

# Order Execution Policy



**TOTALITY**

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# Order Execution Policy



## 1 INTRODUCTION

This Order Execution Policy sets out the principles that we Totality Wealth Limited ("**Totality**" or simply "**we**", "**us**" or "**our**") follow to obtain the best results for our clients when executing orders, that we refer to as "**Best Execution**".

This Order Execution Policy should be read with Totality's General Business Terms and other business terms from time to time governing the relationship between the client and Totality.

When executing orders for clients, we will act honestly, fairly, professionally and in the best interests of our clients. We will take adequate steps to obtain the best possible result when executing client orders or when placing orders with, or transmitting orders to, Execution Brokers (as defined under the "Execution Brokers and Execution Venues" section below) for execution.

This Policy aims to show how we apply, monitor, and review all orders (whether on or off exchange) to achieve the best possible result for all orders for our clients in the prevailing circumstances, taking into account various factors described below.

Upon acceptance of our client's order and when there are no specific client instructions regarding the execution method, we will execute the order in accordance with this Order Execution Policy.

**If you proceed to place an order with us, we will take that as your consent to Totality executing that order in accordance with this Order Execution Policy.**

## 2 SCOPE

This Policy applies to both retail investors and wholesale investors (as defined in the Corporations Act 2001).

## 3 PROVIDING BEST EXECUTION

We determine Best Execution by taking into account the;

- **Execution Factors.** The relative importance of these factors for any particular order is determined by the Execution Criteria;
- **Execution Criteria.**

### Execution Factors

We consider several criteria of the order to obtain Best Execution. These are called the "**Execution Factors**":

- (a) Price – this is the price at which the order is executed.
- (b) Costs – this refers to any additional charges that may be incurred in executing the order in a particular way over and above Totality's standard charges, including all expenses incurred by the client which are directly related to the execution of the order such as execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.

The price and costs together are collectively known as "**Total Consideration**". Total Consideration excludes our standard charges. This is because our standard charges will be paid by the client irrespective of how the order is executed.

- (c) Speed of Execution – this is the time that it takes to execute an order.

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- (d) Likelihood of Execution – some financial instruments are traded on multiple venues comprising different prices and liquidity. However, the best price is of little use if we cannot execute the order at such price.
- (e) Likelihood of Settlement – this is the likelihood that we will be able to complete all processes necessary to effect the transaction. The best price is of little use if the transaction fails to complete.
- (f) Size of the order – the way that we execute an order that is larger/smaller than the usual market size may differ. For example, the market for fractional securities or irregular amounts of securities (e.g. 'odd lots' that are lesser than the regular trading unit) may be significantly less liquid than the market for whole securities or regular-sized lots of securities and therefore the price at which such orders are executed may be materially different from the prevailing prices for whole securities or regular-sized lots of securities.
- (g) Nature of the order – the way that we execute an unusual order (for example, one that has unusual features such as an extended or shortened settlement period) may differ from the way we execute a standard order.
- (h) Any other considerations related to the order.

## Execution Criteria

The relative importance that we attach to the Execution Factors in any particular case may be affected by the circumstances of the order. These are called the "**Execution Criteria**", they consist of:

- (a) Client Characteristics – wholesale investors may have different needs to retail investors.
- (b) The product the order relates to – For example, equities will have different Execution Factors as compared to fixed income which in turn will vary from those for foreign exchange swaps.
- (c) Transaction Characteristics – such as the potential for the transaction to have an impact on the market.
- (d) Financial Instrument Characteristics – such as liquidity and whether there is a recognised centralised market.
- (e) Execution Venue Characteristics – features of the liquidity sources available to us.
- (f) Other relevant circumstances - other considerations specific to the client's transaction. For example, the likelihood of settlement is not considered for transactions whereby Totality provides contractual settlement rather than actual physical delivery.

## Execution Brokers and Execution Venues

We may use any broker ("**Execution Brokers**") to execute a client's order. When selecting Execution Brokers, we consider the Execution Factors and Execution Criteria described above and also ensure that Execution Brokers are licensed, authorised, regulated or otherwise exempted in relation to dealing in capital markets products in its relevant jurisdiction.

Please refer to Appendix 1 for the Execution Brokers which we use (as amended from time to time).

Totality relies on the selection of execution venues and methods ("**Execution Venues**") by its Execution Brokers, which may include:

- (a) Regulated markets (for instance, exchanges and other market operators licensed in their relevant jurisdictions where participants make offers to buy and sell financial instruments);

- (b) Multilateral trading facilities (i.e. platforms that facilitate the exchange of various financial instruments between buyers and sellers);
- (c) Systematic internalisers (i.e. entities that execute orders on their own accounts as compared to executing orders on regulated markets);
- (d) Liquidity provided from the internal book of Execution Brokers (i.e. where the Execution Broker uses its own funds and assets to fulfil transactions);
- (e) Other counterparties acting as liquidity providers or market makers.

Totality regularly evaluates Execution Brokers to ensure that they consistently deliver Best Execution for Totality's clients.

## Specific Instructions

Clients may ask us to execute their orders in accordance with specific instructions, either generally in relation to all or a group of trades or on a trade-by-trade basis. This includes situations in which a client instructs us to execute an order on a particular execution venue. To the extent that we can accommodate such requests, we will do so. However:

- (a) Where a client gives us specific instructions that conflict with this Policy, we will give those specific instructions priority. This means that we may not be able to achieve Best Execution for that order.
- (b) Where the specific instructions will result in higher costs, we may reflect those additional costs in its charges to the client. In this case, we will, where possible, notify the client of its revised charges before accepting the order(s).
- (c) To the extent that there is no conflict, we will continue to abide by this Policy.
- (d) Given the discretionary nature of our asset management services, clients cannot submit specific instructions for orders in respect of such services.

## Event of Default Remedies

Where an Event of Default (as defined in our General Business Terms) has occurred on the part of a client (e.g. insufficient margin), we may in accordance with our General Business Terms seek to immediately terminate, cancel and close-out all or part of any outstanding positions. We retain discretion as to how to handle the close-out, including with respect to order execution, fill quantity, aggregation, priority and pricing.

## 4 ORDER HANDLING

### Execution of Client Orders

Totality uses automated systems to route and execute orders and Totality is dependent on its Execution Brokers for onward routing of Totality's client orders to the appropriate execution venues.

- (a) In certain circumstances, our Execution Brokers may send orders for execution at a different time-in-force from that specified by a client (although a client's instructions will be generally given effect to). For example, our Execution Brokers may submit repeated day-only orders to give effect to a good-till-cancelled order that was instructed by a client.
- (b) When an order is placed in an instrument admitted to trading on a regulated market, our Execution Brokers may publish the order to the market even if it cannot be immediately executed under prevailing market conditions. However, there could be exceptions whereby the price of the limit order is very passive relative to the own tolerance of the exchanges or Execution Brokers. In such cases the order will not be routed until the prevailing market price moves within the acceptable tolerance.

Totality undertakes to take all steps necessary to resolve any service issues by negotiation with the Execution Brokers and to take into full account the operational issues involved in any such decision.

### Monitoring, Evaluation & Changes

We continuously monitor the handling and outcomes of client's orders against the Execution Factors and Execution Criteria set out in this Policy. If we find that outcomes are not satisfactory, we will make the necessary changes to ensure that we achieve Best Execution for our clients.

### Aggregation and split

A Totality client's order may at the discretion of the Execution Brokers be aggregated with their own orders, orders of any of its associates and/or their clients. Furthermore, Execution Brokers may aggregate a client order as well as split orders where it is unlikely that the aggregating or splitting of orders and transactions will work overall to the disadvantage of any client whose order is to be aggregated or split. However, it remains possible that the effect of any aggregation or split may work to the disadvantage of any particular client in relation to any particular order.

### Information Sharing

Totality has access to and may use and provide counterparties with client information, but will only do so on an anonymous and aggregated basis. This information may include but is not limited to, your orders, positions, trade and other data and analytics (collectively, "**Anonymous and Aggregated Data**").

This Anonymous and Aggregated Data may be used for market information, analytical tools, risk management strategies for market making and liquidity provision and other Totality products and services.

The nature of any Anonymous and Aggregated Data provided to a counterparty may differ from that provided to other counterparties in terms of quantity, scope, methodology or otherwise and may be changed from time to time without notice to you.

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## Market Volatility

Market volatility impacts the handling and execution of orders. Clients should be aware of the following risks associated with volatile markets, especially at or near the open or close of the standard trading session:

- (a) Execution at a substantially different price from the quoted bid or offer or the last reported price at the time of order entry, as well as partial executions or execution of large orders in several transactions at different prices.
- (b) Delays in executing orders for financial instruments that we or the Execution Brokers must send to external market makers and manually routed or manually executed orders.
- (c) Opening prices that may differ substantially from the previous day's close.
- (d) Rules specific to an particular exchange or instrument, which may prevent the execution of client orders.

When there is a high volume of orders in the market, order imbalances and back logs can occur. This implies that more time is needed to execute the pending orders. Such delays are usually caused by the occurrence of different factors:

- (a) the number and size of orders to be processed;
- (b) the speed at which current quotations (or last-sale information) are provided to us and other firms; and
- (c) the system capacity constraints applicable to the given exchange, as well as to us and other firms.

## Orderly Markets

We are obliged to take necessary steps to maintain an orderly market, and so operate order filters. Exchanges and regulators require brokers to impose various pre-trade filters and checks to make sure that orders are not disruptive to the market and do not violate exchange rules.

Exchanges also apply their own filters and limiters to orders they receive. These measures can result in delays of order submission and execution and may also result in cancellation or rejection. We may offer to clients order types and combinations of order types not supported by an exchange or third party brokers and we reserve the right to impose filters and limiters on orders and will not be held liable for any effect of these whether implemented by us or the exchange. One example is if the exchange does not support a market order type, in this case we may translate a client's market order to an aggressive limit, use an algorithm to trade the order, or use an alternative method in order to try and obtain an execution whilst maintaining an orderly market. This could result in a market order not being filled.

Cash equity securities and CFDs on equity markets require a borrowing of the underlying instrument to be in place before a short trade can be initiated. We secure these borrowings on behalf of clients where possible. Borrowed instruments may be recalled, for example, the lender may require the return of their stock. In order to fulfil this obligation we retain the discretion to close a client's CFD short position without prior notice.

## Market Making and Risk Management

Market making and risk management activities may impact both the prices communicated to the client for a transaction and the availability of liquidity at levels necessary to execute orders.

These activities may also trigger or prevent the triggering of, resting orders (orders that are waiting to execute at a certain market price), barrier options (derivatives that activate when the underlying asset reaches a certain price), vanilla option exercise and similar terms or conditions. We retain discretion as to how to satisfy competing interests, including with respect to order execution, fill quantity, aggregation, priority, and pricing.

## 5 REGULAR REVIEW

Totality reviews this Policy annually and whenever a material change occurs that affects our ability to obtain the best possible result for the execution of client orders.

Totality regularly reviews the overall quality and effectiveness of its order executions and its order routing practices, including its order routing vendors and the available exchanges. Totality will assess the fairness of the price proposed to the client, by gathering market data used in the estimation of the price of such product and, where possible, by comparing with similar or comparable products. We will amend this Policy based on such reviews if we consider it to be necessary. Revised versions of the Policy will be made available on our Website and will be in force from publication.

## About Totality's Charges

We charge for our services. These may vary depending on factors such as the service we are providing to the client; the way they are used; and the pricing plan that the client has agreed to. Details of our charges are available on our Website.

Where we provide liquidity from an Execution Broker's internal flow aggregation book, we will provide the client with a two-way dealing price. In normal circumstances, the difference between the bid price (at which we are willing to buy) and the ask price (at which we are willing to sell) will constitute part of the charges for the service we provide.

For the purpose of assessing whether we have achieved Best Execution, we will not take our standard charges that apply to a client's transactions into account, irrespective of the venue at which they are executed.

We will, however, take account of any charges levied by a third party or incorporated into prices provided to us to reflect cost differentials of dealing at different execution venues.

## Dealing On Totality Quotes

When trading over the counter (OTC) financial instruments, clients are trading on Totality's price. There are several factors that can be used to construct a price, and these will vary depending on the asset class traded, nature of the market and the characteristics of the transaction and any special market or credit risks posed by it. Totality applies a standardised method of calculation for these types of instruments to ensure that the price it is offering at any given time is always fair, and is the best price it can obtain on the client's behalf. In ensuring Best Execution for these types of instruments, Totality will monitor the calculation method to ensure that it is always applied consistently.



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Totality will check the fairness of the price proposed to the client, by gathering market data used in the estimation of the price of such products and, where possible, by comparing with similar or comparable products.

## More Information

Clients can [contact](#) us to find out additional information about the Order Execution Policy.

## APPENDIX 1

Name
Saxo Bank A/S
Openmarkets Australia Limited