

Tax Free Savings Account



TAX FREE SAVINGS ACCOUNT

Investors looking to save for different reasons over the medium to long term, and who are looking for tax free returns with investment flexibility should consider the Ashburton Tax Free Savings Account.



Ashburton Tax Free Savings Account

The Ashburton Tax Free Savings Account is a flexible savings vehicle for investors who want to save over the medium to long term.

Investors have immediate access to their investment, and the flexibility to change their underlying investments at any time, subject to the liquidity of the investment instruments.

Benefits of the Ashburton Tax Free Savings Account

Tax efficient

Any amount received by or accrued to the investor from a tax free investment and any capital gain or capital loss arising from the disposal of a tax free investment will be exempt from normal tax. The tax efficiency may enhance investment returns due to the compounding effect on the tax free amounts that accrue within the investment over time.

Compounding refers to an investment's ability to generate earnings from previous reinvested earnings over time.

Investment choice

Investors benefit from the wide-ranging investment choice offered by the Investor Platform.

Liquidity

Investors can access their investment at any time by selling units in funds, subject to the liquidity of their investment instrument (for most unit trusts this is daily).

Convenience

The Ashburton Tax Free Savings Account is a convenient and easily accessible product that provides investors with the convenience of having all their investments administered in one place.

Suitable investors

The Ashburton Tax Free Savings Account typically suits investors who:

- Want to receive tax free investment returns
- Want to save over the medium to long term using a convenient investment vehicle
- Are looking for investment flexibility and liquidity

Only natural persons who are South African resident taxpayers may invest in the Ashburton Tax Free Savings Account, subject to investment requirements.

Our investment universe

Single manager funds

You can access a range of single manager funds including long-only equity, balanced, target return, fixed income and money market products.

Multi manager funds

Our multi manager investment proposition focuses on boutique investment managers in South Africa covering equity, bond, fixed income, property and flexible investment mandates.

Minimum investment

If you are investing in Ashburton funds only, the minimum investment is R5 000

If you are investing in third-party funds, the minimum investment is R7 500

Additional investment: R2 000

Recurring debit order: R500 per month

Contribution limits

Individuals may contribute a maximum of R33 000 to their tax free investments during any year of assessment, with a lifetime limit of R500 000, regardless of the number of tax free investments. Any excess will be subject to a tax equal to 40% of the excess contributed during the year of assessment.

Amounts withdrawn from a tax free investment may be reinvested in a tax free investment but will form part of the annual contribution limit and therefore the lifetime contribution limit.

How to invest

To find out more about the Ashburton Tax Free Savings, or to make a new investment, speak to your financial advisor. Alternatively, you can visit our website.

The investment process

1. With the help of your financial advisor, determine whether this product is best suited to your needs.
2. Discuss your investment choices with your financial advisor and choose the funds and solutions that best meet your investment objectives.
3. Once you have made your investment choices, complete an Ashburton Tax Free Savings Account form and gather the required documentation.
4. Your financial advisor will submit all the documentation on your behalf, or you can send it directly to our Client Service Team by emailing instruct@ashburtoninvest.co.za.
5. We can only process your investment application when we have received all the required documents and the investment deposit reflects in our bank account. All instructions that we receive before 2pm on a business day, will be processed the same day. You will be notified once your investment is active.
6. You can access your investment statement from our website or speak to your financial advisor. Quarterly investment statements are automatically generated and will be available on our website or sent to you via email if you indicated this as your preference.

About us

The Investor Platform is part of Ashburton Investments, the investment management business of the FirstRand Group, one of Africa's largest financial services companies.

Ashburton Investments blends together the investment capabilities of Ashburton and Rand Merchant Bank to give investors access to more investment expertise, deeper investment knowledge and broader capabilities

The Investor Platform is an extension of the leading investment proposition of Ashburton Investments, and focuses on the specific needs of individual investors.

Contact details

Please speak to your financial advisor or contact us:

Email us

query@ashburtoninvest.co.za

Visit us on the web

www.ashburtoninvestments.com

Call us +27 (0) 860 274 287

The information contained in this brochure is subject to the applicable legislation and is subject to change. For detailed information regarding the Ashburton range of products please refer to the Terms and Conditions available on our website at www.ashburtoninvestments.com, or from your financial advisor.

Ashburton Investor Services Proprietary Limited ("Ashburton") with Registration Number 2011/139123/07 is an authorised administrative financial services provider (FSP Number 44341).

The Ashburton Retirement Annuity Fund, the Ashburton Pension Preservation Fund and the Ashburton Provident Preservation Fund are all administered by Ashburton. The Ashburton Living Annuity and Ashburton Endowment are both underwritten by MMI Group Limited, Registration Number 1904/002186/06, a registered insurer governed by the Long – term Insurance Act (Act No. 52 of 1998).

The underlying investment options of the Ashburton Living Annuity, Ashburton Endowment and Ashburton retirement products may be unit trusts.

This document and any other information supplied is not "advice" as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 ("the FAIS Act") and investors are encouraged to obtain their own independent legal, tax, investment or other professional advice prior to investing. Any investment is speculative and involves significant risks and therefore, prior to investing, investors should fully understand the financial product and any risks associated with them.

Collective investment schemes ("CIS") in securities are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. Forward pricing is used and portfolio valuations take place at approximately 15h00 (14h00 for money market funds) each business day (17h00 at month and quarter end). Instructions to redeem or repurchase must reach Ashburton before 14h00. For money market and short term debt portfolios the price of each participatory interest is aimed at a constant value. While a constant price is maintained the investment capital is not guaranteed. The total return to the investor is primarily made up of interest received but may also include any gain or loss made on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in extreme case, e.g. defaults by underlying issuers, it can have the effect of reducing the capital value of the portfolio.

CIS portfolios are traded at ruling prices and can engage in borrowing and scrip lending. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. A CIS portfolio may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity.

Participatory interests are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the CIS portfolio divided by the number of participatory interests in issue.

All fees quoted exclude VAT except where stated differently. A full detailed schedule of fees, charges and commissions is available from Ashburton on request and incentives may be paid and if so, would be included in the overall costs.

