

LF Majedie Institutional Trust

(An authorised unit trust, authorised by an order made by the FCA on 4 October 2013)

VCN: 3001



IMPORTANT: IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER.

Link Fund Solutions Limited, the manager of the Trust, is the person responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained herein does not contain any untrue or misleading statement or omit any matters required by the Collective Investment Schemes Sourcebook to be included in it. Link Fund Solutions Limited accepts responsibility accordingly.

This document constitutes the Prospectus for LF Majedie Institutional Trust which has been prepared in accordance with the Collective Investment Schemes Sourcebook.

This Prospectus is dated, and is valid as at, 14 August 2019.

Copies of this Prospectus have been sent to the Financial Conduct Authority and the Trustee.

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Important Information

This Prospectus relates to a continuing offer of Units in the Trust. Investors should be aware that information in this Prospectus is generic in nature, and there may be specific reasons why investing in the Trust would not be in the interests of a particular prospective investor. Investors are encouraged to seek appropriate advice prior to investing in the Trust.

No person has been authorised by the Manager or the Trustee to give any information or to make any representations in connection with the offering of Units other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been made by the Manager or the Trustee. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Units shall not, under any circumstances, create any implication that the affairs of the Manager or the Trustee have not changed since the date hereof.

This Prospectus contains three sections: Part 1 (*General Information concerning the Trust*) contains generic information concerning the Trust; Part 2 (*Investment and borrowing powers*) contains a description of the investment and borrowing powers of the Manager on behalf of the Trust; and the Appendices contain specific information in relation to the Trust, a list of Sub-Custodians and a list of other collective investment schemes operated by the Manager.

You should remember that past performance is no guarantee of future returns. The price and value of Units and the amount of income from them can go down as well as up. You may not get back the amount that you originally invested. An investment in Units of the Trust should be seen as medium to long term. Before investing, you should consider carefully whether the investment is appropriate for you and, if in doubt, you should take independent advice. A summary of the risk factors pertinent to investing in the Trust appears in Paragraph 7.4 (Risk factors) of Part 1.

Potential investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisers concerning the acquisition, holding or disposal of Units.

The provisions of the Trust Deed are binding on each of the Unitholders and a copy of the Trust Deed is available on request from Link Fund Solutions Limited.

This Prospectus has been issued for the purpose of section 21, FSMA by Link Fund Solutions Limited.

This Prospectus is based on information, law and practice as at 1 July 2019. The Manager and the Trustee cannot be bound by an out- of-date prospectus when a new version has been issued and investors should check with your financial adviser or Link Fund Solutions Limited that this is the most recently published prospectus.

Important: If you are in any doubt about the contents of this Prospectus you should consult your professional adviser.

Selling Restrictions

The distribution of this Prospectus and the offering of Units in certain jurisdictions may be prohibited or restricted. Persons into whose possession this Prospectus comes are required by the Manager to inform themselves about and to observe any such prohibitions or restrictions.

The distribution of this Prospectus in certain jurisdictions may require that this Prospectus is translated into the official language of those jurisdictions. Should any inconsistency arise between the translated version and the English version, the English version shall prevail.

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not permitted authorised or to any person to whom it would be unlawful to make such offer or solicitation or who is prohibited by applicable laws from subscribing for Units.

The Units described in this Prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended, the United States Investment Trust Act of 1940 or the securities laws of any of the states in the United States. Units may not be offered, sold or delivered directly or indirectly in the United States or to the account or benefit of any US Person and may not be purchased or held directly or indirectly by or for the benefit of any US Person.

Definitions

In this document (including the Appendices), the following standard terms and abbreviations are used from time to time, and they shall have the meanings given to them here:

“**Annual Management Charge**” means the annual management charge payable to the Manager in respect of the Trust as set out in Appendix 1 (*Particulars of the Trust*) under the Trust Deed;

“**Appendices**” means the particulars of the Trust and list of Sub-Custodians as set out in back of this Prospectus;

“**Auditor**” means Deloitte LLP, or such other entity as is appointed from time to time to act as auditor to the Trust;

“**Base Currency**” means in relation to the Trust such currency as is specified in Appendix 1 (*LF Majedie Institutional Trust*);

“**Benchmark**” shall have the same meaning as in the Benchmarks Regulation;

“**Benchmarks Register**” means the public register of administrators and Benchmarks required under the BMR to be established and maintained by the European Securities and Markets Authority;

“**Benchmarks Regulation**” and “**BMR**” means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds;

“**Business Day**” means any day (apart from Saturdays, Sundays and public holidays in the UK or any part of it) on which banks are ordinarily open for business;

“**CFDs**” means contracts for differences;

“**Class**” means a class of Units issued in respect of the Trust;

“**Class Meeting**” means a meeting of Unitholders of a given Class;

“**Data Controller**” has the meaning given to data controller in GDPR;

“**Data Processor**” has the meaning given to data processor in GDPR;

“**Data Protection Legislation**” means GDPR, the Data Protection Act 2018 and the EU Privacy and Electronic Communications Directive 2002/58/EC, any amendments and replacement legislation, European Commission decisions, binding EU and national guidance and all national implementing legislation;

“**Data User**” means any of the Trust, the Manager, the Trustee and the Registrar and Administrator and any delegate based in the European Economic Area of any of them which processes Personal Data;

“**Dealing Day**” means in respect of the Trust such Business Days as is specified in Appendix 1 (*LF Majedie Institutional Trust*) provided there is not less than one Dealing Day per fortnight;

“**Dealing Deadline**” means in relation to applications for subscriptions, redemptions or exchanges of Units in the Trust, the date and time specified in Appendix 1 (*LF Majedie Institutional Trust*);

“**Depository**” means The Bank of New York Mellon (International) Limited or such other entity as is appointed from time to time to act as depository of the Company;

“**Depositary Agreement**” means the Depositary Agreement between the Manager and the Trustee dated 1 July 2019 (as amended from time to time) under which the Depositary has been appointed to act as Depositary of the Trust;

“**Derivative**” shall have the same meaning as in the Sourcebook;

“**Directive**” shall include the UCITS V Directive as supplemented by the UCITS V Regulations and as incorporated into English law by the UK Implementing Legislation, and any other implementing legislation on an EU or UK level;

“**EEA**” means the European Economic Area encompassing the Member States of the European Union together with Iceland, Lichtenstein and Norway and “**EEA Member State**” shall be construed accordingly;

“**Efficient portfolio management**” shall have the same meaning as in the FCA Glossary;

“**Exit Charge**” means in relation to each Fund a charge (if any) for redeeming any Shares;

“**Extraordinary Resolution**” means a resolution which is put to a Meeting, and which requires the approval of at least 75% of all the votes cast for and against it in order to be passed;

“**FATCA**” means the Foreign Account Tax Compliance Act (US);

“**FCA**” means The Financial Conduct Authority of 12 Endeavour Square, London, E20 1JN or any successor or replacement authority responsible for regulating the Trust and the Manager;

“**FCA Glossary**” means the glossary which forms part of the Handbook published by the FCA;

“**FSMA**” means the Financial Services and Markets Act 2000, and as in the future amended or replaced by new legislation;

“**GDPR**” means Regulation (EU) 2016/679 known as the General Data Protection Regulation;

“**Handbook**” means the Handbook of rules and guidance published by the FCA;

“**Initial Charge**” a charge (if any) for purchasing any Units in the Trust;

“**Investment Manager**” means Majedie Asset Management Limited, the investment manager to the Manager in respect of the Trust;

“**Investment Management Agreement**” means the investment management agreement entered into between the Manager and the Investment Manager, dated 1 July 2019;

“**KIID**” means the Key Investor Information Document for a Class of Units and has the same meaning as in the FCA Glossary;

“**Manager**” means Link Fund Solutions Limited;

“**Meeting**” means a Trust Meeting or a Class Meeting, as the context requires;

“**NAV**” means net asset value;

“**NAV per Unit**” means in respect of the Trust its NAV divided by the number of Units in issue;

“**Ordinary Resolution**” means a resolution which is put to a Meeting, and which requires the approval of a simple majority of all the votes cast for and against it in order to be passed;

“**OTC Derivative**” shall have the same meaning as in the Sourcebook;

“**Personal Data**” means personal data as defined in GDPR relating to Unitholders or potential investors;

“**PRN**” means the product reference number assigned by the FCA to identify the Trust;

“**Register**” means the register of Unitholders of the Trust maintained by the Registrar and Administrator in accordance with chapter 6.4 of the Sourcebook;

“**Registrar and Administrator**” means Link Fund Administrators Limited;

“**Scheme Property**” means the property of the Trust;

“**Securities Act**” means the United States Securities Act of 1933;

“**Sourcebook**” means that part of the Handbook which deals with regulated collective investment schemes;

“**Sub-Custodians**” means the entities as listed in Appendix 2 (Sub-Custodians) to which the custody of assets in certain markets in which the Trust may invest has been delegated or sub-delegated;

“**Trust**” means LF Majedie Institutional Trust;

“**Trust Accountant**” means The Bank of New York Mellon (International) Limited;

“**Trust Deed**” means a deed, dated 4 October 2013, entered into by Majedie Asset Management Limited and the BNY Mellon Trust & Depositary (UK) Limited, and as supplemented and amended by a deed of retirement and appointment, dated 21 May 2018, entered into by Majedie Asset Management Limited, BNY Mellon Trust & Depositary (UK) Limited and Bank of New York Mellon (International) Limited, and as further supplemented and amended by deed of retirement and appointment, dated 1 July 2019, entered into by the Bank of New York Mellon (International) Limited, Majedie Asset Management Limited and the Manager, which together constitute the Trust;

“**Trust Meeting**” means a meeting of Unitholders;

“**Trustee**” means The Bank of New York Mellon (International) Limited or such other entity as is appointed from time to time to act as trustee of the Trust;

“**UCITS Directive**” means Directive 2009/65/EC on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities;

“**UCITS Scheme**” means a collective investment scheme complying with the requirements of the UCITS Directive;

“**UCITS V Directive**” means the UCITS Directive as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014;

“**UCITS V Regulations**” means the Level 2 Regulations adopted as delegated acts by the European Commission pursuant to Article 112a of the UCITS V Directive, following their entry into full legal force and effect in the European Union (and for the avoidance of doubt, following the expiration of any implementation period applicable to such regulations);

“**UK**” means the United Kingdom;

“**UK Implementing Legislation**” means any statutory instrument as may be issued from time to time to implement the UCITS V Directive in the UK into English law;

“**Unit**” or “**Units**” means a unit or units in the Trust;

“Unitholder” means a holder of registered units in the Trust;

“US Person” has the same meaning as in Regulation S promulgated under the Securities Act and thus shall include (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account dealer or other fiduciary organised or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts;

For the purposes of the explanations with regard to FATCA in this Prospectus, US Person shall have the meaning as set out in the FATCA provisions;

“Valuation Point” means in relation to the Trust the point in time by reference to which the NAV of the Trust and the NAV per Unit are calculated as is specified in Appendix 1 (*LF Majedie Institutional Trust*) for the Trust; and

“VAT” means Value Added Tax.

Other words and expressions contained in this Prospectus but not defined herein shall have the meanings ascribed to them in the FCA Glossary.

As regards the UK and any entity or person in the UK, references to Directives and Regulations of the European Union shall also, where the context requires, be read and construed after the UK shall have left the European Union as referring to the relevant UK legislation and/or regulation domesticating the Directive or Regulation into UK law.

Part 1

General Information Concerning the Trust

1. Parties

1.1 Regulatory status

The Manager and the Investment Manager are authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN.

The Trustee and Depositary is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

1.2 The Trust

General

The Trust is constituted as a unit trust established in England and was authorised by an order made by the FCA on 4 October 2013. The FCA's PRN for the Trust is 605729.

The Trust is of unlimited duration.

For the purposes of the Sourcebook, the Trust is a UCITS Scheme. The Trust is governed by the Sourcebook, Trust Deed and this Prospectus.

Head office and address for service

The head office of the Trust is at 6th Floor, 65 Gresham Street, London EC2V 7NQ, which is the address of the place in the UK for service on the Trust of notices or other documents required or authorised to be served on it.

Base currency of the Trust

The Trust's base currency is Sterling.

1.3 The Manager

The Trust's manager is Link Fund Solutions Limited which is a private company limited by shares incorporated in England and Wales on 21 November 1973.

The directors of the Manager are:

C Addenbrooke
N Boyling
B Hammond
P Hugh Smith
K Midl
A Stuart

Mr Stuart is a Non-Executive Director of the Manager. Mr Stuart is also engaged in other business activity not connected with the business of the Manager. Such business activities are not considered to be of significance to the business of the Manager.

No other director is engaged in any significant business activity not connected with the business of the Manager or other subsidiaries of Link Administration Holdings Limited.

Registered Office: 6th Floor, 65 Gresham Street, London EC2V 7NQ

Principal Place of Business: 6th Floor, 65 Gresham Street, London EC2V 7NQ

Share Capital: It has a share capital of £1,247,636 issued and paid up

Ultimate Holding Company: Link Administration Holdings Limited, a company incorporated in Australia and listed on the Australian Securities Exchange.

The Manager is responsible for managing and administering the Trust's affairs in compliance with the COLL Sourcebook. The Manager may delegate its management and administration functions, but not responsibility, to third parties, including associates subject to the rules in the COLL Sourcebook.

It has delegated to the Investment Manager the function of managing and acting as the investment adviser for the investment and reinvestment of the assets of the Trust (as further explained in Paragraph 1.4 (*The Investment Manager*) below). It has also delegated to the Registrar and Administrator, certain functions relating to the Register and administration of the Trust (as further explained in paragraph 1.6 (*Registrar and Administrator*) below).

The Manager is required to have a Remuneration Code relating to the way in which it remunerates its staff. The Manager's Remuneration Code is designed to ensure that it has risk-focused remuneration policies which are consistent with and promote effective risk management and do not expose the Manager or the trust it operates to excessive risk.

Full details of the Remuneration Code are available on the website of the Manager: www.linkfundsolutions.co.uk. This sets out a description of how remuneration and benefits are calculated and the identities of persons responsible for awarding the remuneration and benefits. A paper copy of that website information will be made available free of charge on request from the Manager.

The appointment of the Manager has been made under the Trust Deed between the Manager and the Trustee, as amended from time to time.

The Manager is under no obligation to account to the Trustee or the Unitholders for any profit it makes on the issue or reissue of Units or cancellation of Units that have been redeemed.

The Manager is the manager of certain authorised unit trusts and open-ended investment companies details of which are set out in Appendix 3 (*List of other collective investment schemes operated by the Manager*).

The Manager may provide services to clients and investment funds other than the Trust (including investment funds in which the Trust may itself invest). In that context, the Manager will not be obliged to make use of information which might cause it to breach a duty of confidentiality that it may owe to any such other client or fund, or which comes to the attention of an employee or agent of the Manager not involved in managing the Trust.

The Manager will seek to ensure that any conflicts of interest that may arise between the Trust and its other clients are properly managed in accordance with its regulatory obligations. The Manager is subject to a conflicts of interest policy which identifies the types of conflict that may arise and the management of those conflicts. The policy is communicated to all staff and a summary is available to clients on request.

The Manager is permitted to delegate (with power to sub-delegate) any of its functions, powers and duties (subject to the Sourcebook) to any person. The Manager will remain liable for the acts or omissions of any person to whom any of its functions, powers or duties are delegated. The Manager may also employ agents and instruct professional advisers in connection with the performance of its duties. A copy of the Trust Deed is available to Unitholders on request.

1.4 The Trustee

General

The Trustee of the Trust is The Bank of New York Mellon (International) Limited (registered no. 03236121).

The Trustee is a private company limited by shares incorporated in England and Wales on 9 August 1996. Its ultimate holding company is The Bank of New York Mellon Corporation, a public company incorporated in the United States.

The registered and head office of the Trustee is at One Canada Square, London E14 5AL. The Trustee is authorised by the Prudential Regulation Authority and is dual-regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Duties of the Trustee

The Trustee is responsible for the safekeeping of the Scheme Property, monitoring the cash flows of the Trust, and must ensure that certain processes carried out by the Manager are performed in accordance with the Sourcebook, Trust Deed and the Prospectus.

Delegation of Safekeeping Functions

The Trustee acts as global custodian and is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of Scheme Property.

The Trustee has delegated safekeeping of the Scheme Property to The Bank of New York Mellon SA/NV and The Bank of New York Mellon (the “**Global Sub-Custodian(s)**”). In turn, the Global Sub-Custodian(s) has/have sub-delegated the custody of assets in certain markets in which the Company may invest to various sub-delegates (“**Sub-Custodians**”).

A list of Sub-Custodians is given in Appendix 2 (*Sub-Custodians*). Unitholders should note that, except in the event of material changes requiring a prompt update of this Prospectus, the list of Sub-Custodians is updated only at each Prospectus review.

Updated Information

Up-to-date information regarding the Trustee, its duties, the delegation of its safekeeping functions and its conflicts of interest will be made available to unitholders on request.

Terms of Appointment

Under the UCITS Directive the appointment of the Trustee must be evidenced by a written contract. The Manager and the Trustee have entered into a written contract to evidence the appointment of the Trustee.

The Trustee was appointed as depositary under an agreement entered into between the Manager and the Trustee dated 1 July 2019, pursuant to which the Manager and the Trustee agree to carry out various functions in order to comply with, and facilitate compliance with, the requirements of the Regulations.

Details of the Trustee's remuneration are set out in Paragraph 4.6 (Trustee's charges and expenses) of Part 1 (*General Information concerning the Trust*) of this Prospectus.

Conflicts of Interest

For the purposes of this section, the following definitions shall apply:

"Link" means a situation in which two or more natural or legal persons are either linked by a direct or indirect holding in an undertaking which represents 10% or more of the voting rights or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

"Group Link" means a situation in which two or more undertakings or entities belong to the same group within the meaning of Article 2(11) of Directive 2013/34/EU or international accounting standards adopted in accordance with Regulation (EC) No. 1606/2002.

The Trustee, Trust, Manager and unitholders

The following conflicts of interests may arise between the Trustee, the Trust and the Manager:

A Group Link where the Manager has delegated certain administrative functions including but not limited to fund accounting and transfer agency, to the Trustee or another entity within the same corporate group as the Trustee.

The Trustee shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Links and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Trustee and the Manager will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Trust and its unitholders.

To the extent that a Link exists between the Trustee and any unitholders in the Trust, the Trustee shall take all reasonable steps to avoid conflicts of interests arising from such Link, and ensure that its functions comply with Article 23 of the UCITS V Regulations as applicable.

Trustee conflicts of interest

The Trustee or any BNY Mellon Affiliates may have an interest, relationship or arrangement that is in conflict with or otherwise material in relation to the services it provides to the Manager and the Trust. Conflicts of interest may also arise between the Trustee's different clients.

As a global financial services provider, one of the Trustee's fundamental obligations is to manage conflicts of interest fairly and transparently. As a regulated business, the Trustee is required to prevent, manage and, where required, disclose information regarding any actual or potential conflict of interest incidents to relevant clients.

The Trustee is required to and does maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients.

The Trustee maintains an EMEA Conflicts of Interest Policy (the "**Conflicts Policy**"). The Conflicts Policy (in conjunction with associated policies):

- (a) identifies the circumstances which constitute or may give rise to a conflict of interest entailing a risk of damage to the interests of one or more clients;

- (b) specifies the procedures or measures which should be followed or adopted by the Trustee in order to prevent or manage and report those conflicts of interest;
- (c) sets out effective procedures to prevent or control the exchange of information between persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;
- (d) includes procedures to ensure the separate supervision of persons whose principal functions involve carrying out activities with or for clients and whose interests may conflict, or who otherwise represent different interests that may conflict, including with the interests of the Trustee;
- (e) includes procedures to remove any direct link between the remuneration of individuals principally engaged in one activity and the remuneration of, or revenues generated by, different individuals principally engaged in another activity, where a conflict of interest may arise in relation to those activities;
- (f) specifies measures to prevent or limit any person from exercising inappropriate influence over the way in which an individual carries out investment or ancillary services or activities; and
- (g) sets out measures to prevent or control the simultaneous or sequential involvement of an individual in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

The Conflicts Policy clarifies that disclosure of conflicts of interest to clients is a measure of last resort to be used by the Trustee to address its regulatory obligations only where the organisational and administrative arrangements established by the relevant firm to prevent or manage its conflicts of interest are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interests of clients will be prevented.

The Trustee must assess and periodically review the Conflicts Policy at least once per annum and take all appropriate measures to address any deficiencies.

The Trustee undertakes that it shall make available to its competent authorities, on request, all information which it has obtained while performing its Services and which may be required by the competent authorities of the Trust.

Delegation

The following conflicts of interest exist as a result of the delegation arrangements relating to safekeeping outlined below:

- A Group Link where the Trustee has delegated, or where either Global Sub-Custodian has sub-delegated, the safekeeping of Scheme Property to an entity within the same corporate group as the Trustee.

The Trustee shall ensure that policies and procedures are in place to identify all conflicts of interests arising from such Group Links and shall take all reasonable steps to avoid such conflicts of interests. Where such conflicts of interests cannot be avoided, the Trustee will ensure that such conflicts of interests are managed, monitored and disclosed in order to prevent adverse effects on the interests of the Trust and its unitholders.

The Trustee may, from time to time, act as the trustee of other open-ended investment companies with variable capital and as trustee or custodian of other collective investment schemes.

Up-to-date information stated above with regards to the Trustee will be made available to unitholders on request.

1.5 The Investment Manager

General

The Manager has appointed the Investment Manager, Majedie Asset Management Limited (registered number 04446767) to provide investment management services to the Manager in respect of the Trust. The Investment Manager is authorised and regulated by the FCA.

The Investment Manager's registered office is at 10 Old Bailey, London EC4M 7NG. The principal activity of the Investment Manager is investment management.

Terms of Appointment

The terms of the Investment Management Agreement between the Manager and the Investment Manager include the provision of discretionary investment management to attain the investment objectives, discretion to place purchase and sale orders with regulated dealers and on the exercise of voting rights relating to such investments (in accordance with the Manager's voting strategy) and on the marketing of Units (subject to the approval of the Manager) and preparation of the Investment Manager's report half yearly for inclusion in the Manager's report for circulation to unitholders. The agreement is terminable on receipt of six months' written notice given by either party or immediately, where the Manager decides that termination is in the interests of Unitholders.

Under the Investment Management Agreement, the Manager provides indemnities to the Investment Manager, (except in the case of any matter arising in connection with its fraud, gross negligence or wilful default).

The Investment Manager will be remunerated by the Manager out of the Annual Management Charge.

The Investment Manager will not be considered as a broker fund adviser under the FCA Handbook in relation to the Trust.

1.6 The Registrar and Administrator

General

On behalf of the Trust, the Manager has also appointed the Registrar and Administrator to act as registrar of and provide administration services for the Trust. In addition to maintaining the Register, the Registrar and Administrator will deal with applications for the purchase, sale and transfer of Units and otherwise administer Unit dealing services, deal with investor communication, payment of distributions (where applicable) to Unitholders and payment of fees and expenses and such other matters as may be agreed from time to time between the Manager and the Registrar and Administrator.

The Manager has appointed the Trust Accountant to provide accounting services to the Trust on its behalf. On each Dealing Day, the Trust Accountant will value the Scheme Property and calculate the NAV and NAV per Unit.

The registered office of the Registrar and Administrator is 6th Floor, 65 Gresham Street, London EC2V 7NQ.

The Register is kept and maintained by the Registrar and Administrator at:

Arlington Business Centre
Millshaw Park Lane
Leeds
LS11 0PA

The Register may be inspected at that address during normal business hours by any Unitholder or any Unitholder's duly authorised agent.

1.7 The Auditor

The auditor to the Trust are Deloitte LLP, whose principal office address is 2 New Street Square, London, EC4A 3BZ. They are responsible for auditing the annual accounts of the Trust and expressing an opinion on certain matters relating to the Trust in the annual report including whether its accounts have been prepared in accordance with applicable accounting standards, the UCITS V Regulations and the Trust Deed.

2. Characteristics of Units; Rights Attaching to Units; Unitholders' Meetings; Winding-Up, Amalgamation and Reconstruction

2.1 Characteristics of Units

A Unit is a division of the Scheme Property and the rights represented by Units are those of a beneficial interest under a trust. The holder of a Unit is entitled to participate in the property and the income of the Trust which that Unit represents, in proportion to the value of that Unit. However, Unitholders do not have rights in respect of any specific Scheme Property. Unitholders do not, for example, have the right to vote at any meeting called by a company or other vehicle whose securities are included within the portfolio of the Trust. The Manager shall exclusively be entitled to direct the manner in which votes and other rights attaching to such securities are exercised.

Unitholders are not liable for the debts of the Trust and are not obliged to contribute towards the assets of the Trust in any amount in excess of the price which they have agreed to pay for their Units.

2.2 Types of Unit

Broadly, the Sourcebook permits a unit trust to issue different classes of Unit. The classes of Unit that may be issued by the Trust are as follows:

- (a) **"Accumulation Units"** – an Accumulation Unit is one in respect of which income is not distributed, but is instead periodically capitalised, increasing the capital value of the Unit. As a matter of UK tax law, the income accumulated into the value of an Accumulation Unit is deemed to be distributed and the Unitholder is taxed upon the income which he is deemed to have received. Further details of the taxation of the Trust and of Unitholders is set out in Paragraph 5 (Taxation) of Part 1 (*General Information concerning the Trust.*).
- (b) **"Income Units"** – an Income Unit is one in respect of which income is distributed to the Unitholder on a periodic basis.

By way of illustration, where a single type of Income Unit and a single type of Accumulation Unit are in issue, an Income Unit of that type represents one undivided share in the Scheme Property in respect of which it is issued, and an Accumulation Unit of that type represents as many such Units as are calculated by dividing the value of an Accumulation Unit by the value of an Income Unit. However, the Sourcebook and the Trust Deed permit the Trust to issue more than one type of Income Unit and more than one type of Accumulation Unit in relation to the Trust, each a separate Class.

The Trust issues Accumulation Units and Income Units (as detailed in Appendix 1 (*LF Majedie Institutional Trust*)) which are net Accumulation Units and net Income Units respectively. The Trust has power to issue gross Accumulation Units and gross Income Units but has no current intention to do so.

Appendix 1 (*LF Majedie Institutional Trust*) provides details of the Classes of Units currently issued by the Trust, together with specific details of the charging structures applicable.

2.3 Meetings of Unitholders

(a) Powers of a Trust Meeting

The powers of a Trust Meeting are restricted to the following:

- (i) approval of an Extraordinary Resolution for the purpose of making a change in the Trust's investment objective;
- (ii) approval of an Ordinary Resolution to remove the Manager;
- (iii) approval of a change to the currency in which the accounts of the Trust are prepared;
- (iv) approval of an Extraordinary Resolution for (i) the amalgamation of the Trust with another single trust or other recognised collective investment scheme; or (ii) the reconstruction of the Trust so as to constitute two or more trusts or other recognised collective investment schemes; and
- (v) any other matters for which the approval of the Unitholders is required under the Sourcebook.

Apart from the above, Trust Meetings have no further powers.

(b) Convening a Trust Meeting and service of notice

The Manager may convene a Trust Meeting, and shall do so if required to do so by the Trustee or by a requisition from Unitholders representing at least 10% in value of all Units for the time being in issue. Notice of at least 14 days must be given in respect of a Trust Meeting (which period includes the date on which the Notice was posted and the date of the Trust Meeting itself). The notice is required to be sent to all persons who were Unitholders as of seven days prior to the date of issue of the notice (other than where any such person is known to have ceased to be a Unitholder during those intervening seven days). The notice must state the time and place for the Trust Meeting. The text of any Ordinary Resolution(s) and/or Extraordinary Resolution(s) to be proposed at the Trust Meeting must appear in the Notice.

(c) Quorum and representation

The quorum for a Trust Meeting is two Unitholders present, in person or by proxy. A proxy for a Unitholder need not himself be a Unitholder. A Unitholder that is a legal person (such as a Trust) may appoint a natural person as its representative to attend the Trust Meeting. Where a quorum is not present at a Trust Meeting within 15 minutes of the time appointed for it to commence, it shall be adjourned (or where the Trust Meeting has been convened upon the requisition of Unitholders,

dissolved). At least 14 days' notice of the time and place for the reconvention of an adjourned Trust Meeting shall be given to Unitholders (including the date of service of the notice and the date of the reconvened Trust Meeting). At the reconvened Trust Meeting, those Unitholders present in person or by proxy, irrespective of their number, shall constitute a quorum.

(d) Voting

Those entitled to receive notice of a Trust Meeting (see above) are entitled to vote at it. Votes may be counted at a Trust Meeting on a show of hands, though more commonly a poll is demanded. A poll may be demanded by the Chairman of the Trust Meeting, the Trustee or two Unitholders present in person or by proxy. On a show of hands each Unitholder present in person or by proxy or (in the case of a Unitholder which is a corporation) represented by an authorised representative shall have one vote (irrespective of the number or value of his/its Units). On a poll, each Unitholder (whether present in person or by proxy) shall have one vote for every unit of value in the Scheme Property represented by the Units which he/it holds. Where two or more persons are jointly registered as Unitholders, the vote of the first named Unitholder (or his proxy) as shown in the Register shall be accepted to the exclusion of the other joint holder(s).

(e) Class Meetings

A Class Meeting shall have power to consider an Extraordinary Resolution proposed for the purpose of amending the investment objectives of that Class. In general, rights which are specific to a given Class cannot be varied other than with the sanction of the holders of Units of that Class, given through the passing of an appropriate form of resolution considered at a Class Meeting. The description given above for the giving of notice, conduct of the Meeting, quorum, voting and adjournment apply (modified as necessary) to Class Meetings.

(f) Rights of the Manager and its associates

The Manager may attend any Meeting, but is not entitled to count in the quorum, nor to vote in respect of any Units to which it is beneficially entitled (for the purpose of Meetings attended by the Manager, such Units are treated as not being in issue). Associates of the Manager may attend and be counted in the quorum for a Meeting, but are subject to the same restrictions as the Manager with respect to voting. The Manager and associates of the Manager may exercise votes at Meetings in respect of Units which they hold beneficially for third parties from whom they have received appropriate voting instructions.

2.4 Winding-up, amalgamation and reconstruction

(a) When the Trust may be wound up

The Trust as a whole may be wound up under the terms of the Sourcebook. Winding-up will take place upon:

- (i) the passing of an Extraordinary Resolution of the Trust:
 - (a) approving the amalgamation of the Trust with another regulated collective investment scheme or its reconstruction; or
 - (b) sanctioning the winding-up of the Trust; or
- (ii) the FCA agreeing to a request received from the Manager seeking a revocation of the Trust's authorisation order,

And in either case the Manager has filed with the FCA a solvency statement stating that the liabilities of the Trust will be met within 12 months of the date of such statement.

(b) Winding-up arrangements

On the occurrence of any of the above:

- (i) The main elements of the Sourcebook will cease to apply to the Trust;
- (ii) the Trust will cease to issue and cancel Units in the Trust and the Manager shall cease to sell or redeem Units or arrange for the Trust to issue or cancel them for the Trust;
- (iii) no transfer of a Unit shall be registered and no other change to the Register will be made without the sanction of the Manager;
- (iv) where the Trust is being wound up, the Trust will cease to carry on its business except insofar as it is beneficial for the winding-up of the Trust; and
- (v) the powers of the Trust and, subject to the preceding provision of (i) and (iv) above, the powers of the Manager will remain until the Trust is dissolved.

The Manager shall, as soon as practicable after the Trust is to be wound up, administer the realisation of the Scheme Property and, after paying out all liabilities properly so payable and retaining provision for the costs of winding-up, shall direct the Trustee as to the distribution of the remaining proceeds to the Unitholders (including itself if a Unitholder) in proportion to their holdings in the Trust.

If the Manager has not previously notified Unitholders of the proposal to wind-up the Trust, the Manager shall, as soon as practicable after the commencement of winding-up of the Trust, give written notice to Unitholders. When the Manager has caused all of the Scheme Property and all of the liabilities of the Trust to be realised, the Manager will arrange for the Trustee to make a final distribution to Unitholders on or prior to the date on which the final account is sent to Unitholders of any balance remaining, in proportion to their holdings in the Trust.

As soon as reasonably practicable after completion of the winding-up of the Trust, the Manager will notify the FCA that it has done so.

On completion of a winding-up of the Trust, the Trust will be dissolved.

Following the completion of a winding-up of the Trust, the Manager must prepare a final account showing how the winding-up took place and how the scheme property was distributed. The auditors of the Trust will make a report in respect of the final account stating their opinion as to whether the final account has been properly prepared. This final account and the auditors' report must be sent to the FCA and to each Unitholder.

(c) Amalgamation or reconstruction

In the case of an amalgamation or reconstruction pursuant to which all the Scheme Property is intended to be transferred to be held subject to the terms of one or more other regulated collective investment schemes, the Manager will wind up the Trust in accordance with the terms of the amalgamation or reconstruction.

(d) Unclaimed proceeds

Any net proceeds or other cash of the winding-up of the Trust unclaimed after the expiration of one year from the date on which the same became payable, will be paid by the Trustee into court (subject to the Trustee having a right to retain therefrom any expenses incurred by it in making and relating to that payment).

3. Valuation of Property and Pricing of and Dealing in Units

3.1 Valuation of property

(a) Valuations

The Scheme Property is valued at its Valuation Points so as to calculate the NAV of the Trust and the NAV per Unit. The normal Valuation Points for the Trust are stated in Appendix 1 (*LF Majedie Institutional Trust*), although there may be instances where the Manager carries out an extra valuation, for example, where required to do so in accordance with the Sourcebook. The Manager may at any time during a Business Day carry out an additional valuation if it is desirable to do so. The Manager shall inform the Trustee of any decision to carry out such additional valuation. The prices at which the Manager will create and cancel Units will be recalculated accordingly and will be notified to the Trustee. The prices of all Units are calculated on a single pricing basis.

(b) Valuation bases and assumptions

The Scheme Property is valued on the following bases.

- (i) Transferable securities are valued at their most recently quoted single price (or if bid and offer prices are quoted, at the arithmetic mean of these two). Units in collective investment schemes which operate on a pricing spread are valued at the mean of their most recent bid and offer prices (determined before charges are taken into account). The Manager has power to attribute what it considers to be a fair and reasonable price in the case of a security or unit for which no recent or reliable valuation or price exists.
- (ii) Other non-cash assets will be valued by the Manager on a fair and reasonable basis.
- (iii) Cash, near cash and cash deposits will be valued at their nominal values.
- (iv) Contingent liability transactions will be valued using a method agreed between the Manager and the Trustee, provided it has the following characteristics, namely that: written options will be valued net of premium receivable; off-exchange futures will be valued at the net value upon close-out; and other transactions will be valued at the net value of margin upon closing out.
- (v) Fiscal and other charges paid or payable upon acquisition or disposal of an asset shall be discounted in determining its value.
- (vi) Estimated taxes due, outstanding borrowings (and accrued interest) and other estimated liabilities are deducted.
- (vii) Estimated tax refunds or rebates due and interest due on deposits remaining unpaid are added back.
- (viii) Set-up costs will not be reimbursed out of Scheme Property.

(ix) Assets in the Trust which it has been agreed are to be sold but have not been transferred to the purchaser are deemed to have been disposed of, and assets which it has been agreed are to be acquired for a Trust but which have not yet been delivered are deemed to form part of that Trust's property, for the purposes of valuation.

(x) All instructions given to issue or redeem Units shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.

(c) Issue and redemption prices of Units

Units of a given Class are issued and redeemed at a single price, which is calculated by:

- (i) taking the proportion of the value of the Scheme Property
- (ii) (ascertained as above) attributable to that Class; and
- (iii) dividing it by the number of Units of that Class in issue in the Trust immediately prior to the valuation.

(d) Dilution adjustment

The basis on which the Trust's investments are valued for the purpose of calculating the dealing price of Units as required in the Sourcebook and the Trust Deed is documented in Paragraph 3.1(a) above. However, the actual cost of purchasing or selling investments for the Trust's portfolio may deviate from the mid-market value used in calculating the price of Units, due to costs, such as dealing charges, taxes, and any spread between buying and selling prices of the investments.

These costs have an adverse effect on the future growth of the Trust. Where incurred because of investors buying and redeeming Units, this is known as "dilution". The Sourcebook allows the cost of dilution to be recovered from investors on the purchase or redemption of Units in the Trust. The Manager's policy is to mitigate the effects of dilution by applying a "dilution adjustment" on the purchase or redemption of Units in the Trust. A dilution adjustment is an adjustment to the price of Units in the Trust.

Where a dilution adjustment is applied because of net inflows into the Trust, this will increase the price per Unit at that Valuation Point. Where a dilution adjustment is applied because of net outflows from the Trust, this will decrease the price per Unit at that Valuation Point. Where a dilution adjustment is not applied, there may be an adverse impact on the total assets of the Trust.

The Manager's policy for the Trust is to apply a dilution adjustment whenever there are net inflows or net outflows at or above the threshold stated in its Appendix, which the Manager may change from time to time by amending the Prospectus. The maximum range of dilution adjustment for the Trust is up to 2% of NAV per Unit on inflows and up to 1.5% of NAV per Unit on outflows. The actual rate of dilution adjustment in the Trust is determined by the Manager on a quarterly basis based on data from the previous quarter.

Since dilution relates directly to the inflows and outflows from the Trust, it is not possible to predict accurately whether at any Valuation Point, dilution is likely to occur or how frequently the Manager will need to make a dilution adjustment in the Trust. More information is given in Appendix 1 (*LF Majedie Institutional Trust*).

3.2 Grouping for equalisation

The Trust Deed permits grouping for equalisation. The price of a Unit includes an “equalisation amount”, which represents the Manager’s best estimate of income accrued to that Unit (or to Units of the same type) since the last annual or interim accounting date for the Trust in question. That equalisation amount, although calculated with respect to distribution of the Trust’s income, is capital in nature. Therefore:

- (a) with respect to a Unit issued, the equalisation amount will affect the capital value at which the Unitholder acquired it for capital gains taxation purposes; and
- (b) with respect to a Unit redeemed, the equalisation amount affects the price at which the Unit was redeemed for capital gains taxation purposes.

Units purchased during a distribution period will carry an entitlement to equalisation, which is the amount arrived at on an average basis of the accrued net income per Unit included in the price of Units issued or re-issued during that distribution period. Where applicable an equalisation amount will be included as part of any income distribution to Unitholders and represents a return of capital rather than income.

3.3 Minimum investment and holding

The following provisions apply in relation to minimum initial and subsequent investment in, and to redemption of, Units in the Trust:

- (a) Appendix 1 (*LF Majedie Institutional Trust*) prescribes minimum lump sum amounts which an investor must commit when applying to subscribe for Units in the Trust for the first time (hereinafter referred as the “**Minimum Amount**”) not inclusive of the appropriate Initial Charge; and
- (b) other than where a Unitholder wishes to redeem his entire holding of Units, the Manager reserves the right to refuse to process a redemption request if

the Unitholder holds Units of an aggregate value less than the Minimum Amount for the Trust or Class in question, or would do so following implementation of the redemption. If the Manager refuses to process a redemption request on this ground, it will notify the Unitholder as soon as is reasonably practicable after receiving that request. In this event, the Manager may require the Unitholder to redeem his entire holding in that Class of Unit in the Trust.

However, the Manager may, at its discretion, agree on an individual basis a lower amount in relation to minimum transaction sizes and holdings.

3.4 Issue and redemption of Units

The Manager is responsible for arranging for the issue and cancellation of Units in the Trust, which the Manager as principal sells to and redeems from investors at the price at which the Units were issued or cancelled, as the case may be. This shall not however preclude the Manager requiring or permitting issues and cancellations of Units direct with the Trustee in accordance with Sourcebook requirements.

Each purchase and sale of Units is made on the terms of the up-to-date version of this Prospectus applying at the time of that purchase or sale. It is the responsibility of prospective Unitholders to ensure that they have obtained the applicable version of this Prospectus and have read the applicable KIID(s) prior to each purchase of Units. The up-to-date versions of this Prospectus and the KIIDs at any given time can be accessed at www.linkfundsolutions.co.uk or www.majedie.com.

The Manager may require Unitholders to provide any relevant account opening documentation and details prior to accepting any application for the purchase of Units.

(a) When can Units be bought

The Manager will accept orders to buy Units on any Business Day between 8.30 a.m. and 5.30 p.m. Orders to buy Units may be made in writing (including by facsimile); or, if the applicant is already a Unitholder of the Trust, by telephone; or by prior arrangement with the Manager by electronic communication. Orders in writing should be sent to:

Link Fund Solutions Limited
PO Box 389
Darlington
DL1 9UF

Orders by facsimile should be sent to:

Fax: 0113 224 6001

Applications to buy Units will be acknowledged by a contract note, which will normally be despatched by the close of the Business Day following receipt of the application.

The Manager has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for Units in whole or part and in this event the Manager will return any money sent, or the balance of such monies, at the risk of the applicant.

(b) When can Units be sold (redeemed)

The Manager will accept orders to sell Units ("**Redemption Requests**") on any Business Day between 8.30 a.m. and 5.30 p.m.

Redemption Requests will be acknowledged by a contract note, which will normally be despatched by the close of the Business Day following execution of the Redemption Request.

Redemption Requests may be made in writing, by facsimile, by telephone or by prior arrangement with the Manager by electronic communication.

If a valid coverall form of renunciation is not in place, the Redemption Request should specify the bank account which must be in the name of the Unitholder to which the sale proceeds are to be credited. If a bank account is not specified, the Manager may at its discretion accept the Redemption Request and pay the sale proceeds by cheque to the Unitholder's address on the Register.

Forms and further details are available on the Manager's website www.linkfundsolutions.co.uk and the Investment Manager's website www.majedie.com or by calling 0344 892 0974 or by writing to the address above.

Redemption Requests in writing should be sent to the address stated in (a) above. Redemption Requests by facsimile should be sent to the fax number stated in (a) above.

(c) Compliance with money laundering regulations, nationality and identity checks, residence and tax status

When issuing and redeeming Units the Manager reserves the right to request such information as is necessary to verify the identity of the applicant and other relevant information relating to the applicant (including the beneficial owner of the Units if not the applicant).

In circumstances where an application to purchase Units is received from a person who tenders payment in the name of another or who appears to the Manager to be acting in a representative capacity, it is the responsibility of that person to carry out relevant anti-money laundering and know your customer due diligence checks on the investor they represent. Without prejudice to its own regulatory obligations the Manager relies on this due diligence but reserves the right to require the applicant to furnish such further information as the Manager may require in order to establish the true and complete identity and residence for tax purposes of the beneficial owner of the Units. The Manager shall be entitled to refrain from processing the application until all such further information has been received.

A new corporate criminal offence came into force in the United Kingdom on 30 September 2017. The offence is broad in scope and targets the failure by a 'relevant body' to prevent a person acting on its behalf from facilitating tax evasion (whether by an individual or legal entity). If it can be demonstrated that reasonable prevention procedures were in place which were designed to prevent such facilitation occurring, the relevant body will not be guilty of a criminal offence. The Manager reserves the right to adopt additional practices and procedures as it deems at any point necessary to avoid committing an offence under the legislation.

(d) Forward basis for Unit dealing

Any application to purchase or redeem Units in the Trust will be effective at the Valuation Point next following the receipt of that application and at the dealing price (known as a "**forward price**") calculated at that Valuation Point.

(e) Pricing

A Unit will be:

- (i) issued for a sum which cannot exceed its price (determined as described above which may include a dilution adjustment).
- (ii) redeemed for a sum which cannot be less than its price (determined as described above which may include a dilution adjustment), other than where that Unit is redeemed by the Manager pursuant to its powers of compulsory redemption set out in Paragraph 3.5 (*Compulsory redemption*) of Part 1 (*General Information concerning the Trust*).

(f) Settlement for purchases of Units

Settlement for purchases of Units (if not made at the time of the application to purchase them) will be due from the Unitholder not later than the third Business Day following the date on which the dealing in the Units took place. The Manager is not obliged to issue Units unless it has received cleared funds from or on behalf of the applicant. Funds must be sent by electronic transfer to the bank account specified with the contract note and payment by cheque will not be accepted.

(g) Settlement for redemptions of Units

Payment due in respect of redemptions will be made, in accordance with the Sourcebook, not later than the close of business on the third Business Day after the Valuation Point occurring immediately following receipt by the Manager of all relevant documentation necessary to complete the redemption. No interest will be paid on funds held whilst the Manager awaits receipt of all relevant documentation necessary to complete a redemption. Units that have not been paid for cannot be redeemed.

Payment of redemption proceeds will be made by electronic transfer to a bank account specified by the Unitholder or by cheque to the Unitholder's address on the Register. Payment of redemption process to third parties will not usually be made and will only be done by prior agreement with the Manager. All payments are made at the Unitholder's sole risk.

(h) Publication of dealing prices

The most recent prices for all publicly available Classes of Unit in the Trust will normally be published on the Manager's website www.linkfundsolutions.com and on the Investment Manager's website www.majedie.com and are also available on request from the ACD by calling 0344 892 0974 or writing to:

Link Fund Solutions Limited
PO Box 389
Darlington
DL1 9UF

(i) In specie subscriptions and redemptions

If so requested by an applicant, the Manager may, at its discretion, arrange for the Trustee to issue Units in exchange for assets other than cash. If a Unitholder requests the redemption of Units the Manager may, where it considers the deal to be substantial in relation to the total size of the Scheme Property or in some way disadvantageous or detrimental to the Trust, arrange, having given prior notice in writing to the Unitholder, that in place of payment of the price of the Units in cash, the Company transfer relevant investments (having the appropriate value to the Unitholder). Before the redemption proceeds of the Units become payable, the Manager must give written notice to the Unitholder that the relevant investments are to be transferred to that Unitholder so that the Unitholder can receive the net proceeds of redemption rather than the investments if he/she so desires.

The Manager must serve its written notice before the close of business on the second Business Day following receipt of the request by a Unitholder to redeem Units.

An in specie subscription or redemption will only take place where the Trustee has taken reasonable care to ensure that the receipt or transfer of such assets other than cash would not be likely to result in any material prejudice to the interests of the Unitholders.

(j) Conversion

A Unitholder in the Trust may at any time convert all or some of his Units of one Class (the "**Original Units**") for Units of another Class (the "**New Units**") in the Trust. The number of New Units issued will be determined by reference to the respective prices of New Units and Original Units at the Valuation Point applicable at the time the Original Units are redeemed and the New Units are issued.

Conversions between Classes may be effected either electronically or by writing (including by fax) to the Manager and the Unitholder will be required to provide written instructions to the Manager (which, in the case of joint Unitholders must be signed by all the joint Unitholders) before conversions are affected. Conversion forms may be obtained from the Manager.

There will be no charge on the conversion of units between Classes. If the conversion would result in the Unitholder holding a number of Original Units of a value which is less than the minimum holding in the Trust concerned, the Manager may, if it thinks fit, convert the whole of the applicant's holding of Original Units to New Units (and make a charge on such conversion) or refuse to effect any conversion

of the Original Units. The minimum holdings detailed in the Appendix do not apply to holdings of New Units resulting from conversions. No conversion will be allowed during any period when the right of Unitholders to require the redemption of their Units is suspended. Save as otherwise specifically set out, the general provisions on procedures relating to redemption will apply equally to a conversion. A duly completed conversion form must be received by the Manager before the Dealing Deadline in the Trust to be dealt with at the next Valuation Point, or at such other date and time as may be approved by the Manager. Conversion requests received after a Dealing Deadline will be held over until the next Dealing Deadline in each of the relevant Classes of the Trust.

The Manager may adjust the number of New Units to be issued to reflect the application of any charge on converting together with any other charges or levies in respect of the application for the New Units or redemption of the Original Units as may be permitted pursuant to the Sourcebook.

A Unitholder who converts between Classes will in no circumstances be given a right by law to withdraw from or cancel the transaction.

3.5 Compulsory redemption

The Manager has the power compulsorily to redeem any Unit which it believes to be held by or on behalf of a person who is ineligible as a Unitholder for any reason. A typical ground of ineligibility would be the residence or domicile of that person in, or his citizenship of, a country or territory in which it is unlawful for Units to be promoted (whether generally or to that particular person). The Manager will redeem Units held by an entity who in the opinion of the Manager is a US Person unless the Manager determines (i) that the transaction is permitted under an exemption available under the securities laws of the US and (ii) that the Trust continues to be entitled to an exemption from registration as a unit trust under the securities laws of the US if such person holds Units and in the opinion of the Manager the holding of Units by a US Person will not result in any adverse consequences for the Trust or its Unitholders.

Where the Manager exercises its rights of compulsory redemption, the Manager may deduct from the proceeds of redemption an amount representing the extra cost to the Trust and to the Trustee of administering the compulsory redemption.

If it comes to the notice of the Manager that any Units (the “**Affected Units**”):

- (a) are owned directly or beneficially in breach of any law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory; or
- (b) would result in the Trust incurring any liability to taxation which the Trust would not be able to recoup itself or suffering any other adverse consequence (including a requirement to register under any securities or investment or similar laws or governmental regulation of any country or territory); or
- (c) are held in any manner by virtue of which the Unitholder or Unitholders in question is/are not qualified to hold such Units or if it reasonably believes this to be the case;

the Manager may give notice to the Unitholder(s) of the Affected Units requiring the transfer of such Units, or the beneficial interest in such Units as the case may be, to a person who is qualified or entitled to own them or that a request in writing is given for the redemption of such Units in accordance with the Sourcebook. If any Unitholder upon whom such a notice is served does not within 30 days after the date of such notice transfer his Affected Units to a person qualified to own them or submit a written request for

their redemption to the Manager or establish to the satisfaction of the Manager (whose judgement is final and binding) that he or the beneficial owner is qualified and entitled to own the Affected Units, he shall be deemed upon the expiry of that 30 day period to have given a request in writing for the redemption or cancellation (at the discretion of the Manager) of all the Affected Units.

A Unitholder who becomes aware that he is holding or owns Affected Units shall immediately, unless he has already received a notice as set out above, either transfer all his Affected Units to a person qualified to own them or submit a request in writing to the Manager for the redemption of all his Affected Units.

A Unitholder moving to a different jurisdiction may give rise to a situation described in (a), (b) or (c) above.

It is not practicable for the Manager to be fully informed of current laws and regulations in every jurisdiction. Accordingly in the interests of Unitholders and to be able to ensure no Units (or beneficial interest in Units) are held or acquired by any person in breach of the law or governmental regulation (or any interpretation of a law or regulation by a competent authority) of any country or territory or which would result in the Trust incurring any liability to taxation which it is not able to recoup itself or suffering any other adverse consequence, Unitholders are required to self-certify with respect to their residency for tax purposes and the Manager may treat Units of Unitholders moving to jurisdictions other than EEA Member States or the UK as Affected Units. In such circumstances the Manager may refuse to issue Units to anyone outside the EEA or the UK.

If a Unitholder becomes aware that he is holding or owns Affected Units he must immediately, unless he has already received a notice as set out above, either transfer his Affected Units (or the beneficial interest therein) to a person qualified to own them or submit a request in writing to the Manager for the redemption of all his Affected Units.

Where a request in writing is given or deemed to be given for the redemption of Affected Units, such redemption will be affected in the same manner as the redemption of non-Affected Units.

3.6 Transfer of Units

Subject to the requirements set out in the Instrument, transfers of Units in the Trust may be effected by transfer in writing. By prior arrangement with the Manager, transfers may be effected by electronic communication.

3.7 Right to withdraw

An investor may be entitled to cancel (i.e. withdraw) an application to purchase Units for a period of 14 days following receipt of a cancellation notice under the terms of the FCA's Conduct of Business Sourcebook and to request the return of money. Paragraph 7 (*General and miscellaneous*) of Part 1 (*General Information concerning the Trust*) also contains details of circumstances in which an investor has a right to cancel a purchase of Units. If the investor has a right to cancel and exercises that right and the value of the investment has fallen before the Manager receives notice of the cancellation, then the amount of the refund that the investor receives will be reduced to reflect that fall in value.

3.8 Limited issue

The Manager may limit the issue of any class of Units in the Trust. Where the Manager has limited the issue of Units in the Trust, it may not provide for the further issue of Units unless, at the time of the issue, it is satisfied on reasonable grounds that the proceeds of that subsequent issue can be invested without compromising the Trust's investment objective or materially prejudicing existing Unitholders. This power is given in accordance with, and subject to, the Sourcebook.

3.9 Suspension of issues and redemptions

The Manager may, with the prior agreement of the Trustee, and must without delay, if the Trustee so requires, temporarily suspend the issue, cancellation, sale and redemption of Units in the Trust in circumstances where, due to exceptional circumstances, it is in the interests of all the Unitholders to do so (e.g. in circumstances where the Manager is unable to obtain reliable information on the prices of investments comprised within the Scheme Property).

The Manager and the Trustee must ensure that any suspension is only allowed to continue for so long as it is justified having regard to the interests of the Unitholders and that the suspension is reviewed at least every 28 days.

Recalculation of the Unit price for the purposes of purchases and redemptions will commence on the next relevant Valuation Point following the ending of the suspension.

3.10 Title to Units and certificates

(a) Title

Title to Units is evidenced by entries in the Register. Applicants will not receive title to Units until cleared funds have been received from the applicant and received by the Manager.

(b) Certificates

Certificates are not issued in respect of Units. Any Unitholder whose title to Units is evidenced by an entry in the Register may apply to the Manager for a printed statement of the Units which he holds.

4. Charges and Expenses

4.1 Initial Charge

The price payable by an investor upon issue of a Unit (other than on a conversion) may include an Initial Charge receivable by the Manager. Currently, there will be no Initial Charge for any investment in the Trust.

4.2 Annual Management Charge

The Trust Deed provides for the Manager to be remunerated in respect of its services as manager of the Trust. Under the Trust Deed, the Manager is entitled to the Annual Management Charge as set out in Paragraph 4 (*Charges and expenses*) and Appendix 1 (*Particulars of the Trust*) of this Prospectus. The Annual Management Charge accrues daily based on the value of the Scheme Property and is payable monthly in arrears on the last Business Day of the month.

Whether payable out of capital or income: The Manager has a discretion in relation to each accounting period to determine whether the Annual Management Charge is debited entirely to the capital property or entirely to the income property of the Scheme Property in question, or is divided between income and

capital (and if so, in what proportions). It should be emphasised that debiting all or any part of the Annual Management Charge for the Trust to its capital account may increase the amount of income available for distribution to Unitholders but is also likely to constrain capital growth. The Sourcebook permits the Annual Management Charge to be paid out of the capital of the Trust. Appendix 1 (*LF Majedie Institutional Trust*) indicate the decision that has been made in relation to the Trust (in accordance with the investment objective of the Trust). The Manager is also entitled to recover out of the Scheme Property, all reasonable and properly evidenced out-of-pocket expenses incurred in the performance of its duties.

Charges payable by the Manager from the Annual Management Charge

Out of the Annual Management Charge which the Manager receives, it pays its own fees and the fees and expenses of the following and, where applicable, their delegates:

- the Investment Manager;
- the Trustee;
- the Registrar and Administrator;
- the Fund Accountant; and
- the Auditor.

The Annual Management Charge does not include the other expenses payable out of the Scheme Property as set out in paragraph 4.5 (*Costs and expenses*) below.

Rebates of the Annual Management Charge

The Manager may at its sole discretion rebate its Annual Management Charges in respect of any application for, or holding of, Units. The provision of rebates will not result in any additional cost to the Trust.

The Manager will make disclosures to the Trustee in relation to inducements as required under applicable FCA rules.

4.3 Exit Charge

Upon redemption of a Unit, the Manager is entitled to deduct an Exit Charge from the proceeds of redemption.

Currently, there will be no Exit Charge for any investment in the Trust.

4.4 VAT

Under present UK regulations, all of the above charges are exempt from VAT.

4.5 Modification of rates

If the Manager wishes to increase any of these charges from its present rate stated in the Appendices of this Prospectus, the Manager is required to obtain FCA approval and to serve written notice of not less than 60 days of the proposed increase. This notice is to be served:

- (a) in the case of increases to the Initial Charge, on persons whom the Manager ought reasonably to be aware are regularly purchasing Units in the Trust in question; and
- (b) in all other cases, on Unitholders in the Trust in question.

The increase may then take effect from the expiry of the 60-day notice period.

4.6 Costs and expenses

In addition to the Manager's Annual Management Charge, any other class of fee, cost or expense permitted to be paid out of the property of an authorised unit trust in accordance with the Sourcebook may be so paid, including those listed below.

The following specific classes of costs and expenses may be paid out of the applicable Scheme Property:

- (a) Investment and borrowing costs and expenses:
 - (i) the cost of investments acquired by the Trust;
 - (ii) brokers' commissions, fiscal charges and other disbursements which are necessarily incurred in effecting transactions for the Trust; and
 - (iii) interest on permitted borrowings and charges incurred in effecting or terminating or negotiating or varying the terms of such borrowings;
- (b) Taxation and duties payable in respect of the Trust or the issue of Units;
- (c) Costs of, and arising from Meetings, etc.:
 - (i) Any costs incurred in respect of Meetings convened on a requisition of Unitholders other than the Manager or its associates; and
 - (ii) certain liabilities of any collective investment scheme which has amalgamated with the Trust if the relevant liabilities arose after the amalgamation;
- (d) Professional third-party costs, being the fees, disbursements and proper expenses of the Trust's legal or other professional advisers, in relation to advice sought by the Manager on the Trust's behalf, as to any matter concerning the proper conduct of the Trust's affairs and compliance with the Sourcebook or with the law relating to the affairs of the Trust in any jurisdiction outside the UK.

VAT on any fees, charges or expenses will be payable by the Trust out of the Scheme Property.

4.7 Right to charge additional costs and expenses on notice

In addition, the Trust may, in accordance with the Sourcebook, also pay out of the Scheme Property all other relevant costs, charges, fees and expenses including those listed below. The Manager's current policy in relation to the Trust is that these items are borne by the Manager and not the Trust. Should this policy change such that any or all or the below listed costs, charges, fees and expenses are charged to the Trust, then the Manager will first give affected unitholders 60 days' prior written notice of that change.

- (a) Regulatory registration fees etc.:
 - (i) the fees of the FCA under FSMA and the Sourcebook;
 - (ii) periodic fees of any regulatory authority in a country or territory outside the UK in which Units are or may be marketed.
- (b) the audit fees properly payable and the proper expenses of the Auditor (plus VAT).
- (c) Expenses of service providers to the Trust:
 - (i) the expenses of any person engaged by the Manager to assist it in the discharge of the Manager's administration duties to the Trust, including expenses arising out of periodic valuations of the Scheme Property, maintaining the Register and any plan sub-registers, dealing with applications

for the issue and redemption of Units and otherwise administering Unit dealing services, calculating the NAV and NAV per unit, dealing with routine communication with Unitholders (including dispatch of reports and accounts), payment of distributions (where applicable) to Unitholders and payment of fees and expenses and such other matters as may be agreed from time to time between the Manager and the Registrar and Administrator or such other persons in question;

(ii) the fees and expenses from time to time payable to any person engaged by the Manager or the Investment Manager to provide it with investment management or advisory services in relation to the Trust.

(d) Reimbursement of Trustee costs and expenses:

The Trustee is entitled to be reimbursed, out of the Scheme Property, its expenses properly incurred in performing duties imposed (or exercising powers conferred) upon it by the Sourcebook. Expenses of the Trustee which are attributable to the Trust will be borne by the Trust. Expenses attributable to the Trust as a whole will be paid out of such funds and in such proportions as the Manager may determine. Those duties include:

(i) dealing with, and custody of, assets of the Trust (including effecting foreign currency and efficient portfolio management transactions, insurance of documents, and effecting borrowings). This will include, in particular, all charges imposed by, and any expenses of, any agents appointed by the Trustee to assist in the discharge of its duties;

(ii) submission of tax returns;

(iii) handling of tax claims;

(iv) preparing its annual report of the Trustee to the Unitholders of the Trust in the annual accounts of the Trust;

(v) supervision of certain of the Manager's activities;

(vi) functions in relation to Meetings;

(vii) all charges and expenses incurred in connection with the collection and distribution of income;

(viii) all charges and expenses incurred in relation to stock lending; and

(ix) other duties imposed upon the Trustee by the Sourcebook or the general law.

In circumstances where any of the above categories of expense represent payments intended to reimburse any third party to whom the Trustee has delegated any of its functions (e.g. fees of sub-custodians), the Trust may make such payments to the Trustee for the account of such third party or to such third party directly (as the Trustee may direct).

The Trust will also be responsible for payment of VAT and any other relevant tax or imposition that relates to each and every such category of cost, fee, expense or payment identified above.

5. Taxation

General Warning: the following paragraphs are only intended as a brief summary of the relevant taxation provisions affecting the Trust and investors or potential investors in the Trust resident for tax purposes in the UK. They are based on the taxation regime applicable in the UK as at the date of preparation of this Prospectus. These paragraphs do not constitute tax advice. Prospective investors in the Trust requiring further information as to the relevant tax provisions or requiring to establish the accuracy of the information concerning taxation contained in this Prospectus at any particular time, or otherwise in doubt and therefore seeking clarification as to their individual tax position, should consult their own tax advisers.

5.1 Taxation of the Trust

The Trust will be treated as a separate entity for UK tax purposes.

(a) Income

Income received by the Trust net of management expenses is normally subject to UK corporation tax at the applicable basic rate of income tax, which is 20%.

(b) Chargeable gains

The Trust is exempt from UK tax on chargeable gains.

5.2 Taxation of a Unitholder in the Trust

(a) Income

Distributions, including deemed distributions reinvested in Accumulation Units, can be credited to a Unitholder either as a dividend or, in certain circumstances, as an interest distribution.

The Trust will make dividend distributions except where in relation to a given distribution period over 60% of its property has been invested throughout the distribution period in interest-paying investments, in which case it may make either interest distributions or dividend distributions.

(i) Distributions which are characterised as dividends comprise income for UK tax purposes.

(a) UK resident individuals and certain other Unitholders liable to UK income tax are taxable on the sum of the distribution. The first £2,000 of dividend income is subject to a 0% rate of tax. Basic rate income tax payers will have a liability to income tax of 7.5% on such distributions. Higher rate taxpayers will have a liability to income tax of 32.5% of distribution. Additional rate taxpayers will have a liability to income tax of 38.1% of distribution.

For Unitholders liable to UK corporation tax, the distribution will be treated as franked investment income to the extent that the gross income from which the distribution is derived is itself not subject to corporation tax in the hands of the Trust (that is, exempt dividends received from UK or non-UK companies). In these circumstances, the distribution will be treated in the same way as a dividend from a UK resident Trust. As such, a Unitholder within the charge to corporation tax will not generally be charged to corporation tax on that part. Where the gross income from which the distribution is made is not wholly exempt from corporation tax in the hands of the Trust, part of the distribution is treated as an annual payment from which income tax at the current rate of 20% has been deducted and such Unitholders will be subject to corporation tax on the grossed-up amount of the annual payment but will be entitled to a credit for the tax treated as already paid.

(i) Interest distributions are made without any deduction for income tax.

(a) This means that individual Unitholders must include the full amount of the distribution on their tax returns and pay tax accordingly (at 20% in the case of basic rate taxpayers, 40% in the case of higher rate taxpayers or 45% in the case of additional rate taxpayers). UK individual tax payers may be eligible for a tax free allowance of £1,000 (basic rate tax payers) or £500 (higher rate tax payers). Additional rate tax payers are not entitled to any tax free allowance on interest income.

(b) For UK tax-paying corporate Unitholders who are not financial traders, the interest distribution will be treated as a non- trading loan relationship credit.

(b) Capital gains

Unitholders resident in the UK may, depending on their circumstances, be liable to UK tax on chargeable gains on the sale or disposal of their Units. The Manager understands that a conversion to a new Class in the same fund in proportion to an original holding of Units may not give rise to a disposal for the purposes of tax on capital gains.

5.3 International tax reporting

The Trust and the Manager are subject to obligations which require them to provide certain information to relevant tax authorities about the Trust, investors and payments made to them.

The International Tax Compliance Regulations 2015 give effect to:

(a) reporting obligations under the Organisation for Economic Co-Operation and Development's Common Reporting Standard for the Automatic Exchange of Financial Account Information (the "CRS"). The Trust is required to identify accounts maintained for account holders who are tax resident in the EU or jurisdictions with which the UK has entered into an agreement to automatically exchange tax information and collect and report such information to HMRC; and

(b) an intergovernmental agreement between the US and the United Kingdom in relation to the US Foreign Account Tax Compliance Act ("FATCA"). FATCA is designed to help the Internal Revenue Service (the "IRS") combat US tax evasion. It requires financial institutions, such as the Trust, to report on US investors or US holdings, whether or not this is relevant. Failure to comply (or be deemed compliant) with certain conditions under FATCA will subject the Trust to US withholding taxes on certain US-sourced income and gains.

Provided the Trust complies with its obligations under the International Tax Compliance Regulations 2015 to identify and report taxpayer information directly to HMRC, it should be deemed compliant with FATCA and the CRS. HMRC will share such information with the relevant overseas tax authorities.

Unitholders may be asked to provide additional information to the Manager to enable the Trust to satisfy these obligations. Failure to provide requested information may subject a unitholder to liability for any resulting penalties, US withholding taxes, tax information reporting and/or mandatory redemption, transfer or other termination of the Unitholder's interest.

Withholding Tax Liability

To the extent the Trust is subject to withholding tax as a result of:

(a) a Unitholder failing (or delaying) to provide relevant information to the Manager;

(b) a Unitholder failing (or delaying) to enter into a direct agreement with the IRS; or

(c) the Trust becoming liable under FATCA or any legislation or regulation to account for tax in any jurisdiction in the event that a Unitholder or beneficial owner of a unit receives a distribution, payment or redemption, in respect of their units or disposes (or be deemed to have disposed) of part or all of their units in any way,

(each a “**Chargeable Event**”), the Manager may take any action in relation to a Unitholder’s holding to ensure that such withholding is economically borne by the relevant Unitholder and/or the Manager and/or its delegate or agent shall be entitled to deduct from the payment arising on a Chargeable Event an amount equal to the appropriate tax. The action by the Manager may also include, but is not limited to, removal of a non-compliant Unitholder from the Trust or the Manager or its delegates or agents redeeming or cancelling such number of Units held by the Unitholder or such beneficial owner as are required to meet the amount of tax. Neither the Manager nor its delegate or agent will be obliged to make any additional payments to the Unitholders in respect of such withholding or deduction.

In addition, under some treaties the rate of withholding tax applied to the Trust may be affected by the tax profiles of Unitholders. This is because such treaties may require a majority of investors in the Trust to be resident in either the UK or another specified jurisdiction as a condition of relief. Failing to satisfy this test may also result in increased withholding tax and therefore a negative effect on the returns to the Trust and Unitholders.

6. Accounts and Reports; Income Distribution

6.1 Annual and half-yearly reports

The Trust’s annual accounting reference date is 31 December. The Trust’s audited annual report and accounts will be published within four months of the annual accounting date. Unaudited half yearly reports and accounts will be prepared each year as at 30 June (the interim accounting date), and will be published within two months. Copies of the Long Form Annual and Interim Report and Financial Statements are available free of charge on request from the Manager at 6th Floor, 65 Gresham Street, London EC2V 7NQ.

6.2 Distribution of income

Income which has accrued to the Trust by an accounting date (be it an interim or a final accounting date) will be allocated to Units in the Trust in question on 28 February and 31 August (the interim income distribution date). Upon distribution, income will be distributed to the Unitholders concerned. Unitholders will receive a statement of the tax deducted at source prior to the distribution being made (with regard to liability to tax, see Paragraph 5 (Taxation) of Part 1 (*General Information concerning the Trust*)). Annual and interim distribution dates are set out in Appendix 1 (*LF Majedie Institutional Trust*). There will be no smoothing of interim distributions within an annual accounting period as there is a full distribution policy.

If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and returned to the Trust.

The Trust operates a policy of income equalisation, which has been explained in Paragraph 3 (*Valuation of property and pricing of and dealing in Units*) of Part 1 (*General Information concerning the Trust*).

Where Accumulation Units are issued, income will become part of the capital Scheme Property and will be reflected in the price of each such Accumulation Unit as at the end of the relevant accounting period.

Income available for distribution in respect of the Trust is calculated in respect of each accounting period by taking the income received or receivable in respect of that period, deducting all charges and expenses paid or payable out of income, adding the Manager's best estimate of relief from tax on such charges and expenses, and making certain other adjustments to the resultant total which are permitted in accordance with the Sourcebook (after consultation with the Auditor, as appropriate).

7. General and Miscellaneous

7.1 Material interests

The Manager may carry out transactions for the Trust in which the Manager has a material interest (as defined in the rules of the FCA) or relating to which the Manager has a relationship which gives rise to a conflict, but the Manager will not knowingly do so unless the Manager is satisfied that the transaction concerned is not precluded by law, the Sourcebook or the Trust Deed and reasonable steps have been taken to ensure (i) fair treatment of the Unitholders; and (ii) compliance with the Sourcebook.

7.2 Investing in Units through the services of a financial adviser

A person who purchases Units through the agency of a financial adviser or after taking advice from a financial adviser, may be entitled to cancel that purchase. If that right to cancel is exercised, the Manager will ensure that the purchase money is refunded, subject to any fall in the value of the Units that may have taken place between the time of the purchase and the time of its cancellation.

7.3 Property

There is no intention for the Trust to have an interest in any immovable property or tangible moveable property.

7.4 Risk factors

(a) General

The price of Units and the income that they generate can go down as well as up. A Unitholder may not be able to recover the total amount invested in Units. Units in the Trust should generally be regarded as a long-term investment.

Before investing, Unitholders should make specific enquiries as to whether, in view of their personal circumstances, an investment in Units represents a significant risk for them. The statements in this Prospectus as to risk factors involved with investment in Units are generic in nature, and are not intended to be exhaustive.

There is no guarantee that the investment objective of the Trust, or its risk monitoring, hedging and diversification goals, will be achieved and results may vary substantially over time. Unitholders should recognise that investing in the Trust involves special considerations not typically associated with investing in other securities and that the asset allocation is not structured as a complete investment programme. Investments may be made in assets domiciled in jurisdictions which do not have a regulatory regime which provides an equivalent level of Unitholder protection to that provided under English law.

(b) Currency Exchange Rates

Where an underlying investment of the Trust is not denominated in the currency of the Unit Class which you hold, the effect of fluctuations in the rate of exchange between that currency and the currency of denomination of the investment may adversely affect the value of that investment, and this will be reflected in the value of Units in the Trust.

(c) Illiquidity

Trusts investing in smaller companies invest in transferable securities that may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Securities in smaller companies may possess greater potential for capital appreciation, but also involve risks, such as limited product lines, markets and financial or managerial resources and trading in such securities may be subject to more abrupt price movements than trading in the securities of larger companies. Additionally, in extreme market conditions illiquidity within the portfolio may mean investors are unable to redeem their Units when required.

(d) Suspension of Dealing in Units

Investors should be aware that in certain circumstances their right to redeem Units may be suspended. See Paragraph 3.8 (*Suspension of issues and redemptions*) of Part 1 (*General Information concerning the Trust*).

(e) Dilution

Unitholders should note that in certain circumstances a dilution adjustment may be applied on the sale or redemption of Units. See Paragraph 3.1(d) (*Dilution Adjustment*) of Part 1 (*General Information concerning the Trust*). Where a dilution adjustment is not applied the Trust in question may incur dilution which may constrain capital growth.

(f) Concentration of Investments

The Trust may at certain times hold relatively few investments. The Trust could therefore be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

Whilst the Manager will regularly monitor the concentration of the Trust's exposure to related risk, concentration in any one industry, region or country or with respect to any given counterparty may arise from time to time. To the extent there is a downturn or other problem in any area where the Trust has concentration, this could reduce the return the Trust receives on its investments and, consequently, could have an adverse impact on the Trust's financial conditions and its ability to pay distributions.

(g) Nature of Investments

An investment in the Trust will require a long-term commitment, with no certainty of return. The Trust may make investments which the Manager perceives as having the potential for substantial return, but which may also involve substantial risks. Since the Trust may only make a limited number of investments and since such investments may involve a high degree of risk, poor performance by such investments could severely affect the total return to investors.

(h) Liquidity Risk

Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

(i) Market risk

The investments of the Trust are subject to normal market fluctuations and the risk inherent in investment in equity securities and similar instruments and there can be no assurances that appreciation will occur.

(j) Use of leverage

The use of leverage by the Trust will accentuate any change in its NAV of the Trust and thereby result in increased volatility. The use of leverage creates special risk and may significantly increase the Trust's investment risk. Leverage will create an opportunity for greater yield and total return but, at the same time, will increase the Trust's exposure to capital risk and interest costs. Any investment income and gain earned on investments made through the use of leverage that are in excess of the interest costs associated with it may cause the NAV to increase more rapidly than would otherwise be the case. Conversely, where the associated interest rate costs are greater than such income and net gains and losses, the NAV may decrease more rapidly than would otherwise be the case.

(k) Potential Conflicts of Interest

In addition, investors should note that the Annual Management Charge is based on the NAV of the Trust and the Manager may value assets of the Trust in certain circumstances so there is the potential of conflict of interest and its fees will rise with an increase in the NAV of the Trust.

(l) Foreign exchange/currency risk

Although Units may be denominated in the Trust's base currency, it may invest its assets in securities denominated in a wide range of currencies, some of which may not be freely convertible. The value of securities as expressed in the base currency of the Trust will fluctuate in accordance with the changes in the foreign exchange rate between the base currency of the Trust and the currencies in which the Trust's investments are denominated. The Trust may therefore be exposed to a foreign exchange/currency risk.

It may not be possible or practicable to hedge against the consequent foreign exchange/ currency risk exposure. The Manager may, at its sole discretion, enter into hedging transactions to protect against fluctuations in the relative values of the Trust's portfolio positions as a result of changes in currency exchange rates and market interest rates.

(m) Equity risk

Equities as a class have historically outperformed other types of investments over the long term. Individual stock prices, however, tend to go up and down more dramatically over the short term. These price movements may result from factors affecting individual companies or industries, or the securities market as a whole.

(n) Political legal and/or regulatory risks

The value of the assets of the Trust may be adversely affected by uncertainties, such as international, political and economic developments, changes in market conditions, government policies or in legal, regulatory or taxation requirements.

(o) Availability of certain investment opportunities

The Trust will compete with other potential investors to acquire assets. Certain competitors of the Trust's may have greater financial and other resources and may have better access to suitable investment opportunities. There can be no assurance that the Trust will be able to locate and complete investments which satisfy the Trust's rate of return objectives or that the Trust will be able to invest fully its committed capital. If no suitable investments can be made then cash will be held by the Trust and this will reduce returns to Unitholders. Whether or not suitable investment opportunities are available to the Trust, Unitholders will bear the cost of management fees and other Trust expenses.

In the event that the Trust is terminated or the Trust is wound up, and to the extent that the assets may be realised, any such realisation may not be at full market value and will be subject to deductions for any expenses for the termination of the Trust or the liquidation of the Trust.

(p) Limited number of investments

The Trust anticipates that it will be diversified. However, in the event of a material demand for redemptions, the Trust could be forced to sell liquid positions resulting in an over-weighting in a small number of illiquid investments. In such circumstances, the aggregate return of the Trust may be substantially and adversely affected by the unfavourable performance of a single investment.

(q) Portfolio selection and reliance on the Investment Manager

Unitholders of the Trust are reliant on the ability of the Investment Manager to make, manage and dispose of appropriate investments for the Trust. While the Investment Manager intends to make only carefully selected investments that meet the investment criteria of the Trust, it has complete discretion with respect to the selection of such investments within the investment criteria.

(r) Payments of charges and expenses to capital

The charges and expenses of the Trust may be charged to the capital of the Trust in circumstances where there is insufficient income being received by the Trust. In such circumstances, the capital value of a Unitholder's investment may be lowered and income may be achieved by forgoing the potential for future capital growth.

(s) Net asset value and valuation of assets

The valuation of the Trust's assets obtained for the purpose of calculating Net Asset Value may not be reflected in the prices at which such assets are sold. For details of the valuation of assets, please Paragraph 3.1 (*Valuation of property*) of Part 1 (*General Information concerning the Trust*).

(t) Derivative risk

Where the Trust uses Derivatives, additional risk factors are contained in the Appendix of the Trust.

(u) Delegation risk

The Trustee is permitted to delegate and authorise its delegate to sub-delegate the safekeeping of the Scheme Property. As a result, the Trust may be adversely affected, amongst other things, by uncertainties in the applicable insolvency laws of the delegate or sub-delegate and protection of the Scheme Property from distribution to creditors of the delegate or sub-delegate.

(v) Brexit

The UK referendum held on 23 June 2016 resulted in a majority voting in favour of the UK leaving the European Union. The UK Government triggered Article 50 (the European Union's legal provision for countries wishing to leave the European Union) in March 2017. Accordingly, the UK is expected to leave the European Union on 29 March 2019. The UK will continue to be a member of the European Union until then.

The Trust may be negatively impacted by market volatility and uncertainty with potential changes in law and tax treatment resulting from the UK's departure from the European Union. Any changes in law and tax treatment will be dependent on the terms of the UK's exit, and changes to UK law following such an exit.

7.5 Profile of Typical Investor

The Trust is aimed at institutional investors and is suitable for experienced investors wishing to attain defined investment objectives. The investor must have experience with volatile products and must be able to accept significant temporary losses. Therefore, the Trust is suitable for investors who can afford to set aside the capital for at least five years. The Trust is designed for the investment objective of building up capital.

The Trust is eligible to be held within the stocks and shares component of an Individual Savings Account.

Investors should also consider the following, typically, investors should:

- have a lump sum to invest or be able to make regular investment payments;
- have savings that can be accessed on demand to cover unplanned requirements;
- be able to accept investment losses;
- plan to invest for the medium to long-term (at least five years) but understand that if they need to sell at any point that the value of their holding may be less than they invested.

7.6 Best Execution

The Investment Manager will execute purchases and sales of underlying Trust investments. A copy of the Investment Manager's execution policy is available on request and/or at www.majedie.com.

7.7 Voting Rights

The Manager will exercise voting rights attaching to underlying Trust investments in accordance with its voting policy. A copy of the Manager's voting policy is available on request.

7.8 Historic Performance

LF Majedie Institutional Trust

Unit Class	Calendar year to			
	31 Dec 2015	31 Dec 2016	31 Dec 2017	31 Dec 2018
Class B Accumulation Units (Sterling)	(0.3%)	23.4%	6.6%	(9.3%)
FTSE All-Share Index(Total Return)	1.0%	16.8%	13.1%	(9.5%)

Source: Majedie for the Trust; FTSE International Limited for the index

Class B Accumulation Units in the Trust were first issued on 7 April 2014.

Notes:

Past performance is not necessarily a guide to future returns. The value of Units may fall as well as rise and any income received from them may fluctuate. Consequently, you may not receive back the amount originally invested.

The price of Units is calculated on a single pricing basis.

In the case of Units, performance is calculated to close of business (New York time) on 31 December each year. Since this is not the Valuation Point of the Trust, NAV per Unit is calculated for performance measurement purposes only as at close of business (New York time) on 31 December. If 31 December is not a Dealing Day, closing prices on the preceding Dealing Day will be used in calculating the 31 December NAV per Unit. The calculations do not include any dilution adjustment.

In the case of Income Units, it is assumed that distributions (dividends net of the standard rate of income tax) are re-invested in additional Units at the price applicable on the accounting date.

7.9 Inspection of documents and supply of copies

The Trust Deed, any amending deed and the most recent annual and half yearly reports may be inspected at the offices of the Manager. Copies of the following documents may be obtained from the Manager (subject in some cases to payment of a fee in accordance with the Sourcebook);

- (a) the most recent annual and half yearly reports;
- (b) the most recent version of this Prospectus;
- (c) the Trust Deed; and
- (d) the material contract referred to below.

7.10 Material Contracts

The Depositary Agreement, not being a contract entered into in the ordinary course of business, has been entered into by the Manager on behalf of the Trust and is material.

7.11 Investment Powers and Safeguards

The assets of the Trust will be invested with the aim of achieving the investment objective and policy of the Trust as set out in Appendix 1 (*LF Majedie Institutional Trust*). They must be invested so as to comply with the investment and borrowing powers and restrictions set out in the Sourcebook, the Trust Deed and this Prospectus.

The investment powers and safeguards applicable to the Trust are set out in Part 2 (*Investment and borrowing powers*).

7.12 Notice to Unitholders

Any notice or document will be served on Unitholders, by post, at their respective addresses as shown in the Register.

7.13 Complaints

If you have any complaints, please write to the Compliance Director at the Manager's address detailed in Paragraph 1.2 (*The Manager*). A copy of the Manager's Complaint Handling Procedures is available on request from the Manager. You may also contact the Manager via your financial adviser.

You may also have the right to complain directly to the Financial Ombudsman Service:

The Financial Ombudsman Service
Exchange Tower London
E14 9SR
Tel: 0800 023 4567
Website: www.financial-ombudsman.org.uk

Details of your right to lodge a claim with the Financial Services Compensation Scheme are available on request.

7.14 Benchmarks Regulation

BMR became fully applicable in the EU on 1 January 2018, subject to certain transitional provisions.

Since the objective of the Trust references a Benchmark, the Manager is required to include the Prospectus clear and prominent information stating whether the Benchmark is provided by a Benchmark administrator included in the Benchmarks Register. This information is included in Appendix 1 (*LF Majedie Institutional Trust*).

However, under the transitional provisions, a Benchmark administrator may continue to provide and the Manager may continue to reference an existing Benchmark until 1 January 2020 or until such time as an application for authorisation or registration by the Benchmark administrator has been refused.

8. Data Protection

Each of the Manager and the Trustee is a Data Controller; and the Registrar and Administrator is a Data Processor in respect of Personal Data provided by or on behalf of Unitholders and potential investors. Each of the Manager, the Trustee and the Registrar and Administrator will hold and process Personal Data in accordance with Data Protection Legislation.

In the course of business, the Trust and any other Data User will collect, record, store, adapt, transfer and otherwise process information by which Unitholders or prospective investors may be directly or indirectly identified.

The Trust and/or any any other Data User may hold and process the Personal Data of Unitholders and prospective investors for any one or more of the following purposes and legal bases:

- (a) to operate the Trust, including managing and administering a Unitholder's investment on an on-going basis which enables the Trust to satisfy its contractual duties and obligations to the Unitholder;
- (b) to comply with any applicable legal, tax or regulatory obligations on the Trust, for example, anti-money laundering and counter-terrorism legislation;
- (c) for any other legitimate business interest of the Trust or any other Data User or other third party to whom Personal Data is disclosed, including for statistical analysis and market research purposes where such interests are not overridden by the interests or fundamental rights and freedoms of the Unitholder; or
- (d) for any other specific purposes where a Unitholder or prospective investor has given specific consent. Where processing of Personal Data is based on consent, the Unitholder or prospective investor will have the right to withdraw the consent at any time.

The Trust and/or any other Data User may disclose or transfer Personal Data, whether in the UK or elsewhere (including to entities situated in countries outside the EEA), to each other or any of their respective, associated companies or sub-delegates and to third parties, including advisers, relevant fiscal, regulatory and law enforcement authorities, auditors and technology providers for the purposes specified above. Specifically, Personal Data may be transferred to and processed in India, the United States and other jurisdictions that do not have data protection legislation equivalent to that within the EEA.

The Trust and any other Data User will not transfer Personal Data to a jurisdiction outside the EEA (a “**third country**”), unless that third country ensures an adequate level of data protection or appropriate safeguards are in place. If a third country does not provide an adequate level of data protection, then the Trust and/or another Data User based in the EEA or the UK will ensure it puts in place appropriate safeguards such as the model clauses (which are standardised contractual clauses, approved by the European Commission) or binding corporate rules, or relies on one of the derogations provided for in Data Protection Legislation.

The Trust and other Data User will not keep personal data for longer than is necessary for the purpose(s) for which it was collected. In determining appropriate retention periods, the Trust and any other Data User shall have regard to any statutory, regulatory or other obligations to retain information, including anti-money laundering, counter-terrorism and tax legislation. The Trust and each other Data User will take all reasonable steps to destroy or erase the Personal Data from its systems when it is no longer required.

Where specific processing is based on a Unitholder’s consent, that Unitholder has the right to withdraw it at any time. Unitholders have the right to request access to their personal data kept by the Trust; the right to rectification or erasure of their data; to restrict or object to processing of their data, and to data portability, subject to any restrictions imposed by Data Protection Legislation and/or other applicable laws or regulations.

Where processing is carried out on behalf of the Trust, the Trust shall engage a Data Processor, which provides sufficient guarantees to implement appropriate technical and organisational security measures in a manner that such processing meets the requirements of Data Protection Legislation and ensures the protection of the rights of investors. The Trust will enter into a written contract with the Data Processor which will set out the Data Processor’s specific mandatory obligations laid down in Data Protection Legislation, including to process Personal Data only in accordance with the documented instructions from the Trust.

Prospective investors and/or Unitholders are required to provide their Personal Data for statutory, regulatory and contractual purposes. Failure to provide the required Personal Data will result in the Trust being unable to permit, process, or release the Unitholder’s or prospective investor’s investment and this may result in the Trust terminating its relationship with the investor. Investors have a right to lodge a complaint with the Information Commissioner’s Office if they are unhappy with how the Trust or any other Data User is holding or processing their Personal Data.

Any questions about the operation of the Trust’s data protection policy should be referred in the first instance to The Data Protection Officer, Link Funds Solutions Limited, 6th Floor, 65 Gresham Street, London EC2V 7NQ, or via email at investorservices@linkgroup.co.uk.

Part 2

Investment and Borrowing Powers

1. Introduction

This Part sets out in general terms the investment and borrowing powers of the Trust.

The Trust is a UCITS Scheme and all of its investment and borrowing powers as set out in this Part are compliant with Chapter 5 of the Sourcebook.

References in this Part to percentages are to percentages of the value of the Scheme Property unless otherwise stated.

2. General Powers of Investment in Transferable Securities

The investment powers described in the following paragraphs are of general application to all unit trusts.

2.1 What is a “transferable security”?

The Regulations define “**transferable security**” as:

- (a) including any investment covered by Rule 5.2.7 of the Sourcebook (broadly: shares; debentures; alternative debentures, government and public securities, such as gilts; warrants and certificates representing securities, such as depositary receipts); but
- (b) excluding any of the above:
 - (i) if title cannot be transferred at all; or
 - (ii) if consent (other than of the issuer) is required for title to be transferred; or
 - (iii) if the liability of the holder of such a security to contribute to the debts of the issuer is not limited to the issue price.

A transferable security will be an “**approved security**” for the purposes of the Regulations if it is admitted to Official Listing in any EEA Member State or the UK, or if it is dealt in on or under the rules of an “**eligible securities market**” (details of eligible markets relevant to the Trust are set out in Paragraph 7 (*Eligible markets*) of Part 2 (*Investment and borrowing powers*)).

2.2 General provisions as to investment in transferable securities

The Trust may invest in transferable securities subject to the following restrictions:

(a) Non-approved securities limit

Not more than 10% in value of the Scheme Property may consist of transferable securities which are not approved securities. However, subject to the other restrictions mentioned in paragraphs (b) to (f) below, there is generally no limit on the extent to which the Scheme Property may be invested in investments which are approved securities.

(b) Warrants and nil and partly paid securities

Up to 5% in value of the Trust may consist of warrants (which may at times make the portfolio composition highly volatile), provided that warrants may only be held if it is reasonably foreseeable there will be no change to the scheme property between the acquisition of the warrant and its exercise and the rights conferred by the proposed warrant and all other warrants forming part of the scheme property at the time of the acquisition of the proposed warrant will be exercised and that the exercise of the rights conferred by the warrants will not contravene the Sourcebook.

Securities on which any sum is unpaid may be held provided that it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Trust at any time when the payment is required without contravening the Sourcebook.

A warrant which is an investment falling within article 80 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 and which is akin to an investment falling within article 79 of that Order may not be included in the scheme property unless it is listed on an eligible securities market.

(c) Limited right to hold nil paid or partly paid securities

The Trust may invest in nil paid or partly paid transferable securities only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Trust at the time when payment is required without contravening the Sourcebook.

(d) Concentration

The Scheme Property may not include more than 10% of:

- (i) the non-voting share capital of a body corporate; or
- (ii) the debt securities issued by any single issuing body.

(e) Significant influence

The Trust may only acquire transferable securities issued by a body corporate carrying rights to vote (whether or not on substantially all matters) at a general meeting of that body provided that the acquisition would not give the Trust power significantly to influence the conduct of business of that body. The Trust shall be taken to have power significantly to influence the conduct of business of that body if it can, by virtue of the transferable securities held by it, exercise or control the exercise of 20% or more of the voting rights in that body (disregarding for this purpose any temporary suspension of voting rights in respect of the securities of that body).

(f) Spread limits for transferable securities

Not more than 5% in value of the Scheme Property may be invested in transferable securities (other than Government and other public securities) issued by the same issuer. This limit can be increased to 10% in value of the Scheme Property provided the total value of all holdings in excess of 5% does not exceed 40% of the Trust's property.

3. Investment in Collective Investment Schemes

3.1 Units in collective investment schemes generally

The Scheme Property may consist of units in collective investment schemes which:

- (a) comply with the conditions necessary for them to enjoy the rights conferred by the UCITS Directive;
- (b) are recognised under the provision of s272 of FSMA;
- (c) are authorised as a non-UCITS retail scheme;
- (d) are authorised in another EEA Member State, or
- (e) are authorised by the competent authority of an OECD member country (other than another EEA Member State) which has:
 - (i) signed the IOSCO Multilateral Memorandum of Understanding; and
 - (ii) approved the scheme's management company, rules and depositary/custody arrangements;

provided that, for (b), (c), (d) or (e) to apply, the requirements of Article 50(1)(e) of the UCITS Directive must be met by that collective investment schemes.

No more than 30% in value of the Scheme Property may consist of units in collective investment schemes of a type described in (b), (c), (d) or (e).

3.2 Units in collective investment schemes managed by the Manager or an associate

In addition to the restrictions in (a) above, where the Manager proposes to acquire for the account of the Trust units in another fund or collective investment scheme which it or an associate manages:

- (a) the Manager is obliged to pay into the Scheme Property before the close of business on the third Business Day next after the agreement to buy units in that other Fund or collective investment scheme;
 - (i) the maximum permitted amount of any Initial Charge payable to the operator of that other Fund or collective investment scheme; and
 - (ii) if the Manager pays more for the units issued to him than the then prevailing creation price (in a case where that price could reasonably be known by him) the full amount of the difference; and
- (b) there must be no charge in respect of the investment in or the disposal of units in that other Fund or collective investment scheme.

4. Derivatives and Forward Transactions

- (a) Derivative transactions may be used for the purposes of efficient portfolio management of the Trust in accordance with the Sourcebook.
- (b) Whilst the Trust has the power to use derivatives for the purposes of efficient portfolio management, it does not presently intend to do so. To the extent that it wishes to do so in the future, it shall ensure that it does so in compliance with the ESMA guidelines on "ETFs and other UCITS issues", in particular as such guidelines relate to efficient portfolio management techniques and collateral management.

- (c) Where necessary for efficient portfolio management, the Trust may invest in Derivatives so long as:
 - (i) it meets the criteria as set out in the Sourcebook and as discussed in (iv) below;
 - (ii) the transaction is economically appropriate for the Trust and any exposure is fully covered by cash or other property sufficient to meet any obligation to pay or deliver that could arise;
 - (iii) the exposure of the Trust to the underlying assets involved in the transaction do not exceed the limits as set out in the Sourcebook;
 - (iv) any investment in a transferable security or money market instrument which embeds a Derivative, must also be in compliance with the relevant sections in the Sourcebook dealing with Derivatives, particularly in respect of the restrictions on exposure; and
 - (v) any investment in financial indices or OTC Derivatives meets the specific regulations set out in the Sourcebook dealing with these specific investments.
- (d) Except as set out in (f) below, there is no upper limit on the use of transactions in Derivatives or forward transaction for the Trust, but those transactions must meet the requirements of (d) and (e).
- (e) A transaction in a Derivative or forward transaction must:
 - (i) (a) if an OTC Derivative, be in an approved Derivative; or
- (f) be in a future, an option or a CFD which must be entered into with a counterparty that is acceptable in accordance with the Sourcebook, must be on approved terms as to valuation and close out and must be capable of valuation;
 - (i) have the underlying asset consisting of any or all of the following to which the Trust is dedicated:
 - (a) transferable securities;
 - (b) permitted money market instruments;
 - (c) permitted deposits;
 - (d) permitted derivatives;
 - (e) permitted collective investment scheme units;
 - (f) financial indices;
 - (g) interest rates;
 - (h) foreign exchange rates; and
 - (i) currencies.
 - (iii) be effected on or under the rules of an eligible derivatives market, which must not cause the Trust to diverge from its investment objective, must not be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units in collective investment schemes, or Derivatives and must be with an approved counterparty.

Use of Derivatives must be supported by a risk management process maintained by the Manager which should take account of the investment objective and policy of the Trust. At the current time the Manager does not intend to use Derivatives either for efficient portfolio management or for the purpose of meeting the investment objectives of the Trust except where stated in Appendix 1 (*LF Majedie Institutional Trust*).

(g) Transactions may only be entered into if the global exposure relating to derivatives and forward transactions does not exceed the net value of the Scheme Property.

Global exposure within the Trust is a measure of the maximum potential loss to the Trust from the use of derivative instruments. This is calculated using the “commitment approach” which converts derivatives into the equivalent position in the underlying assets and thereby measures the incremental exposure provided by derivatives, after all appropriate netting or hedging positions have been removed.

(h) A transaction in Derivatives or a forward transaction is to be entered into only if the exposure created by the transaction to which the scheme is or may be committed by another person, is suitably covered under the paragraph below.

Exposure must be calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

(i) The exposure to any one counterparty in an OTC Derivative transaction must not exceed 5% in value of the Scheme Property. This limit is raised to 10% where the counterparty is an approved bank.

(j) Where the Trust seeks collateral in connection with an OTC Derivative transaction the Trust will seek collateral in the form of cash or high quality liquid instruments which can reasonably be valued at nominal or face value without any discount and the Trust shall ensure that it does so in compliance with the ESMA guidelines on “ETFs and other UCITS issues”, in particular as such guidelines relate to efficient portfolio management techniques, OTC Derivative transactions and collateral management. Any cash collateral will either be held as cash on deposit or invested in high quality liquid instruments as described in the preceding sentence.

5. Further General Investment and Borrowing Powers

The following paragraphs describe other general investment and borrowing powers applicable to unit trusts:

5.1 Stock lending

A stock lending transaction is one under which the Trustee sells and delivers securities to another party (either directly or through the agency of a broker) on terms that securities of the same kind and amount will be redelivered and reacquired by the Trustee for the account of the Trust by a specified future date. At the time of delivery of the securities the Trustee receives from the counterparty assets as collateral to cover against the risk of the future redelivery not being completed, and the value of such collateral is adjusted on a regular basis to reflect the value of the securities transferred to the counterparty.

The Manager may request the Trustee to enter into stock lending transactions permitted under the Sourcebook and of a kind described in s263B Chargeable Gains Act 1992 (without extension by s263C). The Manager does not currently engage in stock lending for the Trust.

5.2 Borrowing powers

The Trustee may, in accordance with the Sourcebook and with the instructions of the Manager, borrow money from an eligible institution or an approved bank for the use of the Trust on the terms that the borrowing is repayable out of the Scheme Property.

Borrowing includes, as well as borrowing in a conventional manner, any other arrangement designed to achieve a temporary injection of money into the Scheme Property in question, in the expectation that the sum will be repaid (something that can be accomplished, for example by way of a combination of Derivatives which produces an effect similar to borrowing).

The aggregate value of all outstanding borrowings must not, on any Business Day, exceed 10% of the value of the Trust for which said borrowing was effected. This restriction does not apply to any “back-to-back” borrowing where currency is borrowed by the Trust from an eligible institution and an amount in the Trust’s base currency, at least equal to the amount of the currency borrowed, is kept on deposit with the lender (or his agent or nominee). The Manager must ensure that no borrowing remains outstanding for a period exceeding three months without the prior consent of the Trustee and in any case the borrowing must not cease to be on a temporary basis.

5.3 Power to hold cash etc.

The Trust may hold cash or near cash (i.e. cash-type instruments and certain other arrangements which are treated by the Sourcebook as the equivalent of cash) for (i) the pursuit of the Trust’s investment objectives; (ii) the redemption of Units; (iii) the efficient management of the Trust; and/or (iv) other purposes which may reasonably be regarded as ancillary to the Trust’s objects. The Manager may vary the level of cash actually held within the Trust in accordance with changes or anticipated changes in market conditions.

5.4 Placing and underwriting exposure

Subject to the Sourcebook, the Trust may enter into agreements and undertakings in respect of underwriting and placing of transferable securities, provided that on any Business Day, the associated exposure of the Trust in relation to which said agreements have been entered into must:

- (a) be covered as if that exposure had been incurred in the context of a Derivative transaction (see above); and
- (b) if all possible obligations arising thereunder had immediately to be met in full, not involve the Trust in question in a breach of any investment limit in the Sourcebook.

6. Listing Arrangements

Units are not listed or dealt with on any investment exchange.

7. Eligible Markets

(a) any stock exchange which is located in an EEA Member State or in Australia, Canada, Hong Kong (but excluding Shanghai-Hong Kong Stock Connect), Japan, New Zealand, Switzerland, United States of America; or

(b) any stock exchange included in the following list:-

Brazil	Bolsa de Valores, Mercadorias & Futuros de Sao Paulo;
Chile	Santiago Stock Exchange; Valparaiso Stock Exchange; Electronic Stock Exchange;
Colombia	Bolsa de Valores de Colombia;
India	Bombay Stock Exchange; National Stock Exchange;
Indonesia	Indonesia Stock Exchange;
Israel	Tel Aviv Stock Exchange;
Malaysia	Bursa Malaysia Stock Exchange;
Mexico	Bolsa Mexicana de Valores;
Peru	Bolsa de Valores de Lima;
Philippines	Philippine Stock Exchange;
Russia	Moscow Stock Exchange;
Singapore	Singapore Exchange;
South Africa	Johannesburg Stock Exchange;
Republic of South Korea	Korea Exchange;
Taiwan	Taiwan Stock Exchange;
Thailand	The Stock Exchange of Thailand;
Turkey	Borsa Istanbul Exchange; and

(c) for trading derivatives any stock market which is included in the following list:

Chicago Board Option Exchange
EUREX Exchange
ICE Futures Europe Exchange
London Stock Exchange
Osaka Securities Exchange

In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in an EEA Member State, (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States (iii) the Channel Islands Stock Exchange or (iv) listed at (c) above.

Appendix 1

LF Majedie Institutional Trust

1. Classification of the Trust

UCITS Scheme.

2. PRN

605729.

3. Investment Objectives and Policy

The Trust aims to produce a total return in excess of the FTSE All-Share Total Return Index over rolling three-year periods through investment directly and indirectly in a diversified portfolio of predominantly UK equities. Given the investment objective, the capital of investors in the Trust is at risk and there is no guarantee that the investment objective of the Trust will be achieved over rolling three-year periods or any time period

The Trust will invest in equity securities of companies which are listed or traded on one or more eligible markets. At least 80% of the Trust will be invested in UK equities, with the balance in international equities, cash or near cash. It is not the intention to invest materially in emerging markets.

There is no policy to restrict investment to particular economic sectors. There will be no borrowing for investment purposes.

Not more than 10% of the Scheme Property may be invested in other collective investment schemes including those managed or operated by the Manager. In particular, it is expected that the Trust's exposure to UK smaller companies will be obtained by investing in a zero management fee share class of the Majedie UK Smaller Companies Fund, a sub-fund of Majedie Asset Management Investment Fund Company, which is an investment company with variable capital managed and operated by the Manager.

Up to 20% of the Scheme Property may be held in near cash (as defined in the FCA Glossary).

Although the Manager has power to do so, Derivatives will not be used in the Trust. If the Manager should decide to use Derivatives in the Trust, at least 60 days' prior written notice would be given to Unitholders.

4. Target Benchmark

FTSE All-Share Total Return Index

5. Information Regarding Benchmark

The FTSE All-Share Total Return Index has been selected as the Trust's target benchmark as the Trust has the discretion to invest across the broadest spectrum of UK companies. We have chosen the FTSE All-Share Total Return Index as the target benchmark as it is considered to be the broadest price performance measure for UK companies. The index is used as a target and the Trust is not constrained in how far its holdings can deviate from the weightings of the index.

6. Risk Factors

Market Risk: the investments of the Trust are subject to normal market fluctuations and the risk inherent in investment in equity securities and similar instruments and there can be no assurances that appreciation will occur.

Equity Risk: the value of equities may fall as well as rise and as a class of investment, equities are typically more volatile than other common investment types such as bonds or cash.

Currency Risk: the Trust invests in international securities which are denominated in foreign currencies whose fluctuations may increase the Trust's volatility and losses.

Brexit Risk: the Trust may be negatively impacted by market volatility and uncertainty with potential changes in law and tax treatment resulting from the UK's departure from the European Union. Any changes in law and tax treatment will be dependent on the terms of the UK's exit, and changes to UK law following such an exit.

7. Benchmark Regulation

The Benchmark referenced in the Trust's investment objective is the FTSE All-Share Total Return Index. FTSE International Limited has indicated that it will apply to the FCA for authorisation as an EU-based Benchmark administrator in early 2018, but has not yet been so authorised and therefore does not appear on the Benchmarks Register. Under BMR transitional provisions, the Manager may nonetheless continue to use the Benchmark until 1 January 2020 or until such time as the application for authorisation has been refused.

8. Types of Unit in Issue:

Class B Accumulation Units.

Class B Accumulation Units are only available for purchase by investors with the prior agreement of the Investment Manager (which it may give or withhold at its discretion).

9. Base Currency

£ Sterling.

10. Dealing Day

Every Business Day.

11. Dealing Deadline

For both subscriptions and redemptions, 12.00 noon (London Time) on the relevant Dealing Day.

12. Annual Management Charge

Class B Accumulation Units in the Trust do not have an Annual Management Charge.

The Annual Management Charge will accrue daily based on the previous day's NAV and is payable in arrears on the last Business Day of each month.

13. Ongoing Charges Figure ("OCF")

The OCF refers to all fees regularly charged to the Trust and currently comprises only the Annual Management Charge.

The Manager's policy is that the fees included in the OCF shall be paid out of the income property of the Trust and that there shall be recourse to the capital property only to the extent that the income property is insufficient.

14. Valuation Point

The Scheme Property is valued daily on Business Days at 12.00 noon (London time).

15. Minimum Investment Criteria

For all Classes of Unit the minimum initial subscription is £100,000 and the minimum further subscription is £5,000.

These minima may be waived at the discretion of the Manager.

16. Dilution Adjustment

The Manager's policy is to apply a dilution adjustment whenever there are net inflows or net outflows of £1,000,000 or more. In the six months to 31 December 2018 a dilution adjustment was applied six times on outflows and one time on inflows. The rates of dilution adjustment are available on www.majedie.com/prices.

17. Annual Income Distribution Date

28 February.

18. Interim Income Distribution Date

31 August.

Appendix 2

Sub-Custodians

Country/Market	Sub-Custodian	Location
Argentina	Citibank N.A., Argentina	Buenos Aires
Australia	The Hongkong and Shanghai Banking Corporation Limited	Parramatta, NSW
Austria	UniCredit Bank Austria AG	Vienna
Bahrain	HSBC Bank Middle East Limited	Bahrain
Bangladesh	The Hongkong and Shanghai Banking Corporation Limited	Dhaka
Belgium	The Bank of New York SA/NV	Brussels
	Citibank Europe Plc, UK branch	London
Bermuda	HSBC Bank Bermuda Limited	Hamilton
Botswana	Stanbic Bank Botswana Limited	Gaborone
Brazil	Citibank N.A., Brazil	Sao Paulo
	Itau Unibanco S.A.	Sao Paulo
Bulgaria	Citibank Europe plc, Bulgaria Branch	Sofia
Canada	CIBC Mellon Trust Company (CIBC Mellon)	Toronto
Cayman Islands	The Bank of New York Mellon	New York
Channel Islands	The Bank of New York Mellon	New York
Chile	Banco de Chile	Santiago
	Itau Corpbanca S.A.	Santiago
China	HSBC Bank (China) Company Limited	Shanghai
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	Bogota
Costa Rica	Banco Nacional de Costa Rica	San José
Croatia	Privredna banka Zagreb d.d.	Zagreb
Cyprus	BNP Paribas Securities Services	Athens
Czech Republic	Citibank Europe plc, organizacni slozka	Prague
Denmark	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Egypt	HSBC Bank Egypt S.A.E.	Cairo
Estonia	SEB Pank AS	Tallinn
Eswatini	Standard Bank Swaziland Limited	Mbabane
Euromarket	Clearstream Banking S.A.	Luxembourg
	Euroclear Bank	Brussels
Finland	Skandinaviska Enskilda Banken AB (Publ)	Stockholm, Sweden
France	The Bank of New York Mellon SA/NV	Brussels
Germany	The Bank of New York Mellon SA/NV	Frankfurt am Main
Ghana	Stanbic Bank Ghana Limited	Accra
Greece	BNP Paribas Securities Services	Athens
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited	Hong Kong
Hungary	Citibank Europe plc. Hungarian Branch Office	Budapest

Iceland	Landsbankinn hf.	Reykjavik
India	Deutsche Bank AG	Mumbai
	The Hongkong and Shanghai Banking Corporation Limited	Mumbai
Indonesia	Deutsche Bank AG	Jakarta
Ireland	The Bank of New York Mellon	New York
Israel	Bank Hapoalim B.M.	Tel Aviv
Italy	The Bank of New York SA/NV	Brussels
Japan	Mizuho Bank, Ltd.	Tokyo
	MUFG Bank, Ltd.	Tokyo
Jordan	Standard Chartered Bank, Jordan Branch	Jordan
Kazakhstan	Citibank Kazakhstan Joint-Stock Company	Almaty
Kenya	Stanbic Bank Kenya Limited	Nairobi
Kuwait	HSBC Bank Middle East Limited, Kuwait	Safat
Latvia	AS SEB banka	Kekavas novads
Lithuania	AB SEB bankas	Vilnius
Luxembourg	Euroclear Bank	Brussels
Malawi	Standard Bank Limited	Lilongwe
Malaysia	Deutsche Bank (Malaysia) Berhad	Kuala Lumpur
Malta	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main	Frankfurt am Main, Germany
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	Ebene
Mexico	Banco Santander (México), S.A. Citibanamex	Ciudad de México Colonia Santa Fe
Morocco	Citibank Maghreb S.A.	Casablanca
Namibia	Standard Bank Namibia Limited	Windhoek
Netherlands	The Bank of New York Mellon SA/NV	Brussels, Belgium
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	Auckland
Nigeria	Stanic IBTC Bank Plc.	Lagos
Norway	Skandinaviska Enskilda Banken AB (Publ)	Stockholm, Sweden
Oman	HSBC Bank Oman S.A.O.G.	Sultanate of Oman
Pakistan	Deutsche Bank AG	Karachi
Peru	Citibank del Peru S.A.	Lima
Philippines	Deutsche Bank AG	Makati City
Poland	Bank Polska Kasa Opieki S.A.	Warszawa
Portugal	Citibank Europe Plc, Sucursal em Portugal	Dublin
Qatar	HSBC Bank Middle East Limited, Doha	Doha
Romania	Citibank Europe plc, Romania Branch	Bucharest
Russia	PJSC ROSBANK	Moscow
Saudi Arabia	Saudi Arabia	Riyadh

Serbia	UniCredit Bank Serbia JSC	Belgrade
Singapore	DBS Bank Ltd	Singapore
Slovak Republic	Citibank Europe plc, pobočka zahraničnej banky	Bratislava
Slovenia	UniCredit Banka Slovenia d.d.	Ljubljana
South Africa	Standard Chartered Bank	Johannesburg
	The Standard Bank of South Africa Limited	Johannesburg
South Korea	The Hongkong and Shanghai Banking Corporation Limited	Seoul
	Deutsche Bank AG	Seoul
Spain	Banco Bilbao Vizcaya Argentaria, S.A.	Bilbao
	Santander Securities Services, S.A.U.	Madrid
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited	Colombo
Sweden	Skandinaviska Enskilda Banken AB (Publ)	Stockholm
Switzerland	Credit Suisse (Switzerland) Ltd	Zurich
	UBS Switzerland AG	Zurich
Taiwan	HSBC Bank (Taiwan) Limited	Taipei City
Tanzania	Stanbic Bank Tanzania Limited	Dar es Salaam
Thailand	The Hongkong and Shanghai Banking Corporation Limited	Bangkok
Tunisia	Banque Internationale Arabe de Tunisie	Tunis
Turkey	Deutsche Bank A.S.	Istanbul
U.A.E.	HSBC Bank Middle East Limited, Dubai	Dubai
U.K.	Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch	London
	The Bank of New York Mellon	New York
U.S.A.	The Bank of New York Mellon	New York
U.S.A. Precious Metals	HSBC Bank, USA, N.A	New York
Uganda	Stanbic Bank Uganda Limited	Kampala
Ukraine	Public Joint Stock Company "Citibank"	Kiev
Uruguay	Banco Itaú Uruguay S.A.	Montevideo
Vietnam	HSBC Bank (Vietnam) Ltd	Ho Chi Minh City
Zambia	Stanbic Bank Zambia Limited	Lusaka
Zimbabwe	Stanbic Bank Zimbabwe Limited	Harare

Appendix 3

List of Other Collective Investment Schemes Operated by the Manager

The Manager acts as Authorised Corporate Director of the following Open-ended Investment Companies:

Asperior Investment Funds	LF Resilient Investment Funds
LF Arch Cru Investment Funds	LF Richmond Funds
LF Arch Cru Diversified Funds	LF Robin Fund
Celestial Investment Funds	LF Ruffer Investment Funds
LF Asset Value Investors Global Fund	LF Seneca Investment Funds
LF Bentley Investment Funds	LF Tellworth Investment Funds
LF Blue Whale Investment Funds	LF Waverton Investment Funds
LF Canada Life Investments Fund	LF Woodford Investment Fund
LF Canada Life Investments Fund II	LF Woodford Investment Funds II
LF Cautela Fund	Packel Global Fund
LF Eclectica Funds	P E Managed Fund
LF Gresham House Equity Funds	Purisima Investment Funds
LF Gresham House UK Micro Cap Fund	The Abbotsford Fund
LF Havelock London Investment Funds	The Arbor Fund
LF Heartwood Multi Asset Funds	The Broden Fund
LF IM Investment Funds	The LF Waverton Managed Investment Fund
LF KH Invicta Fund	The Circus Fund
LF Lindsell Train UK Equity Fund	The Davids Fund
LF Macquarie Investment Funds	The Gulland Fund
LF Majedie Asset Management Investment Fund Company	The Monoux Fund
LF Miton Investment Funds	The Mulberry Fund
LF Miton Investment Funds 3	The Navajo Fund
LF Miton Worldwide Opportunities Fund	The New Floco Fund
LF Morant Wright Japan Fund	The New Grande Motte Fund
LF Morant Wright Nippon Yield Fund	The New Jaguar Fund
LF Odey Funds	The New Viaduct Fund
LF Odey Investment Funds	The OHP Fund
LF Odey Investments	Trojan Investment Funds
LF Prudential Investment Funds (1)	Windrush Fund

The Manager acts as manager of the following Authorised Unit Trusts:

LF Adam Worldwide Fund
LF Canlife International Growth Unit Trust
LF Catalyst Trust
LF Greenmount Fund
LF Institutional World Fund
LF KH Feelgood Trust
LF KH Ramogan Trust
LF New Institutional World Fund
LF New Villture Fund
LF Personal Pension Trust
LF Prudential Pacific Markets Trust
LF Stakeholder Pension Scheme
LF Stewart Ivory Investment Markets Fund
Lorimer Trust
The LF Prudential Qualified Investor Scheme Umbrella Unit Trust
The Drygate Trust
The Holly Fund
The Mermaid Trust
The Newgate Trust

The Manager acts as manager of the following Authorised Contractual Schemes:

LF ACCESS Pool Authorised Contractual Scheme
LF Canada Life Authorised Contractual Scheme
LF Robeco ACS Umbrella Fund
LF Wales Pension Partnership Asset Pooling ACS Umbrella