



**PEREGRINE GLOBAL LOW EQUITY FUND**

A separate Cell of

**PEREGRINE GLOBAL FUNDS PCC LIMITED**

(A protected cell company registered with limited liability in Guernsey with registration number 54802 and authorised by the Guernsey Financial Services Commission as an authorised open-ended collective investment scheme of Class B)

**SUPPLEMENTAL SCHEME PARTICULARS dated 1<sup>st</sup> April 2022**

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These Supplemental Particulars containing information relating to the Peregrine Global Low Equity Fund should be read and construed in conjunction with the Particulars relating to Peregrine Global Funds PCC Limited (the “**Particulars**”). This document is deemed to be incorporated in and to form part of the Particulars and may not be distributed unless it is accompanied by them and such other documentation as the Particulars may prescribe.

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## NOTICE TO INVESTORS

These Supplemental Particulars are submitted to you in connection with your consideration of an investment in shares ("**Participating Shares**") of the Peregrine Global Low Equity Fund (the "**Fund**"), a Cell of Peregrine Global Funds PCC Limited (the "**Company**"). These Supplemental Particulars may not be reproduced in whole or in part.

The statements made in the Particulars concerning who may purchase or hold Participating Shares, reflect the Company's assessment of certain legal and disclosure issues as bearing on the particular circumstances of the offering of Participating Shares of the Fund.

In any case of conflict or inconsistency between statements in these Supplemental Particulars and the Particulars, the Supplemental Particulars will, as to the Fund and the Participating Shares, supersede the Particulars.

These Supplemental Particulars do not constitute an offer or solicitation in any state or other jurisdiction in which an offer or solicitation is not authorised. The Participating Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted by the articles of incorporation of the Company and under The Securities Act and the securities laws of any other applicable jurisdiction, pursuant to registration or exemption therefrom, as more fully described below and in the application form for purchasing Participating Shares.

In making an investment decision investors must rely on their own examination of the Fund and the terms of the offering (including satisfying themselves that they have received all information necessary to make such a decision) including the merits and risks of the proposed investment. No representations or warranties of any kind are intended or should be inferred with respect to the economic return or the tax consequences from an investment in the Fund and nothing in these Supplemental Particulars should be construed as legal or tax advice. No assurance can be given that existing laws will not be changed or interpreted adversely. Each investor (including those whose investment authority is subject to legal restrictions) should consult its own legal or other advisers concerning the legal, or other considerations relating to its proposed investment in the Participating Shares.

No offering literature or advertising in any form shall be employed in the offering of Participating Shares other than these Supplemental Particulars, the Particulars and the agreements referred to herein. No person other than the Company and any duly appointed and authorised marketing agent of the Company (a "**Marketing Agent**") has been authorised to make representations, or give any information, with respect to the Participating Shares, except the information contained herein. Any information or representation not contained herein or otherwise supplied in writing by the Company or a Marketing Agent must not be relied upon.

Investment in the Fund will involve significant risks due to, among other things, the nature of the Fund's investments and actual and potential conflicts of interest, and there can be no assurance as to the returns on any of the Fund's investments or that there will be a return of capital. See the section "Risk Factors" of the Particulars and these Supplemental Particulars and "Conflicts of Interest" in the Particulars. Investors should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of investment and lack of liquidity) that are characteristic of the investments described herein and should consult their financial or investment advisors regarding the appropriateness of making investments in the Fund.

Statements in these Supplemental Particulars are made as of the date hereof unless stated otherwise.

The Company and the Fund have been approved for promotion in South Africa by the Financial Services Board of South Africa under section 65 of the Collective Investment Schemes Control Act 2002. Investors resident in the Republic of South Africa should read the schedule of Regulatory Similarities and Differences as set out under separate cover. The Manager is an associate member of the Association for Savings and Investments South Africa (ASISA).

## DEFINITIONS

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

<b>Base Currency</b>	The currency in which the Net Asset Value of the Fund is determined, being US Dollars (US\$);
<b>Business Day</b>	Any day on which banks in Guernsey are open for normal business (excluding Saturdays and Sundays);
<b>Closing Dates</b>	Such Business Days as the Directors may determine from time to time to be the dates upon which the initial offer for subscription of Class R, Class R (hedged), Class I and Class Z Participating Shares closes;
<b>Company</b>	Peregrine Global Funds PCC Limited;
<b>Dealing Day</b>	A Subscription Day or a Redemption Day;
<b>Dynamic Hedging</b>	Has the meaning set out on page 8 of these Supplemental Particulars;
<b>Fund</b>	Peregrine Global Low Equity Fund, the Cell to which these Supplemental Particulars relate;
<b>Initial Offer Period</b>	The period commencing on the date hereof, at 9.00 a.m. Guernsey time, and closing on the Closing Date at 3.00 p.m. Guernsey time during which period the Class R, Class R (hedged), Class I and Class Z will be available for initial subscription;
<b>Investment Advisor</b>	Citadel Investment Services (Proprietary) Limited;
<b>Portfolio Manager</b>	The manager of a collective investment scheme;
<b>Principal Exchange</b>	Any stock exchange or market that is: <ul style="list-style-type: none"> <li>- a full member of the World Federation of Exchanges; or</li> <li>- located in any Member State of the European Union or the European Economic Area; or</li> <li>- located in any of the following countries: Australia, Canada, New Zealand, Switzerland, United States of America, United Kingdom.</li> </ul>
<b>Redemption Day</b>	Each Business Day;
<b>Subscription Day</b>	Each Business Day;

**Valuation Point**

The Valuation Point at which prices shall be used when valuing the assets of the Sub-Fund shall be such time on the Business Day prior to the Dealing Day which reflects the close of business in the markets relevant to the assets and liabilities of the Fund or such other time on the Business day prior to the Dealing Day as the Directors may determine from time to time and notify to Shareholders.

## PEREGRINE GLOBAL LOW EQUITY FUND

### Introduction

The Fund is a Cell of Peregrine Global Funds PCC Limited, a protected cell company registered with limited liability in Guernsey on 13 March 2012 and authorised by the Guernsey Financial Services Commission as an authorised open-ended collective investment scheme of Class B.

At the date of this document, the Company has eleven other Cells in existence, namely:

- Peregrine Global Greats Fund;
- Peregrine Global Real Estate Fund;
- Peregrine US Managed Volatility Equity Fund;
- Peregrine US Bond Fund;
- Peregrine Enhanced USD Cash Fund;
- Peregrine Emerging Market Equity Fund;
- Peregrine Global Equity Feeder Fund;
- Peregrine Global Macro Fund;
- Peregrine Global Dividend Fund;
- Peregrine Global Medium Equity Fund;
- Peregrine Global High Equity Fund.

Pursuant to these Supplemental Particulars, Participating Shares are being offered in the following classes:

- Class R, denominated in US Dollar;
- Class R (hedged), denominated in South African Rand;
- Class I, denominated in US Dollar;
- Class Z, denominated in US Dollar.

Although all classes will benefit from the same underlying investment objectives and policy, each class will be priced and valued in its specific currency. The Directors may create additional classes from time to time in their absolute discretion.

The Directors may restrict, in their absolute discretion, investments into Participating Shares generally or in any particular case. In particular: (a) investments in Class I Participating Shares may be restricted to institutional investors who have entered into a discretionary investment management or advisory agreement with a Peregrine Group company, and (b) investments in Class Z Participating Shares are generally restricted to other funds managed/advised by a Peregrine Group company.



The Base Currency of the Fund is US Dollars. The Net Asset Value of the Fund and the underlying assets of the Fund will be valued in the Base Currency. Exposure to investments which are not denominated in the Base Currency may not be hedged against the Base Currency; however, the Manager may take the possibility of such movements into account in its investment policy.

Participating Shares denominated in South African Rand ("**Rand Shares**") may be affected favourably or unfavourably by changes in the exchange rate between the Base Currency and the South African Rand. However, the Manager may, by appropriate currency hedging, seek to protect the value of the Rand Shares. Furthermore, the Manager may seek to enhance returns of the Rand Shares by implementing, varying or removing such hedging from time to time based on the Manager's view of the relevant currency position ("**Dynamic Hedging**"). All assets, income, earnings, liabilities, expenses and costs attributable to a particular class (for example, hedging costs) will be booked against the class to which such items relate.

The Directors are permitted to amend the following investment objectives, policies and restrictions (including any borrowing and hedging powers) applicable to the Fund provided that no material change shall be effected without Shareholders being given a prior opportunity to deal in their Participating Shares. Shareholders will not be required to approve any amendments to the following investment objectives, policies and restrictions (including any borrowing and hedging powers) applicable to the Fund although the Directors reserve the right to seek approval from Shareholders by Extraordinary Resolution in lieu of the provision of a prior opportunity to deal in their Participating Shares if they consider it appropriate to do so.

### **Investment Objective**

The Fund's investment objective is to seek long-term capital growth at moderate levels of volatility. The intention is that growth be predominantly of a capital nature with income largely reinvested.

In respect of the R, I and Z Classes, the Fund seeks to outperform the Morningstar EAA Fund USD Cautious Allocation peer group average. In respect of the R (hedged) Class, the Fund seeks to outperform the Morningstar EAA Fund USD Cautious Allocation peer group average, 50% hedged to South African Rand. Investors should note that the Fund is actively managed, accordingly its portfolio may vary from the benchmarks and its performance may differ from that of the benchmarks (and could underperform them).

### **Investment Policy**

- To achieve the investment objective, the Fund will follow a fund of funds approach by investing predominantly in collective investment schemes and exchange traded funds to create a diversified portfolio comprising equities, fixed income instruments, commodities, cash and liquid alternatives.
- The Fund may also invest directly in listed equity securities, listed fixed income and listed debt securities, money market instruments, cash and cash equivalents from time to time.
- Direct equity investments will predominantly be via securities issued by companies that are listed on Principal Exchanges.
- The Manager may use currency hedging techniques, when necessary, to actively manage the Fund's currency exposure in underlying investments in order to meet its objectives. The Manager may also seek to enhance returns on Participating Shares denominated in currencies other than the Base Currency through the use of Dynamic Hedging. Foreign exchange credit lines will be

needed to implement currency hedging techniques and whilst the Manager will take steps to ensure that credit lines are in place it can provide no assurances. It is possible that the Participating Shares denominated in currencies other than the Base Currency may not always be fully hedged against currency fluctuations.

- The Fund will only make use of financial derivative instruments for the purpose of efficient portfolio management and currency hedging. All such transactions will be fully covered and will not be used for gearing purposes.

The Fund cannot guarantee it will achieve its objective given financial market fluctuations and other risks to which investments are exposed.

### **Authorised Schemes**

Subject to the investment restrictions, the Fund may invest in Authorised Schemes. “Authorised Schemes” comprise those collective investment schemes, listed or unlisted, which meet all the criteria below.

- The scheme is operated on similar criteria to those applicable to South African domiciled collective investment schemes in securities and such a scheme may not be classified as a hedge fund (Schemes that are approved by the Financial Sector Conduct Authority to solicit investments in South Africa, provided that they may not be classified as hedge funds, are deemed to meet this criterion).
- The scheme is not allowed to utilise borrowing for the purpose of gearing.
- The scheme may only use derivatives for efficient portfolio management and no uncovered positions and/or net short positions are allowed.
- The scheme offers a minimum of weekly investor dealing.
- The scheme does not invest in instruments that compel the acceptance of physical delivery of a commodity.
- The scheme has a risk profile that is not significantly higher than the risk profile of the other schemes that may be included in the Fund.
- The scheme is not a synthetic exchange traded fund (“ETF”) nor is it a leveraged ETF.

The Investment Advisor must carry out a formal investment due diligence on the collective investment scheme and must certify to the Manager that it complies with the criteria above.

### **Investment Process**

- The investment process involves economic scenario analysis, asset class modeling, security analysis and selection, portfolio construction, manager selection and risk management.
- Both asset allocation and security selection is determined on the basis of internal inputs from the Investment Advisor’s investment teams, together with relevant external research. Portfolio construction comprises strategic and tactical components and is conducted in the context of an overall risk framework.

- Portfolio Manager selection is conducted using the Investment Advisor’s manager selection process. This involves rigorous quantitative and qualitative fund and manager research by a team of experienced analysts. The main objective of this process is to gain a clear understanding of the type and quality of the proposition under scrutiny, its relevance to the overall asset allocation of the Fund and its likely impact on the Fund’s risk and return profiles.
- The Portfolio Managers chosen for analysis and investment may include funds managed or advised by the Manager or Investment Advisor or other companies in the Peregrine Group as well as those managed by third party managers.
- The Investment Advisor will monitor all Portfolio Managers managing the assets of the Fund.

### **Investment Restrictions**

The assets of the Fund shall not be invested in contravention of limits or restrictions imposed under its Articles and disclosed in its Particulars and these Supplemental Particulars; and if the limits or restrictions disclosed in the Particulars and these Supplemental Particulars are more restrictive than those imposed under the Articles, no departure may be made from the limits or restrictions disclosed in the Particulars and these Supplemental Particulars unless written notice is given to Shareholders and the Particulars and/or these Supplemental Particulars are duly amended in accordance with the Rules.

The Fund may not invest in an instrument that compels the acceptance of physical delivery of a commodity and the Fund may not accept physical delivery of a commodity.

### **Collective Investment Schemes**

- Assets of the Fund must comprise at least two collective investment schemes.
- Investment in any one collective investment scheme may not exceed 75% of the Net Asset Value of the Fund.
- All collective investment schemes must be Authorised Schemes.
- The Fund may not invest in collective investment schemes that are classified as fund of funds or a feeder fund unless measures are put in place to prevent double charging of investment management fees on the same assets.

### **Exchange Traded Funds (“ETFs”)**

- ETFs registered as collective investment schemes will be subject to the restrictions applicable to collective investment schemes as set out in this document.
- ETFs not registered as collective investment schemes will be treated as listed equity and subject to the restrictions applicable to equity securities as set out in this document.
- Any investment in collective investment schemes which are exchange traded will be listed on a Principal Exchange.

### **Investments in Transferable Securities (not including Collective Investment Schemes)**

- Not less than 90% of interest-bearing instruments included in the Fund, as measured by their market value, must have a credit rating of “investment grade” by Standard & Poor’s, Moody’s and/or Fitch.
- A maximum of 20% of the Net Asset Value of the Fund may be invested in listed debt securities.
- A maximum of 10% of the Net Asset Value of the Fund may be invested in transferable securities issued by the same issuer. This does not apply to obligations of, and issues guaranteed by, the US Treasury, US Agencies, and US Government Sponsored Enterprises – all of which are exempt from this limitation.

The Manager will ensure that the Fund, at the time of any investment purchase, or upon entering into any contract, is not in breach of the above investment restrictions. Accordingly, the Manager shall be under no obligation to dispose of any investments which, following the initial investment, cause the Fund to exceed the above restrictions.

### **Borrowing**

In accordance with the general provisions contained in the Articles and these Particulars, the Fund may borrow up to 10% of its net assets on a temporary basis. Such borrowings are permitted only to meet the Fund’s obligations in relation to (i) the administration of the Fund relating to purchase or sale transactions; and/or (ii) the redemption of Participating Shares in the Fund. Borrowings in relation to (i) above are only permitted for a period of up to 8 calendar days, and 61 calendar days in respect of (ii) in order to comply with the South African Financial Sector Conduct Authority's requirements and to allow for the Fund to be distributed to South African retail investors.

### **Currency Hedging**

The Manager may, by appropriate currency hedging, seek to protect the Fund against a decline in the value of the US Dollar against the currencies in which the underlying investments may be denominated. Rand Shares may be affected favourably or unfavourably by changes in the exchange rate between the Base Currency and the South African Rand. The Manager may, by appropriate currency hedging, seek to either protect the value of the Rand Shares or enhance returns of this class by Dynamic Hedging. All costs of borrowing and/or hedging which is specific to a particular class will be allocated to the Net Asset Value of the relevant class.

### **Use of Derivatives**

The Manager may, but shall not be obliged to, make use of derivative instruments (including forward foreign exchange contracts and options) for the purpose of efficient portfolio management and hedging exchange rate risks (including Dynamic Hedging) as detailed in these Supplemental Particulars. All such transactions will be fully covered and will not be used for gearing purposes.

### **Distribution Policy**

The objective of the Fund is long-term capital appreciation. The Directors may declare dividends out of the assets of the Fund lawfully available for the purpose, but are under no obligation to do so. Dividends received by the Fund will automatically be re-invested for the benefit of Shareholders.

### **Report and Accounts**

The audited financial statements of the Company, which include the Fund, will be prepared and distributed in accordance with the Particulars of the Company.

**Safe-Keeping of Assets**

All assets of the Fund shall be held in safe custody by the Custodian.

**Register**

Any Shareholder may inspect the Register of Shareholders at the office of the Administrator, the address of which is stated in the Directory in the Particulars, during usual office hours.

## MANAGEMENT AND ORGANISATION

### The Investment Advisor

The Investment Advisor is Citadel Investment Services (Proprietary) Limited which is incorporated as a company with limited liability in South Africa. Its registered office is at Kaaimans Building, Lynnwood Bridge Office Park, 14 Hilden Road, Lynnwood Manor, Pretoria, 0081. The Investment Advisor is a wholly owned subsidiary of the Citadel Group and part of the same corporate group as the Manager.

By an agreement dated 1 January 2013 (the “**Investment Advisory Agreement**”) the Investment Advisor undertakes to keep the Fund’s investments under regular review and provide the Manager with advice on the investment and general deployment of the Fund’s assets. The Investment Advisor has no discretionary authority and, except where expressly instructed, the Investment Advisor shall not have any power to enter into any transaction on behalf of or in any other way to bind the Manager and/or the Company.

The Investment Advisor shall not be responsible for any loss or damage which the Manager or the Company may sustain or suffer as a result of or in the course of the discharge of its duties other than loss or damage by reason of the fraud, negligence or willful default of the Investment Advisor. The Manager out of the property of the Company shall indemnify and hold harmless the Investment Advisor against all claims and demands which may be made against the Investment Advisor in respect of any loss or damage sustained or suffered by any third party, otherwise than by reason of the fraud, negligence or wilful default of the Investment Advisor. Such indemnity shall be limited to the assets of the Cell to which the action, claim, proceedings or demand in question relates.

The Investment Advisory Agreement provides that the appointment of the Investment Advisor will continue in force until terminated by the Investment Advisor or the Manager giving to the other parties not less than three months’ written notice, although in certain circumstances (including where a resolution for the winding up of a party or parties to the agreement is passed or where a party or parties to the agreement commits material breach of its obligations under the agreement) the agreement may be terminated forthwith by notice in writing.

The Investment Advisor has the power to delegate any of his duties and functions to a third party with the approval of the Company. Details of such appointment will appear in the relevant Supplemental Particulars.

The Investment Advisor may deal in Participating Shares without accounting to the Shareholders or the Company for any profits.

The remuneration of the Investment Advisor is met by the Manager out of its own remuneration, however the Company shall be liable to meet properly incurred expenses of the Investment Advisor in the furtherance of its duties.

## RISK FACTORS

The risk factors which investors should consider before making an investment in the Fund are detailed in the Particulars relating to the Company.

**Commodities Risks:** The Fund is permitted to invest indirectly into commodities by investing in collective investment schemes and/or other securities that are linked and concentrated to metals, typically precious metals (e.g. gold, silver, platinum, palladium). Investment in commodities can involve a significant degree of risk. The value of such investments will be affected by movements in the price of the underlying metal to which such investment is linked. The price of a metal can go down as well as up and the performance of a metal in any future period may not mirror its past performance. There can be no assurance as to the future performance of any metal nor to the securities to which such commodities are linked. An investment into a security linked to an underlying metal is not the same as investing directly and physically holding the relevant metal. Holding an inventory of physical precious metals may have certain economic benefits - for example, a jewellery firm could use a reserve of gold for the continuation of its operations - but such benefits are not available from a holding of securities. Holding an inventory of physical precious metals also poses administrative burdens, including those arising from the need to store, arrange security for or transport physical precious metals, while such administrative burdens are borne by the issuer of the relevant security which, itself, is linked and concentrated to the metals.

The performance of a metal, and thereby the performance of the linked security, is dependent upon various factors, including (without limitation) supply and demand, liquidity, natural disasters, direct investment costs, location, changes in tax rates and changes in laws, regulations and the activities of governmental or regulatory bodies. Precious metal prices are generally more volatile than most other asset classes, making investments in precious metals riskier and more complex than other investments.

The market price of securities will be affected by a number of factors. Including, but not limited to: (a) the value and volatility of the metal referenced by the security; (b) the value and volatility of metals in general; (iii) market perception, interest rates, yields and foreign exchange rates; and (iv) liquidity in the relevant security.

## SUBSCRIPTION, REDEMPTION AND CONVERSION OF PARTICIPATING SHARES

### Subscriptions

Participating Shares are available for subscription by eligible investors at the Subscription Price per Participating Share. Investors may subscribe for Participating Shares on any Subscription Day in accordance with the procedure set out below under “Application Procedure”. Subscriptions in the Fund are subject to acceptance by the Manager.

The Directors may restrict, in their absolute discretion, investments into Participating Shares generally or in any particular case. In particular: (a) investments in Class I Participating Shares may be restricted to institutional investors who have entered into a discretionary investment management or advisory agreement with a Peregrine Group company, and (b) investments in Class Z Participating Shares are generally restricted to other funds managed/advised by a Peregrine Group company. Furthermore, the Manager may close the Fund to new subscriptions if it determines, in its sole discretion, that the acceptance of further subscriptions is not in the interests of existing Shareholders.

The Initial Offer Period, during which Class R, Class I and Class Z Participating Shares will be available at a fixed price of USD100 and Class R (hedged) at a fixed price of ZAR100 will close at 3.00 p.m. on the Closing Date. Completed application forms in respect of applications must be received by the Administrator by 3.00 p.m. Guernsey time on the Business Day prior to the Closing Date. Subscription monies in respect of applications must be received by the Administrator by 4.00 p.m. Guernsey time by the third Business Day after the Closing Date. To the extent that there are no subscriptions received for a class of Participating Shares by the Closing Date, the Initial Offer Period and Closing Date for such class may be extended at the discretion of the Directors.

### Minimum Subscription

The minimum initial subscription for Participating Shares that will be accepted is US\$10,000 (or currency equivalent). The Manager may vary this amount but not so as to require Shareholders to increase their holdings in the Fund. Additional subscriptions may be made in any amounts.

Investments in Class Z Participating shares are generally restricted to other funds managed/advised by a Peregrine Group company.

The Manager may waive such minimum subscription thresholds either generally, or on a case by case basis, in its sole discretion.

### Application Procedure

The Administrator must receive an application form (prospective shareholders) or clear instruction (existing shareholders) by post, fax or electronic means by no later than 4.00 p.m. Guernsey time on the Business Day prior to the relevant Subscription Day in the case of the US Dollar denominated share classes and by 4.00 p.m. Guernsey time two (2) Business Days prior to the relevant Subscription Day in the case of the Rand denominated share class. All applications must include the following information:-



- the amount to be invested, such amount being for not less than the minimum subscription as specified in these Supplemental Particulars under “Minimum Subscription”;
- the exact name(s) in which the Participating Shares are to be registered and the name and address to which any correspondence should be sent;
- confirmation that the application has been made in compliance with the Articles and the terms and conditions of these Supplemental Particulars and the Particulars;
- redemption payment instructions; and,
- in the case of a corporate investor, a certified copy of its current authorised signatory list.

All requests received before 4.00 p.m. Guernsey time on a Business Day will be processed on that Business Day. Those received and accepted after that time will be processed the next Business Day.

### **Issue of Participating Shares and Settlement**

Participating Shares are issued upon acceptance of an application for Participating Shares on the condition that cleared payment is received by the Administrator by the third Business Day after the Subscription Day except in the case of a conversion of Participating Shares of one Cell to Participating Shares of another Cell when funds from the redemption of the old Participating Shares will be applied in the purchase of the new Participating Shares.

Notice requiring payment of the Subscription Price shall be deemed to have been made by the Directors with effect from the Subscription Day pursuant to the terms of the application for Participating Shares as provided in this document. In the event that payment is not received by the third Business Day after the Subscription Day (save in respect of conversions as provided above) unless the Manager, in its absolute discretion, agrees otherwise, the Participating Shares shall be forfeited and cancelled without prior notice to the investor at its own cost.

Until cleared payment for the Participating Shares is received from the investor, the Participating Shares are subject to a lien in favour of the Fund. During this period, voting rights and entitlements to dividend payments are suspended, and the investor cannot switch or transfer the Participating Shares. Subscription monies will only be moved to the Fund's account on the third Business Day after the Subscription Day regardless of whether it is received earlier than that date.

Any forfeiture of Participating Shares in accordance with the aforementioned provisions shall include all dividends and distributions declared in respect of such Participating Shares. A forfeited Participating Share shall be deemed to be the property of the Fund and may be sold, re-allotted or otherwise disposed of on such terms as the Directors shall think fit and at any time before a sale or disposition the forfeiture may be cancelled. A person whose Participating Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Participating Shares, but shall notwithstanding the forfeiture remain liable to pay the Fund all monies which at the date of forfeiture were presently payable by him to the Fund in respect of such Participating Shares together with all administrative costs and/or other investment losses incurred by the Fund associated with the forfeiture of the Participating Shares and the Directors may enforce payment by written demand without any allowance for the value of the Participating Shares at the time of forfeiture.

In all cases any money returnable to the investor will be held by the Manager without payment of interest pending receipt of the remittance.

Details of how payments may be made can be found in the relevant application form or, in respect of clear instructions from existing shareholders, shall be sent by email to the investor on the first Business Day following the relevant Dealing Day. The Manager may reject any application or accept an application in part only or treat as valid an application which does not fully comply with the terms and conditions of application. If any application is not accepted, the amount paid on application (if any) will be returned, without interest, by post to the first address given in the application at the applicant's risk and cost. The Manager in its absolute discretion may accept applications for Participating Shares and/or subscription monies on shorter notice periods either generally or in a particular case.

To ensure compliance with statutory and other requirements relating to money laundering the Manager will require verification of identity from any person or corporate entity lodging a completed application form. This information will be kept on file and will only need to be updated should there be any relevant changes made. Any information provided to the Company or the Manager in this context is collected for anti-money laundering compliance purposes only. If within a reasonable period of time following a request for verification of identity, the Manager has not received evidence satisfactory to it, it may, in its absolute discretion, refuse to allot the Participating Shares applied for in which event application monies will be returned without interest to the account from which such monies were originally debited at the cost and risk of the applicant. Funds remitted by bank draft will be returned by post at the applicant's risk by bank draft to the paying bank without interest, less any charges for the account of the drawer, quoting the applicant's name. References to the "Manager" in this paragraph shall include its nominees and duly appointed agents including, but not limited to, the Administrator.

Each potential investor of Participating Shares will be required in the application form to make appropriate representations and warranties.

Potential investors are referred to the Particulars for details of calculation of Subscription and Redemption Prices and the procedures applicable to the subscription, redemption and conversion of Participating Shares.

The attention of investors is drawn to the Privacy Notice at Appendix 1 to the Particulars which sets out how and why the Company and its service providers process personal data.

### **Redemption Notice and Procedure**

A Shareholder who wishes to redeem all or any part of his holding must give the Administrator notice of his intention by 4.00 p.m. Guernsey time on the Business Day prior to the relevant Redemption Day in the case of the US Dollar denominated share classes and two (2) Business Days prior to the relevant Redemption Day in the case of the Rand denominated share class for Participating Shares to be redeemed on that Redemption Day. Such a request should clearly identify the holding to be redeemed by including the details as inscribed on the register of Shareholders or the purchase contract reference number or the investor's account number. The Manager in its absolute discretion may accept shorter notice periods for redemption having regard to, among other things, the liquidity of the Fund and the potential disadvantage to other Shareholders. The Redemption Procedure for the Fund is set out in the Particulars.

### **Conversion Procedure**

The Conversion Procedure for the Fund is set out in the Particulars.

### **Compulsory Redemption**

The Directors have resolved that they may at their discretion compulsorily redeem at any time the Participating Shares in the Fund of any investor which, as a result of a redemption of any part of the investor's holding, have a value of less than US\$5,000 (or currency equivalent).

If the Net Asset Value of the Fund or any share class is less than US\$25 million (or currency equivalent) on each Valuation Point falling within a period of 12 consecutive weeks the Directors may on not less than 21 clear days' notice (expiring on a Dealing Day) either compulsorily redeem all the Participating Shares of the Fund or the share class in issue or convert them into Participating Shares of another Cell or another class of the same Cell.

Participating Shares may be compulsorily redeemed if the holder thereof is deemed by the Directors to be holding such shares in breach of any applicable law or requirement of any country or governmental authority.

### **Publication of Prices**

The Subscription Price (exclusive of any initial charge) and the Redemption Price in respect of the immediately preceding Dealing Day will be available on request from the Manager and the Administrator and will also be published on the Manager's website at [www.peregrine.gg](http://www.peregrine.gg).

## FEES AND EXPENSES

### Establishment Costs

All the costs and expenses associated with the organisation and the initial offering of Participating Shares of the Fund have been paid by the Manager.

### Cost structure

It is intended that the fees and expenses of the Fund shall be allocated between the Participating Shares on a pro rata basis. A summary of the ongoing expenses to be met out of the assets of the Fund are detailed in the Particulars.

### Fees of the Manager

Pursuant to the Management Agreement, the Manager currently charges the following fees:

An initial charge of up to 3% of the subscription amount may be levied on all initial subscriptions for Participating Shares. The Manager may in its absolute discretion waive this fee from time to time either generally or in a particular case.

A periodic charge (the "**Management Fee**"):

- (a) of 0% per annum of the Net Asset Value of the Fund attributable to the Class Z Participating Shares;
- (b) of 0.60% per annum of the Net Asset Value of the Fund attributable to the Class I Participating Shares;
- (c) of 0.75% per annum of the Net Asset Value of the Fund attributable to the Class R Participating Shares; and
- (d) of 0.80% per annum of the Net Asset Value of the Fund attributable to the Class R (hedged) Participating Shares.

Such Management Fee shall be calculated and accrued daily and payable monthly in arrears. If the Manager's appointment is terminated during a calendar year, the Management Fee shall be calculated and shall be payable on a pro rata basis for the period of the calendar year for which it has served as Manager under the Management Agreement.

No redemption charge is levied on redemptions of Participating Shares.

The periodic Management Fee is subject to a maximum rate of 2% per annum of the Net Asset Value of the Fund attributable to the respective share class. For so long as required by the Rules, any increase in the maximum of the Manager's periodic charge must be introduced on a deferred basis and/or subject to the passing of an appropriate resolution at a meeting of Shareholders.

Fees and charges in relation to additional classes of Participating Shares will be agreed between the Directors and the Manager at the time of creation of such additional share classes and these Supplemental Particulars updated accordingly.

### Fees of the Investment Advisor

The Investment Advisor shall be entitled to such remuneration as agreed with the Manager from time to time. The fees payable to the Investment Advisor (the “**Investment Advisory Fee**”) will be met by the Manager out of the Management Fee, however the Company shall be liable to meet properly incurred expenses of the Investment Advisor in the furtherance of its duties.

### Fees of the Administrator

The Administrator shall be entitled to be paid monthly in arrears, out of the property of the Fund a fee based on the Net Asset Value of the Fund. The fee is determined as follows:

US\$0 – US\$50 million: 0.080% per annum

US\$50 million - US\$200 million: 0.070% per annum

Above US\$200 million: 0.060% per annum

The administration fee is subject to a minimum fee of \$48,000 per annum.

The Administrator will charge the following fees for transfer agency services:

Service	Fee
Investor registration fee	US\$25 per investor per annum
Investor transaction fee – manual transactions	US\$25 per transaction
Investor transaction fee – automated transactions	US\$16 per transaction
Complex dealing fee, conversions, switches and transfers	US\$40 per transaction
Cheque payments (offshore only)	US\$80 per payment

Insofar as permitted by the Rules and the Administration Agreement the Administrator shall also be entitled to reimbursement out of the assets of the Fund of all out of pocket expenses properly incurred for the benefit of the Fund. The Administrator's fees are subject to annual review.

### Fees of the Custodian

The Custodian shall be entitled to be paid monthly in arrears, out of the property of the Fund, (a) safekeeping charges on holdings in other collective investment schemes of up to 0.04% of the Net Asset Value attributable thereto per annum plus relevant transaction charges and (b) safekeeping charges on holdings in direct securities which vary depending on the country/market of such securities plus relevant transaction charges. A schedule of current safekeeping charges on holdings in direct securities is available from the Manager, upon request. The Custodian's fee is subject to a minimum annual fee of US\$20,000. Charges in connection with credit, banking and treasury services are additional. The Custodian shall also be entitled to reimbursement of reasonable fees and customary agents' charges paid by the Custodian to any sub-custodian which shall be charged at normal commercial rates together with value added tax, if any, thereon. Fees are subject to annual review and may be amended in accordance with the terms in the Custodian Agreement.