



## FINANCIAL SERVICES GUIDE

The information in this Financial Services Guide ('FSG') is specific to the financial services provided by ACNS Capital Markets Pty Ltd (ABN 93 088 503 208) AFSL no. 279099 trading as Alto Capital ('Alto').

### Introduction

Our FSG is designed to assist you in deciding whether to use any of the services provided by Alto. It explains the services and financial products we can offer to you. It describes how we are remunerated for our services, our professional indemnity insurance and how we handle any complaints you may have.

If you choose to use our services, you may also receive from us a Product Disclosure Statement ('PDS') and/or a Statement of Advice ('SOA'). To invest in any financial products, you must also consider any Target Market Determination ('TMD') provided, complete the application form attached to the relevant PDS. The PDS contains information about the product and will assist you in making an informed decision about that product.

When we commence providing you with personal financial product advice rather than general financial product advice, we will give you a SOA. Personal financial product advice is advice that considers one or more of your objectives, financial situation or needs. The SOA will contain the advice, the basis on which it is given and information about fees, commissions and any associations which may have influenced the advice.

When providing you with ongoing advice and services, in circumstances where there have been no changes in your objectives, financial situation or needs since the time we provided you an SOA, and where there has been no change in the basis of the advice we provided you, we will create and retain a Record of Advice ('RoA') for a period of seven years. You may request a copy of that advice at any time during that period.

### Not Independent

We are not independent, impartial or unbiased within the meaning of the Corporations Act because as we may receive commissions for certain transactions, volume bonuses and or may receive gifts or benefits.

### Services provided by Alto

Established in 2004, Alto is authorised by its Australian Financial Services ('AFS') licence to provide the following services to retail and wholesale clients:

- Provide both general and personal financial product advice
- Deal in a financial product

We provide advice and deal in relation to the following types of products:

- Managed Funds;

- Securities (which includes shares and some warrants);
- Derivatives;
- Standard Margin Lending Facilities
- Superannuation Products;
- Basic Deposit Products;
- Underwriting:
  - managed investment schemes; and
  - an issue of securities.

Alto has engaged specific third-party settlement, clearing, portfolio management and tax reporting service providers to facilitate securities and derivatives execution and settlement in support of the services Alto provides to you. Details regarding these services are provided in the respective service providers' FSG, which will outline their services, applicable disclosures and be provided to you. We do not act as a representative of any other licensee in relation to the services we provide you. Our Investment Managers act for you, within Alto's AFS license when giving advice and acting on your behalf.

#### **How can we be contacted?**

Ground Level 16 Ord Street West Perth WA 6005

Telephone: (08) 9223 9888 Fax: (08) 9221 0488

Email: [info@altocapital.com.au](mailto:info@altocapital.com.au)

Website: [www.altocapital.com.au](http://www.altocapital.com.au)

#### **How do you obtain our services?**

If you have been provided with the contact details of an Alto Investment Manager, please contact the Investment Manager directly. If you are a new client and do not have a nominated Investment Manager, please contact us on any of the modes detailed above.

#### **How may instructions be given?**

You may give us trading instructions in person, by email, by telephone, facsimile or other means as may be mutually agreed. Prior to accepting your first instruction, Alto will require you to complete Account Opening documentation that contains, among other things, the terms and conditions on which our relationship will be based. In live markets telephone instructions are preferred.

#### **Will anyone be paid for referring you to Alto?**

We do not pay or receive referral fees for clients referred to us or that we refer to others.

#### **What associations or relationships are there between Alto or any related bodies and issuers of financial products, that may be capable of influencing us in providing any of our financial services?**

Alto directors and employees may hold directorships and / or hold positions in securities and other financial products recommended to you from time to time. These positions will be disclosed at the time of making any recommendation and are recorded in a register.

Should you require advice relating to life, general insurance, other financial or credit products we are not licensed to advise or deal in, we may refer you to another licensee.

#### **How are our Investment Managers remunerated for services provided?**

Our Investment Managers are remunerated by way of a commission split from revenue earned by Alto Capital. This includes revenue earned from facilitating standard investment transactions,

including domestic and international secondary market managed fund transactions, corporate transactions, such as Initial Public Offerings (IPO's) and placements, and net fee revenue earned from funds under management (portfolio administration services). The Investment Manager commission split is up to 88%, (incl. GST), for standard investment and corporate transactions, and up to 66%, (incl. GST), for net fee revenue earned (gross fees, less managed platform fees levied by external providers) for funds under management. For example:

<b>Example: Alto Investment Manager Commission Split</b>			
1. If you buy \$2,000 worth of Telstra, then you pay the minimum brokerage of \$100.00 plus \$10.00 GST			
Transaction Value		\$2,000.00	
Brokerage		\$100.00	
GST @ 10% on brokerage		\$10.00	
<b>Net amount payable</b>		<b>\$2,110.00</b>	
2. If you buy \$45,000 worth of Telstra at a rate of 1.0%, then the following brokerage would apply:			
Transaction Value		\$45,000.00	
Brokerage		\$450.00	
GST @ 10% on brokerage		\$45.00	
<b>Net amount payable</b>		<b>\$45,495.00</b>	
FEE	GST PAYABLE	70% SPLIT	
		PAID TO ALTO	PAID TO INVESTMENT MANAGER
\$100.00	\$10.00	\$22.50	\$77.50
\$450.00	\$45.00	\$101.25	\$348.75

Where we provide retail clients with personal advice, all fees and brokerage will be disclosed in a Statement of Advice (SOA). You will also be provided with specific details in relation to each transaction carried out on your behalf by way of a Confirmation of Transaction.

### What fees & commissions will you pay?

Alto charges for its services in the following ways:

- Brokerage, when you buy or sell securities, managed funds or derivatives;
- Fees or commissions based on the value of funds to which we provide advice; or
- Commissions based on certain financial products.

### Brokerage

Alto receives brokerage fees for transactions conducted on your behalf. All fees, brokerage and commissions referred to below, are inclusive of GST. Brokerage can vary depending on a number of factors. A minimum fee of \$110.00 is charged for each buy and sell transaction (including GST).

Flat rates may be negotiated with your Investment Manager, but as a guide the maximum rates are:

Transaction Value	Fee (incl.GST)
\$0 -\$5,000	2.75%
\$5,001-\$10,000	2.20%
\$10,001 -\$45,000	1.65%

\$45,001 and above	1.10%
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For example, if you buy \$10,000 worth of CBA, the following fee could apply:

Transaction Value	\$10,000.00
Fee (\$10,000 x 2.0%)	\$200.00
GST of 10% on brokerage	\$20.00
<b>Net amount payable</b>	<b>\$10,220.00</b>

### Portfolio Management Fees

Alto Capital offer comprehensive portfolio management and administration service solutions suitable for all investors. Management fees are based on a percentage of the value of investments in your account (including cash and term deposits).

Current management fees are noted below and an applicable, Option, A or B agreed upon with you as follows:

#### Option A: Tiered Fee Schedule

Value of Clients Investments	Admin Rate (incl GST)	Adviser Management Rate (incl GST)	Total Rate (incl GST)
\$0 - \$250,000	0.413%	0.577%	0.99%
\$250,001 - \$500,000	0.347%	0.403%	0.75%
\$500,001 - \$750,000	0.292%	0.258%	0.55%
\$750,001 - \$1,000,000	0.220%	0.180%	0.40%
\$1,000,001 - \$5,000,000	0.149%	0.101%	0.25%
Greater than \$5,000,000	0.033%	0.217%	0.25%

#### Option B: Flat Dollar Adviser Management Fee

(must be applied when a Portfolio includes a leveraged product)

A flat fee can be negotiated between you and your Investment Manager, subject to approval by Alto Capital's Management. This will be disclosed to you when we know what it is.

A minimum monthly fee of \$110.00 (incl GST) is charged per managed portfolio in any case.

#### Off Market Securities Transfers

Each buy and sell transaction may be charged at a minimum rate of \$110.00 (inc. GST).

#### International Listed Securities

Transactions in international securities are typically subject to a fee of 2.2% (incl. GST) with a minimum of \$220.00 (Incl. GST) being charged for each buy and sell transaction plus the commission charged by the agent who undertakes the transaction. Certain transactions will be subject to a custodian fee dependent on the exchange where the transaction occurs. These additional fees will be confirmed with you prior to accepting an order in these securities.

#### Placements / Initial Public Offerings

Alto may receive fees from an issuing company when Alto lodges your successful application for investments in new issues. Details of the fees are provided at the time Alto sends you the relevant prospectus or offer document and your SOA but typically range from 1.1% to 6.6% (Incl.GST) of the capital raised from each client.

### **What to do if you have a complaint?**

If you wish to complain about our services, you can either discuss the matter with your Investment Manager or contact our Compliance Director on (08) 9223 988. We will acknowledge receipt of your complaint immediately and attempt to resolve it within 30 days. In resolving your complaint Alto will, if necessary, liaise with the specific Settlement and Clearing Provider Customer Service Team on your behalf and endeavour to find a quick and fair solution to your complaint.

We are a member of the Australian Financial Complaints Authority (AFCA). AFCA is an external dispute resolution scheme that provides fair and independent financial services complaint resolution that is free to consumers. If an issue has not been resolved to your satisfaction, you can lodge a complaint with AFCA.

Any decision AFCA makes is binding on us, but not on you. You can contact AFCA at [www.afca.org.au](http://www.afca.org.au), [info@afca.org.au](mailto:info@afca.org.au) or (freecall) 1800 931 678. You can also write to AFCA at:

Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

### **Professional Indemnity Insurance**

Alto has Professional Indemnity Insurance in place, which covers us and your adviser for any errors or mistakes relating to our financial planning services. This insurance meets the requirements of the Corporations Act and covers the services provided by your Investment Manager, after they cease working with Alto, provided we notify the insurer of the claim when it arises, and this is done within the relevant policy period.

### **How we protect your privacy**

Alto is committed to ensuring the privacy of the personal information provided by customers in connection with the services Alto provides. In order to comply with the requirements of the Privacy Act, Alto is required to advise clients that they hold personal information about them.

We collect information for the purpose of providing clients with financial services including, but not necessarily limited to:

- Providing information on products and services we feel may be of interest to you;
- Providing consolidated reports on investments;
- Preparation of SOA's;
- Reviewing clients' SOA's;
- Reviewing financial product and investment information and or recommendations; and
- Providing information as directed by you in writing, to accountants/solicitors/financial institutions.

We may from time to time disclose information about clients to other professionals, insurance providers, superannuation trustees, Government Regulatory bodies, and product issuers in connection with the purposes detailed above and or as required by law.

We do not trade, rent or sell your information Or disclose it to overseas recipients

If you request us to provide you with services or monitor your accounts via the internet while you are in the European Union (EU), you will need to provide us with written consent to do so, as you may have different rights while in the EU.

For more information about how to access the information we hold about you, how to have it corrected and how to complain, if you think we have breached the privacy law, ask us for a copy of our Privacy Policy by contacting our Privacy Officer by telephone on (08) 9223 9888 or visiting our web site at [www.altocapital.com.au](http://www.altocapital.com.au) and downloading a copy.

### **Anti-Money Laundering and Counter Terrorism**

As a AFS licensee, we have an obligation under the Anti-Money Laundering and Counter Terrorism Finance Act 2006 (Cth) to verify your identity and the source of any funds. This means that we will ask you to present identification documents to meet assessment requirements such as your passport or driver's license and other documents, if applicable.

We will also retain copies of this information. In connection with providing our services to you, we may disclose the information you have provided to other professionals such as third-party settlement, clearing, portfolio management, financial institutions, superannuation trustees, product issuers and our service providers.

This FSG was prepared on 6<sup>th</sup> October 2021 (version 6.1)