

KEY INVESTOR INFORMATION DOCUMENT

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

SEVEN Risk Allocation Fund (I units: FR0010416008)

This UCITS is managed by *SEVEN Capital Management*

OBJECTIVES AND INVESTMENT POLICY

The Fund is a “diversified” fund. It aims to outperform the capitalised EONIA over the full year over a minimum investment period of three years.

To meet its investment objective, the FCP aims to deliver long-term capital growth with a moderate level of risk (with volatility within a range of 4-8%, unless otherwise stated).

The fund uses a quantitative management approach in terms of asset allocation (money markets, fixed income, equities, etc.), investing via physical securities, UCITS/trackers, derivatives, certificates or notes replicating such instruments. The fund’s investment process consists of two stages: asset allocation and fund and security selection.

The portfolio is made up of several components:

The equity component (between zero and 80% of exposure) consists of domestic and international equities, including emerging equities. It uses a quantitative investment approach via forward markets and physical securities.

The fixed income component (between zero and 80% of exposure) mainly consists of money market instruments and public sector bonds of all maturities. It uses a quantitative investment approach.

The foreign exchange component (between zero and 50% of exposure) consists of exposure which may or may not be linked to foreign currency hedges on the portfolio’s positions in instruments denominated in foreign currency.

The real estate component (between zero and 30% of exposure) serves to expose the fund to opportunities with little or no correlation with the equity and fixed income markets. This component invests via index-linked products, ETFs and equities listed on regulated markets.

The FCP may make use of forward financial instruments or options traded on French and foreign regulated markets or over the counter. To this end, the portfolio may be hedged and/or exposed, to equity index futures and options, interest rate futures and options, currency futures and options and securities futures. The overall portfolio exposure may reach 120% of the net assets.

The FCP accumulates its income; the recommended investment period is three years.

Redemption requests must be received by 12:00 daily by RBC INVESTOR SERVICES BANK FRANCE, and are executed on the basis of the next net asset value (the daily net asset value);

RISK AND REWARD PROFILE



This information is based on past volatility. Historical data, such as is used to calculate the synthetic indicator, may not be a reliable indication of the future risk profile of the UCITS. The risk and reward category shown is not guaranteed to remain unchanged. The categorisation of the UCITS may shift over time. The lowest category does not mean a risk-free investment.

Why is the Fund placed in category[3] Asset allocation is determined using a quantitative investment approach. As such, up to 60% of the fund’s assets may be invested in securities exposed to the equity markets; conversely, up to 100% may be invested in money market instruments. The aim is to increase the net asset value while maintaining volatility risk within a range of 4-8%.

Material risks to the Fund that are not taken into account in the indicator:

Risk associated with a relatively low level of liquidity of some securities: the fund may invest in equities of small cap companies. As the volume of these listed securities is relatively low, market downturns are more pronounced and more abrupt.

CHARGES

Charges and fees paid are used to pay the costs of running the UCITS, including the costs of marketing and distributing units; these charges reduce the potential growth of the investment.

One-off charges taken before or after you invest	
Entry charges	3%
Exit charges	1%
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out. Investors may contact their financial advisor or distributor to find out the actual amount of entry and exit charges.	
Charges taken by the fund over one year	
Ongoing charges	1.63%* inclusive of tax
Charges taken by the fund under specific conditions	
Performance fee	10% inclusive of tax above the Eonia with High Water Mark Amount charged during the last financial year: 0.40% inclusive of tax

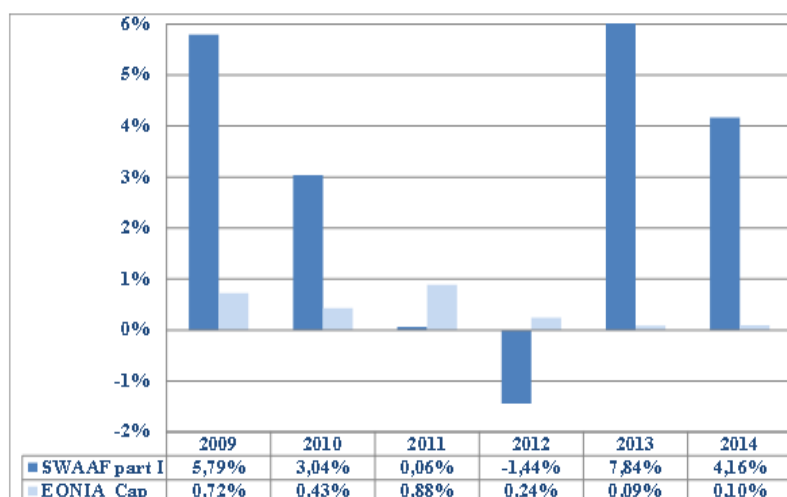
* This figure is based on expenses for the year ending 31 December 2014. This figure may vary from year to year.

For more information on fees, please see pages 11-12 of the prospectus for this UCITS, which is available at www.seven-cm.com

Ongoing charges do not include: performance fees and intermediary fees except in the case of entry and/or exit charges paid by the UCITS when it buys or sells units in another collective investment vehicle.

Charges and fees paid are used to pay the costs of running the UCITS, including the costs of marketing and distributing units; these charges reduce the potential growth of the investment.

PAST PERFORMANCE



This chart is not a reliable indication of future results. Ongoing charges and any performance fees levied have been included in the calculation of past performance. Any entry and exit charges have not been included in the calculation of past performance.

Fund inception date: 15 January 2007

Unit creation date: 15 January 2007

Currency in which past performance is calculated: Euro

PRACTICAL INFORMATION

Depositary: RBC INVESTOR SERVICES BANK FRANCE SA

Where and how to obtain further information about the Fund (prospectus/annual and semi-annual reports): Unitholders may obtain further information about the UCITS by writing to SEVEN Capital Management, 39 Rue Marbeuf, 75008 PARIS.

Where and how to obtain other practical information, including the net asset value: The net asset value is published at the management company's premises.

Taxation: Depending on your tax status, any capital gains and income resulting from the ownership of units of the FCP may be subject to tax. You are advised to obtain more information in this regard from the promoter of the UCITS.

SEVEN Capital Management may be held liable solely on the basis of any information contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the UCITS.

This UCITS is authorised in France and regulated by the *Autorité des marchés financiers* (AMF). Seven Capital is approved in France and regulated by the AMF.

This key investor information is accurate as at 13 February 2015.

KEY INVESTOR INFORMATION DOCUMENT

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SEVEN Risk Allocation Fund (P units: FR0010420000)

This UCITS is managed by *SEVEN Capital Management*

OBJECTIVES AND INVESTMENT POLICY

The Fund is a “diversified” fund. It aims to outperform the capitalised EONIA over the full year over a minimum investment period of three years.

To meet its investment objective, the FCP aims to deliver long-term capital growth with a moderate level of risk (with volatility within a range of 4-8%, unless otherwise stated).

The fund uses a quantitative management approach in terms of asset allocation (money markets, fixed income, equities, etc.), investing via physical securities, UCITS/trackers, derivatives, certificates or notes replicating such instruments. The fund’s investment process consists of two stages: asset allocation and fund and security selection.

The portfolio is made up of several components:

The equity component (between zero and 80% of exposure) consists of domestic and international equities, including emerging equities. It uses a quantitative investment approach via forward markets and physical securities.

The fixed income component (between zero and 80% of exposure) mainly consists of money market instruments and public sector bonds of all maturities. It uses a quantitative investment approach.

The foreign exchange component (between zero and 50% of exposure) consists of exposure which may or may not be linked to foreign currency hedges on the portfolio’s positions in instruments denominated in foreign currency.

The real estate component (between zero and 30% of exposure) serves to expose the fund to opportunities with little or no correlation with the equity and fixed income markets. This component invests via index-linked products, ETFs and equities listed on regulated markets.

The FCP may make use of forward financial instruments or options traded on French and foreign regulated markets or over the counter. To this end, the portfolio may be hedged and/or exposed, to equity index futures and options, interest rate futures and options, currency futures and options and securities futures. The overall portfolio exposure may reach 120% of the net assets.

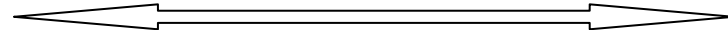
The FCP accumulates its income; the recommended investment period is three years.

Redemption requests must be received by 12:00 daily by RBC INVESTOR SERVICES BANK FRANCE, and are executed on the basis of the next net asset value (the daily net asset value);

RISK AND REWARD PROFILE

Lower risk

Higher risk



Potentially lower return

Potentially higher return



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Why is the Fund placed in category 3? Asset allocation is determined using a quantitative investment approach. As such, up to 60% of the fund’s assets may be invested in securities exposed to the equity markets; conversely, up to 100% may be invested in money market instruments. The aim is to increase the net asset value while maintaining volatility risk within a range of 4-8%.

Material risks to the Fund that are not taken into account in the indicator:

Risk associated with a relatively low level of liquidity of some securities: the fund may invest in equities of small cap companies. As the volume of these listed securities is relatively low, market downturns are more pronounced and more abrupt.

CHARGES

Charges and fees paid are used to pay the costs of running the UCITS, including the costs of marketing and distributing units; these charges reduce the potential growth of the investment.

One-off charges taken before or after you invest	
Entry charges	3%
Exit charges	1%
This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out. Investors may contact their financial advisor or distributor to find out the actual amount of entry and exit charges.	
Charges taken by the fund over one year	
Ongoing charges	2.88% inclusive of tax
Charges taken by the fund under specific conditions	
Performance fee	10% inclusive of tax above the Eonia with High Water Mark Amount charged during the last financial year: 0.25% inclusive of tax

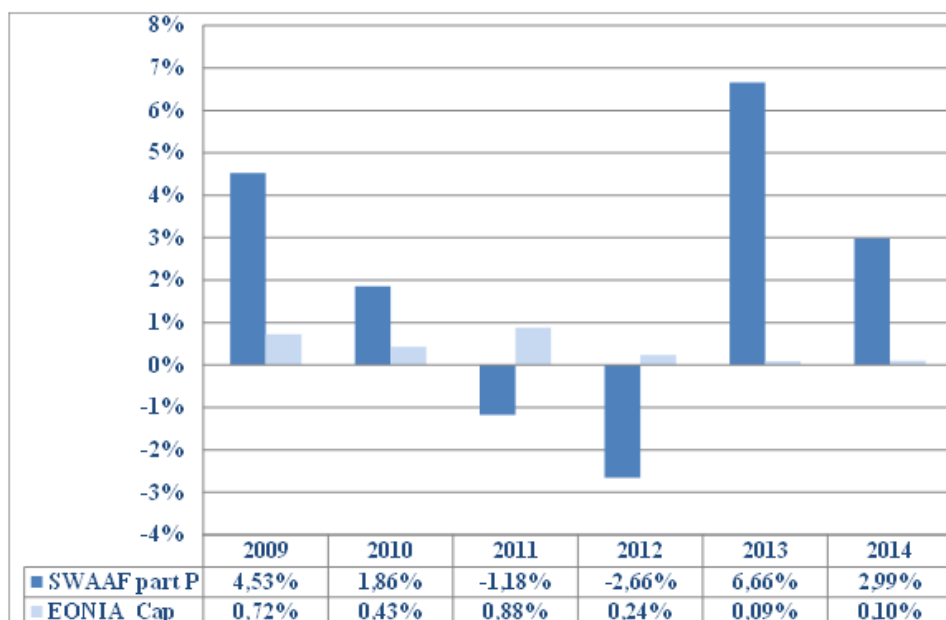
* This figure is based on expenses for the year ending 31 December 2014. This figure may vary from year to year.

For more information on fees, please see pages 11-12 of the prospectus for this UCITS, which is available at www.seven-cm.com

Ongoing charges do not include: performance fees and intermediary fees except in the case of entry and/or exit charges paid by the UCITS when it buys or sells units in another collective investment vehicle.

Charges and fees paid are used to pay the costs of running the UCITS, including the costs of marketing and distributing units; these charges reduce the potential growth of the investment.

PAST PERFORMANCE



This chart is not a reliable indication of future results.

Ongoing charges and any performance fees levied have been included in the calculation of past performance. Any entry and exit charges have not been included in the calculation of past performance.

Fund inception date: 15 January 2007

Unit creation date: 15 January 2007

Currency in which past performance is calculated: Euro

PRACTICAL INFORMATION

Depositary: RBC INVESTOR SERVICES BANK FRANCE SA

Where and how to obtain further information about the Fund (prospectus/annual and semi-annual reports): Unitholders may obtain further information about the UCITS by writing to SEVEN Capital Management, 39 Rue Marbeuf, 75008 PARIS

Where and how to obtain other practical information, including the net asset value: The net asset value is published at the management company's premises.

Taxation: Depending on your tax status, any capital gains and income resulting from the ownership of units of the FCP may be subject to tax. You are advised to obtain more information in this regard from the promoter of the UCITS.

SEVEN Capital Management may be held liable solely on the basis of any information contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the UCITS.

This UCITS is authorised in France and regulated by the *Autorité des marchés financiers* (AMF).

Seven Capital is approved in France and regulated by the AMF.

This key investor information is accurate as at 13 February 2015.

Prospectus
UCITS in compliance with European standards



SEVEN
CAPITAL MANAGEMENT
Risk Allocation Fund

French Common Fund (FCP)

APPROVED BY THE *AUTORITÉ DES MARCHÉS FINANCIERS*

On 22 December 2006

Last updated 13th February 2015

Approval no.: FCP 20061091

**A – GENERAL CHARACTERISTICS****A – 1: Structure of the UCITS**

Name	Seven Risk Allocation Fund
Legal form of the UCITS and member state in which the UCITS was created	French <i>Fonds Commun de Placement</i> (Common Fund or FCP)
Creation date and intended lifetime	FCP created on 15 January 2007 for a duration of 99 years

Fund overview

Units	ISIN code	Allocation of income	Base currency	Target investors	Minimum initial subscription
I units	FR 0010416008	Accumulation FCP	Euro	Legal entities and natural persons investing at least EUR 100,000	EUR 100,000
P units	FR 0010420000	Accumulation FCP	Euro	All natural persons	EUR 100

Address at which the latest annual and semi-annual reports can be obtained

The latest annual and semi-annual reports shall be sent to unitholders within one week upon written request to:

Seven Capital Management

39 rue Marbeuf - 75008 Paris - France

Email: info@seven-cm.com

**ADDITIONAL INFORMATION**

Upon request to the management company, unitholders may consult the document on the management company's voting policy and the annual report setting out the conditions under which voting rights have been exercised.

A – 2: Directory

Management Company	Seven Capital Management 39 rue Marbeuf, 75008 PARIS – France Approved by the <i>Autorité des marchés financiers</i> on 13 December 2006 under number GP 06000045
Depository/Custodian	RBC Investor Services Bank France 105 rue de Réaumur 75002 Paris A credit institution approved by the CECEI <i>The depository is responsible for centralising subscription and redemption requests.</i> <i>The depository also maintains a register of FCP units.</i>
Statutory auditor	PWC represented by Patrick SELLAM 2 rue Vatimesnil 92532 Levallois Perret Cedex
Promoters	Seven Capital Management 39 rue Marbeuf, 75008 PARIS - France
Delegation of administrative and accounting duties	RBC Investor Services France 105 rue de Réaumur 75002 Paris
External advisers	None

B – MANAGEMENT AND ADMINISTRATION PROCEDURES

B – 1: General Characteristics

ISIN code

I units – FR0010416008

P units - FR0010420000

Characteristics of the units

Rights attached to unit classes	Co-ownership right to the fund assets in proportion to the number of units held
Entry in a register Liabilities management	The depositary is responsible for centralising subscription and redemption requests. Issued through EUROCLEAR FRANCE.
Voting rights	No voting rights are attributed to ownership of units as decisions concerning the FCP are taken by the management company of the FCP.
Form of units	Bearer
Fractions of units	Thousandths
Year-end	Last net asset value calculation date in December
Date of first year-end	December 2007

Tax information

Investors are reminded that the information that follows only constitutes a general overview of the tax regime applicable to investments in a French accumulation FCP according to current French legislation. Investors are therefore advised to assess their personal situation with their usual tax adviser.

At FCP level

In France, the co-ownership structure of FCPs means they are not subject to corporation tax; they therefore enjoy a certain degree of transparency. Therefore, income received and earned by the fund in the course of its investment activities is not taxable at this level.



In other countries (in the investment countries of the fund), gains realised on the sale of foreign transferable securities and foreign income received by the fund in connection with its investment activities may in some cases be taxable (generally in the form of withholding tax). In some cases, foreign taxation may be limited, reduced or waived if any tax treaties apply.

At unitholder level

Unitholders residing in France

Gains or losses realised by the FCP, income distributed by the FCP as well as gains or losses recorded by the unitholder are subject to the applicable tax regime. Investors are advised to assess their personal situation with their usual tax adviser.

Unitholders residing outside France

Subject to tax treaties, taxes imposed in article 150-0 A of the *Code Général des Impôts* (CGI), the French General Tax Code, do not apply to gains realised at the time of the redemption or sale of units of the fund by persons who are not resident in France for tax purposes within the meaning of article 4 B of the CGI, or whose registered office is located outside France, provided that these persons have not directly or indirectly held more than 25% of the units at any time in the five years prior to the redemption or sale of their units (CGI, article 244a C).

Unitholders residing outside France shall be subject to the provisions of the tax legislation in force in their countries of residence.

B – 2: Specific provisions

Classification

“Diversified” UCITS

Delegation of management

none

Investment objective

The Fund aims to outperform the daily capitalised EONIA rate over the full year, after taking into account management and administration fees, over a minimum investment period of three years.

Total exposure arising from securities and liabilities may not exceed 120% of the assets.

Benchmark index

The objective is to steadily grow the fund’s capital. Although the fund is exposed to the markets in varying degrees, a single benchmark is not appropriate and could give rise to misinterpretation. In the absence of an appropriate market benchmark, the most suitable comparison point appears to be EONIA, which represents the eurozone’s risk-free interest rate



Investment strategy

Strategies used:

The Fund is an **asset allocation fund**. It invests in all asset classes authorised by applicable regulations.

The FCP aims to achieve long-term capital growth with measured risk. Unless otherwise stated, historical volatility must remain moderate: within a range of 4% and 8%.

To this end, the manager will invest the portfolio directly on the markets, as well as in funds, ETFs and trackers, within the confines of its permitted assets ratio.

The portfolio will use “traditional” investment strategies to seek to generate gains on traditional markets, thus taking full advantage of the beta offered by each market. Assets will be highly diversified: both by geographical region and by type.

Within the confines of its exemption ratio (10% of Fund assets), the fund will use “alternative” strategies by investing either directly or via EMTNs and/or certificates reflecting the performance of French third party funds. The manager considers that a combination of these two sources of added value provides an excellent level of risk diversification in pursuit of the stated objective. The manager has developed an asset allocation methodology to calibrate that portion of the fund dedicated to each of these strategic and tactical assets. In any event, maximum market exposures are set out in the table below.

While sensitivity to traditional asset classes may be nil, the Fund will always include investments in third party funds at varying levels, though always within the confines of the permitted assets ratio. Finally, the manager will make active use of currency hedges to ensure that the fund is rarely exposed to currency risk despite being geographically highly diversified.

	Strategy	Minimum	Maximum
Traditional strategies	Money markets	0%	100%
	Interest rates	0%	80%
	Equities	0%	80%
	Real estate securities or funds	0%	30%
Alternative strategies	Funds, funds of funds and investable indices	0%	10%



Assets used:

The Fund will invest in:

- **Cash:** between zero and 100% of net assets. Investments will be made as follows:
 - Mainly in the fund's reference currency
 - All money market instruments
 - Treasury bills
 - Money market and dynamic money market funds
 - Forward contracts authorised by the AMF

- **Equities:** between zero and 80% of net assets. Investments will be made as follows:
 - Specialised or general exchange-traded funds
 - Listed indices
 - Equities listed on regulated markets across all levels of market capitalisation and all geographical regions
 - Forward contracts authorised by the AMF

- **Fixed income:** between zero and 80% of net assets. Investments will be made as follows:

The futures and options on bond indices and / or debt obligations.
The investment grade is greater than or equal to the rating of BBB- / Baa3 by at least one of the rating agencies (Standard and Poor's, Moody's, ...) or deemed equivalent by the analysis of the management company;
The management company conducts its own credit analysis in selecting securities for the acquisition and ongoing life. It does not rely solely or mechanically on ratings provided by rating agencies and also implements the criteria of liquidity and settlement / delivery. Once defined this world, the company applies its GRAA model (Global Risk Asset Allocation) which will determine its decision to purchase or in case of degradation of these securities, the decision to sell them or keep them.

- **Currencies:** between zero and 50% of net assets. Investments will be made as follows:
 - Specialised or general exchange-traded funds
 - Forward contracts authorised by the AMF

- **Alternative funds:** between zero and 10% of net assets. Investments will be made as follows:
 - Listed indices
 - EMTNs reflecting the performance of a French alternative fund
 - Certificates reflecting the performance of a French alternative fund

- **Real estate:** between zero and 30% of net assets. Investments will be made as follows:
 - Specialised exchange-traded funds
 - Specialised securities listed on regulated markets. OECD region.

Up to 10% of the fund may be invested in other funds; the Fund may, however, invest up to 10% of its net assets in UCITS and investment funds managed by the management company.

Derivatives:

In order to achieve the investment objective, the Fund may take positions to hedge and / or expose the portfolio to all sectors and geographic areas through sui-losing underlying: currencies, interest rates, equities. The instruments used will be:



- Equity-index futures, interest rate, currency and forward currency transactions (since the portfolio will almost systematically hedge currency risk).
- options on the same underlying as before.
- futures on securities

All its commitments on interest rate derivatives and equity markets is limited to once the fund.

Securities with embedded derivatives:

Funds invested in EMTNs and/or certificates. While such investments will mainly be made to gain exposure to specific alternative investment strategies, they may also be used to expose the fund to specific products, though always within the regulatory framework authorised by the AMF.

Deposits/cash borrowings:

The FCP may place up to 100% of its assets on deposit and may borrow up to 10% of its assets in cash, in particular with a view to optimising its cash management and managing the various value dates on which units in the underlying UCITS are subscribed/redeemed. However, these types of instruments will only be used on an ancillary basis.

Securities lending/borrowing:

FCP Fund may lend securities against cash collateral for cash management purposes only.

The FCP will not borrow securities against cash collateral.

The fund will not make use of leverage and all income will be payable to the fund.

Temporary purchase and sale of securities:

The UCITS may use techniques that involve temporarily selling financial instruments (securities lending and reverse repurchase agreements) up to a maximum of 100% of its assets.

The FCP may use techniques that involve temporarily purchasing securities (securities borrowing and repurchase agreements) up to a maximum of 10% of its assets. However, this limit is increased to 100% where securities are given under repurchase agreements in exchange for cash, provided that the financial instruments in question are not sold, even temporarily, or given as collateral. These types of transactions are mainly used for cash management purposes (collateral only cash non reinvestable)

Risk profile

- Capital loss:

The FCP does not benefit from any guarantee or capital protection. Investors therefore may not get back the full amount of their initial investment.

- Risk associated with discretionary management:

The discretionary management style is based on expectations regarding the performance of the various markets. There is a risk that the UCITS might not be invested in the best-performing markets at all times.



- **Equity risk:**

Equity risk is the risk of a decline in equity markets; since the UCITS is exposed to equities, its net asset value may decline significantly.

The Fund may invest in equities of small cap companies. As the volume of these listed securities is relatively low, market downturns are more pronounced and more abrupt than for large caps. The net asset value of the fund may therefore assume the same behaviour.

Investors are reminded that operating and supervision conditions in some emerging countries may differ from the standards prevailing on major international markets, and that this may result in a decline in the Fund's net asset value.

- **Interest rate risk:**

Interest rate risk is the risk that interest rates on fixed income markets may rise, causing bond prices to fall and thereby reducing the UCITS' net asset value.

- **Credit risk:** Ancillary.

- **Currency risk:**

This is the risk of a decline in the investment currencies in relation to the base currency of the portfolio, the euro. Any deterioration in exchange rates may therefore entail a decline in net asset value.

Since some of the FCP's assets may be denominated in currencies other than its reference currency, the FCP may be adversely affected by changes in exchange control regulations or by fluctuations in exchange rates between the reference currency and those other currencies. Such fluctuations may cause the FCP's net asset value to decline.

- **Risk associated with investing in French alternative investment funds:**

The fund invests in alternative investment funds on an ancillary basis. More information on the risks can be found in the detailed memorandum.

Guarantee or protection

The Fund offers no guarantees or protection.

Subscribers and investor profile

All investors

I units

I units are intended for legal entities and natural persons able to make an initial investment of at least EUR 100,000.

P and A units

P and A units are available to all natural persons investing at least EUR 100.

The fund is aimed at investors seeking exposure to all asset classes and wishing to invest in a managed risk multi-strategy fund.



Recommended minimum investment horizon

More than three years.

Determination and appropriation of income

Accumulation FCP.

Accounting using the coupons received method.

Frequency of distributions

Not applicable

Characteristics of the units

- **Base currency:** euro or I, P and A units
- **Fractions of units:** Thousandths
- **Subscription and redemption procedures**

D = net asset value date

Subscription and redemption requests are centralised on day D before 12:00.

The net asset value is calculated on business day D+1.

Transactions are settled on business day D+2.

Subscriptions may be expressed either as an amount or in numbers of units.

➤ **Address of entity responsible for receiving subscription and redemption requests**

Subscription and redemption requests will be centralised by the depositary:

RBC Investor Services Bank France

105 rue Réaumur – 75002 PARIS

➤ **Date and frequency of calculation of net asset value**

The net asset value is calculated each day. Where a net asset value calculation date falls on a statutory public holiday in France or a non-trading day, the net asset value will be calculated on the previous trading day (Paris Stock Exchange calendar).

➤ **Place and methods of publication or communication of the net asset value**

Seven Capital Management – 39 rue Marbeuf - 75008 Paris - France

RBC Investor Services Bank France - 105 rue Réaumur – 75002 PARIS

Fees and expenses

➤ **Direct subscription and redemption fees**

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees charged by the FCP serve to offset the costs incurred by the FCP to invest and disinvest investors' monies. Fees not paid to the FCP are attributed to the Management Company, the Fund promoter, etc.

Exemption: subscriptions following a redemption request executed on the same day for the same number of units at the same NAV and by the same unitholder.

I, P and A units:

Expenses payable by the investor, deducted at the time of subscriptions and redemptions	Basis	Rate
Subscription fee not payable to the FCP	Net asset value X number of units	Maximum 3%
Subscription fee payable to the FCP	Net asset value X number of units	None
Redemption fee not payable to the FCP	Net asset value X number of units	Maximum 1%
Redemption fee payable to the FCP	Net asset value X number of units	None

Direct management and administration fees

These fees cover all the costs invoiced directly to the FCP, except transaction costs. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) and transaction fees charged by the management company.

In addition to management fees, performance fees may apply. These reward the management company if the FCP exceeds its objectives. They are therefore charged to the Fund;

Fees charged to the FCP	Basis	Rate
Management and administration fees, inclusive of tax	Net assets	I units: 1% inclusive of tax (maximum rate) P units: 2.25% inclusive of tax (maximum rate) A units: maximum 2%
Maximum indirect fees (fees and management costs)	Net assets	Maximum 3%, inclusive of tax
Transaction fees charged by the management company	Payment on each transaction	Maximum 0.20% inclusive of tax of the transaction amount
	Per forward contract	EUR 3 to EUR 15 per forward contract
Performance fees (I, P and A units)	Net assets	10% above the EONIA

➤ **Calculation of performance fees:**

Performance fees are paid to the fund manager at the year-end. Between reporting dates, the provision for performance fees is adjusted at each net asset value date by making an addition to or a deduction from provisions.

The amounts deducted from the provision cannot exceed the amount accumulated. Additions to provisions are only increased if performance has exceeded the threshold since the end of the last reporting period during which a performance fee was paid (or since the fund's inception).

Performance fees thus follow the "high water mark" principle: no performance fee is paid at the year-end unless performance exceeds the level achieved when the last performance fee was paid.



In the event of redemptions, a proportion of the provision for performance fees, recorded in the accounts at the last valuation date, is permanently allocated to a specific third party account in proportion to the number of units redeemed. This proportion of performance fees is paid to the fund manager upon redemption.

The calculation basis for EONIA is reset to zero at the beginning of each year

➤ **Remuneration on temporary purchases and sales of securities**

Any remuneration on temporary purchases or sales of securities accrues solely to the UCITS.

C – COMMERCIAL INFORMATION

The FCP is intended for distribution in France.

Information on the UCITS may be obtained as follows:

Upon request, investors may receive the mandatory periodic documents (annual and semi-annual reports) as well as a monthly newsletter setting out the FCP's performance together with an investment commentary by post, fax or email.

All information about the FCP may be obtained directly from the management company:

Seven Capital Management

39 rue Marbeuf - 75008 Paris - France

Tel: 01 42 33 04 50

All subscription and redemption requests are centralised by:

RBC Investor Services Bank France SA

105 rue Réaumur – 75002 PARIS

D – INVESTMENT RULES

REGULATORY RATIOS APPLICABLE TO THE UCITS

The regulatory ratios applicable to the UCITS are those that apply to UCITS investing less than 10% of their assets in UCITS, as set out in articles R214-1 *et seq.* of the French Monetary and Financial Code.

E – OVERALL RISK

The FCP has opted to calculate its overall risk using the commitment method.

F – VALUATION AND ACCOUNTING RULES FOR THE ASSETS

The FCP shall comply with the accounting rules laid down in applicable regulations, and in particular with the accounting guidelines applicable to UCITS.

Methods used for the valuation of balance sheet items and futures and options

The net asset value is calculated in accordance with the valuation rules specified below:

- Transferable securities traded on French or foreign regulated markets are measured at their closing price or at the last known price on the market on which they are traded or their principal market and converted into euro, where applicable, using the foreign exchange rates made available by WMR on the valuation date.

However:

For transferable securities for which no price was recorded on the valuation date, the management company adjusts their valuation in line with changes made probable by current events. The decision made shall be communicated to the statutory auditor.

Transferable debt securities maturing in more than three months are valued at market price. However, transferable debt securities maturing less than three months after purchase are valued at their purchase price. Any resulting discount or premium is amortised on a straight-line basis over the life of the security in question. However, the management company reserves the right to value such securities at market value in the case of particular sensitivity to the market.

- Units or shares of UCITS and investment funds are valued at their last known net asset value.

However, where net asset values are not available for an unusually long period, the management company may calculate an adjusted net asset value.

For investment funds where net asset value is only calculated infrequently, an estimated net asset value provided by the investment fund's manager may be used.

Where the manager has placed orders in UCITS to meet subscription/redemption requests received by the FCP, those transactions will be valued based on:

- . the amount of the order, where the net asset value to be applied when the order is executed is not known
- . the net asset value applied to the order, where this is known.

- Securities covered by temporary sale or purchase agreements are measured in accordance with applicable regulations.
- Forward currency is calculated using spot exchange rates and forward point spreads.
- Transactions involving futures and options traded on French or foreign organised markets are valued at settlement price for futures and at closing price for options.

Method used to record trading expenses

Trading expenses are recognised excluding fees.

Method used to record income from fixed income securities

The method used is the coupons received method.

Calculation of management and performance fees

Management fees consist of a fixed component and a variable component linked to the FCP's performance.

These fees shall be recognised directly on the FCP's income statement

- Fixed component:

I units: maximum 1% of net assets per annum inclusive of tax.

P units: maximum 2.25% of assets per annum inclusive of tax.

A units: maximum 2% of assets per annum inclusive of tax.

- Component linked to outperformance:

The benchmark is the EONIA interest rate.

maximum 10% inclusive of tax of the FCP's outperformance, as defined below

Performance fees are paid to the fund manager at the year-end.

Between reporting dates, the provision for performance fees is adjusted at each net asset value date by making an addition to or a deduction from provisions. The amounts deducted from the provision cannot exceed the amount accumulated.

Additions to provisions are only increased if performance has exceeded the threshold of annualised Eonia since the end of the last reporting period during which a performance fee was paid (or since the fund's inception).



Performance fees thus follow the “high water mark” principle: no performance fee is paid at the year-end unless performance has exceeded annualised Eonia since the Fund’s inception and since the last time a performance fee was paid.

In the event of redemptions, a proportion of the provision for performance fees, recorded in the accounts at the last valuation date, is permanently allocated to a specific third party account in proportion to the number of units redeemed. This proportion of performance fees is paid to the fund manager upon redemption.

The fund also pays management fees to the funds in which it invests. For information, the FCP will invest in UCITS whose management fees net of trailer fees do not exceed 3% of net assets and which do not entail subscription or redemption fees.

The calculation basis for EONIA is reset to zero at the beginning of each year.

Dividend policy

Accumulation FCP.

Accounting currency

The FCP’s accounting currency is the euro.



Seven Capital Management

Fund regulations



SEVEN

CAPITAL MANAGEMENT
Risk Allocation Fund



REGULATIONS

Seven Capital Management

39 rue Marbeuf

75008 PARIS

the “Management Company”

and

RBC INVESTOR SERVICES BANK FRANCE

105 rue Réaumur

75002 PARIS

the “Depositary”

TITLE I

ASSETS AND UNITS

Article 1 – Units and co-ownership

The rights of co-owners are expressed in units, with each unit representing the same fraction of the Fund's assets. Each unitholder has a co-ownership right in and to the assets of the fund proportional to the number of units they hold.

The fund is formed for a duration of 99 years from inception, except in the event of its early dissolution or extension as provided for by these regulations.

Unit classes:

The characteristics of the various classes of units and their eligibility requirements are described in the FCP's simplified prospectus and in its detailed memorandum.

The different classes of units may:

- Apply different dividend policies (distribution or accumulation);
- Be denominated in different currencies;
- Incur different management fees;
- Incur different subscription and redemption fees;
- Have a different nominal value

Units may be combined or split.

The provisions of the regulations governing the issue and redemption of units shall apply to fractions of units, whose value shall always be proportionate to that of the units they represent. Unless otherwise provided for, all other provisions of the regulations relating to units shall apply to fractions of units without any need to make a specific provision to that end. Lastly, the management company's board of directors may, at its sole discretion, split units in the fund by issuing new units and allocating them to unitholders in exchange for their existing units.

Article 2 - Minimum assets

The minimum initial amount of fund assets is EUR 400,000.

Units may not be redeemed if the FCP's assets (or those of a sub-fund) fall below EUR 300,000. In such a case, and unless the value of the assets recovers above this amount in the interim period, the management company shall take the necessary measures to merge or dissolve the fund within a period of thirty days.

Article 3 - Subscription and redemption of units

Units may be issued at any time at the request of unitholders on the basis of their net asset value plus entry charges, where applicable.



Subscriptions and redemptions are executed under the conditions and according to the procedures defined in the prospectus.

The FCP's units may be admitted to an official stock exchange listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the day the net asset value is determined. Subscriptions may be made in cash and/or by a contribution in kind in the form of transferable securities. The management company is entitled to refuse any securities offered and, for that purpose, must announce its decision within seven days of the date on which the securities were tendered. If they are accepted, the securities tendered are valued according to the rules laid down in article 4, and the subscription is based on the first net asset value following acceptance of the securities concerned.

Redemptions shall be made solely in cash, except in the event of the liquidation of the fund if unitholders have stated that they agree to be repaid in securities. The redemption price is paid by the depositary within five days of the valuation day of the units.

However, if in exceptional circumstances the redemption requires the prior sale of assets held in the fund, this deadline may be extended to a maximum of 30 days.

With the exception of a succession or an inter vivos gift, the sale or transfer of units between unitholders or unitholders and third parties is treated as a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to at least reach the minimum subscription amount stipulated by the simplified and full prospectus.

In application of article L.214-30 of the *Code monétaire et financier* (French Monetary and Financial Code) the redemption of units by the FCP as well as the issue of new units may be suspended on a temporary basis by the management company in exceptional circumstances and if this is deemed necessary to protect the interests of unitholders.

If the net assets of the FCP (or, as the case may be, a sub-fund thereof) fall below the amount set by the regulations, no redemption may be carried out (in the relevant sub-fund, as applicable).

Article 4 - Calculation of the net asset value

The net asset value is calculated in accordance with the valuation rules specified in the prospectus.

TITLE II

OPERATION OF THE FUND

Article 5 - The management company

The fund is managed by the management company in accordance with the strategy defined for the Fund.

The management company acts on behalf of unitholders at all times, and it alone may exercise voting rights attached to securities held by the fund.



Article 5a - Operating rules

The instruments and deposits in which the fund's assets may be invested, as well as the investment rules, are described in the prospectus.

Article 6 - The depositary

The depositary is responsible for the custody of the assets held in the fund, for processing the orders received from the management company in relation to the purchase and sale of securities as well as those relating to the exercise of subscription and distribution rights attached to the securities held in the portfolio. It is responsible for all collections and payments.

The depositary must ensure that decisions taken by the management company are lawful. Where applicable, it must take all protective measures that it deems necessary. In the event of a dispute with the management company, it shall inform the AMF.

Article 7 - The statutory auditor

A statutory auditor is appointed for six financial years by the management company's board of directors or management board, subject to the approval of the *Autorité des marchés financiers*.

The statutory auditor carries out the checks and audits established by law and, in particular, certifies whenever necessary the accuracy and consistency of the financial statements and of the accounting information contained in the management report.

The statutory auditor's mandate may be renewed.

The auditor shall inform the *Autorité des marchés financiers* and the management company of the FCP of any irregularities and misstatements observed during the course of its work.

Assets will be valued and exchange ratios will be determined for the purpose of any conversion, merger or split under the statutory auditor's supervision.

The statutory auditor shall assess all contributions in kind and, as part of its responsibilities, shall establish a report on their valuation and consideration.

The statutory auditor shall certify the accuracy of the composition of the assets and other information before any publication.

The statutory auditor's fees are determined by mutual agreement between the auditor and the management company's board of directors or management board on the basis of an agenda indicating all duties deemed necessary.

In the event of liquidation, the statutory auditor shall value the amount of the assets and establish a report on the conditions of such liquidation.

The statutory auditor certifies positions serving as the basis for the payment of interim dividends.

Article 8 – The financial statements and the management report



At the end of each financial year, the management company prepares the financial statements and a report on the management of the fund (or, if applicable, of the sub-fund) during the last financial year.

The inventory of assets and liabilities is certified by the depositary and all of the above documents are reviewed by the statutory auditor.

The management company shall make these documents available to unitholders within four months of the financial year-end and shall notify them of the amount of income attributable to them: these documents shall be sent by post if expressly requested by the unitholders, or made available to them at the office of the management company or depositary.

TITLE III

ALLOCATION OF INCOME

Article 9 –

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and prizes, directors' fees as well as all proceeds generated by the securities held in the portfolio of the fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income is equal to the net income for the financial year plus retained earnings, plus or minus the balance of the income equalisation accounts for the last financial year.

Distributable income is accumulated in full each year except where the law requires a dividend to be paid.

TITLE IV

MERGER - SPLIT - DISSOLUTION - LIQUIDATION

Article 10 - Merger – Split

The management company may either merge all or part of the fund's assets with another fund under its management, or split the fund into two or more common funds under its management.

Such mergers or splits may only be carried out one month after unitholders have been notified. Such mergers or splits give rise to the issue of a new certificate indicating the number of units held by each unitholder.

Mergers and splits are subject to the agreement of the depositary and approval of the AMF.



Article 11 - Dissolution – Extension

If the assets of the fund remain below the amount set in article 2 above for thirty days, the management company shall inform the AMF and shall dissolve the fund, except in the event of a merger with another UCITS.

The management company may dissolve the fund before term. It shall inform the unitholders of its decision, after which no further subscription or redemption requests shall be accepted.

The management company shall also dissolve the fund if a request is made for the redemption of all of the units, if the depositary's appointment is terminated and no other depositary has been appointed, or upon expiry of the fund's term, unless such term is extended.

The management company shall inform the AMF and the depositary by post of the dissolution date and the procedure adopted. It shall send the statutory auditor's report to the AMF.

The fund's extension may be decided by the management company subject to the agreement of the depositary. Its decision must be taken at least three months before the expiry of the fund's term and must be notified to the unitholders and the AMF.

Article 12 – Liquidation

In the event of dissolution, the management company shall be responsible for carrying out the liquidation. To this end, they shall be granted the broadest powers to realise assets, pay off any creditors and allocate the available balance among the unitholders in the form of cash or securities.

The statutory auditor and the depositary continue to exercise their duties until liquidation operations have been concluded.

TITLE V

DISPUTES

Article 13 - Competent courts - Jurisdiction

All disputes relating to the fund that may arise during the term of the fund or during its liquidation, either among the unitholders or between the unitholders and the management company or the depositary, shall be submitted to the courts having jurisdiction.

THESE REGULATIONS WERE APPROVED BY THE

AUTORITÉ DES MARCHÉS FINANCIERS

ON: 22 December 2006

Prospectus
UCITS in compliance with European standards



SEVEN
CAPITAL MANAGEMENT
Risk Allocation Fund

French Common Fund (FCP)

APPROVED BY THE *AUTORITÉ DES MARCHÉS FINANCIERS*

On 22 December 2006

Last updated 13th February 2015

Approval no.: FCP 20061091

**A – GENERAL CHARACTERISTICS****A – 1: Structure of the UCITS**

Name	Seven Risk Allocation Fund
Legal form of the UCITS and member state in which the UCITS was created	French <i>Fonds Commun de Placement</i> (Common Fund or FCP)
Creation date and intended lifetime	FCP created on 15 January 2007 for a duration of 99 years

Fund overview

Units	ISIN code	Allocation of income	Base currency	Target investors	Minimum initial subscription
I units	FR 0010416008	Accumulation FCP	Euro	Legal entities and natural persons investing at least EUR 100,000	EUR 100,000
P units	FR 0010420000	Accumulation FCP	Euro	All natural persons	EUR 100

Address at which the latest annual and semi-annual reports can be obtained

The latest annual and semi-annual reports shall be sent to unitholders within one week upon written request to:

Seven Capital Management

39 rue Marbeuf - 75008 Paris - France

Email: info@seven-cm.com

**ADDITIONAL INFORMATION**

Upon request to the management company, unitholders may consult the document on the management company's voting policy and the annual report setting out the conditions under which voting rights have been exercised.

A – 2: Directory

Management Company	Seven Capital Management 39 rue Marbeuf, 75008 PARIS – France Approved by the <i>Autorité des marchés financiers</i> on 13 December 2006 under number GP 06000045
Depository/Custodian	RBC Investor Services Bank France 105 rue de Réaumur 75002 Paris A credit institution approved by the CECEI <i>The depository is responsible for centralising subscription and redemption requests.</i> <i>The depository also maintains a register of FCP units.</i>
Statutory auditor	PWC represented by Patrick SELLAM 2 rue Vatimesnil 92532 Levallois Perret Cedex
Promoters	Seven Capital Management 39 rue Marbeuf, 75008 PARIS - France
Delegation of administrative and accounting duties	RBC Investor Services France 105 rue de Réaumur 75002 Paris
External advisers	None

B – MANAGEMENT AND ADMINISTRATION PROCEDURES

B – 1: General Characteristics

ISIN code

I units – FR0010416008

P units - FR0010420000

Characteristics of the units

Rights attached to unit classes	Co-ownership right to the fund assets in proportion to the number of units held
Entry in a register Liabilities management	The depositary is responsible for centralising subscription and redemption requests. Issued through EUROCLEAR FRANCE.
Voting rights	No voting rights are attributed to ownership of units as decisions concerning the FCP are taken by the management company of the FCP.
Form of units	Bearer
Fractions of units	Thousandths
Year-end	Last net asset value calculation date in December
Date of first year-end	December 2007

Tax information

Investors are reminded that the information that follows only constitutes a general overview of the tax regime applicable to investments in a French accumulation FCP according to current French legislation. Investors are therefore advised to assess their personal situation with their usual tax adviser.

At FCP level

In France, the co-ownership structure of FCPs means they are not subject to corporation tax; they therefore enjoy a certain degree of transparency. Therefore, income received and earned by the fund in the course of its investment activities is not taxable at this level.



In other countries (in the investment countries of the fund), gains realised on the sale of foreign transferable securities and foreign income received by the fund in connection with its investment activities may in some cases be taxable (generally in the form of withholding tax). In some cases, foreign taxation may be limited, reduced or waived if any tax treaties apply.

At unitholder level

Unitholders residing in France

Gains or losses realised by the FCP, income distributed by the FCP as well as gains or losses recorded by the unitholder are subject to the applicable tax regime. Investors are advised to assess their personal situation with their usual tax adviser.

Unitholders residing outside France

Subject to tax treaties, taxes imposed in article 150-0 A of the *Code Général des Impôts* (CGI), the French General Tax Code, do not apply to gains realised at the time of the redemption or sale of units of the fund by persons who are not resident in France for tax purposes within the meaning of article 4 B of the CGI, or whose registered office is located outside France, provided that these persons have not directly or indirectly held more than 25% of the units at any time in the five years prior to the redemption or sale of their units (CGI, article 244a C).

Unitholders residing outside France shall be subject to the provisions of the tax legislation in force in their countries of residence.

B – 2: Specific provisions

Classification

“Diversified” UCITS

Delegation of management

none

Investment objective

The Fund aims to outperform the daily capitalised EONIA rate over the full year, after taking into account management and administration fees, over a minimum investment period of three years.

Total exposure arising from securities and liabilities may not exceed 120% of the assets.

Benchmark index

The objective is to steadily grow the fund’s capital. Although the fund is exposed to the markets in varying degrees, a single benchmark is not appropriate and could give rise to misinterpretation. In the absence of an appropriate market benchmark, the most suitable comparison point appears to be EONIA, which represents the eurozone’s risk-free interest rate



Investment strategy

Strategies used:

The Fund is an **asset allocation fund**. It invests in all asset classes authorised by applicable regulations.

The FCP aims to achieve long-term capital growth with measured risk. Unless otherwise stated, historical volatility must remain moderate: within a range of 4% and 8%.

To this end, the manager will invest the portfolio directly on the markets, as well as in funds, ETFs and trackers, within the confines of its permitted assets ratio.

The portfolio will use “traditional” investment strategies to seek to generate gains on traditional markets, thus taking full advantage of the beta offered by each market. Assets will be highly diversified: both by geographical region and by type.

Within the confines of its exemption ratio (10% of Fund assets), the fund will use “alternative” strategies by investing either directly or via EMTNs and/or certificates reflecting the performance of French third party funds. The manager considers that a combination of these two sources of added value provides an excellent level of risk diversification in pursuit of the stated objective. The manager has developed an asset allocation methodology to calibrate that portion of the fund dedicated to each of these strategic and tactical assets. In any event, maximum market exposures are set out in the table below.

While sensitivity to traditional asset classes may be nil, the Fund will always include investments in third party funds at varying levels, though always within the confines of the permitted assets ratio. Finally, the manager will make active use of currency hedges to ensure that the fund is rarely exposed to currency risk despite being geographically highly diversified.

	Strategy	Minimum	Maximum
Traditional strategies	Money markets	0%	100%
	Interest rates	0%	80%
	Equities	0%	80%
	Real estate securities or funds	0%	30%
Alternative strategies	Funds, funds of funds and investable indices	0%	10%



Assets used:

The Fund will invest in:

- **Cash:** between zero and 100% of net assets. Investments will be made as follows:
 - Mainly in the fund's reference currency
 - All money market instruments
 - Treasury bills
 - Money market and dynamic money market funds
 - Forward contracts authorised by the AMF

- **Equities:** between zero and 80% of net assets. Investments will be made as follows:
 - Specialised or general exchange-traded funds
 - Listed indices
 - Equities listed on regulated markets across all levels of market capitalisation and all geographical regions
 - Forward contracts authorised by the AMF

- **Fixed income:** between zero and 80% of net assets. Investments will be made as follows:

The futures and options on bond indices and / or debt obligations.
The investment grade is greater than or equal to the rating of BBB- / Baa3 by at least one of the rating agencies (Standard and Poor's, Moody's, ...) or deemed equivalent by the analysis of the management company;
The management company conducts its own credit analysis in selecting securities for the acquisition and ongoing life. It does not rely solely or mechanically on ratings provided by rating agencies and also implements the criteria of liquidity and settlement / delivery. Once defined this world, the company applies its GRAA model (Global Risk Asset Allocation) which will determine its decision to purchase or in case of degradation of these securities, the decision to sell them or keep them.

- **Currencies:** between zero and 50% of net assets. Investments will be made as follows:
 - Specialised or general exchange-traded funds
 - Forward contracts authorised by the AMF

- **Alternative funds:** between zero and 10% of net assets. Investments will be made as follows:
 - Listed indices
 - EMTNs reflecting the performance of a French alternative fund
 - Certificates reflecting the performance of a French alternative fund

- **Real estate:** between zero and 30% of net assets. Investments will be made as follows:
 - Specialised exchange-traded funds
 - Specialised securities listed on regulated markets. OECD region.

Up to 10% of the fund may be invested in other funds; the Fund may, however, invest up to 10% of its net assets in UCITS and investment funds managed by the management company.

Derivatives:

In order to achieve the investment objective, the Fund may take positions to hedge and / or expose the portfolio to all sectors and geographic areas through sui-losing underlying: currencies, interest rates, equities. The instruments used will be:



- Equity-index futures, interest rate, currency and forward currency transactions (since the portfolio will almost systematically hedge currency risk).
- options on the same underlying as before.
- futures on securities

All its commitments on interest rate derivatives and equity markets is limited to once the fund.

Securities with embedded derivatives:

Funds invested in EMTNs and/or certificates. While such investments will mainly be made to gain exposure to specific alternative investment strategies, they may also be used to expose the fund to specific products, though always within the regulatory framework authorised by the AMF.

Deposits/cash borrowings:

The FCP may place up to 100% of its assets on deposit and may borrow up to 10% of its assets in cash, in particular with a view to optimising its cash management and managing the various value dates on which units in the underlying UCITS are subscribed/redeemed. However, these types of instruments will only be used on an ancillary basis.

Securities lending/borrowing:

FCP Fund may lend securities against cash collateral for cash management purposes only.

The FCP will not borrow securities against cash collateral.

The fund will not make use of leverage and all income will be payable to the fund.

Temporary purchase and sale of securities:

The UCITS may use techniques that involve temporarily selling financial instruments (securities lending and reverse repurchase agreements) up to a maximum of 100% of its assets.

The FCP may use techniques that involve temporarily purchasing securities (securities borrowing and repurchase agreements) up to a maximum of 10% of its assets. However, this limit is increased to 100% where securities are given under repurchase agreements in exchange for cash, provided that the financial instruments in question are not sold, even temporarily, or given as collateral. These types of transactions are mainly used for cash management purposes (collateral only cash non reinvestable)

Risk profile

- Capital loss:

The FCP does not benefit from any guarantee or capital protection. Investors therefore may not get back the full amount of their initial investment.

- Risk associated with discretionary management:

The discretionary management style is based on expectations regarding the performance of the various markets. There is a risk that the UCITS might not be invested in the best-performing markets at all times.



- **Equity risk:**

Equity risk is the risk of a decline in equity markets; since the UCITS is exposed to equities, its net asset value may decline significantly.

The Fund may invest in equities of small cap companies. As the volume of these listed securities is relatively low, market downturns are more pronounced and more abrupt than for large caps. The net asset value of the fund may therefore assume the same behaviour.

Investors are reminded that operating and supervision conditions in some emerging countries may differ from the standards prevailing on major international markets, and that this may result in a decline in the Fund's net asset value.

- **Interest rate risk:**

Interest rate risk is the risk that interest rates on fixed income markets may rise, causing bond prices to fall and thereby reducing the UCITS' net asset value.

- **Credit risk:** Ancillary.

- **Currency risk:**

This is the risk of a decline in the investment currencies in relation to the base currency of the portfolio, the euro. Any deterioration in exchange rates may therefore entail a decline in net asset value.

Since some of the FCP's assets may be denominated in currencies other than its reference currency, the FCP may be adversely affected by changes in exchange control regulations or by fluctuations in exchange rates between the reference currency and those other currencies. Such fluctuations may cause the FCP's net asset value to decline.

- **Risk associated with investing in French alternative investment funds:**

The fund invests in alternative investment funds on an ancillary basis. More information on the risks can be found in the detailed memorandum.

Guarantee or protection

The Fund offers no guarantees or protection.

Subscribers and investor profile

All investors

I units

I units are intended for legal entities and natural persons able to make an initial investment of at least EUR 100,000.

P and A units

P and A units are available to all natural persons investing at least EUR 100.

The fund is aimed at investors seeking exposure to all asset classes and wishing to invest in a managed risk multi-strategy fund.



Recommended minimum investment horizon

More than three years.

Determination and appropriation of income

Accumulation FCP.

Accounting using the coupons received method.

Frequency of distributions

Not applicable

Characteristics of the units

- **Base currency:** euro or I, P and A units
- **Fractions of units:** Thousandths
- **Subscription and redemption procedures**

D = net asset value date

Subscription and redemption requests are centralised on day D before 12:00.

The net asset value is calculated on business day D+1.

Transactions are settled on business day D+2.

Subscriptions may be expressed either as an amount or in numbers of units.

➤ **Address of entity responsible for receiving subscription and redemption requests**

Subscription and redemption requests will be centralised by the depositary:

RBC Investor Services Bank France

105 rue Réaumur – 75002 PARIS

➤ **Date and frequency of calculation of net asset value**

The net asset value is calculated each day. Where a net asset value calculation date falls on a statutory public holiday in France or a non-trading day, the net asset value will be calculated on the previous trading day (Paris Stock Exchange calendar).

➤ **Place and methods of publication or communication of the net asset value**

Seven Capital Management – 39 rue Marbeuf - 75008 Paris - France

RBC Investor Services Bank France - 105 rue Réaumur – 75002 PARIS

Fees and expenses

➤ **Direct subscription and redemption fees**

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees charged by the FCP serve to offset the costs incurred by the FCP to invest and disinvest investors' monies. Fees not paid to the FCP are attributed to the Management Company, the Fund promoter, etc.

Exemption: subscriptions following a redemption request executed on the same day for the same number of units at the same NAV and by the same unitholder.

I, P and A units:

Expenses payable by the investor, deducted at the time of subscriptions and redemptions	Basis	Rate
Subscription fee not payable to the FCP	Net asset value X number of units	Maximum 3%
Subscription fee payable to the FCP	Net asset value X number of units	None
Redemption fee not payable to the FCP	Net asset value X number of units	Maximum 1%
Redemption fee payable to the FCP	Net asset value X number of units	None

Direct management and administration fees

These fees cover all the costs invoiced directly to the FCP, except transaction costs. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) and transaction fees charged by the management company.

In addition to management fees, performance fees may apply. These reward the management company if the FCP exceeds its objectives. They are therefore charged to the Fund;

Fees charged to the FCP	Basis	Rate
Management and administration fees, inclusive of tax	Net assets	I units: 1% inclusive of tax (maximum rate) P units: 2.25% inclusive of tax (maximum rate) A units: maximum 2%
Maximum indirect fees (fees and management costs)	Net assets	Maximum 3%, inclusive of tax
Transaction fees charged by the management company	Payment on each transaction	Maximum 0.20% inclusive of tax of the transaction amount
	Per forward contract	EUR 3 to EUR 15 per forward contract
Performance fees (I, P and A units)	Net assets	10% above the EONIA

➤ **Calculation of performance fees:**

Performance fees are paid to the fund manager at the year-end. Between reporting dates, the provision for performance fees is adjusted at each net asset value date by making an addition to or a deduction from provisions.

The amounts deducted from the provision cannot exceed the amount accumulated. Additions to provisions are only increased if performance has exceeded the threshold since the end of the last reporting period during which a performance fee was paid (or since the fund's inception).

Performance fees thus follow the "high water mark" principle: no performance fee is paid at the year-end unless performance exceeds the level achieved when the last performance fee was paid.



In the event of redemptions, a proportion of the provision for performance fees, recorded in the accounts at the last valuation date, is permanently allocated to a specific third party account in proportion to the number of units redeemed. This proportion of performance fees is paid to the fund manager upon redemption.

The calculation basis for EONIA is reset to zero at the beginning of each year

➤ **Remuneration on temporary purchases and sales of securities**

Any remuneration on temporary purchases or sales of securities accrues solely to the UCITS.

C – COMMERCIAL INFORMATION

The FCP is intended for distribution in France.

Information on the UCITS may be obtained as follows:

Upon request, investors may receive the mandatory periodic documents (annual and semi-annual reports) as well as a monthly newsletter setting out the FCP's performance together with an investment commentary by post, fax or email.

All information about the FCP may be obtained directly from the management company:

Seven Capital Management

39 rue Marbeuf - 75008 Paris - France

Tel: 01 42 33 04 50

All subscription and redemption requests are centralised by:

RBC Investor Services Bank France SA

105 rue Réaumur – 75002 PARIS

D – INVESTMENT RULES

REGULATORY RATIOS APPLICABLE TO THE UCITS

The regulatory ratios applicable to the UCITS are those that apply to UCITS investing less than 10% of their assets in UCITS, as set out in articles R214-1 *et seq.* of the French Monetary and Financial Code.

E – OVERALL RISK

The FCP has opted to calculate its overall risk using the commitment method.

F – VALUATION AND ACCOUNTING RULES FOR THE ASSETS

The FCP shall comply with the accounting rules laid down in applicable regulations, and in particular with the accounting guidelines applicable to UCITS.

Methods used for the valuation of balance sheet items and futures and options

The net asset value is calculated in accordance with the valuation rules specified below:

- Transferable securities traded on French or foreign regulated markets are measured at their closing price or at the last known price on the market on which they are traded or their principal market and converted into euro, where applicable, using the foreign exchange rates made available by WMR on the valuation date.

However:

For transferable securities for which no price was recorded on the valuation date, the management company adjusts their valuation in line with changes made probable by current events. The decision made shall be communicated to the statutory auditor.

Transferable debt securities maturing in more than three months are valued at market price. However, transferable debt securities maturing less than three months after purchase are valued at their purchase price. Any resulting discount or premium is amortised on a straight-line basis over the life of the security in question. However, the management company reserves the right to value such securities at market value in the case of particular sensitivity to the market.

- Units or shares of UCITS and investment funds are valued at their last known net asset value.

However, where net asset values are not available for an unusually long period, the management company may calculate an adjusted net asset value.

For investment funds where net asset value is only calculated infrequently, an estimated net asset value provided by the investment fund's manager may be used.

Where the manager has placed orders in UCITS to meet subscription/redemption requests received by the FCP, those transactions will be valued based on:

- . the amount of the order, where the net asset value to be applied when the order is executed is not known
- . the net asset value applied to the order, where this is known.

- Securities covered by temporary sale or purchase agreements are measured in accordance with applicable regulations.
- Forward currency is calculated using spot exchange rates and forward point spreads.
- Transactions involving futures and options traded on French or foreign organised markets are valued at settlement price for futures and at closing price for options.

Method used to record trading expenses

Trading expenses are recognised excluding fees.

Method used to record income from fixed income securities

The method used is the coupons received method.

Calculation of management and performance fees

Management fees consist of a fixed component and a variable component linked to the FCP's performance.

These fees shall be recognised directly on the FCP's income statement

- Fixed component:

I units: maximum 1% of net assets per annum inclusive of tax.

P units: maximum 2.25% of assets per annum inclusive of tax.

A units: maximum 2% of assets per annum inclusive of tax.

- Component linked to outperformance:

The benchmark is the EONIA interest rate.

maximum 10% inclusive of tax of the FCP's outperformance, as defined below

Performance fees are paid to the fund manager at the year-end.

Between reporting dates, the provision for performance fees is adjusted at each net asset value date by making an addition to or a deduction from provisions. The amounts deducted from the provision cannot exceed the amount accumulated.

Additions to provisions are only increased if performance has exceeded the threshold of annualised Eonia since the end of the last reporting period during which a performance fee was paid (or since the fund's inception).



Performance fees thus follow the “high water mark” principle: no performance fee is paid at the year-end unless performance has exceeded annualised Eonia since the Fund’s inception and since the last time a performance fee was paid.

In the event of redemptions, a proportion of the provision for performance fees, recorded in the accounts at the last valuation date, is permanently allocated to a specific third party account in proportion to the number of units redeemed. This proportion of performance fees is paid to the fund manager upon redemption.

The fund also pays management fees to the funds in which it invests. For information, the FCP will invest in UCITS whose management fees net of trailer fees do not exceed 3% of net assets and which do not entail subscription or redemption fees.

The calculation basis for EONIA is reset to zero at the beginning of each year.

Dividend policy

Accumulation FCP.

Accounting currency

The FCP’s accounting currency is the euro.



Seven Capital Management

Fund regulations



SEVEN

CAPITAL MANAGEMENT
Risk Allocation Fund



REGULATIONS

Seven Capital Management

39 rue Marbeuf

75008 PARIS

the “Management Company”

and

RBC INVESTOR SERVICES BANK FRANCE

105 rue Réaumur

75002 PARIS

the “Depositary”

TITLE I

ASSETS AND UNITS

Article 1 – Units and co-ownership

The rights of co-owners are expressed in units, with each unit representing the same fraction of the Fund's assets. Each unitholder has a co-ownership right in and to the assets of the fund proportional to the number of units they hold.

The fund is formed for a duration of 99 years from inception, except in the event of its early dissolution or extension as provided for by these regulations.

Unit classes:

The characteristics of the various classes of units and their eligibility requirements are described in the FCP's simplified prospectus and in its detailed memorandum.

The different classes of units may:

- Apply different dividend policies (distribution or accumulation);
- Be denominated in different currencies;
- Incur different management fees;
- Incur different subscription and redemption fees;
- Have a different nominal value

Units may be combined or split.

The provisions of the regulations governing the issue and redemption of units shall apply to fractions of units, whose value shall always be proportionate to that of the units they represent. Unless otherwise provided for, all other provisions of the regulations relating to units shall apply to fractions of units without any need to make a specific provision to that end. Lastly, the management company's board of directors may, at its sole discretion, split units in the fund by issuing new units and allocating them to unitholders in exchange for their existing units.

Article 2 - Minimum assets

The minimum initial amount of fund assets is EUR 400,000.

Units may not be redeemed if the FCP's assets (or those of a sub-fund) fall below EUR 300,000. In such a case, and unless the value of the assets recovers above this amount in the interim period, the management company shall take the necessary measures to merge or dissolve the fund within a period of thirty days.

Article 3 - Subscription and redemption of units

Units may be issued at any time at the request of unitholders on the basis of their net asset value plus entry charges, where applicable.



Subscriptions and redemptions are executed under the conditions and according to the procedures defined in the prospectus.

The FCP's units may be admitted to an official stock exchange listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the day the net asset value is determined. Subscriptions may be made in cash and/or by a contribution in kind in the form of transferable securities. The management company is entitled to refuse any securities offered and, for that purpose, must announce its decision within seven days of the date on which the securities were tendered. If they are accepted, the securities tendered are valued according to the rules laid down in article 4, and the subscription is based on the first net asset value following acceptance of the securities concerned.

Redemptions shall be made solely in cash, except in the event of the liquidation of the fund if unitholders have stated that they agree to be repaid in securities. The redemption price is paid by the depositary within five days of the valuation day of the units.

However, if in exceptional circumstances the redemption requires the prior sale of assets held in the fund, this deadline may be extended to a maximum of 30 days.

With the exception of a succession or an inter vivos gift, the sale or transfer of units between unitholders or unitholders and third parties is treated as a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to at least reach the minimum subscription amount stipulated by the simplified and full prospectus.

In application of article L.214-30 of the *Code monétaire et financier* (French Monetary and Financial Code) the redemption of units by the FCP as well as the issue of new units may be suspended on a temporary basis by the management company in exceptional circumstances and if this is deemed necessary to protect the interests of unitholders.

If the net assets of the FCP (or, as the case may be, a sub-fund thereof) fall below the amount set by the regulations, no redemption may be carried out (in the relevant sub-fund, as applicable).

Article 4 - Calculation of the net asset value

The net asset value is calculated in accordance with the valuation rules specified in the prospectus.

TITLE II

OPERATION OF THE FUND

Article 5 - The management company

The fund is managed by the management company in accordance with the strategy defined for the Fund.

The management company acts on behalf of unitholders at all times, and it alone may exercise voting rights attached to securities held by the fund.



Article 5a - Operating rules

The instruments and deposits in which the fund's assets may be invested, as well as the investment rules, are described in the prospectus.

Article 6 - The depositary

The depositary is responsible for the custody of the assets held in the fund, for processing the orders received from the management company in relation to the purchase and sale of securities as well as those relating to the exercise of subscription and distribution rights attached to the securities held in the portfolio. It is responsible for all collections and payments.

The depositary must ensure that decisions taken by the management company are lawful. Where applicable, it must take all protective measures that it deems necessary. In the event of a dispute with the management company, it shall inform the AMF.

Article 7 - The statutory auditor

A statutory auditor is appointed for six financial years by the management company's board of directors or management board, subject to the approval of the *Autorité des marchés financiers*.

The statutory auditor carries out the checks and audits established by law and, in particular, certifies whenever necessary the accuracy and consistency of the financial statements and of the accounting information contained in the management report.

The statutory auditor's mandate may be renewed.

The auditor shall inform the *Autorité des marchés financiers* and the management company of the FCP of any irregularities and misstatements observed during the course of its work.

Assets will be valued and exchange ratios will be determined for the purpose of any conversion, merger or split under the statutory auditor's supervision.

The statutory auditor shall assess all contributions in kind and, as part of its responsibilities, shall establish a report on their valuation and consideration.

The statutory auditor shall certify the accuracy of the composition of the assets and other information before any publication.

The statutory auditor's fees are determined by mutual agreement between the auditor and the management company's board of directors or management board on the basis of an agenda indicating all duties deemed necessary.

In the event of liquidation, the statutory auditor shall value the amount of the assets and establish a report on the conditions of such liquidation.

The statutory auditor certifies positions serving as the basis for the payment of interim dividends.

Article 8 – The financial statements and the management report



At the end of each financial year, the management company prepares the financial statements and a report on the management of the fund (or, if applicable, of the sub-fund) during the last financial year.

The inventory of assets and liabilities is certified by the depositary and all of the above documents are reviewed by the statutory auditor.

The management company shall make these documents available to unitholders within four months of the financial year-end and shall notify them of the amount of income attributable to them: these documents shall be sent by post if expressly requested by the unitholders, or made available to them at the office of the management company or depositary.

TITLE III

ALLOCATION OF INCOME

Article 9 –

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and prizes, directors' fees as well as all proceeds generated by the securities held in the portfolio of the fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income is equal to the net income for the financial year plus retained earnings, plus or minus the balance of the income equalisation accounts for the last financial year.

Distributable income is accumulated in full each year except where the law requires a dividend to be paid.

TITLE IV

MERGER - SPLIT - DISSOLUTION - LIQUIDATION

Article 10 - Merger – Split

The management company may either merge all or part of the fund's assets with another fund under its management, or split the fund into two or more common funds under its management.

Such mergers or splits may only be carried out one month after unitholders have been notified. Such mergers or splits give rise to the issue of a new certificate indicating the number of units held by each unitholder.

Mergers and splits are subject to the agreement of the depositary and approval of the AMF.



Article 11 - Dissolution – Extension

If the assets of the fund remain below the amount set in article 2 above for thirty days, the management company shall inform the AMF and shall dissolve the fund, except in the event of a merger with another UCITS.

The management company may dissolve the fund before term. It shall inform the unitholders of its decision, after which no further subscription or redemption requests shall be accepted.

The management company shall also dissolve the fund if a request is made for the redemption of all of the units, if the depositary's appointment is terminated and no other depositary has been appointed, or upon expiry of the fund's term, unless such term is extended.

The management company shall inform the AMF and the depositary by post of the dissolution date and the procedure adopted. It shall send the statutory auditor's report to the AMF.

The fund's extension may be decided by the management company subject to the agreement of the depositary. Its decision must be taken at least three months before the expiry of the fund's term and must be notified to the unitholders and the AMF.

Article 12 – Liquidation

In the event of dissolution, the management company shall be responsible for carrying out the liquidation. To this end, they shall be granted the broadest powers to realise assets, pay off any creditors and allocate the available balance among the unitholders in the form of cash or securities.

The statutory auditor and the depositary continue to exercise their duties until liquidation operations have been concluded.

TITLE V

DISPUTES

Article 13 - Competent courts - Jurisdiction

All disputes relating to the fund that may arise during the term of the fund or during its liquidation, either among the unitholders or between the unitholders and the management company or the depositary, shall be submitted to the courts having jurisdiction.

THESE REGULATIONS WERE APPROVED BY THE

AUTORITÉ DES MARCHÉS FINANCIERS

ON: 22 December 2006