concern is is I mean.

01:03:14.290 --> 01:03:24.030
Pieter Cronje
You can you can go back to initialize stand it's off to the initial flood a what what the concern is is is the initial flood.

01:03:24.690 --> 01:03:34.940
Pieter Cronje
Off to the sheet if she'd funding is allowed and buy city you junior after money and buy one you lie, you get the 600 or 6000.

01:03:35.930 --> 01:03:45.890
Pieter Cronje
Claims to access the access pot at. There's just no ways administrators will be able to process that within reasonable times, I mean.

01:03:46.550 --> 01:03:49.200
Pieter Cronje
It will probably take three months to process some of those.

01:03:48.830 --> 01:03:49.710
Angus Lawrie
Yeah, yeah.

01:03:50.270 --> 01:04:03.830
Angus Lawrie
Well, maybe I mean we mark just wanna make a point that we you know administrators and funds are going or it should be given the the flexibility to impose their own reasonable sort of notification periods.

01:04:04.170 --> 01:04:11.620
Pieter Cronje
I think we can just raise the raise. The point is say that if they so flat there will be time line issues, yeah?

01:04:06.060 --> 01:04:09.600
Angus Lawrie
Yeah, yeah, just so that so it doesn't look too.

01:04:11.620 --> 01:04:23.040
Angus Lawrie
Yeah, did win. Another paper comes out or some sort of media release? The way in which his position is? As soon as you make your claim you you know you're the clock starts ticking. You must get paid in seven days or whatever.

01:04:12.940 --> 01:04:13.330
Pieter Cronje
OK.

01:04:25.730 --> 01:04:27.110
Pieter Cronje
Happy thank you.

01:04:27.790 --> 01:04:28.280
Pieter Cronje
Uhm?

01:04:28.370 --> 01:04:45.500
Angus Lawrie
I don't think this is on your problem for the for the initial payment, it could be an ongoing problem, just depending on the top of investments that that the Members are invested in. You know each year you might need some time to extricate yourself as a fund from and queue that liquidity.

01:04:38.500 --> 01:04:39.270
Pieter Cronje
Yeah, yeah.

01:04:43.080 --> 01:05:01.240
Pieter Cronje
Yeah, so I I I I think that it's mentally I Angus. You can put a different issue I period for for that access things for your going forward. But the initial one I. I think we must just make the point because they can be a flood initially and we will make that point.

01:05:02.790 --> 01:05:05.080
Pieter Cronje
Thanks, thanks for that so the.

01:05:04.550 --> 01:05:16.570
Hettie Joubert
It's just like just took just a confirm. Your point is going to be National Treasury. Please don't tell me best that they can apply and will get the money immediately. We as fans will do our own communication to manage expectations for the client for the Members.

01:05:15.790 --> 01:05:27.510
Pieter Cronje
Yeah, I I. I think it is, you know we can go bit further to say that initially they will be, uh, delays in payment because of resources. Firstly secondly the these.

01:05:28.440 --> 01:05:36.380
Pieter Cronje
It it well, in the event of a flood of applications, they will be a delay in payments. Funds will then communicate to Members.

01:05:37.180 --> 01:05:45.420
Pieter Cronje
Themselves are around timelines and it will be outside the normal issue lies that it will be paid because the pressure on the resources.

01:05:46.910 --> 01:05:48.320
Pieter Cronje
And the cost around.

01:05:48.940 --> 01:05:56.960
Pieter Cronje
Processing that will make it impossible to process it in a in a short or within the the existing timeline. Something like that.

01:05:57.280 --> 01:05:57.840
Hettie Joubert
Comfortable.

01:05:58.330 --> 01:05:58.700
Pieter Cronje
OK.

01:06:01.420 --> 01:06:04.330
Pieter Cronje
Bing, I just want to see.

01:06:09.500 --> 01:06:10.410
Pieter Cronje
Uhm?

01:06:12.340 --> 01:06:19.880
Pieter Cronje
OK, housing loans in the Bulls orders still need uh, in my opinion they haven't addressed that and I think we must just.

01:06:20.850 --> 01:06:23.140
Pieter Cronje
Uh, revisit our previous.

01:06:26.870 --> 01:06:30.690
Pieter Cronje
Previous comments, Leanne I, I will read you.

01:06:31.630 --> 01:06:31.980
Pieter Cronje
Wow.

01:06:32.600 --> 01:06:39.190
Pieter Cronje
Document your comment just now, so I think we must just revisit that and still put it in.

01:06:42.600 --> 01:06:44.790
Pieter Cronje
Just seeing if there's some yeah.

01:06:45.700 --> 01:06:55.990
Pieter Cronje
And did you station? Are you shy? Green yourself latching issues should rise understanding that rules and agreements which card payment period. I think this requires at least just like the.

01:06:57.310 --> 01:07:02.450
Pieter Cronje
OK, so you and feels that it requires legislative intervention that initial period.

01:07:03.690 --> 01:07:04.260
Pieter Cronje
Uh.

01:07:04.880 --> 01:07:10.860
Pieter Cronje
Yeah, I know you suggesting a an outage period or appointment period for the initial.

01:07:11.520 --> 01:07:13.840
Pieter Cronje
Let me just understand, maybe Mike coming.

01:07:15.430 --> 01:07:16.320
Leanne Van Wyk
Yeah, I hope my.

01:07:17.260 --> 01:07:48.120
Leanne Van Wyk
Sanders occur, but what I'm what I'm saying is that because I could grow and then we can just say look, we will communicate with our Members. How long will this is going to take? Because that communication can never override what you've got in your rules or in your agreements. Your admin agreements with funds. So I think that there should be something in legislation that says if you apply within the first three months or whatever period we choose that.

01:07:18.660 --> 01:07:20.670
Pieter Cronje
Yeah, yeah, I can hear you know.

01:07:48.180 --> 01:08:00.540
Leanne Van Wyk
That's that's initial payment could take up to six months, and that that should be legislated so that we don't have to go and amend rules and agreements for that initial period.

01:08:03.730 --> 01:08:04.600
Pieter Cronje
Or the comment?

01:08:11.530 --> 01:08:14.980
Pieter Cronje
Then Leanne will try and draft it.

01:08:17.020 --> 01:08:21.710
Pieter Cronje
They yeah they clinched their leadership when we look at the draft.

01:08:22.550 --> 01:08:28.960
Pieter Cronje
At your convention views around this and now it's something that we only started to talk about just now, so.

01:08:30.130 --> 01:08:33.740
Pieter Cronje
Give it a bit of thought ending. Take it from the UM.

01:08:35.560 --> 01:08:39.850
Pieter Cronje
I think the just on the questions that four questions that I've asked.

01:08:40.580 --> 01:08:41.030
Pieter Cronje
Uh.

01:08:42.470 --> 01:08:50.630
Pieter Cronje
The balancing under the balancing and actually show billeti my my. My thinking is that we respond.

01:08:51.920 --> 01:09:00.560
Pieter Cronje
In answering the questions rather than try to respond to the document and we can work in basically in the first question, most of our.

01:09:01.270 --> 01:09:03.970
Pieter Cronje
Uh, proposals so.

01:09:04.910 --> 01:09:05.450
Pieter Cronje
Uh.

01:09:06.530 --> 01:09:11.870
Pieter Cronje
But we are all still try and do it on on point for point.

01:09:18.310 --> 01:09:20.830
Pieter Cronje
Linda Point B the sheet capital.

01:09:21.520 --> 01:09:25.350
Pieter Cronje
So that will be the sheet capital portion that we.

01:09:25.920 --> 01:09:37.330
Pieter Cronje
They spoke about it and we can answer it. They think they should question see what proportional increase in liquid assets held do funds anticipate due to the exhibition access ability pot?

01:09:39.040 --> 01:09:45.990
Pieter Cronje
My initial take on it is that it it may be, but looking at percentages I don't think where you have.

01:09:46.990 --> 01:09:55.770
Pieter Cronje
A normal market type of investments and investment choice. It will be that big of an issue there. Any place where it will be issues where you have guaranteed products.

01:09:56.300 --> 01:10:01.990
Pieter Cronje
Uh, with special in market value adjustment, specifically that the.

01:10:02.800 --> 01:10:04.140
Pieter Cronje
That'll be the.

01:10:04.370 --> 01:10:04.760
Pieter Cronje
Ah.

01:10:06.390 --> 01:10:11.540
Pieter Cronje
In in most of the fonts that I am working on, that's not really an issue. They are a couple of.

01:10:12.510 --> 01:10:20.940
Pieter Cronje
Off like that and that will typically be dealt with via product rooms, but you guys must. Please consider that question or skew.

01:10:22.180 --> 01:10:33.210
Pieter Cronje
Administrators, investment managers, whoever runs that in you, if if they are issue because at this stage my my my feeling on this is I don't think it will be a.

01:10:33.980 --> 01:10:34.300
Pieter Cronje
Uh.

01:10:34.940 --> 01:10:39.900
Pieter Cronje
A large I don't think there will be any proportional increase in liquid assets.

01:10:41.860 --> 01:10:45.140
Pieter Cronje
May be necessary because most of the portfolios or.

01:10:45.830 --> 01:10:46.920
Pieter Cronje
In any case.

01:10:47.920 --> 01:10:48.790
Pieter Cronje
You can.

01:10:49.410 --> 01:10:55.430
Pieter Cronje
Actually, she's in a very short time line, but anguish. I do know that they all portfolios that you cannot.

01:10:56.010 --> 01:11:11.330
Pieter Cronje
In cash immediately. So for those of you that do run those type of portfolios, just please look at this and make my comment around that because I don't have sufficient information to make any valid comment around this one.

01:11:12.550 --> 01:11:13.980
Pieter Cronje
Then moving on.

01:11:14.690 --> 01:11:20.140
Pieter Cronje
Uh, the taxation we have already spoken about that one now do we see that and we'll Mike.

01:11:20.940 --> 01:11:31.980
Pieter Cronje
Follow recommendation at the taxation. Then the last thing I want to mention from my side, and then I'll open the floor for other Easter show aspect of.

01:11:33.690 --> 01:11:35.720
Pieter Cronje
Uh, how do enrollment?

01:11:37.150 --> 01:11:37.670
Pieter Cronje
No.

01:11:38.370 --> 01:11:46.460
Pieter Cronje
I feel that we should limit this committee is comments to the two pot system and not going to the auto enrollment.

01:11:47.820 --> 01:11:53.010
Pieter Cronje
Spice and but they're doing Roman also need to be responded to because altamiro meant.

01:11:54.160 --> 01:11:59.760
Pieter Cronje
We also have for big impact on on the retirement funds, but I don't think this committee.

01:12:00.450 --> 01:12:07.910
Pieter Cronje
These to correct committee for that, and so I just want to put it out there that we don't late that one fall or slip through the cracks.

01:12:09.270 --> 01:12:11.540
Pieter Cronje
Nancy, baby, you want to comment on that one?

01:12:16.570 --> 01:12:22.650
Nancy Andrews
Pieter had a discussion, I mean, following the discussion you had with me, I've chatted to Chantelle about it and.

01:12:23.880 --> 01:12:32.500
Nancy Andrews
There were two issues that were still outstanding from this document. One was the auto enrollment and the other was consolidation of funds.

01:12:33.550 --> 01:12:44.060
Nancy Andrews
And we agreed that the auto enrollment will move under the admin woodbrook social.

01:12:44.150 --> 01:12:59.560
Nancy Andrews
Uh will run with that part of it in the comments, and we'll do a separate submission of comments and auto enrolment. And then we're going to try and switch the consolidation under the Umbrella Fund governance documents.

01:12:59.610 --> 01:13:05.540
Nancy Andrews
Uhm, uhm, which group workgroup Leanne is actually cheering?

01:13:06.590 --> 01:13:07.020
Pieter Cronje
OK.

01:13:08.060 --> 01:13:08.680
Pieter Cronje
Yeah, great.

01:13:09.710 --> 01:13:10.510
Pieter Cronje
Yeah so.

01:13:10.900 --> 01:13:21.620
Nancy Andrews
Anybody has any other suggestions or think it should be placed somewhere else? But I mean that was the easiest way to actually deal with it without actually not forgetting to make comments on it.

01:13:26.540 --> 01:13:30.310
Pieter Cronje
Thanks, Nancy. I'm seems to me everyone is comfortable.

01:13:30.490 --> 01:13:39.820
Nancy Andrews
I'm not sure with the Wayne is on. I see questions as a comment about whether the extension has been granted to use. Rain is on wait. Did we get a response back from Treasury?

01:13:40.240 --> 01:13:45.030
Wayne Hiller van Rensburg
We actually just did 10th like they gave to come asisa.

01:13:46.140 --> 01:13:48.550
Nancy Andrews
So the extension is that end of February.

01:13:49.570 --> 01:13:51.000
Wayne Hiller van Rensburg
That's the submission young.

01:13:51.410 --> 01:13:53.310
Pieter Cronje
Yeah, that's good news, but dumb.

01:13:54.320 --> 01:13:59.300
Pieter Cronje
Uh, I will. I will work on a draft document to 2F.

01:14:00.330 --> 01:14:03.010
Pieter Cronje
Do shaky like before our.

01:14:03.960 --> 01:14:06.780
Pieter Cronje
Groucho will not roadshow seeming or.

01:14:07.430 --> 01:14:10.110
Pieter Cronje
So we've been or what we have next week.

01:14:11.120 --> 01:14:22.950
Pieter Cronje
And vice the discussion on on this. My feeling is that we are not being very far away from our initial proposals. There are a couple of exceptions and tweaks, but.

01:14:24.360 --> 01:14:26.670
Pieter Cronje
So you know I, I think.

01:14:27.610 --> 01:14:38.130
Pieter Cronje
I'm comfortable on most of the points I I just want to allow each of you now if they were issues that I missed that you feel strongly about that you want to talk about.

01:14:40.220 --> 01:14:43.840
Nancy Andrews
Pieter cannot just before we actually get to everybody else.

01:14:44.270 --> 01:14:45.140
Pieter Cronje
Thanks, Nancy.

01:14:44.290 --> 01:15:14.680
Nancy Andrews
Uh footwear in our next week. I mean, when we covered this particular section, so there was a suggestion that we go out and ask people if they have, you know, particular issues. They want us to cover around this topic, but the purpose of next week, Bernal on both the documents is purely an introduction and overview of what is happening, so it's not getting into the technical detail, but we will give some kind of feedback as to what discussions have been enabled.

01:15:14.730 --> 01:15:34.950
Nancy Andrews
What the F is view is on it and if we see that you know there's a need for us to actually workshop this. Take into account things like you know of alternate tax regimes like JD suggested or tax free savings. That anger suggests that then we will look at actually having.

01:15:35.360 --> 01:15:39.220
Nancy Andrews
Uhm, an alternate and a separate one to deal with.

01:15:39.280 --> 01:15:46.030
Nancy Andrews
Did the Earth to deal with this two pot system and then the governance on umbrella funds?

01:15:53.000 --> 01:15:53.560
Nancy Andrews
OK.

01:15:56.340 --> 01:15:58.000
Nancy Andrews
That's all for me, OK?

01:15:56.710 --> 01:15:57.210
Pieter Cronje
Thank you.

01:16:01.220 --> 01:16:02.150
Pieter Cronje
Yeah, thanks Nancy.

01:16:02.200 --> 01:16:06.170
Pieter Cronje
You know, so we will try and then crossed it around that.

01:16:06.970 --> 01:16:16.060
Nancy Andrews
Yeah, and I think that what we agreed was that we will look at the the the folk Christians and deal with the four questions as discussion topics for it.

01:16:13.310 --> 01:16:13.640
Pieter Cronje
Yeah.

01:16:16.420 --> 01:16:24.590
Nancy Andrews
Uh, we also you know would want to actually get people waders actually already indicated there's quite a big

01:16:25.190 --> 01:16:36.300
Nancy Andrews
uh attendance for this webinar. So I mean, we should get a lot more questions from there and then we'll determine from there whether or not we need to have separate sections for each of the topics covered.

01:16:36.960 --> 01:16:38.330
Pieter Cronje
OK, now locally.

01:16:39.610 --> 01:16:48.550
Pieter Cronje
So we will. We will sort of go for the basic explanation of what what it is and then what our general.

01:16:49.480 --> 01:16:59.430
Pieter Cronje
Uh, proposals all and some of the things without going into detail and explaining where we are still working on some of the issues and what it is we are working on and.

01:17:00.290 --> 01:17:03.160
Pieter Cronje
We do we have questions dealing with the question so.

01:17:03.770 --> 01:17:04.850
Pieter Cronje
That's the line, Lee.

01:17:06.880 --> 01:17:18.330
Nancy Andrews
So while I'm still got my mind, I'm I'm I'm muted. Can I go first I just want to actually ask a question around the preservation patterns. I mean if we look at this actually.

01:17:19.700 --> 01:17:27.830
Nancy Andrews
This two pot system applying to preservation funds what? What is the consideration if we don't have seed funding?

01:17:28.590 --> 01:17:34.880
Nancy Andrews
What happens to those Members who are existing members of preservation fund and do not have?

01:17:35.640 --> 01:17:37.120
Nancy Andrews
Up two pots of money.

01:17:38.210 --> 01:17:40.730
Nancy Andrews
Because there's no contributions to a preservation plan.

01:17:43.530 --> 01:17:45.220
Pieter Cronje
No Nancy Beauty, good question.

01:17:46.810 --> 01:17:54.550
Pieter Cronje
In our initial proposal, we proposed that depreciation fund paid up members or deferred members. We are paid up members be.

01:17:55.180 --> 01:18:01.880
Pieter Cronje
Also included in the two pot system. Deal out the sheet funding and actually.

01:18:02.880 --> 01:18:05.940
Pieter Cronje
Actually show so yeah and then she. Good question.

01:18:07.060 --> 01:18:17.240
Pieter Cronje
So we stick with the original proposal, but it's also only possible if you have seed funding. If you don't actually training, it's not possible because they are not not contributions.

01:18:18.860 --> 01:18:19.400
Nancy Andrews
And then.

01:18:19.000 --> 01:18:24.440
Hettie Joubert
So if it is in, they don't. Sorry on a preservation front, you will then actually not have it two pot system.

01:18:24.570 --> 01:18:25.000
Nancy Andrews
Yeah.

01:18:25.320 --> 01:18:31.060
Hettie Joubert
There's a two pot system is for going forward. You will just have more than one withdrawal, but it will be limited.

01:18:31.620 --> 01:18:32.050
Nancy Andrews
Yeah.

01:18:32.880 --> 01:18:38.680
Hettie Joubert
So you can have one withdrawal per annum instead of the current one, and it will be limited to 1/3 of your title benefit.

01:18:33.330 --> 01:18:34.760
Pieter Cronje
Yeah they teach 30 should be.

01:18:42.840 --> 01:18:43.510
Pieter Cronje
Goodnight, Joe.

01:18:43.800 --> 01:18:45.910
Pieter Cronje
So so he.

01:18:45.560 --> 01:19:08.480
Jenny Gordon
We just don't think that through, you know saying so. If you go from a pension plan to a preservation fund and you are going to be transferring your pots as they are from the from the pension fund. OK so from your vested portion you will still be entitled to take one withdrawal.

01:19:09.170 --> 01:19:41.400
Jenny Gordon
OK, from your 1/3 pot, OK to the extent that it exists, you will be able to have an annual withdrawal it when it's depleted, its depleted, and then from your two third pot it has to wait until retirement. So I, I think that the the whole system can be attributed to the preservation funds just as to pension plans, you're not going to be growing that access pot, but if it exists when you transfer it across.

01:19:41.460 --> 01:19:43.430
Jenny Gordon
We can have the same rules that apply to it.

01:19:44.570 --> 01:20:03.230
Hettie Joubert
Jenny, why do we want to complicate it? If we just say that whatever is in your preservation Fund, 1/3 of that automatically goes to your access pot and you can access it once a year. Then if you have a transfer in subsequently, it will also follow the one third two third split exactly as it was when you. If you came across on occupational fund.

01:20:04.640 --> 01:20:05.050
Nancy Andrews
Yep.

01:20:04.920 --> 01:20:35.590
Jenny Gordon
Isn't that? I'm saying on the secret, if you come across from your pension fund OK after the date of the legislation, you're going to have your access pot that you can access the same way as any other 'cause we still want people to retain fans to retirement. It's just a question of what would seed capital if the seed capital. It's again how much you transfer to the the access pot, 'cause you still want people. There's no reason why I'm not to just keep that one.

01:20:22.130 --> 01:20:23.110
Hettie Joubert
That's exactly what I said.

01:20:35.650 --> 01:20:41.170
Jenny Gordon
Withdrawal on the vested portion 'cause I thought you're gonna have different rules applying to different people.

01:20:42.080 --> 01:20:50.690
Jenny Gordon
I think that the system can be transferred, transplanted into a preservation fund exactly the same way. The only thing you don't have is future contributions.

01:20:42.710 --> 01:20:43.020
Hettie Joubert
That's it.

01:20:51.480 --> 01:20:59.420
Hettie Joubert
That's exactly what I said, so I said whatever you have in the front on whatever date gets split one third 2/3.

01:20:59.100 --> 01:20:59.400
Jenny Gordon
Yeah.

01:21:02.330 --> 01:21:04.370
Jenny Gordon
So are we saying the same thing here T.

01:21:05.220 --> 01:21:07.180
Hettie Joubert
Yes, I'm just using fewer words.

01:21:09.080 --> 01:21:12.650
Pieter Cronje
So I I, I think the one thing that.

01:21:12.700 --> 01:21:12.940
Pieter Cronje
Yep.

01:21:14.020 --> 01:21:24.650
Pieter Cronje
This question now open up this is this whole. I speak with National Treasury indicated that one of the proposals is to only allow.

01:21:25.580 --> 01:21:25.960
Pieter Cronje
Uhm?

01:21:27.930 --> 01:21:39.030
Pieter Cronje
Sheet funding or or actually, is to existing on for retirement annuity fund members and Preservation fund members who have already took their once off withdrawal.

01:21:40.080 --> 01:21:47.740
Pieter Cronje
Yes, I feel those that are most vulnerable notable. I haven't asked the question around that because our proposal or sort of.

01:21:49.110 --> 01:21:50.870
Pieter Cronje
Cutting over that, but, uh.

01:21:52.660 --> 01:22:14.070
Pieter Cronje
Uh, what might be just to ask what issue? What is your views around that? It is sorry and I I I haven't dealt with you retirement annuity, I speaks as well. So maybe you also want to jump in on the retirement annuity proposals. So just on on on that specific proposal. Should should we consider it should be? Make a comment around that.

01:22:16.910 --> 01:22:36.100
Hettie Joubert
Pieter shut offs are under the climate annuity you you did not have any predetermined to throws up to date. So if there is not going to be any seed funding thing they can just as well not use this, they cannot open up the guys for them, it's it's specifically on on retirement annuity said we get the most requests for earlier access.

01:22:37.250 --> 01:23:02.360
Hettie Joubert
And as I said, it's because up to now they didn't have that that luxury. So you will need seed capital and the seed capital can be exactly the same As for an occupational fund. I don't think it should be higher than that and then going forward you have the one third two third split. If there are any other contributions coming in. 'cause remember on our requirement annuity fund, it doesn't mean that you have to have ongoing contributions. You might have just said one contribution that you might years ago.

01:22:54.650 --> 01:22:54.910
Nancy Andrews
I.

01:22:59.030 --> 01:22:59.340
Nancy Andrews
Yep.

01:23:02.840 --> 01:23:03.690
Nancy Andrews
It's a lump sum.

01:23:04.380 --> 01:23:05.590
Hettie Joubert
It's a lump sum, yes.

01:23:06.570 --> 01:23:28.400
Nancy Andrews
So I think that stuff I I agree with you, Hettie. I think that's for retirement. Annuities mean if there is no if the if the prospect of seed funding is not available, then if this doesn't work for retirement fund and your team plans ticularly. If you have a lump sum retirement annuity and for existing members of Provident preservation funds.

01:23:20.820 --> 01:23:21.600
Hettie Joubert
Absolutely.

01:23:30.590 --> 01:24:01.630
Leanne Van Wyk
I think that's I I'm I'm not sure I completely understand what you're hit, you're saying, but I think that the principle for me would be that for existing members of Pres. Funds who have had their one withdrawal and for retirement annuity fund members that they should have access to some sort of money going forward. I mean, why should? Why would you exclude them, especially on the basis that you know a lot of those persons in retirement annuity funds is an example, would may be self employed and have been hit hard.

01:24:01.920 --> 01:24:08.370
Leanne Van Wyk
Part of it, which is what Treasury is saying. So I think that's you know virtual choir seed funding, then that should be allowed.

01:24:08.750 --> 01:24:25.610
Nancy Andrews
Yeah, so so I think that's what we say in the end. I said if if if we if they don't allow for seed funding it will have a huge impact on on on people that have arrays that had lump sum contribution. RA's aim for existing preservation fund members.

01:24:26.020 --> 01:24:27.310
Leanne Van Wyk
Yeah, then I agree with you.

01:24:28.230 --> 01:24:32.510
Pieter Cronje
So what we're basically saying is we support Treasury proposal around.

01:24:33.200 --> 01:24:35.320
Pieter Cronje
The document in unity and dumb.

01:24:36.130 --> 01:24:53.540
Pieter Cronje
Appreciation for members who are 480 actually stay benefits, but we want to to go further with the sheet funding and suggest that he also available for other priest front members as well As for occupational fund in English. That's basically what what our proposal would twitch right now.

01:24:55.670 --> 01:25:12.380
Hettie Joubert
I'm just thinking now if we if we say that for preservation funds we don't want to limit your predicament withdrawal to just one. So whether you've taken 1 already or not, this idiot 11th, you still have another opportunity to type A once off withdrawal.

01:25:13.560 --> 01:25:15.940
Hettie Joubert
Ltd two 1/3 of what you have left.

01:25:16.670 --> 01:25:21.260
Hettie Joubert
Are we changing the position for the words or for the better?

01:25:22.210 --> 01:25:27.710
Hettie Joubert
Just thinking about the fact that currently you can take one pretty time into throw unlimited.

01:25:27.910 --> 01:25:29.270
Nancy Andrews
Yeah, and you can take all your money.

01:25:29.820 --> 01:25:30.280
Hettie Joubert
Yes.

01:25:30.490 --> 01:25:30.890
Nancy Andrews
Yeah.

01:25:30.590 --> 01:25:36.210
Pieter Cronje
So, but that that will remain open for you. Now, the way I understand the prediction of is that right?

01:25:36.540 --> 01:25:36.930
Nancy Andrews
Yeah.

01:25:37.270 --> 01:25:41.330
Pieter Cronje
That could not be taken away. These, and I mean. In addition, if you.

01:25:37.290 --> 01:25:38.410
Hettie Joubert
I don't know, but I don't know.

01:25:40.980 --> 01:25:42.270
Jenny Gordon
I agree with Peter.

01:25:42.990 --> 01:25:45.490
Jenny Gordon
Your best price will be their own part.

01:25:43.090 --> 01:25:43.640
Hettie Joubert
Yes.

01:25:46.530 --> 01:25:48.020
Jenny Gordon
It's only going forward.

01:25:49.610 --> 01:25:50.210
Nancy Andrews
If you look at.

01:25:49.700 --> 01:25:51.610
Leanne Van Wyk
Yeah, that's the way I understand it too.

01:25:50.550 --> 01:25:51.960
Jenny Gordon
Will be limited to the fair.

01:25:52.090 --> 01:26:06.670
Nancy Andrews
So so please, preservation fund and existing Preservation Fund member, if you. I mean they would always have their rightful order to access their benefit, and it shouldn't actually be limited to the one that because.

01:26:07.280 --> 01:26:09.310
Nancy Andrews
Uh, it's it's there right now.

01:26:10.140 --> 01:26:15.220
Pieter Cronje
Yeah, I mean it's only if they have already made their once or who's wrong things.

01:26:10.310 --> 01:26:11.160
Leanne Van Wyk
Yeah, Nancy.

01:26:13.980 --> 01:26:14.500
Leanne Van Wyk
Yes.

01:26:14.530 --> 01:26:15.520
Nancy Andrews
Yes, yeah.

01:26:15.280 --> 01:26:24.410
Hettie Joubert
No, I I just have one slide concern with it. So if you are in an occupational fund, you are not allowed to touch your preservation pot going forward.

01:26:25.540 --> 01:26:46.980
Hettie Joubert
So if that benefit isn't it? Is that what you were saying Jenny? If that benefit is in transferred into preservation Fund, then that simaris diction will apply. So if I had on this, and this comes into effect on on one March 2023, I already have a benefit in my Preservation Fund, but I haven't made it period time and withdrawal. I can start at any time with through all of that.

01:26:47.540 --> 01:26:48.400
Jenny Gordon
With your family.

01:26:47.790 --> 01:26:50.110
Hettie Joubert
The new money that comes in after that date.

01:26:50.540 --> 01:26:52.440
Jenny Gordon
From your best Porter.

01:26:50.760 --> 01:26:56.080
Hettie Joubert
Or follow the same rules as the as as those applying in the transferring fund.

01:26:57.360 --> 01:26:58.380
Hettie Joubert
It's making it very complete.

01:26:57.500 --> 01:27:12.020
Jenny Gordon
Send whatever you could have so from your Bester draft you will get that one third we would have to draft the legislation to state you you would get the full amount. If you want OK and then going forward the rules applicable to the one third pot will apply.

01:27:11.550 --> 01:27:12.130
Hettie Joubert
Yeah, yeah.

01:27:13.420 --> 01:27:20.250
Hettie Joubert
It was just not cool like benefit on 1st March 2023 based it because there are too many other bases benefits. We're going to confuse the hell out of people.

01:27:18.350 --> 01:27:19.120
Jenny Gordon
It's yeah.

01:27:19.560 --> 01:27:20.920
Pieter Cronje
Don't like, oh that's true.

01:27:21.430 --> 01:27:21.700
Nancy Andrews
Yeah.

01:27:23.390 --> 01:27:23.920
Hettie Joubert
Be.

01:27:24.570 --> 01:27:30.510
Pieter Cronje
OK, so that these thing on the visualization funds Nancy you have any any other questions?

01:27:30.610 --> 01:27:34.030
Nancy Andrews
I'm I'm not happy I'm I'm I'm confused.

01:27:35.280 --> 01:27:54.290
Nancy Andrews
So one what it once this legislation comes into play on preservation fund currently, OK, you haven't transferred. You've been a member of an existing member, so you've got a benefit in the preservation plan at the moment you're allowed to take all of that benefits as a as a one withdrawal in key.

01:27:54.560 --> 01:27:59.790
Nancy Andrews
Uhm come one March. There's no other contributions.

01:28:00.830 --> 01:28:09.100
Nancy Andrews
So they would be that member would not have a vested or. I mean they would not have an access pot or a.

01:28:10.300 --> 01:28:12.110
Nancy Andrews
Uh or a preservation pot?

01:28:13.080 --> 01:28:13.910
Nancy Andrews
Ltd, I'm sorry.

01:28:13.220 --> 01:28:13.570
Jenny Gordon
Yes.

01:28:13.520 --> 01:28:23.640
Pieter Cronje
So Nancy, yeah, if I if I can't help, the way I understand it is that that Member will still have his right to take one once off withdrawal. And according to our.

01:28:14.490 --> 01:28:15.780
Jenny Gordon
That's true Nancy.

01:28:24.520 --> 01:28:26.560
Pieter Cronje
Our proposal will also have.

01:28:27.220 --> 01:28:51.710
Pieter Cronje
Uh Ltd portion that will be moved to the access pot so you can take your access pot and still continue with your vested right protection once off, withdrawal of everything at the lightest stage. Or you can just use your your protection of vested rights and take everything at at at one specific stage. But in my view we are proposing from the IRFA I saw it.

01:28:53.420 --> 01:28:58.360
Pieter Cronje
Uh, bastid pot for all precision front members and not only for the ones that.

01:28:59.110 --> 01:29:03.140
Pieter Cronje
I feel really access day one CID or they once off withdrawal.

01:29:04.150 --> 01:29:12.000
Pieter Cronje
That's how I understood it when we spoke this morning, but I buy after pictures in my head that I haven't conveyed to you guys so.

01:29:14.250 --> 01:29:25.100
Hettie Joubert
Almost like the pictures that I have in my head, Pieter is that if if, if, if, if on, the if on D day please call it now. Let's call it a day if an ID you have.

01:29:16.620 --> 01:29:17.650
Nancy Andrews
Is it different feature?

01:29:26.940 --> 01:29:31.460
Hettie Joubert
Under 1000, in your preservation, and you have never made a PDF. I meant withdrawal.

01:29:32.800 --> 01:29:35.790
Hettie Joubert
But do you think decide to make a withdrawal of 50,000?

01:29:37.330 --> 01:29:41.710
Hettie Joubert
The balance then gets split into access pot preservation pot.

01:29:42.330 --> 01:29:46.430
Hettie Joubert
And any benefit that comes in from another occupational fund after that.

01:29:47.320 --> 01:29:52.280
Hettie Joubert
Well then also go to the one third 2/3 rules is that now you also have a chain.

01:29:52.510 --> 01:30:11.070
Jenny Gordon
I don't see it now. I think we're so if you've got 100,000 rare and then the date that they just lation comes in OK. We look at that and say have you ever taken your 50,000? Yes, in that vested pot is now blocked or retirement as it was before.

01:29:54.850 --> 01:29:55.560
Nancy Andrews
Let's see.

01:30:12.030 --> 01:30:28.830
Jenny Gordon
OK, on retirement you can take 1/3 of that in cash and 2/3 must purchase an annuity. If you don't have any. If no thumb further transfers come into their preservation fund. You don't have a 1/3 pot, you don't have an access pot.

01:30:29.870 --> 01:30:31.360
Jenny Gordon
OK, now let's say.

01:30:30.370 --> 01:30:42.850
Hettie Joubert
But that does, does that not defeat the object? Sorry Gina, I thought that the purpose was to allow people who have already might a predetermined withdrawal another shot at it. Are you now saying that's not the fact that that's not the case?

01:30:42.210 --> 01:30:53.720
Jenny Gordon
I don't think so. No, I don't believe that. So what we now looking at in terms of our effect proposal is there take 25% of that vested pot will go into the access pot.

01:30:54.670 --> 01:30:58.310
Jenny Gordon
So now they would be able to take an amount from the access pot.

01:30:58.770 --> 01:31:02.870
Pieter Cronje
Yeah, that's that's exactly how I have. English will be 25,000.

01:31:03.460 --> 01:31:05.230
Pieter Cronje
Team pushing to 25,000.

01:31:03.610 --> 01:31:05.600
Angus Lawrie
I'm not 25 percent 5000.

01:31:06.640 --> 01:31:22.700
Jenny Gordon
Now if they do another transfer from a patient vent later on, OK they pension fund will have a vested portion and access pot and a 2/3 pot that will go basically into the preservation Fund in its pots.

01:31:23.300 --> 01:31:54.370
Jenny Gordon
OK, it's another transfer, so you will technically be able to get the vested portion of that out completely as a withdrawal benefit, because those are rules unvested portion. You will also have an access spot that you can take as many times as you know years is allowed, and in the 2/3 pot naturally has to be preserved for retirement. If on your vested pot you don't take a full with.

01:31:54.420 --> 01:32:07.240
Jenny Gordon
Cool yeah you take part of it then then vested pot stands on its own and is a one third two third split 1/3 of it can be taken in cash at retirement.

01:32:08.420 --> 01:32:25.700
Jenny Gordon
So we are going to be running two kinds of accounts. What the rules that you can do on vested and in the rules that you can do on your 1/3 and 2/3 when you went through access pot and your 2/3 compulsory on your taxation pot.

01:32:26.700 --> 01:32:32.180
Pieter Cronje
And she the you you understanding and then 80 you you understanding.

01:32:34.870 --> 01:32:35.710
Nancy Andrews
Uh, Pieter?

01:32:36.620 --> 01:32:39.940
Nancy Andrews
I'm still lost, but I need to work this out in my head.

01:32:41.110 --> 01:32:42.540
Nancy Andrews
And I'll chat to Jenny and her team.

01:32:44.180 --> 01:32:44.780
Nancy Andrews
For clarity

01:32:44.260 --> 01:32:44.730
Pieter Cronje
OK.

01:32:45.360 --> 01:32:56.850
Hettie Joubert
You know this to me is extremely complicated and I honestly believed that the purpose was to allow Members who have already taken a predetermined withdrawal another opportunity to do so.

01:32:48.270 --> 01:32:48.620
Nancy Andrews
Yep.

01:32:57.590 --> 01:33:13.150
Hettie Joubert
So that you start it if if I'm if I'm a day you have not taken anything, then you still have your one pretty time interest role where you can take everything. But if he chose not to do that then whatever is left on that day.

01:33:13.810 --> 01:33:17.490
Hettie Joubert
Will go the the one third two third split because that is.

01:33:18.890 --> 01:33:29.280
Pieter Cronje
Sorry, ET I think we are all saying sort of the same thing we are just he and I think we must maybe try to come.

01:33:18.970 --> 01:33:19.440
Hettie Joubert
No.

01:33:22.160 --> 01:33:22.830
Hettie Joubert
Yeah, yeah.

01:33:29.970 --> 01:33:42.370
Pieter Cronje
Document it and then we will be. I will because what I hear you are saying and what I hear Jenny is saying is pretty much the same thing except when you talk 1/3 and Jane is talking about the 25,000.

01:33:43.050 --> 01:33:48.110
Pieter Cronje
Yeah, I. I think we we our proposal is not talking about 1:30, it's talking about.

01:33:48.930 --> 01:33:49.910
Pieter Cronje
Being patient.

01:33:50.540 --> 01:33:52.000
Pieter Cronje
Limited to 25.

01:33:52.820 --> 01:34:02.940
Pieter Cronje
Uh, it sounds like that you will be able to take as part of your access pot and you were talking 1/3. That's the only difference. I yeah. When I listen to the discussion.

01:34:01.170 --> 01:34:01.530
Hettie Joubert
Yeah.

01:34:03.310 --> 01:34:21.400
Hettie Joubert
The concern with that I have with if you put a limited seed capital in this so if you put 25 in, the Members are just kind of make it full withdrawal. There's no incentive for them to then take place we and allow them an opportunity to in future take take more. I just kind of take everything.

01:34:25.270 --> 01:34:26.300
Leanne Van Wyk
I thought that's.

01:34:25.350 --> 01:34:36.700
Jenny Gordon
Can we maybe take this offline and I'm happy to have a conversation with the three of us and so that we can actually just be based on the same page in terms of understanding.

01:34:32.150 --> 01:34:32.460
Pieter Cronje
Yeah.

01:34:32.400 --> 01:34:32.780
Hettie Joubert
Happy.

01:34:36.930 --> 01:34:51.480
Leanne Van Wyk
Can we not please have a side conversation on most because we all want to participate and I think we all have our ideas of how it's it should work. So can we document this in writing and then we can add our comments on email?

01:34:37.480 --> 01:34:37.820
Pieter Cronje
Yeah.

01:34:46.790 --> 01:34:47.050
Pieter Cronje
No.

01:34:52.590 --> 01:34:52.790
Hettie Joubert
Yeah.

01:34:52.840 --> 01:34:58.520
Hettie Joubert
Even if it is more than one proposal, then we should consider putting all of them forward be contacting.

01:34:52.890 --> 01:34:53.310
Pieter Cronje
Start.

01:34:58.920 --> 01:35:03.260
Pieter Cronje
No, so I think, uh, I I like would earlier initially suggesting because.

01:35:04.940 --> 01:35:11.960
Pieter Cronje
I think we we usually get confused on myself as well or confused on on some of the issues. So let's let's document it.

01:35:12.810 --> 01:35:13.690
Pieter Cronje
And then.

01:35:15.260 --> 01:35:16.260
Pieter Cronje
Bolt from it.

01:35:17.040 --> 01:35:22.680
Pieter Cronje
So I want to ask, you should take it to document that specific preservation fund puzzle.

01:35:21.330 --> 01:35:21.660
Jenny Gordon
Ah.

01:35:22.360 --> 01:35:23.390
Jenny Gordon
I'm happy to do it.

01:35:24.020 --> 01:35:35.660
Pieter Cronje
Will you give it a fish stab thing? Thanks Jim. And then we can circulate it and then we can bolt and like it is saying where we disagree. We disagree and we can then decide if we take one view 2 views forward.

01:35:26.040 --> 01:35:26.420
Jenny Gordon
Yeah.

01:35:37.250 --> 01:35:37.810
Pieter Cronje
Thanks.

01:35:40.280 --> 01:35:44.720
Pieter Cronje
Nancy I I'm I'm going to go down there.

01:35:45.410 --> 01:35:47.260
Nancy Andrews
Yeah, I'm I'm done. Thank you, Peter.

01:35:47.200 --> 01:35:55.610
Pieter Cronje
OK so uh, Leanne, uh anything. I'm just going with the way that you guys are on my screen. Leanne, anything on your side.

01:35:56.300 --> 01:35:57.900
Pieter Cronje
Do you want to specifically?

01:35:58.550 --> 01:35:59.130
Pieter Cronje
Mention.

01:36:00.640 --> 01:36:02.240
Pieter Cronje
Thank you yellow no.

01:36:06.120 --> 01:36:10.610
Elana Van den Berg
No, thank you Pieter. I'm more confused than I was before, but thank you.

01:36:08.300 --> 01:36:08.790
Pieter Cronje
Yeah.

01:36:11.230 --> 01:36:14.130
Pieter Cronje
Sorry, sorry about that, Fiona.

01:36:16.490 --> 01:36:17.930
Fiona Rollason
Thanks, and I'm with Alana.

01:36:20.170 --> 01:36:21.290
Pieter Cronje
Uh, sorry sorry.

01:36:22.360 --> 01:36:25.150
Pieter Cronje
It is you you any further comments?

01:36:25.490 --> 01:36:26.080
Hettie Joubert
Nothing.

01:36:27.290 --> 01:36:33.730
Pieter Cronje
Yeah, Alona and Fiona. I hope it's only on on on one or two points that you are confused and not under the purple discussion.

01:36:34.840 --> 01:36:35.240
Fiona Rollason
No.

01:36:34.850 --> 01:36:35.350
Elana Van den Berg
No no.

01:36:36.270 --> 01:36:37.560
Elana Van den Berg
I'm checking Pieter.

01:36:37.100 --> 01:36:38.000
Fiona Rollason
This preservation

01:36:38.930 --> 01:36:39.420
Elana Van den Berg
No.

01:36:39.820 --> 01:36:40.450
Pieter Cronje
Anita.

01:36:42.420 --> 01:36:44.910
Anita Roodman (Simeka Consult)
Now I'm also with Elana, I'm here now.

01:36:47.140 --> 01:36:48.420
Pieter Cronje
Thank you Wayne.

01:36:53.600 --> 01:36:55.360
Pieter Cronje
When any comments on your side?

01:36:55.820 --> 01:36:57.440
Wayne Hiller van Rensburg
none from my side. Thank you.

01:36:56.980 --> 01:36:59.270
Pieter Cronje
Oh, I see, you're typing thanks Jenny.

01:36:58.880 --> 01:36:59.180
Wayne Hiller van Rensburg
Yeah.

01:37:01.400 --> 01:37:03.110
Pieter Cronje
Any additional aspects?

01:37:03.630 --> 01:37:05.080
Jenny Gordon
I'm OK, thank you.

01:37:06.540 --> 01:37:08.950
Pieter Cronje
Yeah, so thanks. United Jenny English.

01:37:10.310 --> 01:37:11.460
Angus Lawrie
No, nothing from me.

01:37:12.160 --> 01:37:19.310
Pieter Cronje
OK guys, thank you so much and I I'm. I know it's the I I've for rushed a lot of things quickly through.

01:37:20.640 --> 01:37:23.730
Pieter Cronje
But I think on most of the things we sort of hurford common.

01:37:24.380 --> 01:37:35.510
Pieter Cronje
Common view with a couple of exceptions, each only the one last week that we should really, and that I that I did not include you in our ASK. Sorry about that Leanne.

01:37:35.050 --> 01:37:58.060
Leanne Van Wyk
No, no, you totally didn't include me. Thanks Kira. I just wanted to ask you guys quickly and I haven't except for Alana. I haven't received any umbrella fund governance paper discussions yet. I just wanted to check, is this because they're all coming tomorrow? Or is that because you guys feel like you need more time or what is it?

01:37:59.760 --> 01:38:01.970
Fiona Rollason
Mine in right now.

01:38:00.210 --> 01:38:01.830
Anita Roodman (Simeka Consult)
I'd be more time, although.

01:38:03.880 --> 01:38:06.110
Pieter Cronje
Sorry Fiona 1st and then I need to.

01:38:03.990 --> 01:38:04.480
Leanne Van Wyk
Sorry.

01:38:06.280 --> 01:38:08.760
Fiona Rollason
Sorry, I'm Leanne, I've just sent us.

01:38:09.260 --> 01:38:10.830
Leanne Van Wyk
Our cat perfect thank you.

01:38:11.200 --> 01:38:11.780
Pieter Cronje
Anita.

01:38:12.070 --> 01:38:18.700
Anita Roodman (Simeka Consult)
I think we would appreciate more time, but I don't want to hold it up if it's only only from our side.

01:38:19.760 --> 01:38:21.140
Anita Roodman (Simeka Consult)
We still need to work through it.

01:38:23.950 --> 01:38:24.580
Leanne Van Wyk
OK.

01:38:24.190 --> 01:38:33.710
Pieter Cronje
Sorry I did. I worked with your lawn or or I. I gave input to your lawn or my view shot. Also embedded in your lawn. Auspicious portal for maintenance.

01:38:33.320 --> 01:38:36.050
Anita Roodman (Simeka Consult)
When it's when it's a deadline for the comments.

01:38:36.100 --> 01:38:38.770
Anita Roodman (Simeka Consult)
Co I'm not with you, but but two.

01:38:39.630 --> 01:38:40.570
Anita Roodman (Simeka Consult)
Is there any like that?

01:38:41.900 --> 01:38:51.960
Leanne Van Wyk
We've just got pets. UM extension that when gave us till the 10th. But of course we would like to see these comments before our workshop.

01:38:44.260 --> 01:38:45.050
Nancy Andrews
For the team.

01:38:52.650 --> 01:39:03.280
Leanne Van Wyk
And so that you know if there's anything important that you guys are commenting on, we can add that to what we're saying in the workshop. So I would like to see comments at least before the workshop.

01:38:59.700 --> 01:39:00.080
Anita Roodman (Simeka Consult)
Yeah.

01:39:04.080 --> 01:39:08.880
Leanne Van Wyk
And it, you know, in a couple of days so that we can work through them. And we know.

01:39:04.090 --> 01:39:04.460
Anita Roodman (Simeka Consult)
Parker

01:39:09.300 --> 01:39:09.560
Anita Roodman (Simeka Consult)
or.

01:39:10.020 --> 01:39:11.090
Leanne Van Wyk
What do you plus saying?

01:39:12.320 --> 01:39:23.050
Anita Roodman (Simeka Consult)
I'd like to see it so all we will have a look at it, but like I said, I don't want to roll it up. Maybe we don't even have comments, but I will definitely send through early next week Le.

01:39:25.140 --> 01:39:25.850
Leanne Van Wyk
OK thanks.

01:39:27.170 --> 01:39:29.500
Pieter Cronje
Hey guys thanks, thanks so much.

01:39:30.670 --> 01:39:31.600
Pieter Cronje
I will then.

01:39:33.090 --> 01:39:38.160
Pieter Cronje
Try and put something together on what we have discussed with the exclusion of the.

01:39:38.900 --> 01:39:40.010
Pieter Cronje
The British want now.

01:39:40.060 --> 01:39:43.200
Pieter Cronje
No, uh, it please also eating you.

01:39:43.250 --> 01:39:55.380
Pieter Cronje
So you have a work group on the retirement annuity, or must this group also comment on that? I've sorry I've I've excluded the comments on the retirement annuities.

01:39:56.510 --> 01:39:58.730
Pieter Cronje
Just want to know whether or not we

01:40:00.190 --> 01:40:00.720
Hettie Joubert
No.

01:40:00.260 --> 01:40:06.660
Pieter Cronje
should I be discussed. We have a couple of minutes left, so if we need to discuss something on the retirement annuities, we can quickly do it.

01:40:07.230 --> 01:40:10.060
Hettie Joubert
That's fine, but I think we covered that sufficiently. Yeah?

01:40:10.390 --> 01:40:14.960
Pieter Cronje
OK, so you're you're comfortable with that. OK, they numb.

01:40:16.370 --> 01:40:25.190
Pieter Cronje
Lift trying thank you so much and please provide your input so in the document is circulated and then we'll take it from there thanks.

01:40:25.860 --> 01:40:26.580
Pieter Cronje
For everyone.

01:40:27.220 --> 01:40:27.820
Hettie Joubert
Thanks.

01:40:27.890 --> 01:40:29.930
Nancy Andrews
Thank you, Peter, thank you.

01:40:30.100 --> 01:40:30.390
Fiona Rollason
Thanks.

01:40:30.340 --> 01:40:31.030
Pieter Cronje
People.

01:40:30.570 --> 01:40:30.950
Fiona Rollason
Yeah.

01:40:30.750 --> 01:40:33.170
Wayne Hiller van Rensburg
Thanks Peter. Thank you bye bye.

01:40:31.420 --> 01:40:32.270
Elana Van den Berg
Family plans

01:40:31.670 --> 01:40:32.320
Leanne Van Wyk
Thanks guys.

01:40:33.880 --> 01:40:34.590
Angus Lawrie
Thank you.