

Sygnia Tax Free Savings Account (TFSA)

Savings Goal: Tax-Efficient Short- and Long-Term Savings



The Sygnia Tax Free Savings Account (TFSA) is a savings account that allows you to save for both short- and long-term goals without paying taxes on any of the growth or income you earn. In addition, you are not taxed on withdrawal or termination of the account – and you have instant access to your money whenever you need it.

Who should invest?

The Sygnia TFSA is most suitable for:

- Individuals who wish to save their money in a flexible and tax-efficient manner;
- Individuals who wish to supplement their existing pre-retirement savings;
- Self-employed entrepreneurs who do not contribute to an occupational pension or provident fund and may require an alternative or a supplement to a standard retirement annuity;
- Employed persons, when the employer does not offer (or does not make contributions to) an occupational pension or provident fund;
- Individuals who earn additional income that is not taken into account in determining contributions to an existing occupational pension or provident fund.

What investments can make up a Sygnia Tax-Free Savings Account?

You can invest in any of the unit trusts listed below or any exchange traded fund (ETF) available on the Sygnia Investment Platform. You are not able to invest in an ETF that is exposed to any commodities.

Sygnia Fund	Fund Class	Risk Profile	Management Fee (incl VAT)
Sygnia Skeleton Balanced 70	A	Medium High	0.40% per annum
Sygnia Skeleton Balanced 60	A	Medium	0.40% per annum
Sygnia Skeleton Balanced 40	A	Low	0.40% per annum
Sygnia SWIX Index	A	High	0.40% per annum
Sygnia DIVI Index	A	Medium High	0.40% per annum
Sygnia Top 40 Index	A	High	0.40% per annum
Sygnia Listed Property Index	A	High	0.40% per annum
Sygnia All Bond Index	A	Low Medium	0.41% per annum
**Sygnia Skeleton International Equity FOFS	A	High	0.66% per annum
Sygnia Skeleton Worldwide Flexible	A	Medium High	0.61% per annum
Sygnia Money Market Fund	A	Low	0.29% per annum*
Sygnia Money Market Fund	S1	Low	0.51% per annum
Sygnia Money Market Fund	S2	Low	1.01% per annum
**Sygnia 4th Industrial Revolution Global Equity	B	High	0.91% per annum
**Sygnia FANG.AI Equity Fund	B	High	0.91% per annum
Sygnia Enhanced Income Fund	A	Low Medium	0.75% per annum
Sygnia Enhanced All Bond Fund	A	Low Medium	0.40% per annum
**Sygnia Health Innovation Global Equity Fund	B	High	0.91% per annum

**** Temporarily soft closed** - Please note that existing debit orders will continue without interruption, including any scheduled annual increases. You will still have the option to decrease or cancel an existing debit order, but modifications to increase it will not be permitted.



For more information email us at admin@sfs.sygnia.co.za.
sygnia.co.za

Are there contribution limits?**Minimum contributions:**

- R10 000 minimum lump sum amount
- Debit order of R500 p/m

Maximum contributions:

- Lifetime contribution of R500 000
- Annual contribution in a tax year of R36 000
- Debit order of R3 000 p/m

The contribution limits apply to individual investors with respect to their total investments in all tax-free savings accounts. You may stop contributing at any time with no penalty.

Please note: Minimum lump sum of R1 000 if investing into the Sygnia Money Market Class S1 or S2 (Established by Sygnia Collective Investments (RF) (Pty) Ltd).

What happens if I invest more than R36 000?

Any contributions made to tax-free savings accounts over and above the R36 000 annual limit will attract tax at a rate of 40%. Sygnia will not allow investments in excess of the stated limits to be deposited in the Sygnia TFSA.

Does my Sygnia Tax-free Savings Account have a fixed term?

No, you have instant access to your money whenever you need it.

When can I withdraw from my investment?

Withdrawals are permitted at any stage and will be processed within four (4) business days from receipt of withdrawal instruction. No payments to third party bank accounts will be processed. Once you have invested the maximum allowance in a tax year or lifetime, if any portion is withdrawn during the same tax year or in your lifetime, the annual or lifetime contribution limit is not increased.

Can I switch my investment to another investment fund?

You may switch between investment funds available to the Sygnia TFSA's at any time and at no additional cost.

Can I transfer my investment?

Yes, you may transfer from an existing tax free savings account to the Sygnia TFSA. You may also transfer out of the Sygnia TFSA to another tax free savings account. A product provider must transfer any amount in respect of a tax-free savings account within ten (10) business days. The transferring provider must supply a certificate to the investor stipulating the details of the tax-free savings account transferred.

What happens to my investment if I die?

In the event of your death the value of your investments in the Sygnia TFSA will be paid to your estate, tax free, as a lump sum. The value is determined on the date of the liquidation of your investments. The returns from your investment will remain exempt from income tax and your estate will not be liable for Capital Gains Tax when the investments in the account are disposed of. Neither you nor your estate can transfer investments in a tax-free savings account to someone else. Your heir can inherit the savings from the product and in turn invest in their own account, which will form part of their own lifetime limit.

Can I cede my investment?

You may not cede your investment in the Sygnia TFSA, nor use it as security for any debts or commitments.

Can I have more than one Tax-free Savings Account?

There is no limit to the number of tax-free savings accounts you may open. However, you will need to ensure that your payments across all approved tax-free savings accounts (with Sygnia or other providers) do not exceed the annual contribution limit of R36 000 per tax year.

Can I open a Sygnia Tax-free Savings Account for my children?

Yes, you can open a Sygnia TFSA on behalf of your child or other family member; however, you should be mindful that you will be using part of their annual tax-free allowance, which may limit their ability to save for themselves via this type of product at a future point in time. In addition, if your child would like to withdraw from their TFSA, the proceeds from the withdrawal can only be paid into a bank account in their name.

Can I open a Sygnia Tax-free Savings Account for a family trust or company?

No, you may not open a TFSA for a family trust or company. Only an individual may open a TFSA.



For more information email us at admin@sfs.sygnia.co.za.
sygnia.co.za

Fees

Annual Administration Fee

Initial administration fee

There is no initial administration fee levied on the Sygnia platform.

Annual administration fee (excl. VAT)

No administration fees (earned by Sygnia Financial Services) apply on Sygnia unit trusts, however administration fees are charged as follows when you are invested in ETFs.

Sygnia Investments	Annual Administration Fee (excl VAT)		
Value of all accounts	Sygnia Unit Trusts	Sygnia ETFs	External ETFs
First R2 000 000	0.00%	0.20%	0.40%
Over R2 000 000	0.00%	0.10%	0.20%

Please note: While Sygnia does not charge any administration fees in respect of its own funds, Sygnia takes into account all your investments with us when assessing the R2 million threshold, including your investments in Sygnia funds. For fees relating to the underlying investment managers, please refer to the Sygnia Fund summary document available on request, or online at www.sygnia.co.za.

Investment Management Fees

These vary across the Sygnia Investment Platform fund range. For a detailed breakdown of fund-specific fees, please refer to Sygnia Funds on our website.

Financial Advisor Fees

These are negotiable with your financial advisor within the following parameters:

Initial fee: Maximum of 1.50% (excl VAT) deducted prior to the investment being made.

Annual fee: Maximum of 1.50% per annum (excl VAT)

Ready to apply?

Submit your application online by visiting our website and clicking on "Open an Account". Alternatively, you can contact the Sygnia Client Service Centre on 0860 794 642 (0860 SYGNIA) if you need any assistance.

Required documentation

- Copy of South African green barcoded ID/ South African Smart ID Card, birth certificate (if minor) or valid passport (if a foreign national).
- Proof of residential address not older than 3 months.
- Proof of bank details not older than 3 months.
- Proof of deposit/transfer into the relevant Sygnia bank account.

I've already opened a Sygnia Tax-free Savings Account – how do I transact online?

The Sygnia Alchemy Online Portal is a one-stop online solution to your investment and retirement planning needs. Visit our website and click on "Log in" to access your secure online account or to register.

Disclaimer

The Sygnia Tax-Free Savings Account (TFSA) allows you to save for both short- and long-term goals without paying tax on the growth or income you earn. You have instant access to your money whenever you need it, and you are not taxed on withdrawal or termination of the account. This fund qualifies as a tax-free investment under section 12T of the Income Tax Act, effective 1 March 2015. South Africans qualify for the associated tax benefits – no tax on dividends, income or capital gains – while still enjoying all the benefits of a particular investment vehicle. Contributions to tax-free investments are limited to R36 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are taxable at 40%. The Sygnia Group is a full member of the Association for Savings and Investment SA. Sygnia Collective Investments RF (Pty) Ltd is a registered and approved Manager in Collective Investment Schemes in Securities. Collective investment schemes are generally medium to long-term investments. Sygnia Asset Management (Pty) Limited (FSP 873), an authorised financial services provider, is the appointed investment manager of the Fund. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure and the and that the value of investments / units / unit trusts may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available from the Manager on request. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Performance is calculated for the portfolio and the individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Forward pricing is used. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The fund may from time to time invest in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. A copy of the Minimum Disclosure Document (MDD) is available on our website: www.sygnia.co.za.



For more information email us at admin@sfs.sygnia.co.za.
sygnia.co.za