

ROBO-ADVISOR

Terms, Conditions & Disclosures

Introduction:

Everyone deserves access to good, authentic and accurate investment advice.

The problem is that worthwhile advice takes time to research, formulate, implement and monitor. The amount of time depends heavily on the required complexity of the plan or solution. Any advice given also needs to meet regulatory requirements designed to protect the end consumer which also adds time and costs to the process.

This means advice comes at a cost and can make it seem inaccessible, especially for the 'smaller' client.

This is where robo-advisors have stepped in. Essentially they use technology (read algorithms) to automate some of the functions within the investment process thereby saving time which in turn should translate into cost savings for you.

However, even the best robo-advisor services are not a panacea. To employ them to successfully reach your goals you will need at least some financial literacy of your own and be aware of some of the potential shortcomings of this technology.

To this end we strongly recommend you read the following [article](#) which goes into some detail on the pros and cons of using a robo-advisor combined with detailed explanations on the important factors to get right when putting together an investment strategy.

The White Investments robo-advisor service is designed to combine the inputs of an experienced human advisor with the automation of innovative technology solutions to provide investors with cheaper access to good solutions for simple goals or objectives.

You get to decide what level of service you require, how much effort you are willing to invest in your own knowledge and what price you are willing to pay for any value add along the way....

Main benefits of a combined service:

- Genuinely low initial and ongoing cost structures.
- Simple to set up.
- Human assistance to ensure your plan is accurate and targeted at the outset. (Manage your inputs to avoid "Rubbish in means rubbish out" which leads to poor future outcomes)
- Human assistance to walk you through the set-up and application process.
- Someone to touch base with and ask questions in the future when questions arise over any aspect of the objective you have employed the robo-advisor to manage.

- You are not on your own. Simply trusting a robot has its challenges that's for sure.

Why combine a Robo-advisor with a human advisor:

- A human advisor can plug the gaps between your financial knowledge, the robo-advisors capabilities and successful future financial outcomes while cutting out on time consuming tasks which will be handled by the technology aspect.
- We can help you understand and ascertain if a robo-advisor service is suitable to your needs.
- We can help you understand what the robo-advisor does (and by definition does not do).
- We can help you set up your solution on the robo-advisor platform.
- We can help you identify your target and appropriate contributions to get you there. (A sanity check on your starting point).
- We can help you to understand the strategic link between your time horizon (time until your objective), contributions made, risk profile chosen and returns expected.
- We can help you understand the tax efficiency of your options under the robo-advisory offering.

What solutions this service is MOST suitable for:

- You have a single, simple long-term investment objective.
- You want to contribute regularly.
- You will not have any foreseeable income requirements (withdrawals or cash outflows).
- Your strategy is unlikely to change meaningfully over the foreseeable future.

What solutions this service is LESS suitable for:

- Combining a number of investment goals into one single comprehensive plan
- Operating investment solutions that require cash-flow management, such as regular income distributions, where source and sequence of returns becomes important. (Example: Draw-down strategies post retirement)
- Complex mandates with specific investment preferences or restrictions (Example: exclusive offshore portfolios, impact and socially responsible investing)

Fees:

The Sygnia Robo-advisor service charges an ongoing fee of 0.50% of the value of your portfolio (inclusive of VAT). This includes the investment management, platform or admin, transaction costs and discretionary management charges.

White Investments charges an initial fee to set up the service. This is charged at our standard hourly rate, details of which are available on request. If you provide the correct information we ask for and use this service for single simple objectives this should not exceed an hour.

White Investments also charges an ongoing fee of 0.25% (ex VAT). This is to keep our advice service available to you to cover any questions you have about the specific service or goal we have set the advisor up for.

What does the 0.25% fee amount to in Rand terms for you?

Monthly Contribution Levels	Fees charged on a cumulative basis over these time periods				
	1 year	2 years	3 years	4 years	5 years
R 500.00	R 8.13	R 31.25	R 69.38	R 122.50	R 190.63
R 1,000.00	R 16.25	R 62.50	R 138.75	R 245.00	R 381.25
R 2,000.00	R 32.50	R 125.00	R 277.50	R 490.00	R 762.50
R 3,000.00	R 48.75	R 187.50	R 416.25	R 735.00	R 1,143.75
R 4,000.00	R 65.00	R 250.00	R 555.00	R 980.00	R 1,525.00
R 5,000.00	R 81.25	R 312.50	R 693.75	R 1,225.00	R 1,906.25
R 10,000.00	R 162.50	R 625.00	R 1,387.50	R 2,450.00	R 3,812.50
R 20,000.00	R 325.00	R 1,250.00	R 2,775.00	R 4,900.00	R 7,625.00

* Calculated based on the cumulative contributions without investment returns.

Please note any consultations outside of the scope of the initial objective are certainly an option but will be charged for at the prevailing hourly rate.

Your combined total costs are likely to fall below the 1.0% per year level. This is a very attractive fee structure which you can use to compare against your existing plan.

Remember, the best way for you to eliminate investment advisory fees is to educate yourself, build up a sufficient level of financial literacy and get comfortable with the processes, skills and discipline required to manage your own investments and future outcomes.

Other Important disclosures:

We use the Sygnia Robo-advisor to bring you this service. By definition this means that the underlying funds will be those of Sygnia Asset Management, that is to say not independent. [See frequently asked questions.](#)

You will be required to sign a discretionary mandate with Sygnia. This will allow Sygnia the discretion to manage your assets on your behalf, including decisions on which investment funds, investment managers and custodians to use.

Your formal written record of advice will be supplied by the robo-advisor and based on the inputs that you and White Investments provide.

The day-to-day administration, monitoring, re-balancing and investment management is carried out by the Sygnia Robo-advisor. The specific financial service providers that may be involved in this service include:

Sygnia Financial Services (Pty) Ltd FSP 44426

Sygnia Asset Management (Pty) Ltd FSP 873

Sygnia Life Limited FSP 2935

White Investments will not report back to you, adjust your strategy or follow up independently with you over the life of your investment solution. You will have access to your portfolio online and will receive statements and updates directly from the Robo-advisor through the course of the year.

You can call us to discuss the investment that you are specifically targeting and for which you are using our robo-advisor service at any time.

You remain responsible for initiating contact when your circumstances change which may require a change in your strategy. If your circumstances change you can call on White Investments to help you adjust the robo-advisor inputs where necessary.

This is not a cheaper version of White Investments full advisory & discretionary investment management service. The strategy employed, the underlying investments held and the rebalancing undertaken by the Robo-advisor can and will differ from our own discretionary investment process.

You can switch to access the full White Investments Service at any point in time. This will typically come at a higher cost including aligning the existing strategy with our own discretionary views where necessary. Please speak to us about your options in this regard.

You can access the standalone Sygnia Robo-advisor service directly by visiting the [Sygnia website](#).

White Investments reserves the right to refuse help with setting up this service for any strategy, person or entity that we believe the service is not appropriate for.

White Investments is in no way affiliated with Sygnia and remains a completely independent financial service provider. The ongoing use of the Sygnia Robo-advisor implies we are happy with the process, funds and service provided by Sygnia only for the specific goals or objectives we have consulted on.

Sygnia does not endorse White Investments as a financial service provider to use in conjunction with their robo-advice service. Equally they have no input into how or what we deem is appropriate use of the service.

White Investments does not receive any remuneration (either monetary or via soft commissions) from the Sygnia Group for promoting the use of this service.

White Investments ongoing fee will be deducted from your account and paid to us via the Sygnia Robo-advisor platform.

White Investments retains accountability for the advice provided when setting up or formally adjusting the investment solution over the full life of the investment.

PLEASE NOTE : The information contained in this document is purely for informational purposes only and does not constitute advice. Please consult with White Investments before making any decisions on the basis of this information.

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