

What happens when the learner wants to start studying?

- You must tell the unit trust company or bank where you opened your Fundisa Fund account when the learner is ready to study.
- They will arrange for an award certificate to show how much money is available to the learner for their education. This money is made up of what you have saved, the bonus money, and interest / growth.
- The learner must take the award certificate to the college or university where they have registered.
- The college or university will advise the National Student Financial Aid Scheme (NSFAS) of the learner's details and NSFAS will claim the money from the Fundisa Fund on behalf of the student and will make payment directly to the public college or university where the learner has enrolled.

Costs

- There is an annual fee of 1.25% (excl. VAT) that is taken from the income earned in the Fundisa Fund.
- If you decide to invest with the assistance of a financial advisor, they may charge you a fee of no more than 3% of your investment. For example, this means that for a monthly investment of R40, an amount of R1.20 may be deducted from your investment and paid to your advisor.
- The bank where you have opened your Mzansi account may also charge a debit order fee each time you pay money into your Fundisa Fund account. Find out from your bank how much this will be.

How to open a Fundisa Fund account

You are welcome to open a Fundisa Fund Account at one of the following:

- **Absa** – visit a participating bank branch or call 0860 111 456
- **Nedbank and Nedgroup Investments** – visit a participating bank branch or call 0860 123 263
- **Standard Bank and STANLIB** – visit a participating branch, call 0860 386 3472 or SMS 'Fundisa' to 32009 for a consultant to phone you

You will be asked to complete a **Fundisa Fund application form**.

Statutory disclaimer

The Fundisa Fund is not a bank deposit, but a collective investment scheme (unit trust) which is generally a medium to long term investment. The value of your investment may go down as well as up during the period of investment. Past performance is not necessarily a guide to future performance. The Fundisa Fund is traded at a price that is valued in terms of law, at the end of the day for that same day. The Fundisa Fund may borrow money and lend out some of its assets to earn more income. If any commission or incentives are paid, it will be included in the costs disclosed to you. The Fundisa Fund must be administered in terms of law. You can get information on what the law says from the place where you make your investment. The Fundisa Fund will be sold by members of the Association for Savings and Investment South Africa (ASISA). If you are not satisfied with the manner in which your account is managed, you may contact the Association for Savings and Investment South Africa on 011 669 4900 or 021 673 1620 or info@asisa.org.za for assistance.

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SAVE FOR A CHILD'S EDUCATION with Fundisa Fund

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What is the Fundisa Fund?

The Fundisa Fund is a savings account that rewards you for saving for education. You can save towards paying for a child's education for an accredited qualification at either a public college or a university. Each year a bonus will be added to your account, depending on how much you managed to save.

How does it work?

- You will receive a **bonus** each year as a reward for saving for a child's education. The amount of the bonus can be as much as **25% (one quarter)** of the money you save each year.
- This means that if you save R100 a month for a year (R1200 a year), you will get another R300 a year towards paying for your child's education.
- There is no limit on the number of people (investors) that may save on behalf of a single learner. However, the **most** that can be allocated as a bonus for each learner each year is **R600** no matter the number of investors. To receive the R600 bonus, the investors will need to have saved **R2400** in total in that year.
- Government and unit trust companies have agreed to support a **3 year pilot project** to see whether you want to save for your children's education. As it is a pilot project, the bonus will be allocated to investors on a 'first come, first to receive the reward' basis. Those who are first to save money through a Fundisa Fund account, will be first in line to get the reward, as the bonus pool for the pilot project is limited.

- The bonus money does not belong to you – it **can only be used** by the learner whose **education** you are saving for.
- If you need to take your money out of your Fundisa Fund account you can, but then you will lose the 25% bonus you would have received. It will take two working days for you to get your money from the unit trust company or bank where you opened your Fundisa Fund account, if you do need to take your money.
- If the learner chooses not to study further, you will lose the bonus money unless you **choose another learner** to take their place.
- If the bonus is not used to pay towards any learner's studies then you will lose it.

Who can open a Fundisa Fund account?

- Any **South African citizen** or permanent resident who wishes to help educate someone they care about, as long as the learner is a South African.
- You **do not** have to be **related** to this learner. You can sponsor any learner you choose.
- You must have a **Mzansi** or **other transaction bank account** and a green bar-coded **ID book**.
- All the money you save belongs to you until it is paid over to a public college or university that is recognized by the National Student Financial Aid Scheme (NSFAS) – the government agency responsible for paying the educational institutions.
- It is important that you **do not hand over cash** to anyone other than the unit trust companies or banks where you can open a Fundisa Fund account. Always make sure that you get a **receipt** for any cash deposit into your Fundisa Fund account.

Your chosen learner

- Must be a **South African citizen**.
- Must supply a copy of their green bar-coded **ID book** or **birth certificate**.
- Must **start studying** by the time he or she is **35 years old** and at a **public** college or university that works in partnership with the National Student Financial Aid Scheme (NSFAS).

How much do you need to save?

- You can save a **minimum** of **R40 a month**.
- You can also put in a **single minimum amount** of **R40** or more if you have it, at anytime.
- The best way to save is by a **monthly debit order**.
- Remember that although you can save as much as you like in your account, only the first R2400 each year will qualify for the bonus.

How will my Fundisa Fund account grow?

- Your money buys **income unit trusts**.
- These unit trusts invest in **government bonds** and **bank deposits**. You will get interest (income) and extra growth from these investments over time.
- You will also get the **bonus** or extra money to add to the money you have saved.
- You will be sent a **statement once a year**, showing how much you have saved and the amount of the bonus that you have been rewarded with.
- You can see how much your Fundisa Fund **saving has grown** by looking at the **unit trust prices** in the **newspaper**. The unit price of the Fundisa Fund must be multiplied by the number of units you own – you will see how many units you own on your statement.