Sanlam

PRIVATE Wealth

TAX-FREE SAVINGS ACCOUNTS (TFSAs)

The tax-free savings account (TFSA) is an important tool to encourage South Africans to save more and to reduce household indebtedness and vulnerability.

A TFSA allows you to set money aside knowing all the returns of the investment you make into a TFSA are yours. No capital growth, interest or dividends is taxed. It provides a cost-effective, sensible opportunity to save – for you and for future generations. A maximum of R33 000 is available per person per year into this investment vehicle, with a total allowable lifetime limit of R500 000.

OPENING A TAX-FREE SAVINGS ACCOUNT

- As a client of Sanlam Private Wealth, a TFSA investment can be made into our Equity Fund, Global High Quality Feeder Fund or Balanced Fund
- We only allow one lump sum investment per year of R33 000 into a TSFA portfolio
- Contributions can be made on behalf of family members (e.g. children or grandchildren) who may not be our clients. Sanlam Collective Investments (SCI) is the administrator of our unit trust funds – you will need to complete the SCI application form
- Regular reporting and tax reporting will be provided directly to you by SCI
- Sanlam Private Wealth will not reflect the information of this investment on our client database
- The portfolio information will be available to view online on Sanlam Secure Services.

WITHDRAWALS

You can withdraw savings from your TFSA at any time, for any reason, and all withdrawals are tax free. The full withdrawn amount can be reinvested back into the TFSA, subject to the applicable annual and lifetime limit (currently R33 000 and R500 000 respectively).

IMPORTANT TO NOTE

It remains your responsibility to monitor your TFSA contributions across all providers and to ensure that you do not exceed the legislated annual and lifetime limits of R33 000 and R500 000 respectively.

Any excess amounts will be subject to a 40% penalty charge by SARS. National Treasury has made it very clear that it is the responsibility of investors to monitor their TFSA balances.

SANLAM PRIVATE WEALTH EQUITY FUND: This is a diversified fund, predominantly investing in local equities. The fund aims to outperform the JSE All Share Index on a total return basis, over an investment horizon of three years or more, by investing in companies that are undervalued relative to their intrinsic value.

The fund offers a carefully selected, well-diversified basket of shares from all sectors of the JSE. The investments are subject to rigorous, in-depth research and adhere to our pragmatic value investment philosophy. The fund may also have a limited exposure to offshore equities.

SANLAM PRIVATE WEALTH GLOBAL HIGH QUALITY FEEDER FUND: The primary objective of the fund is to provide above-average total returns (capital plus income), over an investment horizon of at least five years, by investing in shares listed globally. The management of the portfolio will typically not be trading orientated and will hold concentrated equity positions reflecting the manager's best ideas globally. The portfolio is characteristically dominated by companies with high-quality durable business models, with good long-term growth prospects, low capital intensity and high returns on equities over long periods of time.

SANLAM PRIVATE WEALTH BALANCED FUND: The objective of this managed prudential portfolio is to deliver long-term capital growth and income associated with the investment structure, investing in a selection of asset classes including equities, property and fixed interest assets. This might include up to 25% in global assets.

For more information, please speak to your portfolio or wealth manager, or visit our website at www.sanlamprivatewealth.co.za

T 021 950 2770 / E clientcare@privatewealth.sanlam.co.za
Farm 1, Vineyards Office Estate, 99 Jip de Jager Drive, Welgemoed 7530

Sanlam Private Wealth (Pty) Ltd, registration number 2000/023234/07, is a member of the Johannesburg Stock Exchange, a licensed Financial Services Provider (FSP 37473) and a Registered Credit Provider (NCRCP1867). The value of investments is subject to fluctuation and past performance is not necessarily a guide to future performance.