

**Bedrock's flagship access to fixed-income opportunities in the "Peer-to-Peer" asset class**

- OrchardWay P2P Credit Fund Ltd (the "Fund") provides access to the expertise of HCG Funds, a firm at the vanguard of investing in Peer-to-Peer credit.
- The Fund targets a low double-digit annual net return on equity from reputable asset classes that was until now reserved for established banks and lending institutions.
- The Fund's underlying diversified portfolio:
  - Generates uncorrelated and low volatility risk-adjusted returns
  - Exhibits low duration
  - Employs moderate leverage

**HCG CCI & ORCHARDWAY PERFORMANCE\***

\*OrchardWay launched in March 2015. Prior returns from Mar'13 to Mar'15 are HCG CCI

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	ITD
<b>2015</b>	0.72%	0.66%	0.70%	0.80%	0.67%	0.68%	0.63%	0.66%	0.56%	0.57%			<b>6.9%</b>	<b>22.9%</b>
<b>2014</b>	0.64%	0.63%	0.74%	0.71%	0.75%	0.63%	0.72%	0.72%	0.71%	0.72%	0.71%	0.75%	<b>8.8%</b>	<b>15.1%</b>
<b>2013</b>	**	**	0.00%	0.21%	0.61%	0.75%	0.75%	0.75%	0.65%	0.68%	0.64%	0.68%	<b>5.8%</b>	<b>5.8%</b>

Note: HCG CCI (HCG Consumer Credit I LP) is now part of HCG Digital Finance LP, the U.S. partnership into which the Fund is investing. Returns are net returns after all fees and expenses. Past performance is not an indicator of future results

**Key Facts**

<b>Inception date</b>	<b>April 2015</b>
<b>Base Currency</b>	USD
<b>Hedged Classes</b>	EUR, CHF, GBP
<b>Fees</b>	2%/20% (w 6% Hurdle)
<b>Domicile</b>	Cayman
<b>Liquidity</b>	Monthly/120 days' notice
<b>Investment Advisor</b>	HCG Funds
<b>Management Company</b>	Kinetic Partners (LUX) S.a.r.l
<b>Portfolio Manager (Feeder)</b>	Bedrock Asset Mgmt. (UK) Ltd.
<b>Promoter &amp; Distributor</b>	Bedrock Asset Mgmt. (UK) Ltd. Bedrock Advisors SA.
<b>Fund Counsel</b>	Conyers Dill & Pearman (Cayman) Limited
<b>Administrator</b>	SS&C GlobeOp
<b>Auditor</b>	Ernst & Young LLP

**HCG Overview**

HCG Funds looks for "outside market" investment opportunities that exhibit low volatility and that are uncorrelated to the behavior of public market securities. The firm was founded in 2009, and since 2012, has been at the vanguard of formulating investment programs around Peer-to-Peer platforms. HCG Funds strives to identify and develop strategic relationships early on with the platforms that will become tomorrow's leaders in their market segment. The firm's philosophy is to work with the *best* platforms rather than *all* platforms.

HCG Funds launched its first program, HCG Consumer Credit I LP ("HCG CCI"), in March 2013. In 2015, the firm launched its second investment program, HCG Digital Finance LP.

<b>Business</b>	<b>Target Weight</b>	<b>Type</b>	<b>Term</b>	<b>Gross Yield*</b>	<b>Annual Base Loss</b>	<b>Net Yield</b>
Consumer Credit I	55%	Unsecured Consumer Monthly P&I <b>Fractional</b>	36 months 60 months Duration: 1.4	~12%	3%	~9%
Consumer Credit II	25%	Unsecured Consumer Monthly P&I <b>Whole</b>	36 months 60 months Duration: 1.4	~16%	4%	~12%
Real Estate	25%	Secured Mortgage Monthly Interest Balloon Principal <b>Whole</b>	6 months 12 months Duration: <1	~10%	0%	~10%
Small Business	5%	Secured AR Financing Monthly Interest Balloon Principal <b>Fractional</b>	60 days Duration: NM	~12%	0%	~12%

## Commentary

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The Fund's October results were in line with expectations, and as explained in the previous September newsletter, the portfolio is in ramp-up mode. Portfolio allocation is trending to its target of 70/25/5 split across Consumer Credit/Real Estate/Small Business.

During October, HCG launched Portfolio Fund 4 (Small Business), which purchases secure receivables from small businesses via the P2BInvestor platform. Portfolio Fund 4 will focus on short-dated receivables and invoices with 60 day terms. The loans being purchased are secured by the receivables, and in general are first lien positions with personal guarantees from the business owners. The Fund's exposure is via fractional interests, aiming to achieve a high level of diversification across loans. HCG's team have spent many years analyzing platforms that sell small business loans and concluded that the P2Bi offering fits with the Fund's risk-adjusted return profile. We will provide more detailed commentary in our next Newsletter.

### Market Overview:

The data from the real economy continues to be robust, especially on the job front per the October non-farm payroll release. We are not seeing any signs of extraordinary borrower discomfort across any of the Fund's credit portfolios. The portfolio funds are healthy: default rates in consumer credit are in line with expectations, and homes in the real estate loan portfolio are selling at prices that well exceed purchase prices and platform underwritten values. Small Business has one month of history.

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**This document constitutes an unofficial support of the fund.**

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