

CF 7IM AAP INCOME FUND



Seven
Investment Management

INVESTMENT OBJECTIVE & PROCESS

This Fund aims to provide a balance of income and capital appreciation by applying active asset allocation techniques to passive investments. There may be some risk to capital.

The fund aims to generate an above average level of income. While income levels may vary according to the economic and market environment, the managers have flexibility to derive income from a wide range of sources across different asset classes, and will prioritise assets and strategies that can generate attractive income, while remaining within the defined risk profile for the fund.

We try to maximise the potential investment returns for a portfolio that is compatible with the level of risk the investor is comfortable with. We do this in two ways:

- **Robust strategic asset allocation.** We create efficient portfolios that combine different investment types with varying risk/return properties.
- **Sensible tactical asset allocation.** Short term changes to reflect our current view of the markets and economic outlook.

The strategic asset allocation has been defined by the investment manager as the optimum combination of investments likely to maximise long term returns for a given level of risk consistent with an investor who is looking for an attractive income stream, while seeking to maintain capital over the longer term. Once this is determined, we make shorter term tactical allocations. The tactical tilt is made up of a series of investments the portfolio manager takes, designed to take advantage of near term market conditions and trends.

The strategic asset allocation is reviewed annually by the investment manager to ensure its validity. The positioning of the tactical tilt is reviewed quarterly and is subject to continual monitoring against the latest market information.

Important Notes:

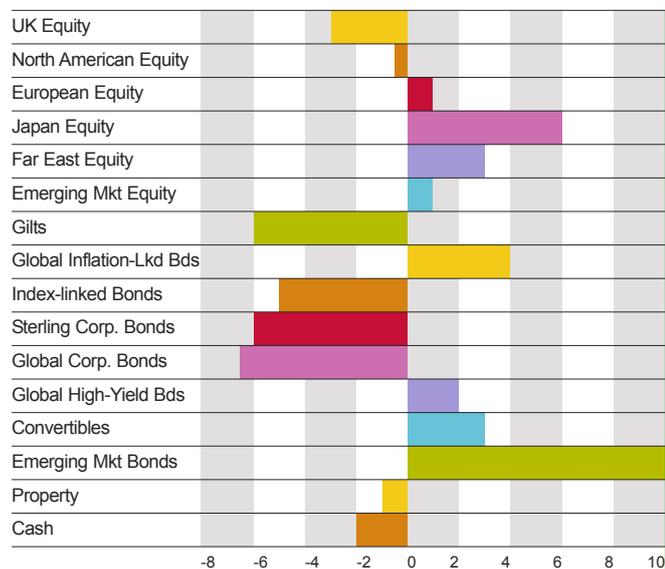
The Fund converted from the CF 7IM Cautious Fund to CF 7IM Income Fund on 30 September 2005, with a change in Investment Objectives, Investment Policy and Benchmark. Subsequently, the fund converted from the CF 7IM Income Fund on 26 February 2014, but with no further change in Investment Objectives, Investment Policy and Benchmark.

FUND AVAILABILITY & RISK MAPPING

The 7IM Funds are available via the majority of the major wraps, platforms and life & pension wrappers. Additionally, we have mapped our funds to a range of the most frequently used risk profiling tools. If you would like further information relating to either of these areas, please call us on 0207 760 8777.

TACTICAL ASSET ALLOCATION

The Fund's weighting against the portfolio manager's long term strategy neutral for a given level risk is shown below. The strategy neutral is the portfolio manager's assessment of the portfolio that will give a balanced investor the optimal balance of risk and return based upon long term returns data.



Source: 7IM - N.B. The strategic neutral position is not displayed as it remains the intellectual property of Ibbotson Associates, Inc.

FUND SUMMARY

Fund Managers	7IM - Asset Allocation
Launch Date	30 September 2005
Fund Size	£75.4m
IMA Sector	Mixed Investment 0-35% Shares
Initial Charge	0-4%
Yield	3.10%
XD Dates	28 February, 31 May, 31 August, 30 November
Distribution Dates	30 April, 31 July, 31 October, 31 January†
Authorised Corporate Director	Capita Financial Managers ('CF')

Share Classes	SEDOL	AMC	Ongoing Charges†	Lump Sum
C Accumulation	3395402	0.5%	0.85%	from £1,000
C Income	3395394	0.5%	0.85%	from £1,000

The specific details of the funds including investment policy, charges and the particular risks associated with the funds are explained in the Key Investor Information Documentation (KIIDs) – a link to these is available via the 7IM website.

‡ Please allow up to 10 days after the Distribution Date for dividends to be processed and applied to individual client accounts

† Source: KIIDs 8/8/14.

PORTFOLIO TOP TEN HOLDINGS

iShares DJ Asia Pacific Dividend Select	4.9%
TOPIX Index Future	4.8%
PFS Twenty Four Monument Bond	4.8%
BlackRock Global Property Securities	4.4%
iShares £ Corporate Bond 1-5 Years	2.8%
BlackRock Overseas Corporate Bond Index	2.8%
IP Global Financial Capital Bond	2.7%
iShares EM Bond in Local Currency	2.7%
Govt Italy IL 1.7% 15/09/18	2.5%
Poland Govt 4% 25 Oct 2023	2.3%
Total	34.7%

Source: 7IM

FUND PERFORMANCE

	Last 6 Months	Rolling Performance to 31/07/2014:				
		1 year	2 years	3 years	4 years	5 years
CF 7IM Income C Acc	4.76%	4.40%	12.61%	14.72%	22.18%	37.95%
IMA Sector*	2.54%	2.85%	9.14%	12.85%	20.22%	34.23%

*7IM Funds are Multi Asset and therefore the comparison with the IMA Mixed Investment 0-35% Shares Sector is offered as a guide only.

Source: FE

IMPORTANT NOTICE - ISSUED BY SEVEN INVESTMENT MANAGEMENT LLP

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ALL DATA AS AT 31 JULY 2014