

Policy Document

PROCEDURE NAME:	Remuneration Policy
PROCEDURE NUMBER:	
VERSION NR:	01
AUTHOR:	Danielle Jones

REMUNERATION POLICY MAITLAND INSTITUTIONAL SERVICES LTD

1. Introduction

This document records the remuneration policy for Maitland Institutional Services Ltd (MISL). This company provides Management Services, including; acting as an Authorised Corporate Director (ACD), an Alternative Investment Fund Manager (AIFM) and a Third Party Administration (TPA). It is authorised and regulated by the Financial Conduct Authority (FCA) in the conduct of such business. The ACD

1.1 Board Responsibilities

It is the Board's responsibility to approve the Remuneration Policy and review it periodically. The Board is ultimately responsible for ensuring the policy remains compliant with the AIFM remuneration code and FCA handbook.

MISL must comply with the requirements of the FCA's Remuneration Code, as covered in the SYSC sourcebook of the FCA rules, and as required by the Capital Requirements Directive. In meeting these requirements the following companies have developed a range of policies, practices and procedures.

Given the size and business type, MISL is not required to establish a Remuneration Committee, however it does have a Risk Committee, Investment Committee and a Board. The Board is made up of Non-executive Directors and Executive Directors.

1.2 Remuneration Code Staff

Remuneration Code Staff are categorised under [SYSC 19A 3.4R](#) (ACD) & [SYSC 19B 1.1R](#) (AIFM) and [SYSC 19E.2](#) as including; senior management, risk takers, staff engaged in control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the firm's risk profile.

MISL employs 6 Code Staff and includes individuals in the following roles; Executive Directors and individuals in Control Function roles covering; Risk & Compliance, Finance and Management and Non-Executive Directors.

An annual review of the employees who are Code Staff is undertaken to ensure that it remains within the risk profile of the Company. All employees are remunerated with an annual fixed salary, with the exception of one employee receiving variable payments, which may be a greater proportion of total salary than fixed salary. All variable amounts are distributed as cash.

As at January 2016	Number of beneficiaries	Aggregate annualised remuneration	Fixed aggregate annualised remuneration
Total remuneration paid by the ACD	47	£2,666,432	£2,636,385
Remuneration of employees who have a material impact on the risk profile of the ACD	6	£704,072	£674,025

Given the size and nature of MISL all staff are subject to the same fixed pay reward scheme. Fixed pay comprises an annual basic salary and any cash allowances.

The structure of the remuneration packages for the FCA Code Staff is designed to be in line with the Group's business strategy, take account of any conflicts of interest and the existing and future capital

requirements of the business. MISL's method of remuneration is designed to discourage excessive risk taking.

1.3 Conflicts of Interest

MISL regularly reviews potential conflicts and where appropriate updates the Policy and register. Conflicts of interest may involve a failure by the firm to act in the best interests of its clients and may involve a material risk of damage to the interests of those clients. To ensure that individuals act in a fair manner to each client, MISL ensures that a number of policies are in place to reduce those conflicts and mitigate the risk:

- Conflicts of Interest Policy
- Gifts and Benefits Policy
- Personal Dealing Policy
- Treating Customers Fairly Policy

1.4 Delegated Portfolio Management

Where portfolio management is delegated, it is a matter for the Board of the delegee and its remuneration committee to ensure that the delegee has a remuneration policy that meets the needs of their business and the requirements of AIFM remuneration code and FCA handbook. MISL reviews the remuneration policy of potential portfolio managers prior to delegation to ensure they satisfy the relevant FCA requirements.

MISL also makes it a requirement of the Investment Management Agreement between the AIF, MISL and the delegee, that the delegee seeks MISL's approval prior to making changes within its remuneration policy.

2. Remuneration Policies

2.1 Fixed Remuneration

All Code staff, Senior Management, and Executive Directors and Non-Executive Directors are remunerated on a fixed remuneration basis. When recruited all employees agree an employment contract detailing their annual remuneration which is a fixed amount.

Annually, as part of MISL's budgetary process an annual pay increase review percentage for the whole organisation is presented to the Board for approval. The annual review percentage is applied to the current total payroll to give a total sum available for salary increases. All employees fixed remuneration is then reviewed ensuring that the total increases across all employees are not in excess of the budgeted amount.

Annual basic salary increases for individual employees are reviewed and approved by the Chief Operating Officer, Finance Director and Human Resource Manager.

When awarding annual salary increases, consideration is given to market rate, responsibility, increased experience and achieving objectives which are set as part of the annual and half yearly employee performance reviews.

The board may award exceptional salary increases in the event that the salary paid for a given position is found to be out of line with the market.

2.2 Performance Related Remuneration (Variable)

No identified staff received performance related remuneration.

2.3 Non-Executive Directors

Non-Executive Directors receive a fixed rate of remuneration based on market rates, level of involvement, and specific market experience that they bring to MISL. Some Non-Executive Directors provide their services free of charge where they are substantial shareholders.

2.4 Pension

MISL maintains a pension scheme via Aegon Scottish Equitable. The scheme is open to all staff once they have completed their probation. The scheme is voluntary, but if joined the Maitland Group contributes 3% salary per month.

Appendix 1 - Document Control

Document Details	
Document Name	Remuneration Policy
Document Owner	MISL Board
Version Author	Danielle Jones & David Munting
Date of Document	December 2014
Review Frequency	Annually

Version History	
This Version Number	1214
Date of Last Review	December 2014
Last Reviewed By	D Jones

Record of Amendments				
Date	Version Number	Comment	Author	Board Approved
Dec 2014	1214	Sysc 19B	DM & DJ	TBA
March 16	0316	Sysc 19E	DJ	16/3/2016