

Capital Requirements Directive - Pillar 3 Disclosures as at 25th May 2018

This document is intended to meet Cumberland Place Financial Management Ltd.'s Capital Requirements Directive Pillar 3 disclosure obligations. This report is based upon on the assessment process undertaken to determine the individual capital adequacy of Cumberland Place Financial Management Ltd (the "Firm").

As a result of the assessment, the Firm is considered to have adequate capital resources given its size and the complexity of its business.

The Firm is classified by FCA as a limited licence €50k firm.

No material pillar 2 risks have been identified during this assessment.

A summary of the minimum capital requirement under pillar 1 and the risk-based capital requirement under pillar 2 is shown below:

Pillar 1 Requirement Summary:

	Minimum capital
Base Capital Requirement	€50,000
Credit Risk Requirement	Significantly less than the fixed overhead requirement
Market Risk Requirement	Significantly less than the fixed overhead requirement
Fixed Overhead Requirement (FOR)	£
Pillar 1 Requirement (higher of base capital requirement, total of credit and market risk requirement or FOR)	363,650

Pillar 2 (ICAAP) Requirement Summary:

	Firm's Pillar 2 Additional Capital Requirement
Credit risk	£0
Market risk	£0
Liquidity risk	£0
Operational risk	£0
Insurance risk	£0
Concentration risk	£0
Residual risk	£0
Securitisation risk	£0
Business risk	£0
Interest rate risk (including interest rate risk in the non-trading book)	£0
Pension obligation risk	£0
Reputational risk	£0
Regulatory risk	£0
Legal action risk	£0
Economic risk	£0
Total	
Adjustments (diversification if claimed etc)	£0

Additional capital to cover stress testing	£0
Pillar 2 (ICAAP) total capital requirement	£0

Overall Financial Resources Requirement:

Pillar 1 Requirement	£363,650
Pillar 2 Total Requirement	£0
Total:	£363,650
Current capital available	£745,722
Surplus	£382,072

Due to the Firm's size and nature of our activities the assessment has identified no additional risk-based capital requirements under pillar 2. Stress testing has shown that unless there is an exceptional down turn in economic conditions the Firm will continue to be able to meet its pillar 1 financial resources requirement.

The Firm considers that it has a robust approach to risk management.

The Firm does not believe there is any significant exposure to credit risk and market risk is not relevant since the Firm does not operate a trading book.

As a limited licence firm, we are exempt from the requirement to consider operational risk.

This document is to be reconsidered on an annual basis to ensure that it remains accurate and relevant to the Firm's activities, associated risks and economic conditions.

This assessment process has been considered by the Board of the Firm and approved.

Remuneration Code Disclosure

Our Firm falls within the scope of Remuneration Code as a level 3 firm. This means that we must disclose certain information about our remuneration policy and details in aggregate of the remuneration of Code Staff.

The information that must be disclosed is as follows:

- a) The process for determining remuneration policy
- b) The link between pay and performance (including the main performance metrics and the forms of remuneration)
- c) Aggregate quantitative remuneration data by business area
- d) Aggregate quantitative remuneration data broken down by reference to senior management and other staff whose actions have a material impact on the risk profile of the firm.

Cumberland Place Financial Management Ltd has two employee Directors, each of whom fall under the remit of the Remuneration Code. The Firm does not employ any risk takers.

Director remuneration is agreed formally by the 1825 Board. Pay is not linked to performance. The Firm's risk-adverse strategy and robust risk management systems mean that individual directors have no opportunity to artificially influence variable remuneration.

As allowed by FCA rules, quantitative data is withheld because it could lead to identification of specific individuals' remuneration.