

## Nedgroup Investments FundiSA Fund

### Frequently Asked Questions

#### What is the FundiSA Fund?

The FundiSA Fund is an educational savings account that rewards investors with a unique bonus feature. Every year, your savings are enhanced by an additional 25% bonus – up to a maximum of R600 per year.

The bonus has been made possible through a joint venture between government and the unit trust industry and is intended to help learners from low-income families pay for their tertiary education.

#### Who can invest in the FundiSA Fund?

On 1 March 2018, the FundiSA Fund was closed to new investors by the Association for Savings and Investment South Africa (ASISA) in consultation with the founding partners. Nedgroup Investments can therefore no longer offer the FundiSA Fund to new investors.

Existing investors can however still manage/transact on their existing FundiSA Fund accounts.

#### Why did ASISA close the FundiSA Fund?

The FundiSA Fund has been closed in anticipation of a new tertiary education funding model being developed by Government in partnership with the private sector.

#### When did ASISA close the FundiSA Fund?

The fund closed to new investors on 1 March 2018.

#### I am an existing FundiSA Fund investor. Can I open another new FundiSA Fund account?

No, however you can still transact on your existing FundiSA Fund account.

#### I have an existing FundiSA Fund account. Can I start a new debit order on my account?

No, you cannot start a new debit order on your existing FundiSA Fund account.

#### Can I increase my existing debit order?

Yes, you can increase your existing debit order.

#### I have an existing FundiSA Fund account. Can I add an additional investment to my account?

Yes, you can add additional lump sum investments to your existing account.

#### Does the beneficiary have to be my own child?

Beneficiaries must hold a South African ID or have a South African birth certificate, however, your beneficiaries do not have to be your own biological children.

Existing FundiSA Fund investors may change/replace their beneficiary(ies) provided the beneficiary is under the age of 35 but cannot add additional beneficiaries.

### What is the FundiSA Fund bonus and how does it work?

- An annual bonus of 25% of your contributions is added to your FundiSA Fund investment, **up to a maximum of R600 per beneficiary per year**. This means that:

SAVING	BONUS
If you save R100 a month for 12 months (i.e. R1 200)	The bonus will be R300
If you save R200 a month for 12 months (i.e. R2 400)	The bonus will be R600
If you save R300 a month for 12 months (i.e. R3 600)	The bonus will still be R600

- The bonus does not belong to you and can only be used to fund the tertiary education of your beneficiary.
- There is no limit on the number of investors that may save on behalf of a single beneficiary, but the maximum bonus allocation is R600 per beneficiary, regardless of how many investors are saving on their behalf.

### When is the bonus allocated?

The bonus is allocated to your account in December. It is calculated at the end of September, based on your net contributions from October in the previous year to September in the current year.

### Can I change my beneficiary nomination?

Yes, you may change your beneficiary nomination once a year but you may not add additional beneficiaries.

### What happens if the beneficiary decides not to further their studies?

If the beneficiary decides not to further their studies, we encourage you to nominate a different beneficiary; otherwise the bonus portion of the investment will be paid back to the Central FundiSA Fund at the end of the year.

### What happens if the beneficiary wants to wait a while before they start their studies?

Your beneficiary doesn't have to start studying immediately, but they must enrol at an approved educational institution before they reach the age of 35 to benefit from the bonus portion of the investment.

### How do I access my investment?

For education purposes - you can access your contributions, the growth of your investment as well as the government bonus of your investment.

For personal use - you can access your contributions and growth of your investment.

The FundiSA Fund withdrawal form is available on our website at [www.nedgroupinvestments.co.za](http://www.nedgroupinvestments.co.za)

### What fees will be charged on my investment?

Nedgroup Investments does not charge an initial fee or an annual management fee. However, there is an annual underlying fee of 0.20% (excluding VAT) payable to the Central FundiSA Fund.

### Will income distributions be paid?

All income distributions are automatically reinvested in your FundiSA Fund account on the first working day in January each year.

### Will I pay tax on my investment?

The income and capital growth on your contributions are fully taxable, and withdrawals will be subject to normal tax rules on capital and income. However, you will not be liable for tax on the bonus portion of the investment.

### Will I receive an IT3 Tax Certificate for my investment?

While a tax file will be generated for SARS, investors in the FundiSA Fund have been exempted from receiving tax certificates.

### What happens to the investment if the investor dies?

If the investor dies before the units have been withdrawn, the funds fall into the estate of the investor. At best, the appointed executor of the deceased's estate may regard the investment as an expression of the investor's wishes for the beneficiary. Where the investor's contributions are withdrawn to the estate late bank account, the bonus portion is forfeited.

### What happens to the investment if the beneficiary dies?

If the beneficiary dies, the investment can be transferred to another beneficiary. Remember, if you withdraw the money, you will forfeit any bonus portion.

### Am I allowed to make a once-off debit payment into my existing FundiSA Fund account?

Nedgroup Investments does not process once-off debit collections for the FundiSA Fund. You can make your additional investment via Electronic Fund Transfer (EFT), monthly debit order or cheque payment into our bank account. We do not accept cash deposits.

### What bank account should I use when depositing/transferring additional funds?

Name of bank account: Nedgroup Collective Investments Inflow Account

Bank: Nedbank  
Branch code: 145 209  
Branch name: BS Corporate  
Account number: 1452 027 900

### What communication will I receive?

You will receive a quarterly investment statement which will reflect your account information. In addition, you will also receive an sms whenever there has been activity on your account.

### Online access to my investment

Use your FundiSA Fund investor number to register on the Nedgroup Investments website to access information about your investment.

To register, go to **[www.nedgroupinvestments.com](http://www.nedgroupinvestments.com)** and click on 'Register/Login' in the top right corner of the landing page. Note that you must have provided a cell number and email address in your initial application form in order to register successfully.

Should you have any queries related to your account, please contact our Client Services Centre at **clientservices@nedgroupinvestments.co.za**, or on **0860 123 263 (RSA only)** or **+ 27 21 416 6011 (outside RSA)**.

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