

# DISCOVERY TAX-FREE FLEXIBLE INVESTMENT PLAN



The formula for  
successful investing

## PLANNING FOR YOUR FUTURE

Saving is an important part of planning for your future. The Income Tax Act now allows financial institutions to offer a tax-free savings account to investors. This means that any growth on the amount invested in your tax-free savings account will attract no tax.

You can invest up to R30 000 a year, or R2 500 a month with a lifetime limit of R500 000. With the tax efficiency of Discovery's new Tax-free Flexible Investment Plan, all the tax you would traditionally pay on investing is reduced to zero.

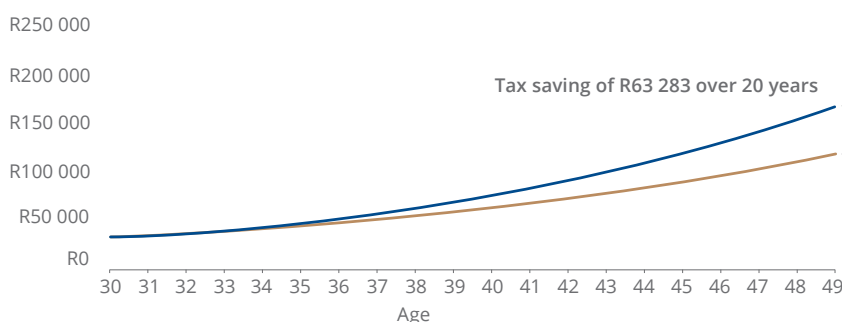
## HOW MUCH YOU NEED TO START INVESTING IN A DISCOVERY TAX-FREE FLEXIBLE INVESTMENT PLAN

With the Tax-free Flexible Investment Plan, you can make a lump-sum investment of R30 000, or a minimum recurring investment of either R850 per month or R10 200 per year.

## THE TAX-FREE FLEXIBLE INVESTMENT PLAN IN ACTION

The graph on the right shows the potential saving you could receive, as a result of the tax-free growth, when investing in the Tax-free Flexible Investment Plan. It compares the growth over a 20 year period, of an investment in the Tax-free Flexible Investment Plan with the growth of a taxable investment.

## TAX-FREE VS TAXABLE INVESTMENT



**Assumptions:** 15% dividend tax, 13.3% capital gains tax, 40% marginal tax rate, R30 000 lump sum investment, 53% equity and 47% cash, investment return before tax of 10%

These assumptions are for illustrative purposes only and are not an indication of future returns or fund values.

— Tax-free Investment — Taxable Investment

## INVESTMENT OPTIONS

A comprehensive range of funds are available in our Tax-free Flexible Investment Plan to cater to your needs and risk profile. This includes both Discovery's own funds as well as a range of externally managed funds.

## UNDERSTANDING THE FEES YOU NEED TO PAY

There are no initial fees payable for the lump-sum and recurring Tax-free Flexible Investment Plan. Discovery Invest charges an annual administration fee of 0.35% p.a. + VAT on Discovery Funds and 0.55% p.a. + VAT on externally managed funds.

These fees will be divided by 12 and deducted monthly. You will also pay an annual fund management fee depending on the fund you choose.

Your financial adviser may charge initial and annual fees for advice and ongoing servicing of your plan.

Discovery Invest

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