

Introduction:

Majedie invests in securities on behalf of our clients and pooled funds as part of the investment management services that we provide. In carrying out these activities, we transmit or place orders for clients with other entities for execution. As a consequence, we have established this Order Execution Policy (“OEP”) to set out our order placement and execution arrangements - including how we comply with our best execution obligations and how we allocate executed trades amongst our clients.

Majedie only transacts with counterparties where an agreement is in place, and where the broker or counterparty agrees to treat Majedie as a professional client, and not an eligible counterparty. We do not handle orders for retail clients, and Majedie does not have retail client permissions.

Orders are generated by fund managers, with the dealing team responsible for transmitting orders to the market and managing their ongoing execution. There is a procedure in place to enable the US Equity fund manager to transmit orders for out-of-hours dealing.

Policy:

Majedie handles orders in a fair and transparent manner only using approved brokers and execution venues selected to allow Majedie to provide best execution - which can be defined as the obligation to obtain the best possible result for clients. Majedie’s brokers in turn have execution arrangements in place that enable us to obtain the best possible result for our clients.

Majedie seeks to allocate executed orders fairly between our clients.

Scope:

This policy applies to all orders placed on behalf of Majedie clients. Majedie pooled funds are considered clients for placement and execution purposes. When handling orders on behalf of the Majedie pooled funds, we have a responsibility to act in the best interests of the fund when managing its investment portfolio.

Orders are placed in line with account limitations and restrictions, such as EU and UK UCITS limits and AIF rules in the pooled funds, or mandate restrictions for segregated portfolios. As an example, if an account has a concentration limit where no greater than 10% of the portfolio is to be invested in a single issuer, a buy order should not be placed on an account that would exceed this figure. Therefore, automated checks are carried out within the trading system both pre and post trade against the relevant restrictions and limits for that account, with exceptions flagged for manual review. When a new account is set up or a new client is onboarded, the relevant rules are coded into the trading platform then checked back to the IMA using a four-eye approach.

Approved brokers:

Orders can only be placed through brokers and counterparties that have been approved by Majedie. A list of counterparties for those entities where we place significant reliance is found in the Annex. Majedie has a Broker Approval Policy in place that governs the addition of brokers or counterparties to the approved list.

Approved dealers:

With one exception, equity orders are only placed by the Majedie dealing team. The exception to this is that the lead US Equity Fund manager is authorised to place orders on behalf of the Majedie US Equity Fund and his sleeves of the Global Equity Fund the Global Focus Fund, if the dealing team is unavailable after UK markets close.

Out of hours dealing:

All dealing should be conducted from the Majedie office, as far as possible. Exceptions may include disaster recovery situations and, as noted above, US equities out-of-hours dealing.

For US Equity out-of-hours dealing, the lead US Equity fund manager must execute the order via the Bloomberg system in line with standard procedures. The dealers will check the order the following morning before booking the trade.

Order execution factors:

In consideration of the best execution obligation, the factors we consider include: price, costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of an order. The best possible result for a particular transaction will be determined by the relative importance given by Majedie to these factors, which will in turn determine the choice of broker and trading strategy chosen.

In determining the relative importance of the factors, Majedie will consider the following criteria:

- the client's characteristics. Majedie only deals on behalf of professional clients; and is not permitted to deal for retail clients;
- the characteristics of the order we are transmitting on behalf of the client;
- the characteristics of the type (and sub-type) of financial instrument that Majedie is transmitting on behalf of the client; and,
- the characteristics of the execution venues on which a client's order can be placed

Each order transacted is unique in its characteristics, while market conditions are not constant. Because of this, the relative importance of the execution factors may vary.

Regulatory requirements provide that 'best execution' does not demand the best possible outcome on every trade - the focus is on taking all sufficient steps for obtaining the best possible result for clients on an ongoing basis.

Majedie does not generally accept specific instructions from clients. Specific instructions may prevent Majedie from taking steps to obtain the best possible result in the handling of those orders in respect of the elements covered by those instructions.

Trading in equities

Our policy is to select the broker or other execution venue which we believe is most appropriate for the order on a trade-by-trade basis. Majedie will normally undertake equity transactions on behalf of clients on regulated markets and multilateral trading facilities (MTF) through brokers who are obliged to provide Majedie with best execution.

Majedie will select the broker that we believe is best placed to get the best possible result for the trade. Before this is done, the dealing team reviews the alternatives and reaches a decision based on the relative importance of the relevant execution factors for the trade. We are not affiliated with any broker, bank or venue allowing us full flexibility to select counterparties best placed to meet best execution.

When we place equity orders for clients, we place reliance on brokers to execute the orders with a duty of best execution owed to us. Majedie will execute transactions using order crossing networks where we believe that this would be in the best interests of clients; these orders are executed on a MTF.

For liquid equities, Majedie would ordinarily expect total consideration (price plus costs of execution, implicit & explicit) to have a high degree of importance relative to the other specified factors. For less liquid equity securities - for example smaller AIM listed equities - Majedie may place greater emphasis on the likelihood of execution – taking liquidity where it is available.

Algorithmic trading

Majedie does not develop or maintain any in-house algorithms for trading. However, Majedie may place or transmit orders in line with specific parameters (e.g. a set percentage of traded volume), using a number of broker proprietary platforms for certain types of trade.

Generally, the primary reason for orders filled by algorithmic trading is to minimise the cost, market impact and risk in the execution of an order, and not used in an attempt to make a trading profit. This method of trading can assist when looking to execute orders in markets that cannot support the full size at once without moving the market or with detriment to the order itself.

Majedie selects brokers for algorithmic trading based on the desired strategy, previous execution performance, and the transparency of their order handling processes.

Dark pools & direct market access

Majedie may place orders with brokers to work over a period, and with large orders Majedie may only show a proportion of the total order size to the broker. Brokers will follow instructions on how to execute the order, and may access liquidity from multiple sources to execute that order. These sources may include dark pools, and the Majedie dealing team monitors trades both during execution and post-trade to see if instructions were carried out, to enable us to adhere to best execution.

The majority of Majedie's direct use of dark pools is via crossing mechanisms. These are a subset of dark pools, and allow Majedie to enter a desire to deal at a price and on occasion to access liquidity if there is another counterparty (usually another institution, or broker acting for an institution) wanting to take the other side.

Majedie may, on occasion, trade using direct market access. Direct market access is provided by brokers and gives Majedie the ability to post direct to the order book, may can be used to fill when only a small number of shares is required. This type of trading gives more control to Majedie and the ability to exploit liquidity and price opportunities more quickly. This type of trading may be used when speed is of high importance for an order.

Derivatives

For the Irish-domiciled Majedie Asset Management Tortoise Fund and UK-domiciled LF Majedie Tortoise Fund, synthetic short positions are ordinarily achieved through the use of Contracts for Difference (CFD), placed with approved counterparties, and financed out of the assets of the Fund.

Trading in CFDs is the same as trading equities from an execution perspective, aside from the use of a 'give-up' process. The dealing team will first look for the best possible result for order execution across brokers, which may result in using an executing broker away from our ISDA counterparties, and other execution venues in accordance with our best execution obligation. The executed trades are then 'given-up' by the executing broker to the relevant ISDA counterparty, where a 'give-up' fee may be incurred.

An example of the steps in the give-up process is as follows:

Step 1.

Majedie ensures that the underlying security is available to borrow from the relevant ISDA counterparty by obtaining a 'locate ID' (HSBC provide a "daily good to trade" file of pre-approved borrows).

Step 2.

- Majedie trades the relevant underlying security with an executing broker in accordance with standard trade execution processes and
- informs the executing broker that this is a CFD trade and needs to be given up to the relevant ISDA counterparty.

Step 3.

- At the end of the trading day, Majedie provides details to the relevant ISDA counterparty of the trade and the ISDA counterparty confirms details with the executing broker to enable the CFD contract to be booked.

In certain markets there is no give-up process, so CFD dealing on stocks in these markets must be executed through the ISDA counterparty. For example, in the US the underlying equity trade must be conducted with the ISDA counterparty who will hold the CFD.

At the time of writing we hold ISDA agreements for CFD with Goldman Sachs and HSBC.

Foreign exchange (FX)

Majedie primarily trades in foreign exchange to ensure timely settlement of non-base currencies. The majority of these are trade-related FX and are transacted to enable settlement when dealing in securities that have a foreign base currency. These are usually done on a spot FX basis, however there may be infrequent cases where longer or shorter settlement is used in order to align the FX with settlement of the securities trade. Indirect FX transactions may also arise, being those that are undertaken without active involvement from Majedie – such as income repatriation trades.

FX transactions are generally conducted by BBH on an agency basis for long-only portfolios. Instructions are advised to BBH through copies of trade-related SWIFTs. FX transactions are netted by currency pair and are typically executed at 2 points during the day at around 10am and 6pm, though trading can be at other times should it be required.

The Tortoise funds also utilise FX forwards for portfolio and share class hedging. The service is provided by BNY Mellon and includes the provision of trade-related FX for the Funds.

Fixed Income, Options and Futures

Majedie may deal in government debt, such as UK Gilts, Bunds or Treasuries for cash management purposes. Dealing is carried out by the dealing team following instruction from the relevant fund manager for funds. Majedie does not trade in fixed income for speculative purposes.

The Tortoise funds may use exchange traded options and/or futures for investment purposes and/or hedging purposes for efficient portfolio management. Certain other funds may use options, both exchange traded and OTC, for hedging and efficient portfolio management purposes.

Trade allocations

Majedie provides collective portfolio management services in respect of the EU and UK UCITS pooled vehicles; and handles orders on behalf of segregated client accounts on a discretionary basis. Each segregated client account and pooled fund is managed to a set strategy.

Accounts on a strategy are generally managed in-line as one product, with allocation generally on a pro rata basis against a target weighting as determined by the fund manager. There are some exceptions, for example where a segregated client investment management agreement contains specific restrictions or limits. Restrictions are coded into the Bloomberg compliance engine on account set up.

Orders are pre-allocated through the Bloomberg AIM order management system. Partially executed orders are allocated pro rata across accounts based on the initial order size. Deviation from this policy requires approval from the compliance team. Deviation may happen in exceptional circumstances - for example when only a de-minimis amount is executed, and it would be uneconomic to allocate pro rata. Following approval, discretion may be exercised provided the allocation is fair and does not materially affect portfolio weightings.

Majedie only aggregates orders when we are comfortable that no account within the aggregation is being disadvantaged. Discretion with regards to aggregation sits with the dealing team.

Trading between portfolios

Majedie may, at times, sell a security from one fund, to another fund managed by Majedie. This may happen when one fund manager is looking to buy a security, and a manager of a different fund wishes to sell the same security.

Crossing of this nature will always be conducted through the market. Majedie will only cross trades in this manner when it is not to the disadvantage of either fund. The price used for crossing is either determined by the midpoint (the price between bid and offer), or by using the VWAP (volume weighted average price) over a period of time as deemed appropriate by the dealing desk, depending on current market conditions. Commissions are minimised as much as possible for crosses. The dealing team maintains responsibility for ensuring best execution is met.

Review and monitoring

The dealing team actively monitor the progress of orders transmitted to brokers and other execution venues, both during and after execution. The compliance team monitor the effectiveness of the OEP arrangements to identify, and where appropriate correct, any deficiencies. Majedie reviews its OEP arrangements at least annually.

Best execution monitoring forms part of the compliance monitoring programme, and is completed with the use of the Bloomberg Transaction Cost Analysis (“BTCA”) tool. The dealing team makes use of BTCA to compare broker performance and to review the performance of different trading strategies. The compliance team has an independent log in to Bloomberg and can interrogate trading data to identify anomalies against the execution factors. Exceptions to set tolerances are investigated and discussed with the dealing team. The BTCA engine runs on all orders put through the Bloomberg order management system.

Issues that require escalation would be escalated to the Dealing Oversight Committee.

Annex:

This annex contains a list of the counterparties on which Majedie places significant reliance in meeting our obligation to take all reasonable steps to obtain, on a consistent basis, the best possible result for the execution of client orders. The counterparties are grouped by asset class, and are in alphabetical order. Reference to a broker may include subsidiaries and affiliates of that broker.

Equities:

- BofA Securities
- Barclays Capital Group
- Berenberg
- BMO Capital Markets
- Canaccord Genuity
- Citigroup Global Markets Ltd
- Credit Suisse
- Deutsche Bank AG
- Goldman Sachs International
- HSBC Bank Plc
- Instinet Europe Ltd
- Investec Bank Plc
- ITG Europe Ltd
- Jefferies International Ltd
- JP Morgan Chase Bank
- Liquidnet Europe Ltd
- Morgan Stanley
- Numis Securities Ltd
- Peel Hunt LLP
- Raymond James
- Redburn
- Sanford C Bernstein & Co LLC
- UBS AG

Algorithmic trading:

Majedie uses proprietary algorithmic trading tools provided by the following brokers to assist with certain types of trade:

- Goldman Sachs International
- Instinet Europe Ltd
- ITG Europe Ltd
- Liquidnet Europe Ltd
- JP Morgan Chase Bank
- Credit Suisse

Contract for difference:

Majedie has ISDA contracts with:

- Goldman Sachs International

- HSBC Bank Plc

Majedie may use executing brokers from the “equities” list via the give-up process as detailed under the derivatives section.

Fixed income:

- The Bank of New York Mellon Corporation

Options/futures:

- Goldman Sachs International

Currency derivatives: forwards

- The Bank of New York Mellon