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**SOUTH RIVER DYNAMIC GROWTH FUND**

A Cell of

**SOUTH RIVER GLOBAL INVESTORS PCC LIMITED**

(a protected cell investment company registered with limited liability in Guernsey with registration number 55297)

**SUPPLEMENTAL SCHEME PARTICULARS**

**Dated: 5 October 2018**

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These supplemental scheme particulars containing information relating to South River Dynamic Growth Fund should be read and construed in conjunction with the Scheme Particulars relating to South River Global Investors PCC Limited dated 5 October 2018 (the “**Principal Particulars**”). This document is deemed to be incorporated in and to form part of the Principal Particulars and may not be distributed unless it is accompanied by them and such other documentation as the Principal Particulars may prescribe.

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## DEFINITIONS AND SUMMARY OF FUND DETAILS

Save as provided below, words and expressions defined in the Principal Particulars shall have the same meanings herein. In these Supplemental Scheme Particulars, the following words shall have the meanings opposite them unless the context in which they appear requires otherwise:-

<b>Company</b>	South River Global Investors PCC Limited.
<b>Dealing Day</b>	Each Business Day or such other day as the Directors may from time to time determine. Contract notes will be despatched within 7 Business Days of the relevant Dealing Day (Redemption Days and Subscription Days as used in the Principal Particulars shall mean Dealing Days as defined herein).
<b>Fund</b>	South River Dynamic Growth Fund, the Cell to which these Supplemental Particulars relate.
<b>Investment Adviser</b>	South River Asset Management Limited.
<b>Minimum Holding</b>	£1,000 for Sterling Shares, US\$1,000 for US Dollar Shares, and €1,000 for Euro Shares or such other sums as the Directors may from time to time determine.
<b>Minimum Initial Investment</b>	£1,000 for Sterling Shares, US\$1,000 for US Dollar Shares, and €1,000 for Euro Shares or such sums as the Directors may from time to time determine.
<b>Minimum Subsequent Investment</b>	£1,000 for Sterling Shares, US\$1,000 for US Dollar Shares, and €1,000 for Euro Shares or such other sums as the Directors may from time to time determine.
<b>Participating Shares or Shares</b>	Participating Redeemable Preference Shares of no par value in the Fund and designated as either Sterling Shares, US Dollar Shares, or Euro Shares.
<b>Redemption</b>	Holder may redeem part or all of their holdings subject to minimum holding requirements.
<b>Valuation Point</b>	23:59 hours in Guernsey on the Business Day immediately preceding the Dealing Day.

## INTRODUCTION

The Fund is a protected cell of South River Global Investors PCC Limited, an open-ended protected cell investment company registered with limited liability in Guernsey on 27 June 2012 and authorised by the Guernsey Financial Services Commission as a Class B collective investment scheme.

### **Investment Objective**

The Fund is a fund of funds which invests in units or shares of Investment Funds (which, for the purposes of this document, are defined as any unit trust, limited partnership, investment company (whether closed or open-ended) and any like body or arrangement for the collective investment of property of any description). A proportion of the Fund may also be invested in Alternative Investment Funds.

“Alternative Investment Fund” is a market term used to describe a range of Investment Funds which typically invest in closely defined investment areas using sophisticated investment techniques and instruments not usually associated with pooled investment vehicles. Such techniques may include investing in long or short positions in equities, options, convertibles, warrants and other similar investments. In addition, some funds may employ gearing in order to generate improved returns.

Alternative Investment Funds commonly aim to achieve absolute returns under all market conditions (i.e. growth in the value of investments), rather than relative returns (i.e. attempting to beat selected indices).

The investment objective of the Fund is to achieve a total return from a combination of income and capital growth. The Fund will be invested in units or shares of Investment Funds which invest in any or all geographical or economic sector or sectors of the world. Up to 20 per cent in value of the Fund at the time of purchase may be invested in investments other than Investment Funds.

There can be no assurance that the Company will achieve its objectives for the Fund or avoid substantial losses. Investors are urged to consult with their professional advisers in connection with any investment in the Fund.

The Board will not materially alter the Fund’s investment policy without reasonable prior notice being given to Shareholders.

### **Investment and Borrowing Restrictions**

The Fund may invest in:

- a) feeder funds;
- b) any part of an umbrella fund which is invested as if it were a fund within paragraph a); and
- c) a recognised scheme which would, if authorised, fall within paragraph a).

It is not the Directors’ intention to exercise any powers of borrowing for the account of the Fund other than to meet short term liquidity requirements. Borrowing must be on a temporary basis and not persistent. In any event, any borrowing for the account of the Fund shall not exceed 10% of the net asset value of the Fund.

Cash and near cash instruments may be held by the Fund where this may reasonably be regarded as necessary in order to enable redemption of Participating Shares, the efficient management of the Fund in accordance with its investment objectives or for other purposes which may reasonably be regarded as ancillary to the investment objectives of the Fund.

Hedging transactions may be undertaken for the purposes of efficient portfolio management only. Hedging transactions must be economically appropriate, exposure must be fully covered, and transactions may only be entered into for the purposes of the reduction of risk, the reduction of cost, and/or the generation of additional capital or income for the Fund with an acceptably low level of risk. The margins and premiums payable for such transactions shall not exceed 5 per cent of the net asset value of the Fund at any time.

The Fund is permitted to invest in schemes that may be managed by the Manager or an associate thereof. Any investment in a scheme so managed will not be subject to any preliminary or redemption charge.

### **Investment Adviser**

South River Asset Management Limited (the “**Investment Adviser**”) is a private limited company incorporated under the laws of England and Wales with registered office at 1 King Street, London EC2V 8AU. The Investment Adviser is authorised and regulated by the United Kingdom Financial Conduct Authority.

The principal business of the Investment Adviser is investment management.

The Manager has appointed the Investment Adviser to provide the Manager with all investment advice and services which the Manager may require in connection with the management of the investments of the Fund, including evaluating opportunities for investment, reviewing investments for the time being of the Fund, advising the Manager concerning advantageous ways of implementing the investment policies of the Fund, analysing the performance of current investments, procuring evaluation of investments of the Fund at regular intervals, providing and maintaining administrative services and preparing material (if required) for inclusion in reports of the Fund.

The Investment Adviser’s appointment continues for so long as the Manager is the manager of the Fund unless either party terminates the appointment by notice in writing to the other if that other has committed any breach of the terms of the appointment or upon the occurrence of certain other specified events.

### **Base Currency**

The base currency of the Fund is US Dollars.

### **Conflicts of Interest**

The Manager, Investment Adviser or their affiliates may provide investment advisory and management services to other clients in addition to the Company. The Manager, Investment Adviser and their affiliates will act in a fair and equitable manner in allocating investment opportunities among the Fund, other cells of the Company, other investment vehicles managed by them and the accounts of their other clients. If a conflict arises the Manager, Investment Adviser and their affiliates will act in a fair and equitable manner to resolve such conflict. The Directors, Manager and Investment Adviser will endeavour to ensure that any conflict which does arise will be resolved fairly.

### **Distribution Policy**

It is the intention of the Directors to accumulate all income receipts and capital gains of the Fund for reinvestment and not to make distributions to Shareholders, although the Directors reserve the right to declare or recommend that Shareholders resolve to declare dividends should they consider it appropriate.

## **Reports and Accounts**

Copies of the reports and audited financial statements of the Fund made up to 31 March each year will normally be sent to Shareholders at their registered addresses or by Electronic Means (as defined in the Articles) at the latest within six months of the end of the period to which they relate.

## **Publication of Prices**

The latest prices for Shares in the Fund will be quoted on the Manager's website, [www.southriveram.com](http://www.southriveram.com).

## **Additional Risk Factors**

A list of risk factors relating to an investment in the Company, including the Fund, is contained in the Principal Particulars, to which investors are specifically referred. Potential investors should fully understand these risks prior to making any investment in the Fund.

All investments carry an element of risk especially as securities in the Fund are subject to normal stock market fluctuations. An investment in the Fund should be considered as a medium to long-term investment.

The Fund may invest in units in collective investment schemes. Investors should be aware that the Fund does not have direct control over the underlying assets of such collective investment schemes. The exposure to collective investment schemes may include holdings in hedge funds or alternative investment vehicles. Investors should note that these vehicles make extensive use of derivatives.

If investors are unsure of the implications of such investments they should seek professional advice prior to making an investment in the Fund.

## **Listing**

Application may be made for the Participating Shares to be admitted to listing on The International Stock Exchange. At the date of these Supplemental Scheme Particulars, there is no current intention to list the Participating Shares of any Cell on The International Stock Exchange.

## SUBSCRIPTION AND REDEMPTION OF SHARES

### Subscriptions

Participating Shares may be issued by the Fund on any Dealing Day in accordance with the procedure set out in the Principal Particulars and as below. Prospective investors should refer to the section headed “**Eligible Investors**” in the Principal Particulars to establish whether or not they are eligible to invest.

Participating Shares are issued in response to applications from investors (satisfying the minimum subscription levels set out below or such other sum as the Directors may from time to time determine) at the then prevailing Subscription Price on the Dealing Day next following receipt of an application.

Dealing Days are on each Business Day or such other day as the Directors may from time to time determine.

Other than by prior arrangement and at the Directors’ absolute discretion, the issue of Participating Shares is conditional either upon payment of cleared funds for such shares having been received by the Administrator by 12 noon (Guernsey time) on the Business Day immediately preceding the relevant Dealing Day or, at the Directors’ absolute discretion, by ‘in-specie’ transfer of assets into the Fund in exchange for Participating Shares of equal value, provided that the Directors shall be satisfied that the terms of any such exchange shall not be such as is likely to result in any material prejudice to existing shareholders of Participating Shares. The Manager reserves the right not to process applications without cleared funds. If cleared funds are received after 12 noon (Guernsey time), the issue of Participating Shares pursuant thereto will normally take place on the next but one Dealing Day.

Application must be made on the application form available from the Administrator and should be sent to the Administrator at the address specified in the application form. The application form sets out the options available to investors to subscribe for Participating Shares.

All applications and subsequent applications must be for at least the minimum initial subscription amounts set out below. Fractions of a Participating Share will be issued where any subscription monies are not an exact multiple of the Subscription Price.

Each application by cleared funds should be accompanied by a cheque, banker’s draft or money order drawn in Sterling made payable to South River (Guernsey) Limited for the amount proposed to be invested. Alternatively, funds may be remitted direct in Sterling, US Dollars, or Euros (as the case may be) as follows (quoting your name):

- a) For Sterling:

**HSBC Bank plc, Guernsey Branch**

**Sort Code: 40-22-25**

**Account Name – South River (Guernsey) Client Acc**

**Account Number – 23675769**

**Reference: (quoting your full name and account number)**

- b) For US Dollars:

**HSBC Bank plc, Guernsey Branch**

**Sort Code: 40-05-15**

**Account Name – South River (Guernsey) Client Acc**

**Account Number – 73306276**

**Reference:** (quoting your full name and account number)

c) For Euros:

**HSBC Bank plc, Guernsey Branch**

**Sort Code:** 40-05-15

**Account Name –** South River (Guernsey) Client Acc

**Account Number –** 73306284

**IBAN:** GB05MIDL40051573306284

**Reference:** (quoting your full name and account number)

#### Application Forms and Supporting Documents

An application for Participating Shares will only be processed if accompanied with all relevant anti-money laundering documents (“**AML Documentation**”). Application forms and supporting AML Documentation should be received by the Administrator by 12 noon Guernsey time on the Business Day immediately preceding the intended Dealing Day.

#### Subscription monies

Subscription monies must be received by the Administrator by 12 noon Guernsey time on the Business Day immediately preceding the relevant Dealing Day of intended subscription. **Notwithstanding receipt of subscription monies, the application will not be processed if the Administrator has not also received the application form and AML Documentation in the manner referred to in the preceding paragraph.**

If subscription monies are not received by 12 noon Guernsey time on the Business Day immediately preceding the relevant Dealing Day of intended subscription, the application will not be processed until the next but one available Dealing Day, at which point (subject to receipt of funds, the application form and AML Documentation), the subscription will be processed at the price ruling on that day. By applying for Shares in the Fund and arranging settlement in cash, investors acknowledge and agree that subscription monies may immediately, on receipt, be paid by the Fund into or towards underlying investments.

Applications by ‘in-specie’ transfer are at the absolute discretion of the Directors and should not be deemed accepted unless approval has been given prior to submitting an application form.

Contract notes confirming the allotment of shares and allocating a shareholder’s reference number (which should be quoted in all subsequent communications) will be posted to applicants and their nominated agents at the applicant’s risk before the close of business on the seventh Business Day following the relevant Dealing Day.

No share certificates will be issued as ownership will be evidenced by the Company’s register of shareholders. The Company reserves the right to reject any application in whole or in part.

Subscription monies received will initially be paid into a client account and interest, if any, arising on such a client account will accrue for the benefit of the Manager.

In the case of transfers ‘in-specie’ the Directors may provide that the whole or any part of the duties or charges arising in connection with the vesting of the securities or other property in the Fund shall be paid by the Fund or by the person to whom the Participating Shares of the relevant class are to be issued or



partly by the Fund and partly by such person. All applicants must comply with the documentary requirements.

### **Minimum Subscription Amounts**

The minimum subscription in the Fund (which may be varied at the discretion of the Manager) inclusive of the initial charge (if applicable) and administration fee per application (if any) is:

- a) £1,000 for Sterling Shares;
- b) US\$1,000 for US Dollar Shares; and
- c) €1,000 for Euro Shares.

Additional subscriptions may be made in amounts of £1,000 for Sterling Shares, US\$1,000 for US Dollar Shares, and €1,000 for Euro Shares (which may be varied at the discretion of the Manager) inclusive of the initial charge (if applicable) and any administration fee.

### **Redemption Notice and Payment of Redemption Proceeds**

Shareholders may arrange to redeem all or part of their Participating Shares on any Dealing Day at the prevailing Redemption Price (but see “Fiscal and Sales Charges of the Underlying Fund” below) unless the valuation of the Fund's assets has been suspended.

Instructions should be given by completing and signing a redemption request form to be received by the Administrator not later than 12 noon (Guernsey time) on the Business Day immediately preceding the intended Dealing Day. Options for placing redemption requests are set out in the redemption form available from the Administrator or on the website [www.southriveram.com](http://www.southriveram.com).

If a redemption request is received after 12 noon (Guernsey time) the redemption of the Participating Shares will take place on the next but one Dealing Day. Partial redemptions of a holding will not be permitted unless each redemption is of an amount of at least £1,000 for Sterling Shares, US\$1,000 for US Dollar Shares, and €1,000 for Euro Shares unless after such redemption the Shareholder holds Participating Shares equivalent in value at the time of redemption to not less than the minimum holding set out herein or such other sum as the Directors may from time to time determine.

Redemption proceeds will be despatched by the Administrator as soon as practicable and normally within five Business Days following the relevant Dealing Day. Payment will only be made to an account in the registered name of the redeeming Shareholder. Payment instructions for the redemption proceeds may be amended by written instruction signed by the registered holder(s). Redemption proceeds will be paid by cheque denominated in any currency in which Participating Shares are denominated or electronic transfer. Third party payments will not be made.

### **Deferral of Conversions and Redemptions**

The Directors also have the right to restrict the number of Participating Shares to be redeemed on any Dealing Day to a maximum of 10 per cent of the number of Participating Shares in issue in the Fund. If the number of Participating Shares to be redeemed on any Dealing Day is in excess of this figure, all applicants for redemption may have their redemption requests scaled down rateably. Any redemption request not satisfied will be held over for redemption on the next Dealing Day.

## **Compulsory Redemption**

Participating Shares will be compulsorily redeemed or transferred if it comes to the notice of the Company that they are owned directly or beneficially in breach of any law or requirement of any country or governmental authority or that any person is not qualified to hold such shares by virtue of such law or requirement.

The Directors have resolved that they may at their discretion compulsorily redeem at any time the Shares in the Fund of any investor which, as a result of a redemption or transfer of any part of the investor's holding, have a value of less than £1,000 for Sterling Shares, US\$1,000 for US Dollar Shares, and €1,000 for Euro Shares (the minimum holding).

If the Net Asset Value of the Fund is less than £5 million on each Dealing Day, or the currency equivalent thereof, during a consecutive twelve week period the Directors may, on not less than 21 days' notice, either compulsorily redeem all the Shares of the Fund in existence or convert them into shares of another cell with the consent of the Shareholder.

## **FEES AND EXPENSES**

### **Establishment Costs**

All the costs and expenses associated with the incorporation and initial organisation of the Company, and all the costs and expenses associated with the establishment of the Fund, and the preparation of these Supplemental Scheme Particulars, have been borne by the Manager.

### **Fees of the Manager**

The Manager has agreed with the Fund that, for the time being, it will be entitled to a fee from the Fund which is paid monthly in arrears and accrued on the basis of 1.50% per annum of the Net Asset Value of the Fund. The Manager may only increase the rate with the approval of an Extraordinary Resolution of the holders of the Participating Shares in the Fund requiring a majority of three quarters of the votes cast.

Any fees payable to the Investment Adviser are paid by the Manager out of its fee.

### **Initial Dealing Charge**

The Manager may at its discretion impose an initial dealing charge not exceeding 5.25 % in respect of subscriptions for Shares which shall be for the Manager's sole use.

### **Fees of the Administrator**

The Fund will pay a pro rata share of the fee charged by the Administrator to the Company as a whole for the provision of administration services, subject to an annual minimum fee of £185,000, calculated on the Net Asset Value of the Company on the following basis:

- 0 - £100 million            0.11%
- up to £200 million        0.09%
- up to £300 million        0.07%
- over £300 million         0.05%

Such fees will be reviewed from time to time in accordance with market rates.

The Fund will also reimburse the Administrator for certain expenses incurred by the Administrator as specified in the Administration Agreement including expenses as agreed between the parties from time to time including (i) the Fund shall pay a pro-rata share of the one off fee of £7,500 in respect of the recent change of administrator, and (ii) the Fund shall pay a pro-rata share of £2,000 per annum in respect of the Company, together with a fee of £750 per annum in relation to the Fund, in respect of the production of financial statements for the Company and each of the Cells, and (iii) the Fund shall pay a pro-rata share of the fee of £4,000 per annum in respect of the Company and £45 per investor in respect of FATCA and CRS obligations.

### **Fees of the Custodian**

Under the Custodian Agreement the Custodian is entitled to receive from the Fund a maximum permissible fee, which is accrued at each Valuation Point and paid monthly in arrears of 0.05% per annum of the Net Asset Value of the Fund, subject to a minimum fee of £833 per month. The Custodian has reserved the right to review its fee tariff on an annual basis.

The Fund will also reimburse the Custodian for certain expenses incurred by the Custodian as specified in the Custodian Agreement including sub-custodian and holding charges and transaction fees as agreed between parties from time to time.

### **Fees of the Auditors**

The Fund will bear its share of the Company's audit fee.

### **Other Fees**

In addition to the fees and expenses outlined in the Principal Particulars, the Fund will also pay the costs and expenses of:

- (a) all transactions carried out by it or on its behalf and
- (b) the administration of the Fund, including:
  - (i) the charges and expenses of legal advisers and auditors;
  - (ii) brokers' commissions, borrowing charges on securities sold short and any issue or transfer taxes chargeable in connection with any securities transactions;
  - (iii) all taxes and corporate fees payable to government or agencies;
  - (iv) its proportionate share of Directors' fees and expenses;
  - (v) interest on borrowings, including borrowings from the Custodians, if any;
  - (vi) certain fees and expenses incurred by the Manager and any investment adviser in connection with the provision of their services, including, but not limited to, research related expenses;
  - (vii) communication expenses with respect to investor services and all expenses of meetings of shareholders and of preparing, printing and distributing of financial and other reports, proxy forms, offering memoranda and similar documents;
  - (viii) the cost of insurance (if any) for the benefit of Directors;
  - (ix) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business;
  - (x) the cost of obtaining and maintaining any listing of the Shares on The International Stock Exchange and/or any other exchange; and
  - (xi) all other organisational and operating expenses.