

Asset protection summary

All 7IM UK Authorised Collective Investment Schemes

Asset Category:	All 7IM UK authorised collective investment schemes.
Management:	The Authorised Corporate Director (“ACD”) and Investment Manager of these Schemes is Seven Investment Management LLP (“7IM”). 7IM is authorised and regulated by the Financial Conduct Authority (“FCA”) (FRN: 589124). As ACD and Fund Manager, 7IM has responsibilities which are specified within the COLL module of the FCA Handbook which includes managing the funds in accordance with their prospectus and relevant regulations. This includes investment limits as well as establishing an appropriate risk management policy and embedding governance arrangements which constitute appropriate control. 7IM is prohibited from holding Schemes’ assets.
Depository Function:	The Depository for these funds is Northern Trust Global Services Limited (“NTGS”) which is authorised and regulated by the FCA and the Prudential Regulation Authority (“PRA”) (FRN: 226284). As Depository, NTGS also has specific responsibilities within the COLL module of the FCA Handbook. Among these responsibilities is a duty of oversight of the manager’s discharge of its duties and NT therefore conduct regular and ongoing due diligence on the activities of 7IM. It also has specific obligations to ensure the safe custody of scheme assets.
Custody of Assets:	<p>The Custodian for these funds is The Northern Trust Company (“NTC”). NTC is regulated and authorised by the FCA and the PRA (FRN: 122020). As custodian NTC has a responsibility to segregate assets from its own and ensure appropriate records are maintained at all times. This requirement is in place explicitly as a protection for investors in the event of the default of a custodian.</p> <p>It is an FCA requirement that the auditors of all regulated firms specifically report, annually, to the regulator regarding the adequacy of systems and controls applying to their custody activities.</p> <p>In the event of the failure of NT or 7IM to meet their obligations the segregation of assets referred to above prevents access to them by administrators or receivers.</p> <p>In the event that client assets were lost during any default due to a failure to segregate assets clients could make a claim on the Financial Services Compensation Scheme (“FSCS”). This scheme can pay out a maximum of £85,000 per person.</p>
What happens in the event of any of the parties involved?	As neither 7IM nor NTGS hold client assets their default would not have any implications for the security of the assets of funds although there may be significant administrative implications. If NTC default then the required segregation of assets should protect them from claims by an administrator/receiver although in some exceptional circumstances, and subject to court proceedings it may be possible for an administrator to settle its costs from client assets.
What compensation arrangements are in place?	If the measures identified above did not secure all client assets then it may be possible to make a claim to the Financial Services Compensation Scheme. This scheme can pay a maximum of £85,000 to any eligible claimant per defaulting regulated entity.