Menhaden Capital Management LLP ("Menhaden" or "the Firm") Annual Best Execution Disclosure 2019

In accordance with the requirements of COBS 11.2A.39 R of the FCA Handbook, Menhaden is required on an annual basis, to provide supplementary disclosures around the execution venues it has utilized for each asset class and certain information on the quality of execution achieved (commonly known as "RTS 28 Best Execution Disclosures"). These disclosures need to: (i) identify the top five execution venues and counterparties of Menhaden over the previous calendar year; (ii) provide information on the quality of execution achieved for clients; and (iii) provide information on certain other relevant matters in the context of Menhaden's Best Execution arrangements.

In particular, Menhaden is required to summarise and make public the top five execution venues for directly executed trades; and the top five brokers for orders placed with third parties for execution; in terms of share of trading volume.

Execution Factors

When selecting a broker, the firm takes into account the following factors:

- Ability to execute orders on an accurate and timely basis;
- Adequacy of settlement, clearance and error/dispute resolution process;
- General trading capabilities and capability in a specific asset class;
- Willingness to execute transactions; and
- Ability to complete trades (including counterparty risk).

Qualitative Analysis

Consideration	Response
a) An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration	In line with its Best Execution Policy, Menhaden will take all sufficient steps to execute the order in a manner designed to obtain the best possible results for the client on a consistent basis. Menhaden will consider the execution factors that it determines to be applicable and appropriate for each specific asset class when handling an order on behalf of the client. The rating of importance and appropriateness of each of the execution factors may differ on an order-by-order basis and will take into account the characteristics of the client; the characteristics of the order;

and the prevailing market conditions e.g. the current market and liquidity; the availability and access to liquidity.

The execution factors that Menhaden takes into account include (but are not limited to):
- The execution price/cost of execution (including the execution cost as applicable);
- The speed and/or likelihood of execution;
- The speed and/or likelihood of settlement;
- The size and nature of the transaction;
- The impact on prices displayed in the market;
- The characteristics of the financial instrument (including its liquidity);
- Counterparty risk; and
- Any other considerations that Menhaden considers applicable relating to that specific order e.g. the characteristics of the available execution venues.

Ordinarily, price will generally merit a high relative importance in obtaining the best possible result for the client. However, in certain circumstances (e.g. such as illiquid instruments), for some client orders, financial instruments or markets, the firm, in its absolute discretion, may determine that other factors may be more important in achieving the best possible result.

Operational and counterparty risk factors play a greater role in the assessment of best execution with respect to Forward FX trades.

The Firm used two Northern Trust counterparties as its primary execution counterparties over the period. Transaction cost analysis reports were reviewed over the course of the year with respect to executions in equities. Forward FX quotes were reviewed at the point of execution throughout the year. Menhaden's best execution monitoring in all cases demonstrated that it achieved best execution for its clients.

b) A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders	Menhaden does not have any close links, conflicts of interest, or common ownerships with respect to any execution venues or third parties used to execute orders. All Menhaden Staff Members are subject to the firm's Conflicts of Interest Policy.

c)	A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	Menhaden does not receive any payments, discounts, rebates, or non-monetary benefits from execution venues in relation to its trading arrangements. All Menhaden Staff Members are subject to the firm's Gifts and Benefits Policy. Menhaden does not engage in any arrangements for payments for order flow with any broker or other third-party entity.
d)	An explanation of factors that led to a change in the list of execution venues listed in the firm's execution policy, if such change occurred	No changes occurred to the list of execution venues during the course of the calendar year. The inclusion of brokers to the approved list is on the direction of the Portfolio Manager and is subject to the broker satisfying certain conditions. Menhaden performs regular reviews of the performance and ability of its trading counterparties to trade effectively on its behalf with the aim of ensuring a consistently high quality of execution.
e)	An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements	The Firm had one client which was categorised as Professional over the period. The Firm cannot have Retail Clients under its regulatory permissions.
f)	An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client	Not applicable – Firm cannot have Retail Clients under its regulatory permissions.
g)	An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575	The Firm intends to utilise the results of its best execution monitoring and management information in order to oversee the quality of its execution and will seek to make use of the disclosures required under RTS 27 going forwards when such disclosures are available in a meaningful format to inform its assessment of the quality of execution achieved for its client.
h)	An explanation of how the Firm used the output of consolidated tape providers under Article 65 of Directive 2014/65/EU	The Firm did not use any output from consolidated tape providers.

Quantitative Analysis

Class of instrument			(a) Equities – Shares & depositary receipts; All Tick Size bands		
Notification if <1 average trade per business day in the previous year			Y		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders*	Percentage of aggressive orders**	Percentage of directed orders**
Northern Trust Securities LLP: LEI Code 549300EF8AZLRG0UCV208	100%	100%	0%	0%	0%

Class of instrument			(e) Currency Derivatives; (ii) Swaps, Forwards, and other Currency Derivatives		
Notification if <1 average trade per business day in the previous year			Y		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders*	Percentage of aggressive orders**	Percentage of directed orders**
The Northern Trust Company: LEI Code 6PTKHDJ8HDUF78PFWH30	100%	100%	0%	0%	0%

A passive order is characterised as an order that is entered into the order book of a trading venue and provides liquidity.

*** An aggressive order is defined as an order that is entered into the order book of a trading venue and takes liquidity.*

**** The conditions of a directed order are met, when an execution venue is specified by the client prior to the execution of the order.*