

Product Disclosure Statement - Futures



TOTALITY

Product Disclosure Statement - Futures



1. **About this PDS**

- 1.1 This Product Disclosure Statement (**PDS**) was prepared by Totality Wealth Limited (ABN 32 110 128 286, AFSL 280372) (**Totality, us, we, our**), as the issuer of the Futures offered under this PDS.
- 1.2 Totality is licensed and regulated by the Australian Securities and Investments Commission (**ASIC**) and is authorised under its Australian financial services licence (AFSL 280372) to issue and distribute the products described in this PDS.
- 1.3 This PDS is designed to help you decide whether Futures described in this PDS are appropriate for you. You may also use this PDS to compare the Futures with similar financial products offered by other issuers.
- 1.4 This PDS describes the key features of our Futures, their benefits, risks, the costs, fees and charges for trading in Futures, and other related product information. Futures are sophisticated financial products, so you should read this PDS, the Financial Services Guide (FSG), the General Business Terms, and any other related Disclosure Documents in full before making any decision to trade in them. Some expressions used in this PDS have definitions given in the Glossary at the end of this PDS (see Section 18).
- 1.5 Unless stated otherwise, all amounts stated in this PDS are in Australian Dollars.

How to contact us

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- 1.6 We may update this PDS from time to time where that information is not materially adverse to clients. Such updated information (if any) will be available on our Website. We may also issue a supplementary or replacement PDS at any time, which will also be available on our Website or distributed to you electronically.
- 1.7 In the event of any inconsistency between the provisions of this PDS and the General Business Terms, the General Business Terms shall prevail to the extent of such inconsistency.

Availability of Totality Products

- 1.8 Futures offered under this PDS are available to persons receiving this PDS in Australia. The distribution of this PDS in jurisdictions outside of Australia may be subject to legal restrictions. Any person who resides outside of Australia who gains access to this PDS should comply with any such restrictions that apply to them in relation to trading in Futures, and failure to do so may constitute a violation of financial services laws. The offer to which this PDS relates is not available to USA residents.

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General Advice Warning

- 1.9 The information in this PDS is general information only and does not take into account your personal objectives, financial situation or needs. If you require any personal financial product advice, you should contact a suitably qualified financial adviser. This PDS does not constitute a recommendation or opinion that any Futures are appropriate for you

2. Trading with our External Broker

- 2.1 As mentioned above, we offer Futures through our arrangements with our External Broker.
- 2.2 We have an account with our External Broker and, when you place an order to trade in Futures with us, we pass that order to our External Broker to execute or arrange for a market participant to execute on the relevant exchange. The External Broker treats Totality as its client and we, in turn, treat you as our client and hold the resulting Futures on your behalf, in our account with the External Broker. To the extent the External Broker is not a member of the relevant exchange the External Broker may appoint an external broker to execute the transaction.

3. Futures

- 3.1 A Futures is an exchange traded derivative that allows clients to speculate on the change in the value of an underlying asset, e.g. shares, indices, commodities, or interest rates and other asset types. It is a standardised contract between two parties to exchange a specified asset of standardised quantity and quality for a price agreed today (the futures price or the strike price) with delivery occurring at a specified future date: the delivery date.
- 3.2 The contract specifications of a Future, including the underlying reference asset, the contract size and the expiry date, are set by the relevant exchange on which the Future is traded. The contract specifications of Futures that are offered via our Platform can be viewed on the Platform.
- 3.3 This document is intended to apply to any Futures traded on a computer-based exchange unless otherwise indicated. There may, however, be differences in procedures and regulations of markets from one country to another and one exchange to another.
- 3.4 The party agreeing to buy the underlying asset or instrument in the future, the "buyer" of the contract, is said to be "Long", and the party agreeing to sell the asset or instrument in the future, the "seller" of the contract, is said to be "Short". The terminology reflects the expectation of the parties – the buyer hopes or expects that the asset/instrument price is going to increase, while the seller hopes or expects that it will decrease.
- 3.5 Examples of underlying assets or instruments for Futures include:
- (a) a specified amount of a security, such as shares in a company or government bond;

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- (b) a financial instrument, such as a bank bill;
- (c) an index, such as the ASX SPI 200; or
- (d) a commodity of a given grade or quality, such as crude oil or gold.

- 3.6 Futures can be traded on Australian and overseas exchanges. Contract specifications for particular Futures can generally be found on the website of the relevant exchange.
- 3.7 For further information concerning Futures traded on the ASX24 you are referred to the ASX website at <http://www.asx.com.au/products/index-derivatives.htm>, where information regarding the various ASX Futures can be downloaded.
- 3.8 For a list of the main exchange websites where contract specifications for Futures will be located, please visit totality.com.au
- 3.9 Before trading any Future, you should familiarise yourself with the relevant underlying instrument or asset for the contract.

4. **Expiry (maturity) of Futures**

- 4.1 Every Future has a specified maturity date determined by the relevant exchange.
- 4.2 Futures may be long dated, with maturity dates up to several years in the future. Part of the standardisation of Futures is that the contract maturity dates follow a predetermined cycle. For example, in the SPI 200 Futures contract traded on the ASX, there are Futures maturing only in March, June, September or December.
- 4.3 At maturity, the parties to a Future may be required to deliver or take delivery of the underlying asset/instrument at the time specified in the contract, where the contract provides for this. Alternatively, the contract may provide for a cash adjustment to be made, based on a change in the price of the underlying asset/instrument.

Totality does not support physical delivery

- 4.4 Totality does not support physical delivery of the underlying instrument on expiry of a Future. Therefore, we advise clients to take note of the expiry date and first notice dates (**FND**) of any deliverable Futures, as specified on the Platform, in which they have positions and ensure they are closed before the appropriate day, as described below. For some contracts the FND which we utilise could be several days earlier than the FND provided by the relevant exchange. Totality may bring forward the FND where it determines (acting reasonably) that there is insufficient liquidity in the contract to support later close out.
- 4.5 If the FND is before or equal to the expiry date, positions need to be closed the day before the FND. If the maturity date is before the FND positions need to be closed no later than on the maturity date. After this point, Totality will close the position at our discretion.
- 4.6 If deliverable Futures are not closed before the FND, Totality will close the position on the client's behalf at the prevailing market rate on or after the expiry time specified on the Platform. Any resulting costs, gains or losses will be passed on to the client.

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4.7 If you require any assistance or clarification regarding the maturity of Futures, please contact Totality or review the Futures specifications available on the Platform. .

5. **Futures are standardised**

5.1 Futures with the same underlying instrument/asset with the same maturity date are standardised and interchangeable. This means they can be closed out against an opposite position in the same contract. In other words, a trader who has bought a given Future can cancel the position by selling the same contract. The net result is that the trader no longer holds a position. Similarly, a trader who has sold a given Future can close out the position by buying the same contract.

5.2 A consequence of contract standardisation is that the price is the only factor that remains to be determined in the marketplace. On the ASX, Futures are quoted and traded on an electronic trading platform, which provides a system of continuous price discovery during market trading hours. This means that the price at which trades take place may continually change throughout a trading session. Most international derivatives exchanges also provide electronic trading platforms for futures trading.

5.3 In each case there will be a profit or loss equal to the difference between the buying and selling prices multiplied by the standard contract amount minus any transaction costs. In practice, the vast majority of Futures are offset in this manner ahead of the contract's maturity date, the remainder being fulfilled by delivery or cash settlement at maturity.

6. **The role of the clearing house**

6.1 Derivatives exchanges will generally have a clearing house. For example the clearing house for the ASX24 Futures market is ASX Clear (Futures) Pty Limited, a wholly owned subsidiary of the ASX.

6.2 Clearing houses clear and settle Futures executed on the exchange. The primary role of the clearing house is to guarantee the settlement of obligations arising under the Futures registered with it.

6.3 When a Futures transaction is registered with the clearing house, it is novated. This means that the market contract between the two brokers who made the trade is replaced by one contract between the buying broker (or its clearing participant) and the clearing house as seller; and one contract between the selling broker (or its clearing participant) and the clearing house as buyer. In simple terms, the clearing house becomes the buyer to the selling broker, and the seller to the buying broker.

6.4 The clearing house will never deal directly with you, rather the clearing house will only ever deal with clearing participants or where you are not trading through a clearing participant, your clearing broker.

6.5 The clearing house ensures that it is able to meet its obligations to clearing participants by calling initial margin and variation margin . The clearing participant, in turn, calls margin from its client, Where Totality is required by its External Broker or its clearing participant

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to pay margin in respect of your Futures positions, Totality will, in turn, call margin from you (which will form part of your Margin Requirement).

- 6.6 Generally your Futures (and those of other clients) will be held separately from Futures entered into by Totality on its own account. If Totality were to default on its obligations in respect of its own contracts, your Futures will not be used to meet Totality's default.
- 6.7 Because of the system of registration and novation referred to above, closing out can be achieved without going back to the original party with whom the Future was traded.
- 6.8 When the existing buyer sells to close out their position, the sale transaction is registered with the clearing house in the manner described above.

7. **Benefits of trading Futures**

- 7.1 We summarise the potential benefits of trading Futures below.

- (a) Standardisation

As discussed above, as Futures are standardised and therefore interchangeable, you may through the derivatives exchange open and close positions, depending on the liquidity of the market in the relevant contract.

- (b) Risk management

Through the process of novation and margining, the clearing house assumes and manages the risks of Futures positions entered into on the derivatives exchange. This reduces counterparty risk in a way which is not available in OTC derivatives transactions. Your broker has confidence that the other side of the Future will be honoured, and Totality (and therefore you) will not be subject to risk that the counterparty to the original Future may default in their obligations under the Future.

- (c) Hedging

You can use Futures to hedge exposure you may have to the underlying asset/instrument.

- (d) Speculation

You can use Futures to speculate on market movements. Futures allow you to gain exposure to a particular underlying asset/instrument without the need to buy or sell the underlying asset/instrument itself.

- (e) Range of market positions and strategies

You can potentially profit both from rising and falling markets depending on the strategy you have employed. Through the use of Futures, you can tailor your strategies to suit almost any market view.

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(f) Leverage

Futures generally involve a high degree of leverage. Futures enable you to outlay a relatively small amount of money (in the form of initial margin) to secure an exposure to the underlying instrument.

This leverage can work against you as well as for you. The use of leverage can lead to large losses as well as large gains.

8. **Significant risks of trading Futures**

8.1 The risk of loss in trading in Futures can be substantial. You should consider whether trading is appropriate for you in light of your financial circumstances, degree of financial knowledge and experience, situation and needs. In particular, you should be aware of the following matters:

(a) Leverage increases the risk of loss

A relatively small market movement can lead to a proportionately much larger movement in the value of your position due to leverage, and this can work against you and magnify your losses. You may sustain a total loss of the funds that you deposit with us to establish or maintain a position. You may incur losses beyond the amounts that you lodge with us. You should not risk more funds than you can afford to lose.

(b) Margining

If the market moves against your position, you may be required, at short notice, to deposit with us additional margin to maintain your position. Those additional funds may be substantial. If you fail to provide those additional funds within the required time, your position may be closed out at a loss and you will be liable for any shortfall in your account.

(c) Close out risk

We may close out your positions in certain circumstances, as set out in our General Business Terms (including, for example, if you fail to have sufficient collateral supporting your positions therefore reach or exceed 100% margin utilisation). In addition, an External Broker may close out positions that we hold for you on your behalf.

(d) Market risk

As leveraged financial products, the value of positions, and your ability to open and close positions, is highly dependent on the liquidity on, and volatility of, the market operated by the relevant Exchange. This means the value of your positions can

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fluctuate significantly, and there is the risk that you may not be able to close out open positions at the time or price you would prefer or wish.

(e) Liquidity Risk

Under certain market conditions, it could become difficult or impossible for you to close out a position and the relationship between the prices of Futures and the underlying market may be distorted or affected. Examples of when this may happen are:

- (i) If there is a significant change in the price of the underlying instrument over a short period of time;
- (ii) If there are insufficient willing buyers or sellers, in either the Futures market or the underlying market; or
- (iii) If the Futures market is suspended or disrupted for any reason.

Similarly, events such as these in relation to the market for the underlying instrument may make it difficult for you to hedge or maintain your exposure under an Future position.

(f) Foreign exchange risk

If you trade in Futures denominated in currencies other than Australian Dollars you may lose money due to exchange rate fluctuations. These may be in addition to any losses on the Future itself. Foreign currency conversions required for your account can expose you to foreign exchange risks between the time the transaction is entered into and the time the relevant conversion of currencies occurs. Foreign exchange markets can change rapidly. This exposes you to potentially adverse changes in the value of your account which can be large (depending on foreign exchange rates) and volatile.

(g) Systems risk

We cannot guarantee that your use of the Totality Platform will be free of error. It is your responsibility to ensure that you have a stable internet and that you avoid trading where you are experiencing network issues. You and Totality are also exposed to the risk of system failures by our External Broker, its clearing brokers, relevant exchanges and their clearing houses. System risks are an inherent risk of trading in an online environment and Totality does not accept liability for system errors.

(h) Market emergencies and disruptions

You may incur losses that are caused by matters outside Totality's control. For example, a regulatory authority exercising its powers during a market emergency

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may result in losses. A market disruption may mean that you are unable to deal in a Future when desired, and you may suffer loss as a result. Common examples of disruption include the "crash" of an exchange electronic trading system, fire, or other exchange clearing house emergencies.

(i) Discretionary powers of exchange and clearing house

The exchange or clearing house could exercise discretionary powers under their operating rules in relation to the market. They have powers to declare an undesirable situation has developed in a particular Future and suspend trading.

(j) Disputes and trade cancellations

When trading is subject to dispute, the exchange may have powers to request that participants amend or cancel a trade, which will in turn result in the Future with the investor being amended or cancelled. Exchanges may also exercise discretionary powers to cancel transactions under their operating rules. These actions can affect your Futures positions.

(k) Exposure to External Broker (and clearing brokers)

We execute your orders through, and your positions are held through, our External Broker. The regulatory protections persons have when receiving services from the External Broker may differ from those which apply under Australian law when dealing with an Australian financial services licensee.

The External Broker may itself rely on executing and clearing brokers of the relevant exchanges or clearing houses, with respect to such orders and positions. Totality acts as your custodian with respect to open positions. This means that Totality and you are exposed to the risk of failure by the External Broker and/or its clearing brokers to meet their obligations to Totality (as your custodian) and to the risk of their insolvency.

The External Broker may benefit from executing transactions. Such benefits include interest charges, fees for certain services and, in certain situations, commissions or other transaction-based compensation for trades.

9. Trading Futures with us

- 9.1 Before trading in Futures, you must read and ensure that you understand the content of this PDS, our General Business Terms and any other related documents, such as the FSG and Target Market Determination, all of which are available on our Website.
- 9.2 By applying to us to trade Futures, you confirm that you have read, understood and accepted these documents and the General Business Terms for trading Futures. If your

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application is accepted, the General Business Terms will apply to each and every transaction in Futures which you enter into through us.

9.3 To assess whether you have a good understanding of the features and risks associated with Futures, and whether they are suitable for you, we may ask you for information about your previous trading experience, your knowledge of Futures or your employment status or income. All prospective clients for Futures must pass our suitability criteria. It is important that all information you provide us is true and correct.

9.4 If we accept your application, this is not personal advice, nor is it a recommendation to trade one or more Futures. You confirm that you have completed the application accurately and truthfully and will inform us of any changes to your circumstances.

10. **Margin**

Totality's Margin principles

10.1 Each Client must have a sufficient amount of margin (**Margin**) to open and maintain a Futures position (**Margin Requirement**). Margin is determined across your Trading Account as a whole.

10.2 The Margin Requirement comprises both Initial Margin and Maintenance Margin are designed to protect you against adverse market conditions, by creating a buffer between your trading capacity and margin close-out level.

- (a) Initial Margin: A pre-trade margin check on order placement, i.e. on opening a new position there must be sufficient margin collateral available on account to meet the initial margin requirement for the entire margin portfolio.
- (b) Maintenance Margin: A continuous margin check, i.e. the minimum amount of cash or approved margin collateral that must be maintained on account to hold an open position(s). Maintenance margin is used to calculate the margin utilisation, and a close-out will occur as soon as clients do not meet the maintenance margin requirement..

10.3 The minimum Margin Requirement and the timing and amount of each margin call are determined by Totality at our discretion based on a number of factors (depending on the positions in your Account), including the market price of the Underlying Instrument, the Margin required to hedge the underlying instrument, the Margin which Totality is required to pay and Totality's risk assessment of you, and any unrealised loss on your Trading Account at any point in time. Totality may in line with Margin Call Policy issue margin warnings of high margin utilisation and make a margin call if you reach or exceed 100% margin utilisation (**Margin Call**).

10.4 You must meet and maintain the Margin Requirement required by Totality at all times the required amount of Margin. If you do not maintain the required Margin at all times or you do not pay the required Margin Call called for by Totality by the required time, we may in

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our reasonable discretion reduce your exposure by closing out one, or more, or all of your open positions (including but not limited to Futures) with us without notice to you and you remain liable to pay us any remaining shortfall. If you use approved collateral to meet Margin Requirements and there is a shortfall, or you do not meet the required Margin Call, Totality reserves the right to sell the approved collateral you have applied to the extent required.

- 10.5 No one receives any substantial benefit or waiver from the Margin Requirements.

Providing Margin

- 10.6 You must have sufficient funds or collateral to cover the Initial Margin before you open a position. You must then at all times maintain the minimum amount of Maintenance Margin required by us. Separately, you must pay any further Margin we call for you to pay.
- 10.7 To provide Margin by cash you must first deposit the funds which are then credited to your Trading Account. Funds are only deemed available when your payment to Totality is cleared and booked into your Trading Account.

How is Margin calculated

- 10.8 The minimum Initial Margin for a Futures position will be set by Totality and calculated as a percentage of the full face value of the Future at the current market price (market exposure) of the transaction.
- 10.9 Owing to the volatility of the market, the amount of required Margin may change after a position has been opened in. If this occurs, Totality may call for you to pay additional Margin because your initial payment has become insufficient. Margin amounts are calculated to cover the maximum expected movement in the market at any time but will change when the market changes, so those calculations might not cover all market movements and since those Margin Requirements can change rapidly and continuously, you need to ensure your Margin utilisation is below 100% at all times otherwise you risk some or all of your positions being automatically closed out.

How Initial margin is calculated

- 10.10 When you place a new order, existing open positions and orders are included in the calculation of the Initial Margin requirement.

Initial margin requirement = New order initial margin + Sum (initial margin orders) + Sum (initial margin portfolio).

ALWAYS REFER TO MARGIN REQUIREMENTS AND INFORMATION AVAILABLE ON THE TRADING PLATFORM

How Maintenance margin utilisation is calculated

Maintenance margin utilisation is the percentage of margin collateral utilised for trading leveraged products. It is calculated as follows.

Maintenance margin utilisation = (100 x Maintenance margin reserved) / (Account value + Other collateral – Not available as margin collateral).

Automatic margin close-out

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- 10.11 Automatic margin close-out process may occur at 100% (maintenance) margin utilisation because, you will be in breach of Margin Requirements and, to comply with the margin close-out rule, we shall seek to terminate, cancel and close-out all or part of any open margin position(s), as well as cancel any open orders on margin production (if any).
- 10.12 Under the General Business Terms, your obligation to provide Margin arises from the time you have an open position. If the market moves so as to increase the minimum Margin Requirements, or Totality increases the minimum Margin Requirement, you are immediately required to increase the amount of the margin cover. Your obligation to maintain the minimum required Margin remains at all times, whether or not we contact you and whether or not you log into your Account. In other words, you will be required to provide the required Margin whether or not we call for additional Margin, and are solely responsible for monitoring your positions and providing the required level of Margin.
- 10.13 You might receive notice about Margin Requirements by email, or when you access the Trading Platform.
- 10.14 The values of your positions are ordinarily marked to market on a continuous basis, which automatically leads to corresponding changes in Margin Requirements for your Account. However, when trading on the Exchange relevant to the underlying instrument is closed, some Margin Requirements automatically increase.

Margin Warning and Call

- 10.15 Totality will notify Clients of 'Margin Calls' as their margin utilisation approaches a possible breach and/or has breached the Margin Requirement. Apart from your obligation to maintain Initial Margin, you are also obliged to meet Maintenance Margin in order to not breach the 100% margin utilisation level at any given time.
- 10.16 You should be aware that sometimes (such as in unusually volatile market conditions or where market prices fluctuate rapidly), notwithstanding that a Margin Call had been notified to you, little or no time may be afforded to you to fund your Account if your margin utilisation nears, reaches or exceeds 100% within that period, at which point Totality is entitled to reduce your exposure by closing one, several or all of your open margin position or part of an open margin position in the your Account, without assuming any responsibility towards you for such action.

Margin Close Out

- 10.17 If you have insufficient Margin in your Account to satisfy the Margin Requirement, and you do not have enough funds (including open position profits or losses and any amounts held as approved collateral) in Account to cover your Margin Requirement, we may in our reasonable discretion reduce your exposure by closing out some or all of your open positions and removing all open orders on margin product (if any), without notice to you.

Negative Account Balance (for clients with CFD and/or Rolling FX positions)

- 10.18 For all retail clients (excluding wholesale or professional investor clients) enabled for CFD and/or Rolling FX spot trading, your Trading Account cannot have a negative balance. If you hold more than one account, as the same individual client or entity, this will be an

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aggregate across all accounts held in the name of the individual account or entity. Where you hold multiple accounts for the same individual client or entity and one account reaches a negative balance, funds can be sold from the additional account held by you. It is not possible for Totality to allow your account to be forced into a negative balance as a result of a margin call on CFD and/or Rolling FX spot trading.

- 10.19 Therefore, Totality will apply Negative balance protection to your account. Note the decision can only be made once all margin position(s) held on the accounts settle, which depending on market holiday schedules could take a few days. Note that all assets linked to the margin entity are taken into consideration. This includes all stocks, bonds, mutual funds and profit/loss on listed and OTC derivatives including the value of long options. The following examples serve to illustrate in what scenarios any losses will be reimbursed and in what scenarios you will be asked to cover the loss.

11. **Client Money**

- 11.1 In accordance with the Corporations Act, monies and securities which we receive from you or our External Broker in relation to our dealing in Futures on your behalf, must be handled by us in accordance with the provisions of the Corporations Act and Corporations Regulations which govern "client money". Such money, when received by us, must (subject to limited exceptions) be paid into our segregated client money trust account and may only be withdrawn and used for purposes specified in the Corporations Act and associated Regulations.
- 11.2 We are permitted to use money we receive from you to meet your margin obligations to us and/or our External Broker, as well as to meet any other obligations which arise in connection with your dealings in Futures through us.

12. **Account termination**

- 12.1 Totality may close all of your open positions, including cancellation of any active open orders and terminate your Account in response to a range of default events and forbidden trading practices in accordance with our General Business Terms.

13. **Fees and Charges**

- 13.1 The key costs, fees and charges for the Futures are as set out in this section.

FULL DETAILS ON THE APPLICABLE COSTS, FEES AND CHARGES FOR THE TOTALITY PRODUCTS AND SERVICES ARE AVAILABLE ON OUR WEBSITE. COSTS, FEES AND CHARGES CAN HAVE A SIGNIFICANT IMPACT ON THE RETURNS MADE

Transaction Fees

- 13.2 Transaction fees for Futures (**Transaction Fees**) are commissions per contract traded. The exact commission charge will depend on the specific Future,
- 13.3 The amount charged, and the way in which it is calculated may vary depending on a range of factors, such as the type and level of service required, and the frequency and size of the Future.

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13.4 Details of the Transaction Fees are included in your Account statement. This is an online report that you can access and print upon demand and can be accessed via the Trading Platform.

13.5 Transaction Fees are applicable when opening new positions and closing existing positions.

13.6 Details of our current standard Transaction Fee are all available on the Totality Website.

Effect of fees and charges on profits and losses

13.7 It must be noted that all trades attract Transaction Fees regardless of whether you are opening a new position or closing a current position. As a result, Transaction Fees will have a marked effect on your realized profits and losses.

13.8 When closing out a profitable position, the realized profits will be reduced by the total amount of the Transaction Fee applicable for that trade.

13.9 When closing a losing position, the total Transaction Fees applicable to the closing trade will be added to the realized loss amount.

Default interest on unpaid amounts or any negative balances in your account

13.10 If you fail to pay when due any amount payable as per the General Business Terms or if there are any negative balances in your Account and/or Trading Account, we may charge you default interest on that amount calculated using an interest rate which is the relevant Inter-Bank or Market Offer/Bid Rate plus the current interest rate (%), available on the Totality Website.

13.11 Unless specifically agreed otherwise interest is calculated on the basis of the Net Free Equity or Account Value on each individual account or sub-account. You will therefore be charged interest on the full negative Net Free Equity or Account Value on any account despite having a positive Net Fee Equity or Account Value on another account. When operating several sub-accounts, you may therefore be charged interest despite having an overall (accumulated) positive Net Free Equity.

Currency conversion calculation fees

13.12 These fees apply to the Futures, with an example as follows:

- (a) Funds transferred from our trust account will be converted at the current Spot rate minus 0.45%. The 0.45% is a conversion calculation fee we charge you;
- (b) Realised profits and losses will be converted at the rate at the close of the New York markets (5pm NY time) plus or minus 0.45% of the closing market rate. The 0.45% is a conversion calculation fee we charge you.
- (c) where you deal in a Future that is denominated in a currency other than Australian dollars, a currency conversion calculation fee of 0.45% will apply.

13.13 For more information on rates applicable to account tiers please refer to the Totality Website.

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Account Interest on Account and Trading Account Balance

- 13.14 There may be account interest debited from your Account and to each Trading Account if you have negative Net Free Equity on your account and/or negative account value on any of your Trading Account(s) (**Account Interest**) . .
- 13.15 Correspondingly, there may be Account Interest credited to your account if you have positive Net Free Equity on your Account and/or positive Account Value on any of your Trading Account(s).

Retail Accounts

- (a) Positive Account Interest: Only for aggregate Net Free Equity and/or Account Value above the threshold specified on the Totality Website, at a rate calculated and specified also on the Totality website.
- (b) Negative Account Interest: Negative Net Free Equity and/or Account Value at market ask rates plus the rate calculated and specified on the Totality website.

Corporate Accounts

- (c) Positive Account Interest: The higher of market bid rates minus a mark-up and zero.
- (d) Negative Account Interest: Market ask rates plus a mark-up, however never less than the mark-up.
- 13.16 Totality will charge negative interest rates on our standard offering in relevant reference currencies. The charge will apply to balances above the threshold currently indicated below.
- 13.17 On the Account, this threshold will be applied to the available Net Free Equity and, in the case of Trading Accounts to the Account Value. The negative interest will be calculated daily for the account credit balance exceeding the threshold and debited to the Account and/or Trading Accounts at the end of each month for the interest period of the previous month.
- 13.18 The rates charged are subject to change.
- 13.19 Threshold Negative interest rate is outlined on our Website.
- 13.20 Since the Net Free Equity is calculated on open trade positions on all your accounts, it is important to make sure that sufficient cash is available on your main account. Otherwise, you risk being subject to a debit interest on your main account exceeding the credit interest payable on your sub-account(s).
- 13.21 Totality may at any time without prior notice apply different rates according to different tiers of volume of trading and may choose not to credit any Account Interest at all or not if the Net Free Equity and/or Account Value falls below limits set by Totality from time to time.

External Fees, Taxes and Charges

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- 13.22 You are responsible for any stamp duty, transaction duty, GST or similar goods and services or value added tax payable in respect of Futures (except for any income tax payable by Totality). Bank charges and fees imposed on Totality to clear your funds or in respect of your payments will also be charged to you.
- 13.23 The General Business Terms may allow Totality to impose other fees or charges from time to time which do not relate directly to Transactions (and so are not costs, fees or charges for acquiring or later dealing in the contract itself).

14. **Disclosure of Interests**

- 14.1 We do not have any relationships or associations which might influence our ability to provide you with our services. However, you may have been referred to us by a third party who may receive a commission, fee or other non-financial benefit. You may request particulars of any commission or benefits payable to a third party by contacting us directly. However, we will generally disclose such commission, fee or other non-financial benefit, prior to the conclusion of any transaction in accordance with our regulatory obligations.

15. **Personal Information**

- 15.1 Totality is subject to the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and related regulations ("**AML Laws**") and is required to collect and verify your identity before providing Futures to you, and to re-identify you if it considers it necessary to do so. We may request proof of identification for verification processes and are required to keep any documents we receive to verify your identity for periods as may be mandated by applicable laws.
- 15.2 As a result of the measures and controls that have been implemented to ensure compliance with the AML Laws, Totality may decide to refuse any transactions on your account or to freeze your funds if there are reasonable grounds to suspect that the transaction breaches the law, and Totality will not be liable for any loss you suffer (including indirect losses) as a result of its compliance with the AML Laws. Where required by law, Totality may disclose the information gathered to regulatory or law enforcement agencies including AUSTRAC.
- 15.3 We are committed to ensuring that we comply with our obligations under the Privacy Act 1988 (Cth). For more information on what information we collect, what we use this information for and how we handle and store your information, please refer to our Privacy Policy which is published on our Website.

16. **Professional Indemnity Insurance**

- 16.1 Totality has professional indemnity insurance in place which complies with the relevant provisions of the Corporations Act. This policy covers loss or damage suffered by retail clients due to breaches of any obligations on the part of Totality or our representatives in accordance with the Corporations Act.

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17. **Taxation**

- 17.1 The taxation implications for you of trading in Futures will depend on your individual circumstances and other relevant factors.
- 17.2 Taxation laws are complex, and it is your responsibility to understand and consult a tax advisor before completing a transaction with us.

18. **Dispute Resolution**

- 18.1 Totality is dedicated to delivering high-quality products and services. If you have any questions or concerns regarding our offerings, or if our service or product quality has not met your expectations, we encourage you to let us know.
- 18.2 Totality's complaint process is designed to ensure that your concerns are addressed promptly, appropriately, and fairly, while maintaining confidentiality.
- 18.3 We request that you submit any queries or complaints online to ensure such queries and complaints are dealt with in the most efficient manner. Please submit your query via Support Portal for the most expedient and efficient handling. You do this by logging into your account and selecting "Inquiry Ticket" > "New Ticket" and then selecting the following:

- Category: Other
- Sub-category: Submit a Complaint

- 18.4 Alternatively, you may make your query or complaint by sending it to :

The Complaints team
Totality Wealth Limited
Suite 1, Level 14, 9 Castlereagh St
Sydney NSW 2000

- 18.5 Totality will provide acknowledgement of receipt of your complaints within 1 business day and seek to resolve and respond to complaints within 30 days of receipt. The Complaints team will investigate your complaint, and provide you with our decision, and the reasons on which our decision is based.
19. Totality is also a member (No.12002) of the Australian Financial Complaints Authority (AFCA), a free, fair and independent dispute resolution scheme. If you are dissatisfied with the outcome, you have the right to lodge a complaint with AFCA, contact details are below. You may also make a complaint via the Australian Securities and Investments Commission, free call Info line on 1300 300 630. The contact details for AFCA are:

19.1

Address	GPO Box 3, Melbourne, Victoria 3001, Australia
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Website	www.afca.org.au
Email	info@afca.org.au
Telephone	1300 56 55 62
Fax	(03) 9613 6399

For more information about submitting your complaint to the AFCA, please refer to the following link: <https://www.afca.org.au/make-a-complaint>

20. Labour standards and environmental, social and ethical consideration

20.1 Labour standards or environmental, social or ethical considerations are not taken into account when offering our products.

21. Definitions

21.1 If Capitalised terms in this PDS have the following definitions:

- (a) **Account** means your account with Totality established under the General Business Terms.
- (b) **AFSL** means Australian Financial Services Licence.
- (c) **ASX** means the Australian Securities Exchange.
- (d) **ASX24** means the platform operated by the ASX for the trading of Futures.
- (e) **Clearing House** means the designated intermediary between the buyer and seller in a financial market, who validates and finalises each transaction.
- (f) **Corporations Act** means the *Corporations Act 2001* (Cth).
- (g) **Disclosure Documents** means this PDS, TMD, Risk Disclosure Statement, Financial Services Guide and any other disclosures that we may publish on our Website from time to time.
- (h) **External Broker** means Saxo Bank A/S or another third party executing broker selected by Totality.
- (i) **FSG** refers to the Financial Services Guide issued by us.
- (j) **Future** means a futures contract available for trading on a relevant exchange, as described in more detail at paragraph 4.1.
- (k) **General Business Terms** means the terms of your Account with Totality for all of your Trading Accounts by which you deal in Transactions (as amended from time

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to time). Variations or additional terms may be notified to you from time to time in accordance with the General Business Terms.

- (l) **Initial Margin** is defined in paragraph 10.2.
- (m) **Maintenance Margin** is defined in paragraph 10.2.
- (n) **Margin Requirement** means the margin requirement applicable from time to time on Futures (and other products in your Trading Account). See paragraph 10.1.
- (o) **Net Free Equity** is the (i) value-dated cash balance of your main trading account, (ii) plus or minus cash balances on your sub-accounts in the same currency, (iii) plus or minus any unrealized profits or losses from open CFDs, FX Forwards, and Futures on your main trading account and sub-accounts in the same currency, (iv) plus the market value of any FX Options on your main trading account and sub-accounts in the same currency, (v) minus any margin required for financing open positions on your main Trading Account and sub-accounts regardless of sub-account currency, which forms the basis for the calculation of interest.
- (p) **Platform** means collectively or individually all, trading platforms that allow us to provide our services to you pursuant to this PDS and our General Business Terms, including the platform offered via our External Broker. The Platform is accessible via our app or Website.
- (q) **Policies** means the Privacy Policy, Complaint Policy, Hedging Counterparty Policy and any other policy published on our Website from time to time.
- (r) **PDS** refers to Product Disclosure Statement.
- (s) **Retail Client** has the same meaning as in section 761G of the Corporations Act
- (t) **Trading Account** means your main account and/or a sub-account of your Account with Totality (as applicable).
- (u) **Website** means our website www.totality.com.au.