Tendercapital Ltd
Disclosure under Pillar 3 of Capital Requirements Directive
Date: January 2018

Tendercapital Ltd ("the Firm") is authorised and regulated by the Financial Conduct Authority and is categorised as a BIPRU €50,000 Limited Licence Firm for regulatory purposes. The firm is not part of a group or subject to consolidated reporting. The disclosure has been prepared by the firm in accordance with BIPRU 11 and summarises the material disclosures the firm is required to make under Pillar 3 of the Capital Requirements Directive.

Frequency
Pillar 3 disclosures will be issued on an annual basis after the year end financial statements have been audited and published as is practical. The disclosures will be as at the Accounting Reference Date. All figures herein are as at 31 December 2017.

Materiality
The Firm regards information as material in disclosures if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purposes of making economic decisions. If the Firm deems a certain disclosure to be immaterial, it may be omitted from this Statement.

Risk Management
The management of the risks of the firm is carried out by the Firm's board of directors. Alessandro Chiarini is responsible for the oversight of the firm's compliance and financial arrangements. The boards meets formally on a quarterly basis with a set agenda and key decisions are documented.

The firm is supported in its compliance and accounting arrangements by two independent providers. The firm receives monthly management accounts from which it is able to monitor and project its capital resources. It has a compliance manual, a compliance monitoring programme and an ICAAP process that ensures it is able to manage the risks that it faces. Given the nature and activities of the firm, its risk appetite is low. It does not securitize its assets nor does it deal in a principal capacity and therefore does it does not have a trading book.

The key risks that it faces are as follows:

Market risk
The main market risk of the firm is foreign exchange risk as a result of its management fees being calculated in Euros whilst the firm's operating and reporting currency is Sterling. This risk is monitored by the directors and is either converted at the time that the fees are calculated or hedged against the operating currency of the firm. The firm follows the standardised approach to market risk.

Interest rate risk
The firm is not exposed to interest rate risk as it does not rely on borrowings to meet operating expenditure and does not make loans to clients.

Credit risk
The main credit risk of the firm is a defaulting debtor. As noted above, the firm does not extend credit to its clients. The key credit exposures that the firm has are cash balances maintained with its UK clearer and management fees receivable from its clients. Cash

balances are held in overnight deposit accounts and readily available. Management fees are payable within 10 days of their calculation.

Under Pillar 1, cash balances are risk weighted at 1.6% and management fees receivable at 8%. The board believe that the Pillar 1 risk weight is adequate and that a Pillar 2 adjustment is not required.

Liquidity risk
The liquidity risk that the firm faces is the inability to settle its liabilities as they fall due. Part of the risk management structure noted above monitors the liquidity position of the firm at all times. Bank reconciliations and cash flows are prepared on a regular basis to ensure that all liabilities are understood and able to be settled as they fall due. Cash resources of the firm are maintained in accounts with instant access as noted above.

Operational risk
The firm is aware of the reputational damage that could result from a failure in operating procedures. The firm's key policy and procedures are documented in the compliance manual and monitored via the compliance monitoring programme.

Changes to procedures are communicated to directors and staff as they occur and if significant all individuals will provide a written confirmation of their understanding and acknowledgement of the changes.

Directors and staff remain aware of the policies and procedures and periodically confirm their compliance via a compliance declaration.

Remuneration risk and disclosures
As a €50,000 Limited Licence firm, Tendercapital Ltd falls within Tier 3 of the proportionality guidance notes issued by the Financial Conduct Authority in September 2012. The firm has applied the principles of proportionality in the disclosures made within this statement.

The Firm has 2 Code Staff. The firm's remuneration structure has been created to promote sound and effective risk management. All decisions in relation to remuneration are made by the Remuneration Committee. Remuneration is based on the performance of the firm as a whole and not on a single investment strategy.

Capital Resources
As the firm is a BIPRU €50,000 Limited Licence Firm. It has calculated its capital resources in accordance with GENPRU 2.2.

Pillar 1 capital is the minimum capital requirement that firms are required to meet for credit, market and operational risk. The Firm's Pillar 1 requirement is calculated as the higher of:
1. The Base Capital Requirement (€50k)
2. The sum of:
The Credit Risk Capital Requirement; and
The Market Risk Capital Requirement.
3. The Fixed Overheads Requirement (3 months expenditure of the firm).

In the opinion of the directors the higher of these three is always likely to be the Fixed Overhead Requirement and therefore none of the Base Capital Requirement, the Credit Risk Capital Requirement or the Market Risk Capital Requirement are material to the Firm as set out above.

Pillar 1 and Pillar 2
As at the date of this report the Firm has a surplus of capital resources over its Pillar 1 capital resources requirement.

Pillar 2 capital is additional capital against risks not adequately covered in Pillar 1. The Firm has undertaken an Internal Capital Adequacy Assessment Process (ICAAP) to determine whether it needs any further regulatory capital due to the risks it faces as set out above. As a result of this review the Firm has concluded that it does not need any further regulatory capital to meet its requirements under Pillar 2.