

Aviva Morley – Pan-European Equity Fund

Simplified Prospectus – August 2007

A SICAV authorised under the Luxembourg
Law of 20 December 2002



Aviva Morley - Pan-European Equity Fund (the "Sub-Fund")

This simplified prospectus contains key information about the Sub-Fund. If you would like more information before you invest, please consult the full prospectus of Aviva Morley (the "Company") which contains information on all sub-funds of the Company. For details about the Sub-Fund's holdings please see the Company's most recent annual or semi-annual report. The rights and duties of the investor as well as the legal relationship with the Sub-Fund are laid down in the full prospectus of the Company (the "Prospectus"). The Prospectus and the periodical reports may be obtained free of charge from the Company and from all distributors.

The Company is organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and is qualified as a *société d'investissement à capital variable* with multiple sub-funds. The Company was incorporated in Luxembourg on 16 January 1990 and is subject to the Luxembourg law of 10 August 1915 on commercial companies, as amended, and Part I of the Luxembourg Law of 20 December 2002 on undertakings for collective investment, as amended. The Company operates separate sub-funds and may issue shares (the "Shares") within each sub-fund in different classes (herein referred to as "Class or Classes"). This simplified prospectus does not comprise a description of all the sub-funds of the Company currently existing, for which separate simplified prospectuses are available.

Investment objective

The aim of this Sub-Fund is to achieve capital growth by investing mainly in Euro and other European currency denominated equities and equity related securities, such as ADRs and GDRs, options on equities, equity warrants, participation certificates and profit sharing certificates with the aim of maximising returns and providing capital growth.

In addition, the Sub-Fund may invest in warrants and convertible securities quoted on a stock market. Equity related warrants are not purchased by the Sub-Fund but may be acquired in the context of a corporate action for equity securities held in the portfolio.

At all times at least two-thirds of its total assets (at the exclusion of liquidities) will be invested in equities and equity related securities of companies which have their registered office in or exercise the predominant part of their economic activities in Europe.

The Sub-Fund may, for efficient portfolio management and for hedging purposes use financial derivative instruments and techniques within the limits set forth in the Prospectus.

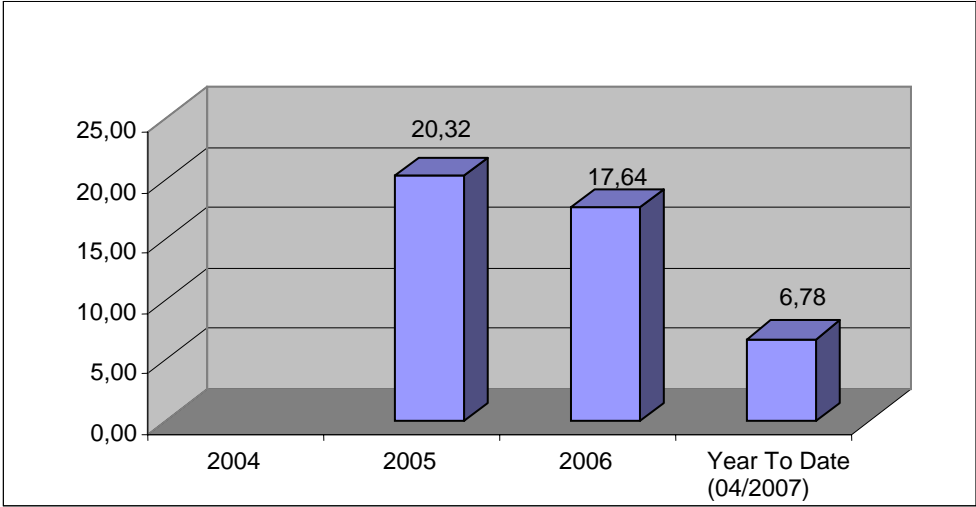
Cash and/or cash equivalent may be held on an ancillary basis.

Fund risk profile

As described in the investment objective above, the Sub-Fund comprises equity investments which can fall as well as rise. In addition, investments in warrants are likely to fluctuate more than the prices of the underlying securities because of the greater volatility of warrant prices. Whilst the Sub-Fund is managed to provide a prudent spread of risk across the range of these investments, it should not be considered as a substitute or alternative to cash based savings and investments and should be viewed as a medium to long term investment.

There can be no guarantee that the Sub-Fund will meet its investment objective. Information relating to the risk management of the Sub-Fund will be provided to investors upon request.

For further details, please consult the Prospectus.

<p>Historical performance of the Fund up to 30 April 2007 (for B € Share Class only*)</p>	<p style="text-align: center;">Annual total return (%)</p>  <table border="1" data-bbox="408 293 1388 797"> <thead> <tr> <th>Year</th> <th>Annual total return (%)</th> </tr> </thead> <tbody> <tr> <td>2004</td> <td>0,00</td> </tr> <tr> <td>2005</td> <td>20,32</td> </tr> <tr> <td>2006</td> <td>17,64</td> </tr> <tr> <td>Year To Date (04/2007)</td> <td>6,78</td> </tr> </tbody> </table>	Year	Annual total return (%)	2004	0,00	2005	20,32	2006	17,64	Year To Date (04/2007)	6,78
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<p>Notice</p>	<p>Past performance is not a guide to the future performance results of the Sub-Fund. The value of an investment and the income from it can go down as well as up and you may not get back the amount you invested. Future returns will depend on the development of European stock markets and on how successful the Management Company is in executing the Sub-Fund's investment policy.</p>										
<p>Profile of the typical investor</p>	<p>Considering the investment objectives, as stated above, the Sub-Fund may appeal to investors looking to:</p> <ul style="list-style-type: none"> • Gain exposure to European equity markets • Achieve capital growth • Make an investment for the medium to long term <p>Notwithstanding the above, any investment in this Sub-Fund should only be made after the long term financial objectives and requirements of the investor and the "Risk Warnings" stated above have been duly considered.</p>										
<p>Treatment of income</p>	<p>In relation to A, B, C and I Share Classes no distributions will be made and all interest and other income earned by the Sub-Fund on its investments will be reflected in the net asset value of the Shares. In relation to Bx Shares, it is the intention of the Board of Directors to periodically distribute substantially all the net income earned on investment.</p>										

* The historical performance of other Classes is similar but may vary according to the amount of fees charged or as a result of other specific features such as their dividend policy. Historical performance may also vary as a result of the currency denomination or hedging policy applicable in relation to any specific Class.

**Fees/ Share
Classes**
SHARE CLASSES

Share class	Restriction	Currency	Acc/Div	Minimum Investment
A€	None	EUR	Acc	€2,000
B€	None	EUR	Acc	€2,000
B€x	None	EUR	Div	€2,000
C€	None	EUR	Acc	€2,000
I€	Institutional	EUR	Acc	€500,000

APPLICABLE FEES

Fees / Share Classes	A	B	C	I
SHAREHOLDERS TRANSACTION FEE				
Initial charge **	max 5%	max 5%	max 6%	max 5%
Redemption charge	max 1%	max 1%	max 1%	max 1%
Conversion charge ***	max 1%	max 1%	max 1%	max 1%
ANNUAL OPERATING EXPENSES				
(Expenses are paid out of the Sub-Fund's assets. They are fully reflected in the Share price or distributions and are not charged directly to shareholder accounts)				
Management fees	1.50% p.a.	1.50% p.a.	1.50% p.a.	0.75% p.a.
Distribution fee	n/a	0.25%	0.75%	n/a
Custodian safe-keeping fees (estimated)	0.03%	0.03%	0.03%	0.03%
Administrator fees	max 0.15%	max 0.15%	max 0.15%	max 0.15%
Performance fees	n/a	n/a	n/a	n/a

** In addition, the Management Company may charge an amount, to the benefit of the relevant Sub-Fund, representing dealing costs not exceeding 1 per cent of the Net Asset Value.

*** Conversions to C Shares may entail additional charges as more closely described in the Prospectus.

For further details, please consult the Prospectus.

Taxation

Under present Luxembourg law and practice, the Company is not liable to any Luxembourg income tax nor are dividends paid by the Company liable to any Luxembourg withholding tax (subject to the provisions of the Council Directive 2003/48/EC on taxation of savings income in the form of interest payments, as implemented in Luxembourg law and as more fully described in the Prospectus). No Luxembourg capital gains tax are payable on the realised or unrealised capital appreciation of the assets of the Company.

The Sub-Fund is liable in Luxembourg to a tax of 0.05 % per annum of its net assets. Class I Shares are subject to a reduced tax of 0.01% per annum of the value of their net assets, any such tax being payable quarterly on the basis of the value of the net assets of the Sub-Fund at the end of the relevant calendar quarter.

The impact of an investment in the Company on the individual tax bill of an investor depends

	on the fiscal regulations applicable in his or her particular case. Consulting a local tax adviser is therefore recommended.
Daily price publication	The net asset value, the issue price and the redemption price may be obtained from the Management Company and will be published in the financial press as well as on the website: www.morleyfm.com .
How to buy/sell shares	<p>You can buy, sell or convert Shares directly from the Company and/or an authorised distributor. The Company has agreements with distributors in various European countries where the Sub-Fund is officially registered. These agreements allow the distributors to sell the Sub-Fund's Shares. The list of these distributors can be obtained at the address mentioned below.</p> <p>Applications for issue, redemption or conversion should be received prior to 13:00 CET on any bank business day in Luxembourg (a "dealing day") with the exception of the Friday before Easter Monday (Good Friday) and 24 December (Christmas Eve).</p> <p>The minimum initial investment is described in the table above in the section Fees/Share Classes.</p>
Additional important information	<p>Legal Structure: Pan-European Equity Fund, a sub-fund of Aviva Morley</p> <p>Management Company: Aviva Fund Services, 34, avenue de la Liberté, 4th floor, L-1930 Luxembourg</p> <p>Investment Adviser: Morley Fund Management Limited, No 1 Poultry, EC2R 8EJ London, United Kingdom</p> <p>Supervisory Authority: Commission de Surveillance du Secteur Financier (www.cssf.lu)</p> <p>Depository Bank: J.P. Morgan Bank Luxembourg S.A., 6, route de Trèves, L-2633 Senningerberg</p> <p>Auditor: Ernst & Young S.A., 7, Parc d'Activité Syrdall, L-5365 Munsbach</p> <p>Promoter: Aviva group of companies</p> <p>Launch Date: 09.04.2002****</p> <p>Out-of-court complaints and redress mechanism: FIN-NET www.ec.europa.eu/internal_market/finances-retail/finnet/guide_en.htm</p> <p>Investors in the Sub-Fund are not eligible for the Investors Compensation scheme in the UK.</p>
Local agents	Your local distributor's office.
Further information	<p>For further information please contact Aviva Morley Shareholder services department at the following address:</p> <p>Aviva Fund Services, 34, avenue de la Liberté, 4th floor, L-1930 Luxembourg</p> <p>Tel: +352 40 28 20 261 or Fax: +352 26 68 72 06</p> <p>Email: helpdesk@avivafunds.com or at the following internet address: www.morleyfm.com</p> <p>This simplified prospectus contains only basic information on the Sub-Fund and the Company. The latest available Prospectus, periodic reports and local offering document (if applicable) contain more information regarding charges, entry fees and minimum subscription amount.</p>

**** Aviva Funds – Pan European Equity Fund was initially launched as Aviva Funds – European Smaller Companies Fund and was transformed into Aviva Funds – Pan European Equity Fund on 13.09.2004. The historical performance before that date is therefore not representative of the performance of the Sub-Fund and is therefore not disclosed.