

PROCEDURE FOR PROCESSING RECLAMATIONS	Established: June 2012
	Updated: October 2016

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1. REGULATORY FRAMEWORK

▶ **Articles 313-8 and 313-8-1 of the AMF General Regulations**

- Implementing of procedures for promptly and efficiently processing claims;
- Making the procedure available for perusal

▶ **AMF Instruction n°2012-07**

▶ **French Consumer Code**

Article L152-1

▶ **French Monetary and Financial Code**

L. 612-1 II 3° and L. 612-29-1 para. 2

2. PERIMETER

In accordance with regulations, Seven CM has established a mechanism for processing claims, including:

- the Investment Management Company’s obligation to pledge to reply to a claim by a client or prospect within no more than two months, barring special and duly proven circumstances and, if no reply is provided immediately, to confirm reception of the claim within no more than 10 business days;
- implementing a mechanism for processing claims in an equitable and consistent manner;
- assigning the necessary resources and expertise necessary to ensure it is able to do so;
- the obligation to monitor claims in order to identify and rectify malfunctions.

Investment management companies subject to the AMF General Regulations or Instructions may be considered to be in compliance with the French Consumer Code, as long as all individual consumers are eligible for the mechanism for processing claims, regardless of their status with regard to MiFID.

In light of Seven CM's activities, the objective here is to set up a mechanism for processing the claims of clients or fund-holders in the cases strictly defined by Article 313-8 of the AMF General Regulations, i.e.:

→ claims for all unit-holders of funds managed by Seven CM, when no investment advice is provided to them when they subscribe;

→ claims from holders of units in funds managed by Seven CM from non-professional clients when Seven CM provides them with investment advice when they subscribe.

3. DEFINITION

A *claim* is regarded as a **statement of dissatisfaction by the client or fund-holder to the Investment Management Company**, in which the client or fund-holder believes that the service received, supplied or advised by the Investment Management Company does not meet his expectations or needs.

A request for information, opinion, clarification, or service is not a claim.

The following are not considered claims:

- requests for special/exceptional marketing information,
- solicitations,
- service requests,
- suggestions / proposals,
- requests for information or requests resulting from a simple misunderstanding.

4. HOW TO LODGE A CLAIM WITH THE INVESTMENT MANAGEMENT COMPANY

Any client wishing to lodge a claim with Seven CM is asked to send a letter to the following address:

SEVEN CAPITAL MANAGEMENT
39, rue Marbeuf
75008 Paris, France

Claims may be lodged with Seven CM:

- verbally, during a meeting,
- by telephone at 33(1) 42 33 75 20
- by email to Johann Schwimann (jschwimann@seven-cm.com)

Depending on the communication procedure used, Seven CM reserves the right to request that a client claim be made by mail so that there is no doubt on the purpose or reason for the claim.

Clients are then asked to provide their particulars (mailing and email address, and telephone number).

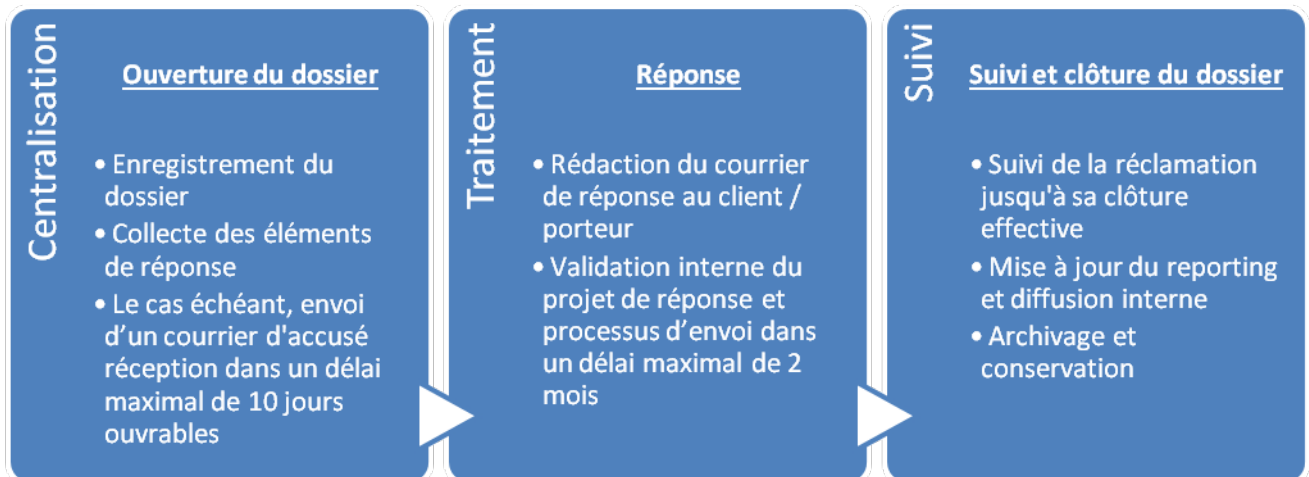
Seven CM's policy for processing claims, which is accessible to all clients on the company's website, also mentions the client's option to appeal to the AMF ombudsman in the event that Seven CM rejects the claim or refuses to accept it whole or in part.

*Autorité des Marchés Financiers
Mrs Marielle Cohen-Branche
Médiateur de l'AMF (AMF Ombudsman)
17 place de la Bourse
75082 Paris Cedex 02, France
Fax: 01.53.45.59.60
<http://www.amf-france.org/>*

The form for appealing to the AMF ombudsman and the mediation charter are available at: <http://www.amf-france.org/Le-mediateur-de-l-AMF/Presentation.html?>.

5. PROCESSING OF CLAIMS

5.1. Flow chart



➤ Claim registration

- The employee who takes delivery of the client's verbal or written claim provides a summary of it as soon as possible to Senior Management (including the Chief Compliance Officer (CCO)).
- The CCO enters the claim in the claims register (Appendix 1), which is available on the in-house server, and creates a file in which it classifies the items concerned.
- Senior Management contacts the employee(s) concerned in order to compile the information needed for understanding the claim and preparing a reply.
- If Seven CM does not process the claim immediately, confirmation of reception is sent to the client by mail within no more than 10 business days from the reception of the claim. This informs the client that his claim is being processed.

➤ Processing

- Senior Management processes the claim in tandem with the employee concerned and produces a draft reply. This reply must give the client/fund-holder clear and explicit explanations on the subject of his claim.
- If the incident is due to a mistake made by an external service provider (e.g., the depository, custodian, account-keeper, etc.), Senior Management also drafts a letter for that service provider (*draft letters must in all cases be submitted to Senior Management the CCO for approval*).
- The letter is then sent to the client by simple or registered mail with confirmation of receipt, depending on the seriousness of the alleged harm, as well as in cases when the client sent the claim initially with confirmation of receipt.
- Seven CM pledges to reply to all claims within no more than two months, barring special and duly proven circumstances.

➤ Follow-up

- Senior Management follows up on all claims. It ensures that replies are sent within the stated deadlines.
- This follow-up process allows Seven CM to identify bad practices or any malfunction in the operating processes and to implement suitable corrective actions.
- The claims database is used to display response times and review the stock of claims, if any, at any time, along with the replies that have been sent, and the issues that led to a claim.
- The Investment Management Company reviews claim files to establish and implement corrective measures to enhance or rectify internal malfunctions brought to light by the claim.
- Copies of various letters and any other document issued in processing the claim are kept throughout the client relationship and for five years after the relationship has ended.

5.2. Processing times

- Seven CM pledges to **confirm reception** of all claims within **10 business days** through any means of his choice. Seven CM is not required to confirm reception of a claim if it replies to it within 10 business days.
- Seven CM pledges to **reply** to all claims within **no more than two months** barring special, duly proven circumstances.
- If it rejects or refuses the claim in whole or part, Seven CM states in its reply to the client the possible avenues of recourse, including the particulars of the relevant ombudsman.

6. CLIENT DISCLOSURES

Seven CM informs its clients of its policy on its website (Appendix 2):

- how to lodge a claim with Seven CM, including the particulars of the person in charge of processing claims,
- the particulars of the relevant ombudsman/ombudsmen,
- the deadlines for processing claims provided in the procedure,
- the existence of mediation charter(s)/protocol(s).

7. MARKETING OF PRODUCTS AND SERVICES BY THIRD PARTIES

Seven CM has signed agreements with distributors to market its products.

Seven CM ensures that the information given to clients by these third parties is equivalent to that it provides to its own clients.

If Seven CM receives a claim directly from an end-investor placing blame on the distributor, it pledges to forward said claim to the distributor so that the distributor may process it.

The distribution agreements entered into by Seven CM include a clause on processing claims, which aims to ensure that distributors:

- have implemented a claim processing mechanism that complies with regulations (particularly regarding deadlines for replying to clients);
- report to Seven CM the claims received regarding its products or services.

8. RECOURSE TO A LAWYER/SETTING ASIDE PROVISIONS

Seven CM may seek legal counsel in the case of a simple reply or a more important dispute. To anticipate fees incurred by disputes, it is up to Senior Management to decide whether to set aside a provision on the basis of its assessment of the risk.

9. FOLLOW-UP AND INSPECTIONS

The CCO or its delegatee follows up on the processing of claims in the claims base in real time, including at least an annual check of the proper enforcement of the rules for processing claims as stated in this procedure.

Under the “*FRA/RAC*” procedure, the CCO must submit to the AMF:

- a report on the Investment Management Company’s mechanism for processing claims;
- the number of claims received;
- the amount of compensation for claims paid out during the period.

Appendix 1: Claims register

Claims register – SEVEN CAPITAL MANAGEMENT

Claim no.	Client name	Date of claim	Purpose of claim	Description of claim	Date claim confirmed	Reply to client (summary)	Date reply approved by Senior Management	Date reply sent to the client	Claim closed? (Y/N), if "N", state the outcome (dispute, lawsuit, etc.)
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									

Appendix 2:
POLICY FOR PROCESSING CLAIMS

This document has been drawn up in accordance with Article 313.8 of the AMF General Regulations. It is meant to inform the clients of SEVEN CAPITAL MANAGEMENT of the Investment Management Company's mechanism for processing claims.

Only those statements pertaining to client dissatisfaction with SEVEN CAPITAL MANAGEMENT are concerned. Requests for information, advice, clarification, and service are not included.

- **Person in charge of processing claims at SEVEN CAPITAL MANAGEMENT:**
Mr Johann **Schwimann**, Chairman

- **How to lodge a claim with the person in charge of processing claims at SEVEN CAPITAL MANAGEMENT:**
 - **By mail:**
SEVEN CAPITAL MANAGEMENT
Mr Johann **Schwimann**
39, rue Marbeuf
75008 Paris, France
 - **By telephone:** 01.42.33.75.20
 - **By email:** jschwimann@seven-cm.com

To ensure reception of his claim, we advise the client to send it to us with return receipt requested.

- **Deadline for processing claims:**

SEVEN CAPITAL MANAGEMENT pledges to confirm receipt of the claim to the client within **10 business days** if the claim cannot be processed sooner.

The claim shall be processed within no more than **two months** between the date the claim is received and the date on which the reply is sent to the client, barring special, duly proven circumstances.

- **Ombudsman:**

In the event of a dispute involving the processing of his claim (rejection, refusal, or any other failure to reach a solution), the client may appeal to the AMF ombudsman:

- **By mail:**
Autorité des Marchés Financiers
Mrs Marielle Cohen-Branche
Médiateur de l'AMF (AMF Ombudsman)
17, place de la Bourse
75082 Paris Cedex 02, France

- **By Internet**

The form for appealing to the AMF ombudsman and the mediation charter are available at: <http://www.amf-france.org/Le-mediateur-de-l-AMF/Presentation.html?>

The procedure is confidential, free of charge, open to all parties, and non-binding. Each of the parties may terminate the process when it wishes and retains the right to take the matter up in court. However, before appealing to the ombudsman, the client must first approach the person in charge of claims at SEVEN CAPITAL MANAGEMENT.