



Seneca Partners Ltd

Disclosure

FYE 22/23



Disclosure Policy

In accordance with the rules of the Financial Conduct Authority ("FCA") Seneca Partners Limited ("Seneca") will disclose the information set out in MIFIDPRU 8 through Seneca's website, annually.

To the extent allowed, Seneca may omit information it deems as immaterial, in accordance with the rules. Materiality is based on the criterion that the omission or misstatement of any information would be likely to change or influence the decision of a reader relying on that information. Accordingly, where the Firm has considered an item to be immaterial it has not been disclosed.

In addition, if the required information is deemed to be proprietary or confidential then the Firm may take the decision to exclude it from the disclosure. In the Firm's view, proprietary information is that which, if it were shared, would undermine its competitive position. Information is considered to be confidential where there are obligations binding the Firm to confidentiality with our customers, suppliers, or counterparties. Where information is omitted for either of these reasons this is stated in the relevant section of the disclosure, along with the jurisdiction.

Introduction

Seneca is authorised and regulated by the FCA and is subject, amongst other items, to the rules laid out in the MIFIDPRU section of the FCA Handbook.

As determined in its ICARA process Seneca is a Small Non-Interconnected "SNI" Firm which does not have any additional tier 1 instruments. Consequently, only MIFIDPRU 8.6 applies to Seneca's disclosures in the relevant financial year.

Qualitative disclosures

In setting remuneration packages, for all staff, by its Remuneration Committee, Seneca has twin objectives of equal weight. The first objective is to ensure that treating customers fairly is central to Seneca's business model. The second objective is to ensure that packages are sufficient to attract, retain and incentivise the best possible directors, employees, and contractors to Seneca to ensure Seneca has trained committed competent staff to meet Seneca aims and objectives.

Seneca has a remuneration committee which consists of the members of the board. The Remuneration Committee is responsible for reviewing the remuneration packages of all Directors and members of staff. As appropriate individual Directors will excuse themselves from committee meetings in the event of a conflict. The remuneration committee has an appropriate quorum in its terms of reference to allow for the absence of individual members.

Seneca does not use external advisers to advise on remuneration.



Qualitative disclosures are made in accordance with MIFIDPRU 8.6.2 to MIFIDPRU 8.6.7. Seneca has considered its disclosures with reference to the nature, scale, and size of the business.

In respect of Seneca's remuneration policy generally. As full scope AIFM with MiFID permissions, Seneca is subject to the rules of SYSC 19B and SYSC 19G. There is general overlap between these two rules, however as appropriate Seneca will apply the most stringent.

Seneca has chosen to disapply the "pay-out process rules." In making such decision Seneca has considered the FCA's "General guidance on the AIFM Remuneration Code" in particular the AuM thresholds and the further proportionality considerations at table 3. Seneca's view is that its activities are sufficiently modest, and its corporate structure is relatively straightforward to the extent that it would be disproportionate to apply such rules.

The board considers that all senior staff who are either Senior Managers or Certified Members of staff are AIFM Remuneration Code Staff. Such staff are those whose professional activities have a material impact on the risk profile of the Seneca in its role as an AIFM or in respect of the AIF's it manages. In the past financial year there have been six such members of staff.

The remuneration packages for the vast majority of staff includes a basic salary paid in cash and a payment to each employee's pension (subject to an employee's statutory right to opt out). For such staff there are no contractual variable elements of remuneration which are contingent on the performance of the Company or any individual investment.

However discretionary bonuses may be paid. Such discretionary bonuses will be made to reward individual performance and generally will be paid in cash unless there is some reason not to.

If a bonus is as a consequence of the performance of any investment either in whole or in part, such bonus will be based on actual return to investors and will be paid out of Seneca's own income. No detriment will be caused to any investors following such bonus. Seneca will never pay bonuses based on potential returns or any unrealised valuation.

The only business unit which has a slightly different remuneration package is the sales team. Their remuneration package includes a basic salary paid in cash, a vehicle allowance, and a payment to each employee's pension (subject to an employee's statutory right to opt out).

The sales team do have a structured contractual entitlement to a variable element of remuneration which is based on performance. However, such variable element is modest compared to their basic salary and is subject to scrutiny to ensure fairness to investors and prospective investors. Further like all bonuses offered by Seneca, it is discretionary and can be removed or adjusted in the event that there are any conduct concerns.

For the avoidance of doubt, the basic salary of Seneca staff is sufficient to ensure that any variable element of remuneration can be truly flexible. In setting basic salary Seneca considers the general



market and the wider economic climate to seek to ensure that no staff should be reliant upon the variable element of their salary to meet their basic financial obligations.

Seneca's view is that this approach towards remuneration promotes effective risk management. Seneca does not believe that this approach encourages any risk-taking which would be inconsistent with the risk profile of the AIFs it manages.

Quantitative disclosures

As noted in the past financial year, Seneca had 6 members of staff subject to the AIFM Remuneration code and 12 other staff.

The total remuneration for all staff was £1,033,488 of which.

Fixed remuneration £703,488; and

Variable remuneration £330,000.