



Referring to who will remain standing when markets crash or under-perform over long periods, legendary investor and billionaire Warren Buffet famously quipped:

"Only when the tide goes out do you discover who's been swimming naked."

Why Itransact?

Itransact makes investing simple and easy by offering investors, advisors and employers a wide range of structured investment products at the lowest possible costs; all in one convenient place.



Protected Funds



Structured Notes



Linked Endowment

What we offer

Introducing a new breed of low cost structured investment products.

Protected funds

Safeguard traditional unit trust funds when markets decline and participate in unlimited growth when markets go up.

How do protected funds work?

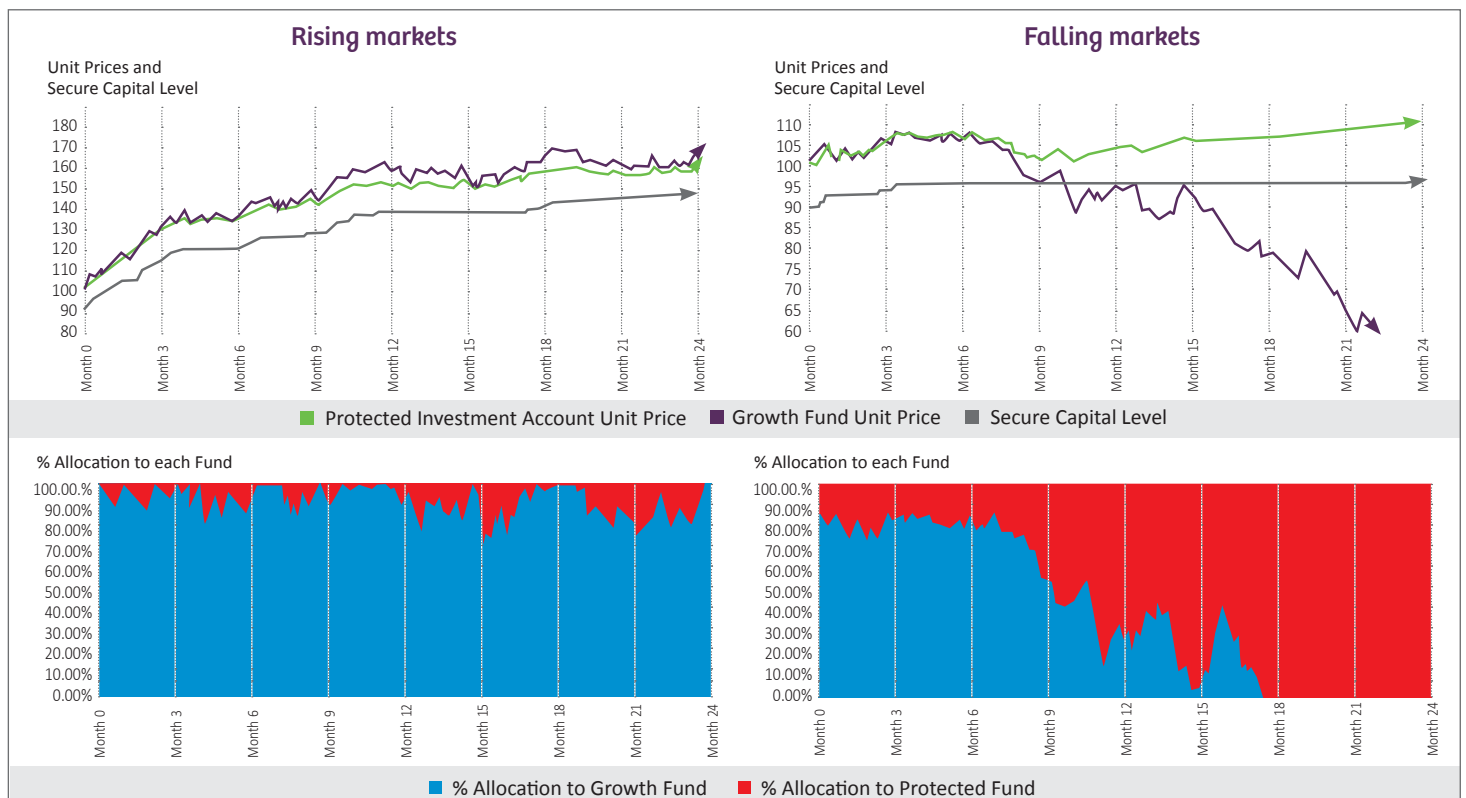
The protected fund comprises three components:

- 1 Growth component consisting of one or more unit trust funds selected by the investor;
- 2 Protected component consisting of a money market fund selected by the investor; and

- 3 Secure capital protection component provided by an investment grade bank.

Protect up to 90% of your unit trust. A dynamic algorithm will automatically rebalance your unit trust between the growth and protected component by responding to the daily price of the unit trust.

If the value of the unit trust falls to such an extent that the protected fund falls below the chosen protection level, the secure capital protection component (hedge) will immediately kick in returning the growth fund back to its chosen protection level.



Source: Absa Capital. For illustrative purposes only.

Investment strategy: Invest with confidence in uncertain markets by protecting your capital and capturing positive returns when direct investments in the market would have produced losses.

Structured notes

Structured notes are capital protected securitised instruments that track one or more global market indices from the world's leading economic zones providing investors with powerful tailor made investment solutions over a fixed term, usually three to five years.

How do structured notes work?

Part 1 (Return of initial capital)

A portion of your investment is used to purchase a bond that will guarantee your initial capital back at maturity no matter what the markets do.

Part 2 (Investment growth)

The remaining portion of your investment is exposed to an underlying index to capture positive market returns over the term of the investment.

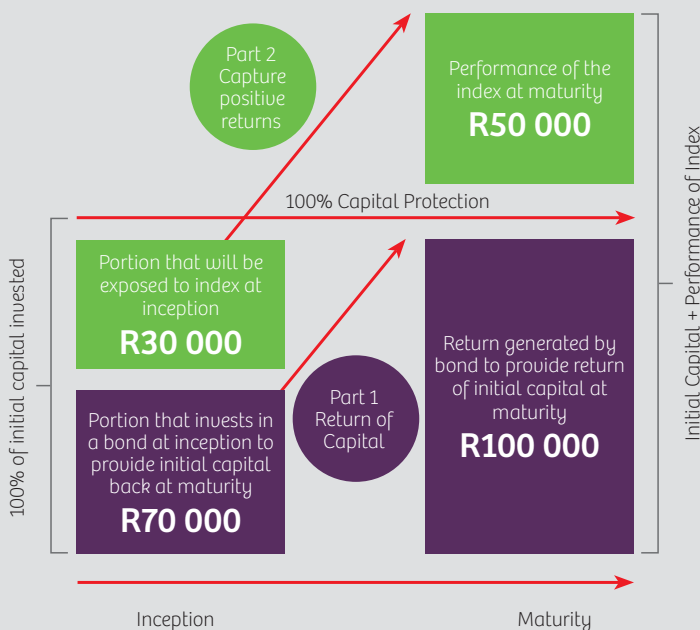


Illustration:

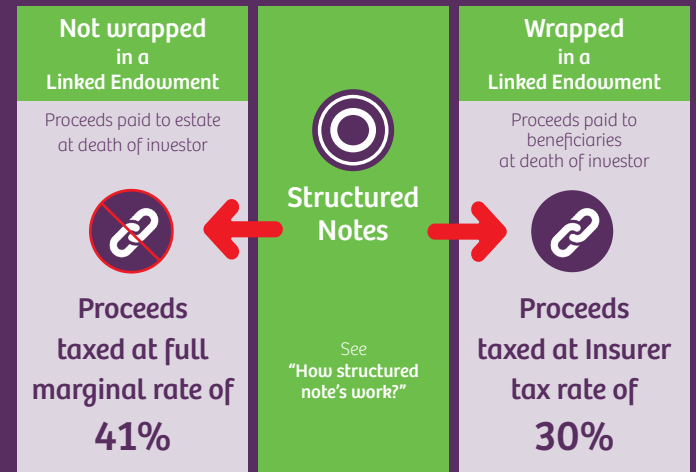
R100 000 invested over 5 years with full capital protection where 30% of initial capital is exposed to an underlying index (such as the S&P 500) which provides a cumulative return of 50% at maturity.

Structured products offer retail investors easy access to highly customized institutional grade risk-return strategies.

Speak to your financial advisor or visit www.itransact.co.za to find out more about our investment products.

Linked endowments

Linked endowments provide investors with certain income, capital gains tax and estate planning benefits. Investors may "wrap" certain investment products within the legal structure of a policy.



How do linked endowments work?

A life insurance company issues a basic life insurance policy without any traditional insurance benefits. Its only benefit will be that the policy is taxed at a life company tax rate which is generally lower than the tax rate of high net worth individuals. The insurer charges the investor a fee in exchange for participation in the lower tax rate.

How safe are structured investment products?

Itransact's range of structured investment products are governed by the South African Financial Sector Conduct Authority (FSCA), the Collective Investment Schemes Act (CISCA) and in the case of linked endowments, the Long Term Insurance Act making them one of the safest ways to invest.

There is no creditor risk associated with Protected Funds since the underlying investment is always a collective investment scheme. With structured notes the investor takes on the solvency risk of the bank. With linked endowments, the investor takes on the solvency risk of the insurer.

Investment minimums and maximums

- Protected funds | R1000 per month | R100 000 lump sum
- Structured notes | R100 000 lump sum only
- Linked endowment | R100 000 lump sum only

Contact us

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Itransact is an authorized financial services provider