

MODULE	HC:	High-Level Controls
CHAPTER	HC-5:	Remuneration of Approved Persons and Material Risk-Takers

**HC-5.4** Standard for all Remuneration (continued)

**HC-5.4.33A** For the Purpose of HC-5.4.33 (awards of share or share-linked instruments), banks must establish a trust to hold these securities. The trustee must be established in accordance with the Financial Trusts Law No. (23) of 2006. All listed banks must ensure that the securities account opened and maintained at a licensed central depository for this purpose ~~must be~~ is clearly identified as a trust account for the employee stock option plan or employee share benefit plan accordingly. Where employees are eligible to trade in the securities of the issuer held on their behalf in an employee stock option plan, the directors, executive management and any other key persons must not be eligible to hold the position of trustee of such plan.

***Transitional Arrangement***

**HC-5.4.33B** Banks that have already established other vehicles for their employee stock option plan or employee share benefit plan, must comply with the requirements of Paragraph HC-5.4.33A within 6 months from its issuance.

**HC-5.4.34** The remaining portion (other than that mentioned under Paragraph HC-5.4.33) of the deferred remuneration can be paid as cash remuneration vested over a minimum 3-year period.

**HC-5.4.34A** The only instance where deferred remuneration can be paid out before the end of the vesting period is in the case of the death of the employee where the beneficiaries would receive any unpaid deferred remuneration.