

Techinvest Limited
Capital Requirements Directive – Pillar 3 Disclosures
Financial Year Ending 31 December 2009

Background

Techinvest Limited is a private limited company, incorporated in Ireland, and is regulated by the Financial Regulator. Techinvest's regulated activity includes the provision of investment advice. The Client Asset Requirements are not applicable to the company's activities.

The Capital Requirements Directive is a revised framework governing the level and nature of capital which investment firms and credit institutions must maintain. This framework consists of three pillars. These are as follows:

- Pillar 1 sets out the minimum capital amount that Companies need to retain to meet their credit, market and operational risk,
- Pillar 2 requires the Company to undertake an assessment to ensure that the Pillar 1 capital is sufficient to meet the Companies risks, and
- Pillar 3 is the requirement to disclose information to the market regarding the underlying risk management controls and capital position of the company.

The objective of the Pillar 3 Disclosures is to encourage market discipline through public disclosure which allows market participants to assess key information on a firm's capital, risk exposures and risk assessment processes.

This document has been prepared by Techinvest Limited and has been approved by the company's Board of Directors for publication. It complies with the Capital Requirements Directive Pillar 3 – Disclosure Requirements which came into effect on 1 January 2008.

Frequency of disclosures

This is the company's first disclosure under Pillar 3 and future disclosures will be made on an annual basis in accordance with the requirements of the Capital Requirements Directive.

Location of disclosures

The Pillar 3 Disclosures are available on the company's website at www.techinvest.ie

Verification procedures

The Pillar 3 Disclosures are not subject to external audit procedures and have been prepared primarily for compliance with the requirements of the Capital Requirements Directive.

Structure, governance, capital and risk

Techinvest Limited is a private limited company and does not form part of a group structure. The company is small in nature and it is managed closely by the directors. The activities of the company are not complex in nature. The board of directors comprises of persons who have the necessary skills and expertise to control and manage the organisation effectively.

The company's capital requirements are the greater of the following:

- Its minimum initial capital requirement of €125,000; or
- Its fixed overhead requirement of €127,385, based on 25% of annual operating expenses as advise by the Financial Regulator; or
- The sum of the credit and market risks, totalling €172,434 at 31/12/2009

The company's risks include the following:

1. Credit risk

Credit risk is the potential loss that may be incurred by the company in the event that advisory fees and commissions on the funds are not paid to the company

2. Market risk

Market risk is the potential loss that may be incurred by the company arising from potential adverse movements in values of investments and exchange rates attached to sterling and US dollars denominated assets and liabilities. Techinvest Limited prepares its accounts in Euro.

The company has applied the standardised approach to credit risk and market risk.

Under Pillar 1 the company's minimum capital requirement is therefore €172,434 based upon the sum of the risks.

From the Pillar 2 Internal Capital Adequacy Assessment Process (ICAAP), which includes Pillar 1 risks, the company's total capital requirement is €253,466.

Techinvest Limited holds capital in excess of its minimum capital requirement and the Board of Directors of Techinvest Limited are of the opinion that this level of capital is sufficient to meet the risks facing the company.

Conor McCarthy

Managing Director