BlueBay Funds
Prospectus

December 2019

Investment Fund under Luxembourg Law
Société d'Investissement à Capital Variable

THE PROSPECTUS MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES TO PERSONS THAT ARE NOT U.S. PERSONS AS DEFINED THEREIN.

Contents

1. Notice to Investors

BlueBay Funds (the "Fund") is authorised under Part I of the amended Luxembourg law of 17 December 2010 relating to undertakings for collective investment (*loi concernant les organismes de placement collectif*) (the "Law of 2010"). The Fund has appointed BlueBay Funds Management Company S.A. (the "Management Company") to serve as its designated management company in accordance with the Law of 2010. The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under Article 1, paragraph 2, points a) and b) of the Directive 2009/65/EC, and may therefore be offered for sale in the European Union ("EU") Member States (subject to registration in countries other than Luxembourg). In addition, applications to register the Fund may be made in other countries.

The registration of the Fund pursuant to Part I of the Law of 2010 constitutes neither approval nor disapproval by any Luxembourg authority as to the adequacy or accuracy of this Prospectus or as to the assets held in the various sub-funds of the Fund (individually a "Sub-Fund", collectively the "Sub-Funds"). Any representations to the contrary are unauthorised and unlawful.

None of the Shares has been or will be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "United States"), and such Shares may be offered, sold or otherwise transferred only in compliance with the 1933 Act and such state or other securities laws. Certain restrictions also apply to the subsequent transfer of Shares in the United States or to or for the account of any US Person (as defined in Regulation S under the 1933 Act) which includes any resident of the United States, or any corporation, partnership or other entity created or organised in or under the laws of the United States (including any estate of any such person created or organised in the United States). The attention of investors is drawn to certain compulsory redemption provisions applicable to US Persons described in Section 7.6. "Redemption of Shares". The Fund has not been and will not be registered under the United States Investment Company Act of 1940, as amended.

The distribution of this Prospectus in other jurisdictions may also be restricted; persons into whose possession this Prospectus comes are required to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer by anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer.

In addition to any other requirements contained in this Prospectus or the Articles of Incorporation, except at the sole discretion of the Board of Directors, a prospective investor (a) must not be a "U.S. Person" as defined under Regulation S promulgated under the 1933 Act, (b) must be a "non-United States Person" as defined under the Commodity Exchange Act, (c) must not be a "U.S. Person" as defined in the Code and the Treasury Regulations promulgated thereunder, and must not be a "U.S. Person" as defined under FATCA.

Each of such terms is defined below, which definitions shall include any amendments to the relevant legislation which may come into effect from time to time. A prospective investor who meets the requirements of clauses (a), (b) and (c) above is referred to as a "Non-U.S. Person" in the Prospectus.

A. Regulation S Definition of U.S. Person

(1) "U.S. Person" means:

(a) any natural person resident in the United States;

(b) any partnership or corporation organized or incorporated under the laws of the United States;

(c) any estate of which any executor or administrator is a U.S. Person;

(d) any trust of which any trustee is a U.S. Person;

(e) any agency or branch of a foreign entity located in the United States;

(f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;

(g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(h) any partnership or corporation if:

- organized or incorporated under the laws of any foreign jurisdiction; and
- formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.

(2) Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a "U.S. Person."

(3) Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a "U.S. Person" if:

(a) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and

(b) the estate is governed by foreign law.

(4) Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a "U.S. Person".

(5) Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a "U.S. Person".

(6) Notwithstanding (1) above, any agency or branch of a U.S. Person located outside the United States shall not be deemed a "U.S. Person" if:

(a) the agency or branch operates for valid business reasons; and

(b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

(7) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed "U.S. Persons".

B. Under the Commodity Exchange Act, a "Non-United States Person" is defined as:

(1) a natural person who is not a resident of the United States;

(2) a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;

(3) an estate or trust, the income of which is not subject to United States income tax regardless of source;

(4) an entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States Persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States Persons; and

(5) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

C. Under the Code and the Treasury Regulations promulgated thereunder, a "U.S. Person" is defined as:

(1) an individual who is a U.S. citizen or a U.S. "resident alien". Currently, the term "resident alien" is defined to generally include an individual who (i) holds an Alien Registration Card (a "green card") issued by the U.S. Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (i) an individual is present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days on which such individual is present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;

(2) a corporation or partnership created or organized in the United States or under the law of the United States or any state;

(3) a trust where (i) a U.S. court is able to exercise primary jurisdiction over the trust and (ii) one or more U.S. Persons have the authority to control all substantial decisions of the trust; and

(4) an estate that is subject to U.S. tax on its worldwide income from all sources.

Prospective investors should review this Prospectus carefully and in its entirety and consult with their legal, tax and financial advisors in relation to: (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

A Key Investor Information Document ("KIID") for each available Class of each Sub-Fund shall be made available to investors free of charge prior to their subscription for Shares. Prospective investors must consult the KIID for the relevant Class and Sub-Fund in which they intend to invest. Prospective investors should review this Prospectus carefully and in its entirety and consult with their legal, tax and financial advisors in relation to: (i) the legal and regulatory requirements within their own countries for the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the subscribing, purchasing, holding, converting, redeeming or disposing of Shares; (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, converting, redeeming or disposing of Shares; and (iv) any other consequences of such activities.

Before consent to distribute this Prospectus is granted, certain jurisdictions require it to be translated into an appropriate language. Unless contrary to local law in the jurisdiction concerned, in the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English version shall prevail.

Any information or representation given or made by any person which is not contained herein or in any other document which may be available for inspection by the public should be regarded as unauthorised and should accordingly not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date hereof.

Unless stated to the contrary, all references herein to times and hours refer to Luxembourg local time. Certain Shares are or will be listed on the Euro MTF market. Details may be obtained from the Listing Agent.

2. Directory

BOARD OF DIRECTORS OF THE FUND

Mr. William Jones, Grand Duchy of Luxembourg
Mr. Henry Kelly, Grand Duchy of Luxembourg
Ms. Siu-Wai Ng, United Kingdom
Mr. Luigi Passamonti, Austria
Mr. Nicholas Williams, United Kingdom

Mr. William Jones is a Founder and Managing Partner of ManagementPlus Group, Grand Duchy of Luxembourg.
Mr. Henry Kelly is a Managing Director of KellyConsult S.à r.l., Grand Duchy of Luxembourg.
Ms. Siu-Wai Ng is a Partner of BlueBay Asset Management LLP.
Mr. Luigi Passamonti is an Independent Financial Advisor, Austria.
Mr. Nicholas Williams is a former Partner of BlueBay Asset Management LLP.

MANAGEMENT COMPANY

BlueBay Funds Management Company S.A.
4, Boulevard Royal
L-2449 Luxembourg
Grand Duchy of Luxembourg

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Terrence Alfred Farrelly, Grand Duchy of Luxembourg
Mr. Francis Kass, Grand Duchy of Luxembourg
Mr. Luc Leclercq, United Kingdom
Mr. Lucian Orlovius, Grand Duchy of Luxembourg

Mr. Terrence Alfred Farrelly is an employee of BlueBay Funds Management Company S.A..
Mr. Francis Kass is a Partner of Arendt & Medernach S.A., Grand Duchy of Luxembourg.
Mr. Luc Leclercq is a Partner of BlueBay Asset Management LLP.
Mr. Lucian Orlovius is seconded to BlueBay Funds Management Company S.A..

CONDUCTING PERSONS OF THE MANAGEMENT COMPANY

Mr. Terrence Alfred Farrelly, Grand Duchy of Luxembourg
Mr. Hervé Leite-Faria, Grand Duchy of Luxembourg
Mr. Lucian Orlovius, Grand Duchy of Luxembourg
Mr. Cédric Verhoeye, Grand Duchy of Luxembourg
Mrs. Anne-Cécile Pirard, Grand Duchy of Luxembourg

Mr. Terrence Alfred Farrelly, Mr. Hervé Leite-Faria, Mr. Cédric Verhoeye and Mrs. Anne-Cécile Pirard are employees of BlueBay Funds Management Company S.A..
M**r.** Lucian Orlovius is seconded to BlueBay Funds Management Company S.A..

INVESTMENT MANAGER AND ADVISOR (the "Investment Manager")

BlueBay Asset Management LLP
77 Grosvenor Street
London W1K 3JR
United Kingdom

SUB-INVESTMENT MANAGER

BlueBay Asset Management USA LLC
750 Washington Boulevard
Suite 802, Stamford CT 06901
USA

GLOBAL DISTRIBUTOR

BlueBay Asset Management LLP
77 Grosvenor Street
London W1K 3JR
United Kingdom

DEPOSITARY, ADMINISTRATIVE AGENT, DOMICILIARY AGENT, PAYING AGENT, REGISTRAR, TRANSFER AGENT AND LISTING AGENT

Brown Brothers Harriman (Luxembourg) S.C.A.
80, route d'Esch
L-1470 Luxembourg
Grand Duchy of Luxembourg

AUDITORS OF THE FUND AND THE MANAGEMENT COMPANY

PricewaterhouseCoopers *Société coopérative*
2, rue Gerhard Mercator B.P. 1443
L-1014 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISORS

Arendt & Medernach S.A.
41A, avenue J.F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

3. Definitions

The following words shall have the following meanings in this Prospectus:

"Annual General Meeting"	means the annual general meeting of the Shareholders.
"Appendix"	means the relevant Appendix of the Prospectus.
"Articles of Incorporation"	means the articles of incorporation of the Fund.
"AUD"	means Australian Dollar.
"Benchmarks Regulation"	means the Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, with effect from 1 January 2018, subject to certain transitional provisions.
"Board of Directors"	means the Board of Directors of the Fund.
"Business Day"	means any day in which banks in Luxembourg and London are open for normal banking business (excluding Saturdays and Sundays as well as 24 December).
"CAD"	means Canadian Dollar.
"CET"	means Central European Time.
"CHF"	means Swiss Franc.
"Class"	means a class of Shares of a Sub-Fund.
"CSSF"	means Commission de Surveillance du Secteur Financier, the financial regulatory authority in Luxembourg in charge of the supervision of UCIs in Luxembourg.
"CSSF Circulars"	means written circulars and guidelines issued by the CSSF or any successor thereto, as amended or replaced from time to time.
"CSSF Circular 11/512"	means the CSSF circular 11/512 of 30 May 2011 determining the (i) presentation of the main regulatory changes in risk management following the publication of CSSF Regulation 10-4 and ESMA clarifications, (ii) further clarifications from the CSSF on risk management rules and (iii) the definition of the content and format of the risk management process to be communicated to the CSSF.
"CSSF Circular 18/698"	means the CSSF circular 18/698 of 23 August 2018 concerning authorisation and organisation of investment fund managers governed by Luxembourg law.
"CRS"	means the Common Reporting Standard for Automatic Exchange of financial account information in tax matters as set out in the CRS Law.
"CRS Law"	means the amended Luxembourg Law dated 18 December 2015 on the CRS implementing Council Directive 2014/107/EU of 9 December 2014 as regards mandatory exchange of information in the field of taxation and setting forth to the OECD's multilateral competent authority agreement on automatic exchange of financial account information signed on 29 October 2014 in Berlin, with effect from 1 January 2016.
"Directive 2009/65/EC"	means the EC Council Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as may be amended from time to time.
"ESMA"	means European Securities and Markets Authority, an independent EU Authority that contributes to safeguarding the stability of the European Union's financial system by ensuring the integrity, transparency, efficiency and orderly functioning of securities markets, as well as enhancing investor protection.
"ESMA Guidelines 2014/937"	means the ESMA Guidelines on ETFs and other UCITS issues (ESMA 2014/937) published on 1 August 2014.
"EU"	means the European Union.
"EUR", "Euro" or "€"	means the European single currency.
"Extraordinary Expenses"	means any extraordinary expenses of the Fund, including, without limitation, litigation expenses and the full amount of any tax, levy, duty or similar charge imposed on the Fund or its assets that would not be considered as ordinary

expenses.

“FATCA”	means the Foreign Account Tax Compliance provisions of the United States Hiring Incentives to Restore Employment (HIRE) Act on 18 March 2010, set out in sections 1471 to 1474 of the Code, and any U.S. Treasury regulations issued thereunder, Internal Revenue Service rulings or other official guidance pertaining thereto.
“FATCA Law”	means the amended Luxembourg law dated 24 July 2015 implementing the Model I Intergovernmental Agreement between the Government of the Grand Duchy of Luxembourg and the Government of the United States of America to Improve International Tax Compliance and with respect to the United States information reporting provisions commonly known as the FATCA.
“GBP”	means United Kingdom Pounds Sterling.
“Group of Companies”	means companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognised international accounting rules, as amended.
“Institutional Investors”	means institutional investors within the meaning of Article 174 of the Law of 2010 and as defined from time to time by the Luxembourg supervisory authority.
“ISDA”	means the International Swap and Derivatives Association.
“KIID”	means the Key Investor Information Document(s) of each Class of each Sub-Fund.
“Law of 2010”	means the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time.
“Management and Advisory Fees”	means the fees paid by the Fund to the Management Company calculated as a percentage of the net assets of each Class.
“Member State”	means a member state of the EU. The states that are contracting parties to the agreement creating the European Economic Area other than the member states of the EU, within the limits set forth by this agreement and related acts, are considered as equivalent to member states of the EU.
“MiFID 2”	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended from time to time.
“Money Market Instruments”	means instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time.
“NOK”	means Norwegian Krone.
“OECD”	means Organisation for Economic Cooperation and Development.
“Operating and Administrative Expenses”	means all ordinary operating expenses of the Fund as set out in Section 9.6. of this Prospectus.
“Other Regulated Market”	means a market which is regulated, operates regulatory and is recognised and open to the public, namely a market: (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency; (iii) which is recognised by a State or by a public authority which has been delegated by that State or by another entity which is recognised by that State or by that public authority such as a professional association; and (iv) on which the securities dealt are accessible to the public.
“Other State”	means any state of Europe which is not a Member State, and any state of America, Africa, Asia, Australia and Oceania.
“Performance Fees”	means the fees paid by the relevant Shareholders to the Management Company calculated, depending on the Performance Fee-paying Class type, by either 1) using performance fee equalisation on a Shareholder-by-Shareholder basis or 2) at a Class level without using performance fee equalisation.
“Prospectus”	means this prospectus of the Fund as amended from time to time.
“Reference Currency”	means the currency in which all the underlying assets of the relevant Sub-Fund are

	valued and reported. The Reference Currency for each Sub-Fund is set out in Appendix 1.
"Regulated Market"	means a regulated market as defined in MiFID 2.
"Regulation (EU) 2015/2365"	means regulation of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.
"RESA"	means the "Recueil électronique des sociétés et associations" ("RESA"), the central electronic platform of the Grand Duchy of Luxembourg.
"SEK"	means Swedish Krone.
"SGD"	means Singapore Dollar.
"Shareholders"	means shareholders of the Fund.
"Shares"	means the shares of the Fund.
"Sub-Fund"	means a sub-fund of the Fund.
"Transaction Fees"	means in respect of each Sub-Fund the costs and expenses of buying and selling its portfolio securities and financial instruments, brokerage fees and commissions, interest or taxes payable, and other transaction-related expenses.
"Transferable Securities"	means shares and other securities equivalent to shares, bonds and other debt instruments, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchanges, with the exclusion of techniques and instruments.
"UCI(s)"	means undertaking(s) for collective investment.
"UCITS"	means undertaking(s) for collective investment in transferable securities pursuant to Article 1, paragraph 2, points a) and b) of Directive 2009/65/EC.
"UCITS Directive"	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remuneration policy and sanctions, as may be further amended.
"UCITS V Directive"	Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to UCITS as regards depositary functions, remuneration policies and sanctions.
"UK"	means the United Kingdom.
"United States"	means the United States of America.
"USD"	means United States Dollars.
"US Person"	means a U.S. Person as defined in Section 1 above.
"Valuation Day"	means the Business Day on which the net asset value per Share of a Sub-Fund is determined, as set out in Appendix 1. Unless otherwise specified in Appendix 1, (a) where valuation of the net asset value per Share occurs daily, each Business Day shall be a Valuation Day; (b) where valuation of the net asset value per Share occurs weekly, the Valuation Day shall be (i) each Tuesday which is a Business Day or, for each Tuesday which is not a Business Day, the following Business Day and (ii) the last Business Day of each calendar month.
"VaR"	means Value at Risk, which is a measure of the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level.

4. General Information

4.1. Organisation

The Fund is an investment company organised as a *société anonyme* under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV, incorporated under the Law of 2010 and listed on the official list of UCITS, authorised under Part I of the Law of 2010. The Fund's registered office is at 80, route d'Esch, L-1470 Luxembourg. The Fund was incorporated in Luxembourg on 3 July 2002 for an unlimited period. The Articles of Incorporation were published in the Mémorial, Recueil des Sociétés et Associations (the "Mémorial") on 29 July 2002, which has been replaced since 1st June 2016 by RESA, the central electronic platform of the Grand Duchy of Luxembourg. The Articles of Incorporation were amended most recently on 31 August 2017. Such amendments have been published in RESA on 29 September 2017. The Fund is registered with the *Registre de Commerce et des Sociétés*, Luxembourg, under number B. 88 020.

The Articles of Incorporation are on file with the Chancery of the District Court of Luxembourg (*Greffe du Tribunal d'Arrondissement*).

4.2. Structure of the Fund

The Fund comprises several Sub-Funds. The Fund offers investors within the same investment vehicle a choice of investment in one or more Sub-Funds, which are distinguished mainly by their specific investment policy and objective and/or by the currency in which they are denominated. The specifications of each Sub-Fund are described in Appendix 1. The Board of Directors may, at any time, decide to create additional Sub-Funds and, in such case, this Prospectus will be updated by adding the details of such Sub-Fund(s) to Appendix 1.

Each Sub-Fund may decide to issue separate Classes whose assets will be commonly invested but where a specific sales or redemption charge structure, fee structure, minimum subscription amount, dividend policy or such other distinctive feature as decided from time to time by the Board of Directors may be applied. Where different Classes are issued within a Sub-Fund, the details of each type of Class are described in Appendix 1.

4.3. Meetings and Announcements

Unless otherwise stated in the notice of convocation, the Annual General Meeting of Shareholders will be held within four (4) months of the end of each financial year in the Grand Duchy of Luxembourg no later than October 31 each year at the registered office of the Fund or at such other place in the Grand Duchy of Luxembourg as may be specified in the convening notice of such meeting. The convening notice for every general meeting of Shareholders shall contain at least the date, time, place, and agenda of the meeting. As all the shares of the Fund are in registered form, the convening notices may be exclusively made by registered mail sent at least eight (8) calendar days before the meeting, or if the addressees have individually agreed to receive the convening notices by another means of communication ensuring access to the information, by such means of communication. Notices of meetings will also refer to the rules of quorum and majorities required by Luxembourg law and laid down in Articles 67 and 67-1 of the Luxembourg law of 10 August 1915 on commercial companies (as amended) and the Articles of Incorporation.

Each whole Share confers the right to one vote subject to the rule on fractional shares in article 10.3 of the Articles of Incorporation as further described under section 7.1. of this Prospectus.

4.4. Reports and Accounts

Audited annual reports shall be published within four months following the end of each accounting year and unaudited semi-annual reports shall be published within two months following the period to which they refer. Annual reports shall be sent to each registered Shareholder by electronic means or, if so requested by a Shareholder, in hard copy form to the address shown on the register of Shareholders and the annual and semi-annual reports shall be made available at the registered offices of the Fund and the Depositary during ordinary office hours, and online at www.bluebay.com. The Fund's accounting year ends on 30 June each year.

The reference currency of the Fund is the Euro. The aforesaid reports will comprise consolidated accounts of the Fund expressed in EUR as well as individual information on each Sub-Fund expressed in the Reference Currency of each Sub-Fund.

4.5. Allocation of Assets and Liabilities among Sub-Funds

Each Sub-Fund constitutes a separate portfolio. The assets and liabilities relating to each Sub-Fund are segregated from each other. No Sub-Fund will be liable for obligations incurred in relation to any other Sub-Fund.

For the purpose of allocating the assets and liabilities between the Sub-Funds, the Board of Directors has established a pool of assets for each Sub-Fund in the following manner:

(a) the proceeds from the issue of each Share of each Sub-Fund are applied in the books of the Fund to the pool of assets established for that Sub-Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such pool;

(b) where any asset is derived from another asset, such financial derivative asset is applied in the books of the Fund to the same pool as the asset from which it was derived and on each revaluation of an asset the increase or diminution in value is applied to the relevant pool;

(c) where the Fund incurs a liability which relates to any asset of a particular pool or to any action taken in connection with an asset of a particular pool, such liability is allocated to the relevant pool, provided that all liabilities, whichever Sub-Fund they are attributable to, are only binding upon the relevant Sub-Fund;

(d) in the case where any asset or liability of the Fund cannot be considered as being attributable to a particular pool, such asset or liability is allocated to all the pools in equal parts or, if the amounts so justify, pro rata to the net asset values of the relevant Sub-Funds;

(e) upon the payment of dividends to the Shareholders in any Sub-Fund, the net asset value of such Sub-Fund shall be reduced by the amount of such dividends.

Under the Articles of Incorporation, the Board of Directors may decide to create within each Sub-Fund one or more Classes whose assets will be commonly invested pursuant to the specific investment policy of the Sub-Fund concerned but where a specific sales or redemption charge structure, fee structure, minimum subscription amount or dividend policy may be applied to each Class. A separate net asset value, which will differ as a consequence of these variable factors, will be calculated for each Class. If one or more Classes have been created within the same Sub-Fund, the allocation rules set out above shall apply, as appropriate, to such Classes. The Board of Directors reserves the right to apply additional criteria as appropriate.

4.6. Determination of the Net Asset Value of Shares

The net asset value per Share of each Sub-Fund is typically determined on each day which is a Business Day, although for certain Sub-Funds the net asset value per Share is determined on a less frequent basis. The frequency of the valuation applicable to each Sub-Fund is set out in Appendix 1.

The net asset value of the Shares of each Class is determined in such Class's Reference Currency on each Valuation Day by dividing the net assets attributable to each Class by the number of Shares of such Class then outstanding. For the avoidance of doubt, the unit of a Reference Currency is the smallest unit of that currency (e.g. if the Reference Currency is Euro, the unit is the cent). Fractions of units, calculated to three decimal places, may be allocated as required.

The net assets of each Class are made up of the value of all the assets attributable to such Class less the total liabilities attributable to such Class calculated at such time as the Board of Directors shall have set for such purpose.

The value of the assets of the Fund is determined as at the end of the relevant Valuation Day. The actual calculation of the value of the assets will take place on the following Business Day and is determined in the following manner:

(a) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof;

(b) Transferable Securities and Money Market Instruments which are quoted, listed or traded on an exchange or Regulated Market will be valued, unless otherwise provided under paragraphs (c) and (f) below, at the last available market price or quotation, prior to the time of valuation, on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or Regulated Market, the Board of Directors will determine on which exchange or Regulated Market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or Regulated Market will be used for the purpose of their valuation. Transferable Securities and Money Market Instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or Regulated Market, will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors;

(c) notwithstanding paragraph (b) above, where permitted under applicable laws and regulations, Money Market Instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortisation of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method;

(d) for non-quoted assets or assets not traded or dealt in on any stock exchange or Other Regulated Market, as well as quoted or non-quoted assets on such other market for which no valuation price is available, or assets for which the quoted prices are not representative of the fair market value, the value thereof shall be determined prudently and in good faith by the Board of Directors on the basis of foreseeable purchase and sale prices;

(e) shares or units in underlying open-ended UCIs shall be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors on a fair and equitable basis. Units or shares of closed-ended UCIs will be valued at their last available stock market value;

(f) liquid assets may be valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, may be valued in the same manner;

(g) the liquidating value of futures, forward and options contracts not traded on exchanges or on Other Regulated Markets and/or Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts traded on exchanges or on Other Regulated Markets and/or Regulated Markets shall be based upon the last available settlement prices of these contracts on exchanges and/or Regulated Markets and/or Other Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable;

(h) the value of a credit default swap shall be determined by comparing it to the prevailing par market swap. A par market swap is one which can be initiated in the market today for no exchange of principal, and its deal spread is such that it results in the swap's market value being equal to zero. The spread between the initial default swap and the par market swap is then discounted as an annuity using relevant risk-adjusted discount rates. Par market swap rates will be obtained from a cross-section of market counterparties. Any other swaps shall be valued at their market value.

The value of assets denominated in a currency other than the Reference Currency of a Sub-Fund shall be determined by taking into account the rate of exchange prevailing at the time of the determination of the net asset value.

Swing Pricing Mechanism

A Sub-Fund may suffer a reduction in value, known as "dilution" when trading the underlying investments as a result of net inflows or net outflows of the respective Sub-Fund. This is due to transaction charges and other costs that may be incurred by liquidating and purchasing the underlying assets and the spreads between the buying and selling prices. In order to counter this effect and to protect Shareholders' interests the Management Company may adopt a swing pricing mechanism as part of its valuation policy. This means that in certain circumstances the Management Company may make adjustments to the net asset value per Share to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

If on any Valuation Day, the aggregate net investor(s) transactions in a Sub-Fund exceed a pre-determined threshold, the net asset value per Share may be adjusted upwards or downwards to reflect the costs attributable to the net inflows and net outflows respectively. Typically, such adjustments will increase the net asset value per Share when there are net subscriptions into the Sub-Fund and decrease the net asset value per Share when there are net redemptions out of the Sub-Fund. The Management Company is responsible for setting the threshold, which will be a percentage of the net assets of the respective Sub-Fund. The threshold is based on objective criteria such as the size of a Sub-Fund and the dealing costs for a Sub-Fund, and may be revised from time to time.

The swing pricing mechanism may be applied across all Sub-Funds of the Fund. The percentage by which the net asset value is adjusted will be set by the Board of Directors and subsequently reviewed on a periodic basis to reflect an approximation of current dealing and other costs. The extent of the adjustment may vary from Sub-Fund to Sub-Fund due to different transaction costs in certain jurisdictions on the sell and the buy side, but may not exceed 2% of the original net asset value per Share.

The net asset value per Share of each Share Class in a Sub-Fund will be calculated separately but any adjustment will be made on Sub-Fund level and in percentage terms, equally affecting the net asset value per Share of each Share Class. If swing pricing is applied to a Sub-Fund on a particular Valuation Day, the net asset value adjustment will be applicable to all transactions placed on that day.

Investors are advised that the volatility of the Sub-Fund's net asset value might not reflect the true portfolio performance as a consequence of the application of swing pricing.

Alternative Valuation Principles

The Fund is authorised to apply other appropriate valuation principles for the assets of the Fund and/or the assets of a given Sub-Fund if the aforesaid valuation methods appear impossible or inappropriate due to extraordinary circumstances or events, in order to reflect better the probable realisation value established with prudence and good faith.

The net asset value per Share of each Class and the issue and redemption prices thereof are available at the registered office of the Fund.

4.7. Temporary Suspension of the calculation of net asset value, Issues, Redemptions and Conversions

The determination of the net asset value of Shares of one or more Classes may be suspended:

(a) when any exchange or Regulated Market that supplies the price of the assets of the Fund or a Sub-Fund is closed other than for ordinary holidays, or in the event that transactions on such exchange or market are suspended, subject to restrictions, or impossible to execute enough volumes of transactions allowing the determination of fair prices;

(b) when the information or calculation sources normally used to determine the value of the assets of the Fund or a Sub-Fund are unavailable;

(c) during any period when any breakdown or malfunction occurs in the means of communication network or IT media normally employed in determining the price or value of the assets of the Fund or a Sub-Fund, or which is required to calculate the net asset value per share;

(d) when exchange, capital transfer or other restrictions prevent the execution of transactions of the Fund or a Sub-Fund or prevent the execution of transactions at normal rates of exchange and conditions for such transactions;

(e) when exchange, capital transfer or other restrictions prevent the repatriation of assets of the Fund or a Sub-Fund for the purpose of making payments on the redemption of shares or prevent the execution of such repatriation at normal rates of exchange and conditions for such repatriation;

(f) when the legal, political, economic, military or monetary environment, or an event of force majeure, prevents the Fund from being able to manage the assets of the Fund or a Sub-Fund in a normal manner and/or prevent the determination of their value in a reasonable manner;

(g) when there is a suspension of the net asset value calculation or of the issue, redemption or conversion rights by the investment fund(s) in which the Fund or a Sub-Fund is invested;

(h) following the suspension of the net asset value calculation and/or the issue, redemption and conversion at the level of a master fund in which the Fund or a Sub-Fund invests as a feeder fund;

(i) when, for any other reason, the prices or values of the assets of the Fund or a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the assets of the Fund or a Sub-Fund in the usual way and/or without materially prejudicing the interests of Shareholders;

(j) in the event of a notice to Shareholders convening an extraordinary general meeting of Shareholders for the purpose of dissolving and liquidating the Fund or informing them about the termination and liquidation of a Sub-Fund or Class, and more generally, during the process of liquidation of the Fund, a Sub-Fund or Class;

(k) during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction;

(l) during any period when the dealing of the shares of the Fund or Sub-Fund or Class on any relevant stock exchange where such shares are listed is suspended or restricted or closed; and

(m) in exceptional circumstances, whenever the Board of Directors considers it necessary in order to avoid irreversible negative effects on the Fund, a Sub-Fund or Class, in compliance with the principle of fair treatment of Shareholders in their best interests.

In the event of exceptional circumstances as determined by the Board of Directors which could adversely affect the interests of the Shareholders or where significant requests for subscription, redemption or conversion of shares are received for a Sub-Fund or Class, the Board of Directors reserves the right to determine the net asset value per share for that Sub-Fund or Class only after the Fund has completed the necessary investments or disinvestments in securities or other assets for the Sub-Fund or Class concerned.

The suspension of the calculation of the net asset value and/or, where applicable, of the issue, redemption and/or conversion of shares, may be published and/or communicated to Shareholders as required by applicable laws and regulations.

The suspension of the calculation of the net asset value and/or, where applicable, of the issue, redemption and/or conversion of shares in any Sub-Fund or Class shall have no effect on the calculation of the net asset value and/or, where applicable, of the issue, redemption and/or conversion of shares in any other Sub-Fund or Class.

The Board of Directors has the power to suspend the issue, redemption and conversion of Shares in one or more Classes for any period during which the determination of the net asset value per Share of the Sub-Fund(s) concerned is suspended by the Fund by virtue of the powers described above. Suspended subscription, redemption and conversion applications will be treated as deemed applications for subscriptions, redemptions or conversions in respect of the first valuation day following the end of the suspension period unless the Shareholders have withdrawn their applications for subscription, redemption or conversion by written notification received by or on behalf of the Fund before the end of the suspension period.

4.8. Reorganisation of Classes

In the event that for any reason the net asset value of a Class has decreased to, or has not reached an amount determined by the Board of Directors (in the interests of Shareholders) to be the minimum level for such Class to be operated in an efficient manner or for any other reason disclosed in the Prospectus, the Board of Directors may decide to re-allocate the assets and liabilities of that Class to those of one or several other classes within the Fund and to re-designate the shares of the Class(es) concerned as shares of such other Class or Classes (following a split or consolidation, if necessary, and the payment to Shareholders of the amount corresponding to any fractional entitlement). The Shareholder of the Class concerned will be informed of the reorganisation by way of a notice and/or in any other way as required or permitted by applicable laws and regulations.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the Shareholders may decide on such reorganisation by resolution taken by the general meeting of Shareholders of the Class concerned. The convening notice to the general meeting of Shareholders will indicate the reasons for and the process of the reorganisation. Such general meeting will decide by resolution taken with a quorum of one half of the share capital of the relevant Class with a majority of at least two thirds of the votes validly cast at the meeting.

4.9. Liquidation of the Fund

The Fund may at any time be dissolved in accordance with applicable laws.

Liquidation proceeds which have not been claimed by Shareholders at the time of the closure of the liquidation shall be deposited in escrow at the "*Caisse de Consignation*" in Luxembourg. Proceeds not claimed within the statutory period shall be forfeited in accordance with applicable laws and regulations.

4.10. Termination and liquidation of Sub-Funds or Classes

In the event that for any reason the net asset value of any Sub-Fund or Class has decreased to, or has not reached, an amount determined by the Board of Directors to be the minimum level for such Sub-Fund or Class to be operated in an efficient manner or for any reason determined by the Board of Directors, the Board of Directors may decide to terminate such Sub-Fund or Class and redeem compulsorily all the shares of the relevant Sub-Fund or Class at the applicable net asset value per share for the valuation day determined by the Board of Directors.

The Shareholders will be informed of the decision of the Board of Directors to terminate a Sub-Fund or Class by way of a notice and/or in any other way as required or permitted by applicable laws and regulations. The notice will indicate the reasons for and the process of the termination and liquidation.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraph, the Shareholders of any Sub-Fund or Class, as applicable, may also decide to terminate such Sub-Fund or Class at a general meeting of such Shareholders and have the Fund redeem compulsory all the shares of the Sub-Fund or class(es) at the net asset value per share for the applicable valuation day. The convening notice to the general meeting of Shareholders of the Sub-Fund or Class will indicate the reasons for and the process of the proposed termination and liquidation. Such general meeting will decide by resolution taken with a quorum of one half of the share capital of the relevant Sub-Fund or Class, as appropriate, with a majority of at least two thirds of the votes validly cast at the meeting.

Actual realisation prices of investments, realisation expenses and liquidation costs will be taken into account in calculating the net asset value applicable to the compulsory redemption. Shareholders in the Sub-Fund or Class concerned will generally be authorised to continue requesting the redemption or conversion of their shares prior to the effective date of the compulsory redemption, unless the Board of Directors determines that it would not be in the best interests of the Shareholders in that Sub-Fund or Class or could jeopardise the fair treatment of the Shareholders.

Redemption proceeds which have not been claimed by the Shareholders upon the compulsory redemption will be deposited, in accordance with applicable laws and regulations, in escrow at the "*Caisse de Consignation*" on behalf of the persons entitled thereto. Proceeds not claimed within the statutory period will be forfeited in accordance with laws and regulations.

All redeemed shares may be cancelled.

The termination and liquidation of a Sub-Fund or Class shall have no influence on the existence of any other Sub-Fund or Class. The decision to terminate and liquidate the last Sub-Fund existing in the Fund will result in the dissolution and liquidation of the Fund.

4.11. Merger of the Fund or its Sub-Funds

The Board of Directors may decide to proceed with a merger (within the meaning of the Law of 2010) of the Fund with one or several other Luxembourg or foreign UCITS, or sub-fund thereof. The Board of Directors may also decide to proceed with a merger (within the meaning of the Law of 2010) of one or several Sub-Fund(s) with one or several other Sub-Fund(s) within the Fund, or with one or several other Luxembourg or foreign UCITS or sub-funds thereof. Such mergers shall be subject to the conditions and procedures imposed by the Law of 2010, in particular concerning the common draft terms of the merger to be established by the Board of Directors and the information to be provided to the Shareholders. Such a merger does not require the prior consent of the Shareholders except where the Fund is the absorbed entity which, thus, ceases to exist as a result of the merger; in such case, the general meeting of Shareholders of the Fund must decide on the merger and its effective date. Such general meeting will decide by resolution taken with no quorum requirement and adopted by a simple majority of the votes validly cast.

The Board of Directors may decide to proceed with the absorption by the Fund or one or several Sub-Funds of (i) one or several sub-funds of another Luxembourg or a foreign UCI, irrespective of their form, or (ii) any Luxembourg or foreign UCI constituted under a non-corporate form. The exchange ratio between the relevant shares of the Fund and the shares or units of the absorbed UCI or of the relevant sub-fund thereof will be calculated on the basis of the relevant net asset value per share or unit as of the effective date of the absorption.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraphs, the Shareholders of the Fund or any Sub-Fund may also decide on any of the mergers or absorptions described above and on their effective date thereof. The convening notice to the general meeting of Shareholders will indicate the reasons for and the process of the proposed merger or absorption.

In addition to the above, the Fund may also absorb another Luxembourg or foreign UCI incorporated under a corporate form in compliance with the Luxembourg law of 10 August 1915 on commercial companies (as amended), and any other applicable laws and regulations.

4.12. Material Contracts

The following material contracts have been entered into:

(a) A Management Company Services Agreement effective from 1 July 2011, amended by an amendment agreement dated 1 November 2011 and by an amendment agreement dated 18 May 2018 between the Fund and the Management Company pursuant to which the latter acts as the management company of the Fund. Under this agreement, the Management Company provides management, administrative, marketing, global distribution, compliance and risk management to the Fund, subject to the overall supervision and control of the Board of Directors. This agreement is entered into for an unlimited period and is terminable by either party upon three months' written notice.

(b) An Expense Agreement effective from 1 July 2011 between the Fund and the Management Company pursuant to which the Fund and the Management Company agree to fix the expense ratio of each Class of each Sub-Fund. This agreement is entered into for an unlimited period and is terminable by either party upon three months' written notice.

(c) An Investment Management and Advisory, Risk Management and Compliance Services Agreement dated 2 April 2012 between the Management Company and BlueBay Asset Management LLP pursuant to which the latter acts as Investment Manager and Advisor, Compliance Officer and Risk Manager to the Fund on behalf of the Management Company updated by an amendment agreement dated 6 March 2015 and as amended and restated on 7 November 2016. This agreement is entered into for an unlimited period and is terminable by either party upon three months' written notice.

(d) A Global Distribution Agreement dated 2 April 2012 between the Management Company and BlueBay Asset Management LLP pursuant to which the latter acts as Global Distributor to the Fund on behalf of the Management Company. This agreement is entered into for an unlimited period and is terminable by either party upon three months' written notice.

(e) A Depositary Agreement effective from 18 March 2016 between the Fund and Brown Brothers Harriman (Luxembourg) S.C.A. pursuant to which the latter is appointed as Depositary of the assets of the Fund. This agreement is entered into for an unlimited period and is terminable by either party upon three months' written notice.

(f) An Administration Agreement effective from 1 July 2011 between the Management Company and Brown Brothers Harriman (Luxembourg) S.C.A., pursuant to which the latter is appointed as Administrative Agent, Domiciliary Agent, principal Paying Agent, Registrar, Transfer Agent and Listing Agent of the Fund on behalf of the Management Company. This agreement is entered into for an unlimited period and may be terminated by either party upon three months' written notice.

(g) A Sub-Investment Management and Advisory Agreement in respect of the sub-funds of BlueBay Funds, effective from 30 August 2013 between the Investment Manager and BlueBay Asset Management USA LLC.

4.13. Documents Available for Inspection

Copies of the contracts mentioned above are available for inspection, and copies of the Articles of Incorporation, the current Prospectus, the KIIDs and the latest periodical reports may be obtained free of charge during normal office hours at the registered office of the Fund. Such reports form an integral part of this Prospectus. Copies of this Prospectus, the Articles of Incorporation, the KIIDs and the latest periodical reports are also available online at www.bluebay.com, along with certain other practical information (including the strategy for the exercise of voting rights attached to the instruments held by the Fund). Details of the procedures in respect of complaints handling are available free of charge on request during normal office hours at the registered office of the Fund.

4.14. Management and Administration

The Management Company is responsible for the management and control of the Fund.

BlueBay Asset Management LLP has been appointed as Investment Manager and Advisor and Risk Manager. Brown Brothers Harriman (Luxembourg) S.C.A. has been appointed to act as Administrative Agent, Domiciliary Agent, principal Paying Agent, Registrar, Transfer Agent and Listing Agent.

4.15. The Management Company

BlueBay Funds Management Company S.A. is a société anonyme incorporated under Luxembourg law on 1st August 2002 for an unlimited period of time. The Management Company is a wholly owned subsidiary of BlueBay Asset Management International Ltd. The articles of incorporation of the Management Company were published in the Mémorial of 23 August 2002 and filed with the Chancery of the District Court of Luxembourg (*Greffe du Tribunal d'Arrondissement*). They were amended on 30 June 2011 and more recently on 28 July 2014. They were published in the *Mémorial* of 10 October 2014 and filed with the Chancery of the District Court of Luxembourg. As at the date of this Prospectus, the capital of the Management Company is €250,000 and has been fully paid, and the own funds of the Management Company comply with the requirements of the Law of 2010.

The Management Company is registered on the official list of Luxembourg management companies governed by Chapter 15 of the Law of 2010.

Mr. Terrence Farrelly, Mr. Lucian Orlovius, Mr. Hervé Leite-Faria, Mr. Cédric Verhoeye and Mrs. Anne-Cécile Pirard are responsible for the Management Company's daily business and operations.

The Management Company is responsible for the day-to-day operations of the Fund. In fulfilling its responsibilities set for by the Law of 2010 and the Management Company Services Agreement, it is permitted to delegate all or a part of its functions and duties to third parties, provided that it retains responsibility and oversight over such delegates. The appointment of third parties is subject to the approval of the Fund and the CSSF. The Management Company's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.

The Management Company has delegated the following functions to third parties: investment management, transfer agency, administration, listing, marketing and distribution. The Management Company has also delegated its permanent internal audit function to KPMG Luxembourg S.à r.l..

The Management Company may also act as alternative investment fund manager of alternative investment funds (both terms as defined in the Alternative Investment Fund Managers Directive 2011/61/EU). As at the date of this Prospectus, the other funds managed by the Management Company are BlueBay Funds International and BlueBay Structured Funds. The list of funds managed by the Management Company will be set out in the Management Company's annual reports.

4.16. Investment Manager and Global Distributor

The investment management of the Fund is effected under the control and the responsibility of the Management Company.

In order to implement the investment policy of each Sub-Fund, the Management Company has delegated, under its permanent supervision and responsibility, the management of the assets of the Sub-Funds to the Investment Manager.

Pursuant to the amended and restated Investment Management and Advisory, Risk Management and Compliance Services Agreement, the Investment Manager has discretion, on a day-to-day basis and subject to the overall control and ultimate responsibility of the Management Company, to purchase and sell securities and otherwise to manage the Sub-Funds' portfolios.

The Investment Manager, in the execution of its duties and the exercise of its powers, shall be responsible for the compliance of the Sub-Funds with their investment policies and restrictions.

The Investment Manager is a limited liability partnership incorporated in the United Kingdom and regulated by the Financial Conduct Authority. Its primary activity involves the provision of investment management services to various investment vehicles. Prior to 2 April 2012 the Fund's investment manager and advisor was BlueBay Asset Management Ltd, on 2 April 2012 BlueBay Asset Management Ltd transferred its entire asset management business to BlueBay Asset Management LLP. The Investment Manager is a wholly owned subsidiary of Royal Bank of Canada.

BlueBay Asset Management LLP also acts as global distributor of the Fund and provides other services to the Management Company in respect of the distribution of the Fund.

4.17. Sub-Investment Manager

BlueBay Asset Management USA LLC was appointed to act as sub-investment manager and advisor to certain Sub-Funds of the Fund in relation to specific assets of the concerned Sub-Funds in respect of which the Investment Manager considers the Sub-Investment Manager to be experienced in and in respect of which the Investment Manager would like to avail itself of the Sub-Investment Manager's know-how under the terms of the sub-investment management and advisory agreement between the Investment Manager and BlueBay Asset Management USA LLC dated 30 August 2013. The list of the Sub-Funds in respect of which BlueBay Asset Management USA LLC provides sub-investment and advisory services is available at the registered office of the Fund.

BlueBay Asset Management USA LLC is a Delaware limited company registered as an investment adviser under section 203(c) of the Investment Advisor Act of 1940 of the United States.

4.18. Depositary

The Fund has appointed Brown Brothers Harriman (Luxembourg) S.C.A. as the depositary of all of the Fund's assets.

Brown Brothers Harriman (Luxembourg) S.C.A. is registered with the RCS (Luxembourg Commercial and Companies Register) under number B29923 and was incorporated on 9 February 1989 under the name Brown Brothers Harriman (Luxembourg) S.C.A.. It is licensed to carry out banking activities under the terms of the Luxembourg law of 5 April 1993 on the financial sector and is specialised in depositary, fund administration and related services.

The rights and duties of the Depositary are governed by the depositary agreement with effect from 18 March 2016 for an unlimited period of time from its effective date (the "Depositary Agreement"), as may be amended from time to time.

In performing its obligations under the Depositary Agreement, the Depositary shall observe and comply with (i) Luxembourg laws, (ii) the Depositary Agreement and (iii), to the extent required, the terms of this Prospectus. Furthermore, in carrying out its role as depositary bank, the Depositary must act solely in the interest of the Fund and of its Shareholders.

The Depositary is entrusted with the safe-keeping of the Fund's assets including its cash and securities, which will be held either directly by the Depositary or through other financial institutions such as correspondent banks, subsidiaries or affiliates of the Depositary, clearing systems or securities settlement systems. All financial instruments that can be held in custody are registered in the Depositary's books within segregated accounts, opened in the name of the Fund, in respect of each Sub-Fund. For other assets than financial instruments and cash, the Depositary must verify the ownership of such assets by the Fund in respect of each Sub-Fund. Furthermore, the Depositary shall ensure that the Fund's cash flows are properly monitored.

The Depositary will also, in accordance with the Law of 2010:

(a) ensure that the sale, issue, conversion, repurchase and cancellation of Shares are carried out in accordance with the Luxembourg laws and the Articles of Incorporation;
(b) ensure that the net asset value of the shares is calculated in accordance with Luxembourg laws and with the Articles of Incorporation;
(c) carry out the instructions of the Board of Directors, unless they conflict with Luxembourg laws or with the Articles of Incorporation;
(d) ensure that in transactions involving the assets of the Fund, the consideration is remitted to it within the usual time limits; and
(e) ensure that the income of the Fund is applied in accordance with Luxembourg laws and the Articles of Incorporation.

The Depositary may delegate to third parties the safe-keeping of the Fund's assets to correspondents (the "Correspondents") subject to the conditions laid down in the applicable laws and regulations and the provisions of the Depositary Agreement. In relation to the Correspondents, the Depositary has a process in place designed to select the highest quality third-party provider(s) in each market. The Depositary shall exercise due care and diligence in choosing and appointing each Correspondent so as to ensure that each Correspondent has and maintains the required expertise and competence. The Depositary shall also periodically assess whether Correspondents fulfill applicable legal and regulatory requirements and shall exercise ongoing supervision over each Correspondent to ensure that the obligations of the Correspondents continue to be appropriately discharged. The list of Correspondents relevant to the

UCITS is available on https://www.bbh.com/en-us/investor-services/custody-and-fund-services/depositary-and-trustee/lux-subcustodian-list. This list may be updated from time to time and is available from the Depositary upon written request.

Conflicts of Interest

The Depositary maintains comprehensive and detailed corporate policies and procedures requiring the Depositary to comply with applicable laws and regulations.

The Depositary has policies and procedures governing the management of conflicts of interest. These policies and procedures address conflicts of interest that may arise through the provision of services to UCITS.

The Depositary's policies require that all material conflicts of interest involving internal or external parties are promptly disclosed, escalated to senior management, registered, mitigated and/or prevented, as appropriate. In the event a conflict of interest may not be avoided, the Depositary shall maintain and operate effective organizational and administrative arrangements in order to take all reasonable steps to properly (i) disclosing conflicts of interest to the Fund and to, shareholders (ii) managing and monitoring such conflicts.

The Depositary ensures that employees are informed, trained and advised of conflicts of interest policies and procedures and that duties and responsibilities are segregated appropriately to prevent conflicts of interest issues.

Compliance with conflicts of interest policies and procedures is supervised and monitored by the Board of Managers as general partner of the Depositary and by the Depositary's Authorized Management, as well as the Depositary's compliance, internal audit and risk management functions.

The Depositary shall take all reasonable steps to identify and mitigate potential conflicts of interest. This includes implementing its conflict of interest policies that are appropriate for the scale, complexity and nature of its business. This policy identifies the circumstances that give rise or may give rise to a conflict of interest and includes the procedures to be followed and measures to be adopted in order to manage conflicts of interest. A conflicts of interest register is maintained and monitored by the Depositary.

The Depositary does also act as Administrative Agent and/or Registrar and Transfer Agent pursuant to the terms of the administration agreements between the Depositary and the Fund. The Depositary has implemented appropriate segregation of activities between the Depositary and the administration/ registrar and transfer agency services, including escalation processes and governance. In addition, the depositary function is hierarchically and functionally segregated from the administration and registrar and transfer agency services business unit.

A potential risk of conflicts of interest may occur in situations where the Correspondents may enter into or have a separate commercial and/or business relationship with the Depositary in parallel to the safekeeping delegation relationship. In the conduct of its business, conflicts of interest may arise between the Depositary and the Correspondent. Where a Correspondent shall have a group link with the Depositary, the Depositary undertakes to identify potential conflicts of interests arising from that link, if any, and to take all reasonable steps to mitigate those conflicts of interest.

The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to any Correspondent. The Depositary will notify the Board of Directors and/or the board of directors of the Management Company of the Fund of any such conflict should it so arise.

To the extent that any other potential conflicts of interest exist pertaining to the Depositary, they have been identified, mitigated and addressed in accordance with the Depositary's policies and procedures.

Updated information on the Depositary's custody duties and conflicts of interest that may arise may be obtained, free of charge and upon request, from the Depositary.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and there are no local entities that satisfy the delegation requirement (i.e. the effective prudential regulation) under the Law of 2010, the Depositary may, but shall be under no obligation to, delegate to a local entity to the extent required by the law of such jurisdiction and as long as no other local entity meeting such requirements exists, provided however that (i) the Shareholders, prior to their investment in the Fund, have been duly informed of the fact that such a delegation is required, of the circumstances justifying the delegation and of the risks involved in such a delegation and (ii) instructions to delegate to the relevant local entity have been given by or for the Fund.

In accordance with the provisions of the Law of 2010 and the Depositary Agreement, the Depositary shall be liable for the loss of a financial instrument held in custody by the Depositary, correspondent bank, subsidiaries, affiliates or a third party to whom the custody of such financial instruments has been delegated as described above. In such case, the Depositary must return a financial instrument of identical type or the corresponding amount to the Fund, without undue delay. The Depositary shall not be liable if it is able to prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall also be liable to the Fund, or to the Shareholders for all other losses suffered by them as a result of the Depositary's negligence, willful misconduct, fraud and/or intentional failure to properly fulfil its obligations under the Law of 2010 and the Depositary Agreement.

The Fund and the Depositary may terminate the Depositary Agreement on 90 consecutive calendar days' prior written notice. The Depositary Agreement may also be terminated on shorter notice in certain circumstances. However, the Depositary shall continue to act as Depositary for up to two months pending a replacement depositary being appointed (in accordance with article 36 a) of the Law of 2010 and until such replacement, the Depositary shall take all necessary steps to ensure the good preservation of the interests of the Shareholders of the Fund and allow the transfer of all assets of the Fund to the succeeding depositary.

Furthermore, Brown Brothers Harriman (Luxembourg) S.C.A. has been appointed as paying agent of the Fund. In such capacity, it has the obligation to pay out distributions, if any, for Shares.

4.19. Administrative Agent, Domiciliary Agent, Paying Agent, Registrar, Listing Agent and Transfer Agent

Brown Brothers Harriman (Luxembourg) S.C.A. is also in charge of the day to day administration of the Fund and is responsible for processing the issue, redemption and conversion of Shares and maintaining the register of Shareholders. In that respect it acts as Registrar, Administrative, Domiciliary, Paying, Transfer and Listing Agent, calculates the net asset value of the Shares and maintains the accounts of the Fund and lists the Shares of certain Sub-Funds on the Euro MTF market. Brown Brothers Harriman (Luxembourg) S.C.A. is a *société en commandite par actions* organised under the laws of the Grand Duchy of Luxembourg. It was incorporated in Luxembourg on 9 February 1989 and its registered office is 80, route d'Esch, L-1470 Luxembourg.

Brown Brothers Harriman (Luxembourg) S.C.A. is a wholly owned subsidiary of Brown Brothers Harriman & Co. ("BBH & Co."). Founded in 1818, BBH & Co. is a commercial bank organised as a partnership under the private banking laws of the states of New York, Massachusetts and Pennsylvania.

4.20. Benchmarks Regulation

Certain Sub-Funds are using benchmarks within the meaning of the Benchmarks Regulation. As a result, the Fund has adopted written plans setting out actions, which it will take in the event that any of the benchmarks listed in the table below materially changes or ceases to be provided (the "Contingency Plans"), as required by article 28(2) of the Benchmarks Regulation. Investors may access the Contingency Plan free of charge upon request at the registered office of the Fund.

The benchmarks listed in the table below are being provided by the entity specified next to the name of each benchmark, in its capacity as administrator, as defined in the Benchmarks Regulation. None of the benchmark's administrators is yet listed in the register referred to in article 36 of the Benchmarks Regulation as each of the administrators is relying on the transitional provisions specified in article 51 of the Benchmarks Regulation.

Sub-Fund	Benchmark	Administrator
BlueBay Emerging Market Aggregate Bond Fund	JP Morgan Emerging Market Bond Index Global Diversified JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified	J.P. Morgan Securities LLC
BlueBay Emerging Market Aggregate Short Duration Bond Fund	JP Morgan Emerging Market Blend Hard Currency Credit 50-50 1-3 year Index	J.P. Morgan Securities LLC
BlueBay Emerging Market Bond Fund	JP Morgan Emerging Market Bond Index Global Diversified	J.P. Morgan Securities LLC
BlueBay Emerging Market Corporate Bond Fund	JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified	J.P. Morgan Securities LLC
BlueBay Emerging Market High Yield Corporate Bond Fund	JP Morgan Corporate Emerging Market Diversified High Yield Index	J.P. Morgan Securities LLC
BlueBay Emerging Market Investment Grade Corporate Bond Fund	JP Morgan Corporate Emerging Market Diversified High Grade Index	J.P. Morgan Securities LLC
BlueBay Emerging Market Local Currency Bond Fund	JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged	J.P. Morgan Securities LLC
BlueBay Emerging Market Local Currency Corporate Bond Fund	ICE BofA Merrill Lynch Diversified Local Emerging Markets Non-Sovereign Index	ICE Data Indices, LLC

BlueBay Emerging Market Select Bond Fund	JP Morgan Emerging Markets Bond Index Global Diversified JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged	J.P. Morgan Securities LLC
BlueBay Emerging Market Unconstrained Bond Fund	ICE BofA Merrill Lynch US Dollar 3-Month Deposit Offered Rate Constant Maturity Index	ICE Data Indices, LLC
BlueBay Global Convertible Bond Fund	Thomson Reuters Global Convertible Focus Index USD	Thomson Reuters Benchmark Services Limited
BlueBay Global High Yield Bond Fund	ICE BofA Merrill Lynch Global High Yield Constrained Index, fully hedged against USD	ICE Data Indices, LLC
BlueBay Global High Yield ESG Bond Fund	ICE BofA Merrill Lynch Global High Yield Investment Grade Countries Index, fully hedged against USD	ICE Data Indices, LLC
BlueBay Global Investment Grade Corporate Bond Fund	Bloomberg Barclays Global Aggregate Corporates Bond Index USD Hedged	Bloomberg Index Services Ltd
BlueBay Global Sovereign Opportunities Fund	ICE BofA Merrill Lynch US Dollar 3-Month Deposit Offered Rate Constant Maturity Index plus 3% (only applicable to the Class K (Perf))	ICE Data Indices, LLC
BlueBay High Yield Bond Fund	ICE BofA Merrill Lynch European Currency High Yield Constrained Index, fully hedged against EUR	ICE Data Indices, LLC
BlueBay High Yield Corporate Bond Fund	ICE BofA Merrill Lynch European Currency High Yield Constrained Ex. Sub-Financials Index, fully hedged against EUR	ICE Data Indices, LLC
BlueBay Investment Grade Absolute Return Bond Fund	ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index	ICE Data Indices, LLC
BlueBay Investment Grade Bond Fund	iBoxx Euro Corporates Index	Markit Indices Limited
BlueBay Investment Grade Euro Aggregate Bond Fund	Bloomberg Barclays Euro Aggregate Index	Bloomberg Index Services Ltd
BlueBay Investment Grade Euro Government Bond Fund	Bloomberg Barclays Euro Aggregate Treasury Index	Bloomberg Index Services Ltd
BlueBay Investment Grade Global Aggregate Bond Fund	Bloomberg Barclays Global Aggregate Bond Index USD unhedged	Bloomberg Index Services Ltd
BlueBay Investment Grade Structured Credit Fund	ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index	ICE Data Indices, LLC

5. Investment Policies

5.1. Investment Policy of each Sub-Fund

The Sub-Funds will seek to achieve their objectives, in accordance with the specific investment policies established for each Sub-Fund by the Board of Directors, by investing primarily in fixed income Transferable Securities that are considered by the Investment Manager to have the potential to provide a high level of total return. The Board of Directors has determined the investment objective and policy of each Sub-Fund, as described in Appendix 1. There can be no assurance that the investment objective for any Sub-Fund will be attained. Pursuit of the investment objective and policy of each Sub-Fund must be in compliance with the limits and restrictions set forth in Section 10.1. "Investment Restrictions".

5.2. Financial Techniques and Instruments

Each Sub-Fund may utilise financial techniques and instruments for investment purposes, hedging purposes and efficient portfolio management. Such portfolio strategies include transactions in financial futures contracts and options thereon. The Sub-Funds may also engage in transactions in options, on bond and stock indices and on portfolios of indices. The Sub-Funds may seek to hedge their investments against currency fluctuations which are adverse to the respective currencies in which these Sub-Funds are denominated by utilising currency options, futures contracts and forward foreign exchange contracts.

The Sub-Funds may sell interest rate futures contracts, write call options or purchase put options on interest rates or enter into swap agreements for the purpose of hedging against interest rate fluctuations. The Sub-Funds may hold such ancillary liquid assets as the Investment Manager considers appropriate including, without limitation, cash, cash equivalents and assets linked to repurchase agreements as part of a treasury management strategy. Each Sub-Fund may also engage in securities lending and enter into repurchase and reverse repurchase agreements in compliance with the provisions set out in the CSSF circulars, the ESMA Guidelines 2014/937 and Regulation (EU) 2015/2365.

A Sub-Fund will only enter into the aforementioned transactions with financial institutions specialised in such transactions and deemed appropriate by the Investment Manager in accordance with its internal approval policies (and subject to its ongoing review). Such transactions shall be entered into only in accordance with the standard terms laid down by the ISDA. The ISDA has produced standardised documentation for such transactions under the umbrella of its ISDA Master Agreement. Any legal restrictions will be applied to the issuer of the derivative instrument as well as to the underlying thereof.

When using the techniques and instruments described in the preceding paragraphs, the Sub-Funds must comply with the limits and restrictions set forth in Section 10.1. "Investment Restrictions". Such techniques and instruments shall be used only to the extent that they do not affect the Sub-Funds' investment objectives and policies.

Use of the aforesaid techniques and instruments involves certain risks and there can be no assurance that the objective sought to be obtained from such use will be achieved.

Each Sub-Fund may further invest, within the 10% limit in relation to other Transferable Securities and Money Market Instruments pursuant to Article 41(2) (a) of the Law of 2010 as set out in Section 10.1.2(a), up to 10% of its net assets in loan participations and/or loan assignments provided such instruments constitute Money Market Instruments normally dealt in the money market, are liquid and have a value that may be accurately determined at any time.

Such loans are deemed to constitute Money Market Instruments (within the meaning of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010) normally dealt in on the money market where they fulfil one or more of the following criteria:

(a) they have a maturity at issuance of up to and including 397 days;

(b) they have a residual maturity of up to and including 397 days;

(c) they undergo regular yield adjustments in line with money market conditions at least every 397 days; or

(d) their risk profile, including credit and interest rate risks, corresponds to that of financial instruments which have a maturity as referred to in items (a) or (b) above, or are subject to a yield adjustment as referred to in item (c) above.

Such loans are deemed to be liquid where they can be sold at limited cost in an adequately short time frame, taking into account the obligation of the relevant Sub-Fund to repurchase its Shares at the request of any Shareholder.

Such loans are deemed to have a value which can be accurately determined at any time where such loans are subject to accurate and reliable valuations systems, which fulfil the following criteria:

(a) they enable the relevant Sub-Fund to calculate the net asset value in accordance with the value at which the loan held in the portfolio could be exchanged between knowledgeable willing parties in an arm's length transaction; and

(b) they are based either on market data or on valuation models including systems based on amortised costs.

5.3. Global Exposure

The global exposure of the Sub-Funds is measured by the Value at Risk (VaR) methodology.

In financial mathematics and financial risk management, VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR measures the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level. The calculation of VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of 20 days. The exposure of the Sub-Funds is subject to periodic stress tests.

The exposure of a Sub-Fund may further be increased by transitory borrowings not exceeding 10% of the assets of a Sub-Fund.

The method used to calculate the global exposure and the expected level of leverage as calculated in accordance with the applicable regulations for each Sub-Fund are set out in Appendix 1.

6. Risk Factors

6.1. General

This Section 6 explains some of the risks that apply to the Sub-Funds. It does not purport to be a complete explanation and other risks may also be relevant from time to time.

The value of investments and the income derived from them may fall as well as rise and investors may not recoup the original amount invested in the Fund. Past performance is not indicative of future performance. There is no assurance that the investment objective of any Sub-Fund will actually be achieved.

Investors should read all the Risk Factors to determine applicability to a specific Sub-Fund in which the investor intends to invest.

General Risks

6.2. Interest Rate Risk

As nominal interest rates rise, the value of fixed income securities held by a Sub-Fund is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Inflation-indexed securities decline in value when real interest rates rise. In certain interest rate environments, such as when real interest rates are rising faster than nominal interest rates, inflation-indexed securities may experience greater losses than other fixed income securities with similar durations.

6.3. Counterparty Credit Risk

In accordance with its investment objective and policy, a Sub-Fund may trade 'over-the-counter' (OTC) financial derivative instruments such as non-exchange traded futures and options, forwards, swaps or contracts for difference. OTC derivatives are instruments specifically tailored to the needs of an individual investor that enable the user to structure precisely its exposure to a given position. Such instruments are not afforded the same protections as may be available to investors trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. The counterparty to a particular OTC derivative transaction will generally be the specific entity involved in the transaction rather than a recognised exchange clearing house. In these circumstances the Sub-Fund will be exposed to the risk that the counterparty will not settle the transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. This could result in substantial losses to the Sub-Fund.

Participants in OTC markets are typically not subject to the credit evaluation and regulatory oversight to which members of 'exchange-based' markets are subject. Unless otherwise indicated in the Prospectus for a specific Sub-Fund, the Fund will not be restricted from dealing with any particular counterparties. The Fund's evaluation of the creditworthiness of its counterparties may not prove sufficient. The lack of a complete and fool-proof evaluation of the financial capabilities of the counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses.

The Fund may select counterparties located in various jurisdictions. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Sub-Fund and its assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize the effect of their insolvency on the Sub-Fund and its assets. Investors should assume that the insolvency of any counterparty would generally result in a loss to the Sub-Fund, which could be material.

If there is a default by the counterparty to a transaction, the Fund will under most normal circumstances have contractual remedies and in some cases collateral pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays and costs. If one or more OTC counterparties were to become insolvent or the subject of liquidation proceedings, the recovery of securities and other assets under OTC derivatives may be delayed and the securities and other assets recovered by the Fund may have declined in value.

Regardless of the measures that the Fund may implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that the Sub-Fund will not sustain losses on the transactions as a result. Such counterparty risk is accentuated for contracts with longer maturities or where the Sub-Fund has concentrated its transactions with a single or small group of counterparties.

6.4. Economic Risk

The value of a Sub-Fund may decline due to factors affecting market conditions generally or particular industries represented in the markets. The value of a security held by a Sub-Fund may decline due to an actual or perceived change in general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. During a general downturn in the economy, multiple asset classes may decline in value simultaneously. Economic downturn can be difficult to predict due to speculation in inflationary, fiscal and monetary factors.

6.5. Issuer Risk

An issuer of securities' inability or unwillingness to honour obligations can subject a Sub-Fund to the risk of losses. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, the issuer's inability to meet specific projected business forecasts or the unavailability of additional financing.

6.6. Liquidity Risk

The liquidity of a security, or the ability to trade a security without impacting its price, can fluctuate over time due to market conditions. Reduced market activity or participation and increased market restrictions or impediments may result in greater liquidity risk. Widespread selling of securities by a large number of market participants in periods of reduced demand may magnify the liquidity risk of a security. During extreme market conditions securities that would normally be liquid may become more illiquid. It may be difficult for Shareholders to collect redemption proceeds in a timely manner or Shareholders may incur a dilution adjustment when liquidity risk is greater. Under certain conditions, the Board of Directors may defer or suspend redemptions of a Sub-Fund for a period considered in the best interest of Shareholders to allow for the orderly disposal of assets by the relevant Sub-Fund whose securities have become illiquid (see Section 4.7. "Temporary Suspension of the calculation of net asset value, Issues, Redemptions and Conversions" and Section 7.6. "Redemption of Shares").

Certain investment positions in which the Sub-Funds will have an interest may be illiquid. The Sub-Funds may invest in non–transferable securities, non-publicly traded securities or securities with a lack of trading volume. These investments could prevent the Sub-Fund from liquidating unfavourable positions promptly and subject the Sub-Fund to substantial losses. Such investments could also impair the ability of Shareholders to collect redemption proceeds in a timely manner and Shareholders may incur a dilution adjustment.

6.7. Currency Risk

A Sub-Fund may be exposed to currency exchange risk where the assets and income are denominated in currencies other than the Reference Currency of the Sub-Fund. Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of a Sub-Fund's investments to decline or increase. Currency exchange rates may fluctuate significantly over short periods of time. They are generally determined by supply and demand in the currency exchange markets and the relative merits of investment in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can also be affected unpredictably by intervention (or failure to intervene) by governments or central banks, or by currency controls or political developments.

A Sub-Fund may enter into currency exchange transactions in an attempt to protect against changes in a country's currency exchange rates. A Sub-Fund may enter into forward contracts to hedge against a change in such currency exchange rates that would cause a decline in the value of existing investments denominated or principally traded in a currency other than the Reference Currency of that Sub-Fund. To do this, the Sub-Fund would enter into a forward contract to sell the currency in which the investment is denominated or principally traded in exchange for the Reference Currency of the Sub-Fund.

Although these transactions are intended to minimise the risk of loss due to a decline in the value of the hedged currency, at the same time they limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the forward contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the forward contract is entered into and the date when it matures. Therefore the successful execution of a hedging strategy which matches exactly the profile of the investments of any Sub-Fund cannot be assured.

6.8. Currency Risk – Hedged Share Class

Depending on the type of share class currency hedging, a Sub-Fund may enter into currency exchange transactions to hedge against:

- A change in currency exchange rates that would cause a decline in the value of a Class denominated in a currency other than the Reference Currency of the Sub-Fund. To do this, the Sub-Fund would enter into a forward contract to sell the Reference Currency of the Sub-Fund in exchange for the currency in which the Class is denominated;

- A change in currency exchange rates that would cause a decline in the value of a Class exposed to currencies in the benchmark of the relevant Sub-Fund other than the Class currency. To do this, the Sub-Fund would enter into forward contracts to sell the non-Class currencies of the Sub-Fund's benchmark in exchange for the currency in which the Class is denominated.

While the Sub-Fund or its authorised agent may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of the Sub-Fund and the hedged Class.

In the event the net asset value of Shares of one or more Classes has been suspended or if the Board of Directors has decided to defer redemptions under the conditions set-out in section 7.6 "Redemption of Shares", the currency hedging of the affected Classes may not be precise and expose Shareholders to currency risk.

The hedging strategies may be entered into whether the Reference Currency or non-Class benchmark currencies of a Sub-Fund is declining or increasing in value relative to the relevant currency of the hedged Class and so, where such hedging is undertaken it may substantially protect investors in the relevant hedged Class against a decrease in the value of the Reference Currency or non-Class benchmark currencies relative to the hedged Class currency, but it may also preclude investors from benefiting from an increase in the value of the Reference Currency or non-Class benchmark currencies.

6.9. Custodial Risk

A Sub-Fund may invest in markets where custodian and/or settlement systems are not fully developed. The assets of the Sub-Funds which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risk in circumstances whereby the custodian will have no liability.

6.10. Valuation Risk

A Sub-Fund's assets comprise mainly of quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. However, there is a risk that where the Sub-Fund invests in unquoted and/or illiquid investments the values at which these investments are realised may be significantly different to the estimated fair values of these investments.

6.11. Credit spread risk

A Sub-Fund's investments may be adversely affected if any of the issuers it is invested in are subject to an actual or perceived deterioration to their credit quality. Any actual or perceived deterioration may lead to an increase in the credit spreads of the issuer's securities.

6.12. Operational Risk

A Sub-Fund's investments may be adversely affected due to the operational process of the Sub-Fund. A Sub-Fund may be subject to losses arising from inadequate or failed internal controls, processes and systems, or from human or external events.

6.13. Regulatory, Business, Legal and Tax

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders' rights under such laws and regulations may involve significant uncertainties. Furthermore, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Some of the Sub-Funds may be subject to withholding and other taxes. Tax law and regulations of any country are constantly changing, and may be changed with retrospective effect. The interpretation and applicability of tax law and regulations by tax authorities in some jurisdictions are not consistent and transparent and may vary from region to region.

6.14. Conflicts of Interest

The Management Company and the various third parties to which the Management Company has delegated its functions may have conflicts of interest in relation to their duties to the Fund. The Management Company will, however, ensure that all such potential conflicts of interest are resolved fairly and in the best interests of the Shareholders in so far as it is possible to do so.

6.15. Emerging Markets

A Sub-Fund may invest in less developed or emerging markets. These markets may be volatile and illiquid and the investments of the Sub-Fund in such markets may be considered speculative and subject to significant delays in settlement. Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because the Fund will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if a Sub-Fund is unable to acquire or dispose of a security.

The risk of significant fluctuations in the net asset value and of the suspension of redemptions in those Sub-Funds may be higher than for Sub-Funds investing in major world markets. In addition, there may be a higher than usual risk of political, economic, social and religious instability and adverse changes in government regulations and laws in emerging markets and assets could be compulsorily acquired without adequate compensation. The assets of a Sub-Fund investing in such markets, as well as the income derived from the Sub-Fund, may also be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the net asset value of Shares of that Sub-Fund may be subject to significant volatility. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such countries may be subject to unexpected closure.

There may be less government supervision and legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets. Some emerging markets governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries, as do environmental problems.

6.16. Investment in China

To the extent it is permitted by the investment policy of a Sub-Fund, any mainland China investment will be made through the China Interbank Bond Market Direct Access or Bond Connect. Investing in China is subject to the risks of investing in Emerging Markets and may expose investors to the following risks:

- China Interbank Bond Market ("CIBM") Risk: the CIBM is an OTC market outside the two main stock exchanges in China. On the CIBM, institutional investors trade sovereign and corporate bonds on a one-to-one quote-driven basis. The CIBM accounts for more than 95% of outstanding bond values of total trading volume in China. The CIBM is regulated and supervised by the People's Bank Of China ("PBOC"). Investors should be aware that China's bond market is still in development and trading on the CIBM exposes Sub-Funds to increased:

- Liquidity risk: the bid and offer spread of fixed income securities trading on the CIBM may be high. Sub-Funds may therefore incur significant trading costs and may even suffer losses when selling such investments. In the absence of a regular and active secondary market, the Sub-Funds may not be able to sell their bond holdings at prices the Investment Manager considers advantageous and may need to hold the bonds until their maturity date.
- Settlement risk: the transaction settlement method in the CIBM is for delivery versus payment of security by the counterparty. Where the counterparty does not perform its obligations under a transaction, the Sub-Funds will sustain losses.

- CIBM Direct Access Risk: the CIBM Direct Access is the People's Republic of China ("PRC") investment program revised in 2016 under which certain foreign institutional investors such as the Fund and its Sub-Funds may invest, without particular license or quota, directly in fixed income securities dealt on the CIBM via an onshore bond settlement agent (the "Bond Settlement Agent"), which will have the responsibility for making the relevant filings and account opening with the relevant PRC authorities in particular the PBOC.

  Participation in the CIBM Direct Access by foreign institutional investors (such as the Fund) is governed by rules and regulations as promulgated by the mainland Chinese authorities, i.e. the PBOC and State Administration of Foreign Exchange ("SAFE"). Such rules and regulations may be amended from time to time (with retrospective effect) and include (but are not limited to):

  - the "Announcement (2016) No 3" issued by the PBOC on 24 February 2016;
  - the "Implementation Rules for Filing by Foreign Institutional Investors for Investment in Interbank Bond Markets" issued by the Shanghai Head Office of PBOC on 27 May 2016;
  - the "Circular concerning the Foreign Institutional Investors' Investment in Interbank bond market in relation to foreign currency control" issued by SAFE on 27 May 2016; and
  - any other applicable regulations promulgated by the relevant authorities.

  The CIBM Direct Access rules and regulations are relatively new. The application and interpretation of such investment regulations are therefore relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future. In addition, there can be no assurance that the CIBM Direct Access rules and regulations will not be abolished in the future. Sub-Funds, which invest in the PRC markets through the CIBM Direct Access, may be adversely affected as a result of any such changes or abolition.

  Investors should also be aware that the CIBM Direct Access also exposes them to the following risk:

  - Restrictions to remittances and repatriations risk: foreign investors (such as the Fund) may remit investment principal in renminbi ("RMB") or foreign currency into the PRC for investing in the CIBM under the CIBM Direct Access. A Sub-Fund using the CIBM Direct Access will need to remit investment principal matching at least 50% of its anticipated investment size within nine (9) months after filing with the PBOC, or else an updated filing will need to be made through the onshore Bond Settlement Agent.

    Where a Sub-Fund repatriates funds out of the PRC, the ratio of RMB to foreign currency ("Currency Ratio") should generally match the original Currency Ratio when the investment principal was remitted into PRC, with a maximum permissible deviation of 10%. However, to the extent an outward repatriation is in the same currency as the inward remittance the Currency Ratio restriction will not apply.

    Certain restrictions may be imposed by the PRC authorities on investors participating in the CIBM Direct Access and/or the Bond Settlement Agent which may have an adverse effect on a Sub-Fund's liquidity and performance. Repatriations conducted in RMB are currently permitted daily and are not subject to repatriation restrictions (such as lock-up periods) or prior approval, although authenticity and compliance reviews will be conducted, and reports on remittances and repatriations will be submitted to the relevant PRC authorities by the Bond Settlement Agent. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Furthermore, as the Bond Settlement Agent's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the Bond Settlement Agent in case of non-compliance with the CIBM Direct Access rules and regulations. Any restrictions imposed in the future by the PRC authorities, or rejection or delay by the Bond Settlement Agent, on repatriation of the invested capital and net profits may impact on the Sub-Fund's ability to meet redemption requests from the shareholders. It should be noted that the actual time required for the completion of the relevant repatriation will be beyond the Investment Manager's control.

    In order to participate in the CIBM Direct Access, the Investment Manager filed an application through the Bond Settlement Agent to the PBOC, specifying among other things the anticipated volume of investment to be made through the CIBM Direct Access for each Sub-Fund which may invest in China. In the event the anticipated volume of investment is reached, a further filing for an increase will need to be made through the Bond Settlement Agent with the PBOC. There can be no assurance that such increase will be accepted by the PBOC which may limit a Sub-Fund's exposure to securities dealt on the CIBM.

- Securities and cash accounts: onshore PRC securities are registered in the name of "the full name of the investment manager – the name of the Sub-Fund" in accordance with the relevant rules and regulations, and maintained by the Bond Settlement Agent in electronic form via a securities account with the China Central Depository & Clearing Co (CCDC)/Shanghai Clearing House (SCH) and onshore cash will be maintained on a cash account with the Bond Settlement Agent.

  A separate filing per Sub-Fund wishing to invest through the CIBM Direct Access will be made to the PBOC to allow the individual beneficial ownership of a Sub-Fund to be identified. Beneficial ownership of RMB securities acquired through CIBM Direct Access has been acknowledged in the FAQ published by the PBOC on 30 May 2016. Beneficial ownership is however an untested concept in the PRC.

  Investors should note that cash deposited in the cash account of the Sub-Fund with the Bond Settlement Agent will not be segregated but will be a debt owing from the Bond Settlement Agent to the Sub-Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Bond Settlement Agent. In the event of bankruptcy or liquidation of the Bond Settlement Agent, the Sub-Fund will not have any proprietary rights to the cash deposited in such cash account, and the Sub-Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the Bond Settlement Agent. The Sub-Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Sub-Fund will suffer losses.

- Bond Settlement Agent risk: there is a risk that the Sub-Fund may suffer losses, whether direct or consequential, from: (i) the acts or omissions in the settlement of any transaction or in the transfer of funds or securities by the Bond Settlement Agent; or (ii) the default or bankruptcy of the Bond Settlement Agent; or (iii) the disqualification of the Bond Settlement Agent from acting in such capacity either on a temporary or permanent basis. Such acts, omissions, default or disqualification may also adversely affect a Sub-Fund in implementing its investment strategy or disrupt the operations of a Sub-Fund, including causing delays in the settlement of any transaction or the transfer of any funds or securities in the PRC or in recovering assets, which may in turn adversely impact the net asset value of a Sub-Fund.

  In addition, the PBOC is vested with the power to impose regulatory sanctions if the Bond Settlement Agent violates any provision of the CIBM Direct Access rules. Such sanctions may adversely impact on the investment by the Fund through the CIBM Direct Access.

- Bond Connect Risk: Bond Connect is a mutual bond market access link established in July 2017 between Hong Kong and the PRC which facilitates investment in the CIBM through mutual access and connection arrangements in respect of trading, custody and settlement between the related financial infrastructure institutions of Hong Kong and the PRC. To the extent that a Sub-Fund's investments in China are made through Bond Connect, such investments may be subject to additional risk factors.

  Under the prevailing regulations in the PRC, eligible foreign investors who wish to invest through Bond Connect may do so via an offshore custody agent approved by the Hong Kong Monetary Authority ("Offshore Custody Agent"), who will be responsible for the account opening with the relevant onshore custody agent approved by the People's Bank of China. As the account opening for investment in the CIBM market via Bond Connect has to be carried out via an Offshore Custody Agent, the relevant Sub-Fund is subject to the risks of default or errors on the part of the Offshore Custody Agent.

  Securities invested by a Sub-Fund via Bond Connect will be held in accounts maintained by the Central Moneymarkets Units ("CMU") as central securities depositary in Hong Kong and nominee holder. Because CMU is only a nominee holder and not the beneficial owner of the securities, in the unlikely event that CMU becomes subject to winding up proceedings in Hong Kong, investors should note that securities will not be regarded as part of the general assets of CMU available for distribution to creditors even under PRC law. However, CMU will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in securities in the PRC. A failure or delay by the CMU in the performance of its obligations may result in a failure of settlement, or the loss, of securities and/or monies in connection with them and the relevant Sub-Funds and its investors may suffer losses as a result. Neither Sub-Funds nor the Investment Manager and / or the Sub-Investment Manager shall be responsible or liable for any such losses.

  Trading in securities via Bond Connect may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities / make payment, the Sub-Fund may suffer delays in recovering its losses or may not be able to fully recover its losses.

  Investments through Bond Connect are not subject to any quota but the relevant authorities may suspend account opening or trading via Bond Connect, the relevant Sub-Fund's ability to invest in CIBM will be limited, and the relevant Sub-Fund may not be able to effectively pursue its investment strategy or it may have an adverse effect on the relevant Sub-Fund's performance as the relevant Sub-Fund may be required to dispose of its CIBM holdings.

- Renminbi currency risk: under the CIBM Direct Access, it is permitted to convert foreign currencies to RMB either onshore ("CNY") or offshore ("CNH") when investing in mainland China. The value of the CNH may differ, perhaps significantly, from the value of the CNY due to a number of factors including without limitation foreign exchange control policies and repatriation restrictions applied by the Chinese government as well as other external factors and market forces. As a result, Sub-Funds investing in mainland China may bear greater currency risk.

- Tax within China Risk: in common with other Sub-Funds, income and gains derived from China may be subject to withholding tax and capital gains tax. The interpretation and applicability of existing Chinese tax laws may not be as consistent and transparent as those of more developed nations, and may vary from region to region. There is a possibility that the current tax laws, regulations, and practice in China may be changed with retrospective effect in the future. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any of these changes may reduce the income from, and/or value of, the Sub-Fund's investments.

  The Fund considers that the Sub-Fund should be regarded as a Luxembourg tax resident and should be able to enjoy a tax exemption on capital gains under the Luxembourg-China double tax treaty.

- China credit rating risk: some of the debt securities held by the Sub-Fund may have been assigned a credit rating by a local Chinese credit rating agency. The rating criteria and methodology used by these agencies may be different from those adopted by most of the established international credit rating agencies (e.g. S&P, Moody's or Fitch). Therefore, the rating systems of these agencies may not provide an equivalent standard for comparison with securities rated by international credit rating agencies. In selecting the Sub-Fund's debt securities, the Investment Manager may refer to credit ratings assigned by local Chinese credit rating agencies but will primarily rely on its own internal analysis to evaluate each debt security independently.

6.17. Sector Risk

A Sub-Fund may concentrate its investment in companies from a particular economic sector causing the performance of a Sub-Fund to be highly dependent on a sector's evolution and exposure to the economic cycle. Sector specific Sub-Funds may consequently be subject to higher volatility and may expose investors to greater capital loss than Sub-Funds investing in a broader number of sectors.

6.18. Eurozone Breakup / Failure of Euro

Concerns that the Eurozone sovereign debt crisis could worsen may lead to the reintroduction of national currencies in one or more Eurozone countries or, in particularly dire circumstances, the abandonment of the Euro. The departure or risk of departure from the Eurozone by one or more Eurozone countries and/or the abandonment of the Euro as a currency could have major negative effects on the Fund's investments as well as on the ability of the Fund's counterparties to fulfil their obligations. In addition, countries may impose capital control which could impact the Fund's ability to repatriate proceeds. Legal uncertainty may render hedging arrangements ineffectual.

6.19. FATCA and Common Reporting Standards

Under the terms of the FATCA Law and the CRS Law, the Fund is likely to be treated as a Reporting (Foreign) Financial Institution. As such, the Fund may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations. Should the Fund become subject to a withholding tax and/or penalties as a result of a non-compliance under the FATCA Law and/or penalties as a result of a non-compliance under the CRS Law, the value of the Shares held by all the Shareholders may be materially affected. Furthermore, the Fund may also be required to withhold tax on certain payments to its Shareholders who would not be compliant with the FATCA (i.e. the so-called foreign passthru payments withholding tax obligation).

6.20. Performance Fee mechanisms

There are two Performance Fee mechanisms that may be employed in respect to each Sub-Fund as described in Section 9 "Management and Fund Charges". Investors in Unequalised Performance Fee Classes, denoted by "(CPerf)", may be charged on occasions a Performance Fee for which they have gained no relative benefit as the Performance Fee will be calculated at the Class level and not on a Shareholder-by-Shareholder basis.

6.21. Depositary related risks

The Investment Manager may decide from time to time to invest in a country where the Depositary has no correspondent. In such a case, the Depositary will have to identify and appoint after due diligence a local custodian. This process may take time and in the meantime deprive the Investment Manager of investment opportunities.

In the same manner, the Depositary shall assess on an ongoing basis the custody risk of the country where the Fund's assets are safe-kept. The Depositary may identify from time to time a custody risk in a jurisdiction and recommends to the Investment Manager to realize the investments immediately. In doing so, the price at which such assets will be sold may be lower than the price the Fund would have received in normal circumstances, potentially affecting the performance of the relevant Sub-Funds.

As a continuing security for the payment of its duties under the Depositary Agreement (like the fees to be paid to the Depositary for its services or also overdraft facilities offered by the Depositary), the Depositary shall have a first priority pledge granted by the Fund over the assets the Depositary or any third party may from time to time hold directly for the account of the Fund.

Under the UCITS V Directive, cash is to be considered as a third category of assets beside financial instruments that can be held in custody and other assets. The UCITS V Directive imposes specific cash flow monitoring obligations. Depending on their maturity, term deposits could be considered as an investment and consequently would be considered as other assets and not as cash.

Securities, Derivative and Investment Techniques

6.22. Fixed Income Securities – General

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower rated securities will usually offer higher yields than higher rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry.

Investors should note that credit ratings may not necessarily reflect the true risk of an investment and that the Investment Manager may use its own set of credit rating criteria to perform its credit analysis, which may differ from the criteria used by the credit rating agencies.

6.23. Sovereign Bonds

A Sub-Fund may invest in debt obligations issued or guaranteed by governments or their agencies (sovereign bonds). The governmental entity that controls the repayment of sovereign bonds may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their sovereign bonds.

Holders of sovereign bonds may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which sovereign bonds, on which a governmental entity has defaulted, may be collected in whole or in part.

6.24. Corporate Bonds

A Sub-Fund may invest in corporate bonds. Corporate bonds are subject to the risk of the issuer's inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. When interest rates rise, the value of corporate bonds can be expected to decline. Corporate bonds with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.

6.25. Investment Grade Rated Securities

A Sub-Fund may invest in investment grade rated securities. Investment grade rated securities are assigned credit ratings by ratings agencies on the basis of the creditworthiness or risk of default of a bond issue. Rating agencies review, from time to time, such assigned ratings of the securities and may subsequently downgrade the rating if economic circumstances impact the relevant bond issues.

6.26. Sub-Investment Grade/High Yield

A Sub-Fund may invest in sub-investment grade/high yield securities. These fixed income securities (rated BB+ or lower by Standard & Poor's or Fitch or Ba1 or lower by Moody's) typically are subject to greater market fluctuations and to greater risk of loss of income and principal, due to default by the issuer, than are higher rated fixed income securities. Lower rated fixed income securities' values tend to reflect short term corporate, economic and market developments and investor perceptions of the issuer's credit quality to a greater extent than lower yielding higher rated fixed income securities' values. In addition, it may be more difficult to dispose of, or to determine the value of, high yield fixed income securities. There are fewer investors in lower rated securities, and it may be harder to buy and sell securities at an optimum time. Fixed income securities rated BB+ or Ba1 or lower are described by the ratings agencies as "predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions".

6.27. Distressed Debt Securities

A Sub-Fund may invest in distressed debt securities. Investment in such distressed debt securities (which qualify as Transferable Securities) involves purchases of obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. Acquired investments may include senior or subordinated debt securities, bank loans, promissory notes and other evidences of indebtedness, as well as payables to trade creditors. Although such purchases may result in significant investor returns, they involve a substantial degree of risk and may not show any return for a considerable period of time. In fact, many of these investments ordinarily remain unpaid unless and until the company reorganises and/or emerges from bankruptcy proceedings, and as a result may have to be held for an extended period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial distress is unusually high. There is no assurance that the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganisation or similar action. In any reorganisation or liquidation proceeding relating to a company in which a Sub-Fund invests, an investor may lose its entire investment or may be required to accept cash or securities with a value less than the original investment. Under such circumstances, the returns generated from the investment may not compensate a Sub-Fund adequately for the risks assumed.

Investing in distressed debt can also impose duties on the Investment Manager which may conflict with duties which it owes to a Sub-Fund. A specific example of where the Investment Manager may have a conflict of interest is where it invests the assets of a Sub-Fund in a company in serious financial distress and where that investment leads to the Investment Manager investing further amounts of the Sub-Fund's assets in the company or taking an active role in managing or advising the company, or one of the Investment Manager's employees becomes a director or other officer of the company. In such cases, the Investment Manager or its employee may have duties to the company and/or its members and creditors which may conflict with, or not correlate with, the interests of the Shareholders of that Sub-Fund. In such cases, the Investment Manager may also have discretion to exercise any rights attaching to the Sub-Fund's investments in such a company. The Investment Manager will take such steps as it considers necessary to resolve such potential conflicts of interest fairly.

6.28. Convertible Bonds

Investments in convertible bonds may, in addition to normal bond risks and fluctuations, be subject to fluctuations in response to numerous factors, including but not limited to, variations in the periodic operating results of the issuer, changes in investor perceptions of the issuer, the depth and liquidity of the market for convertible bonds and changes in actual or forecasted global or regional economic conditions. In addition, the global bond markets have from time to time experienced extreme price and volume fluctuations. Any such broad market fluctuations may adversely affect the trading price of convertible bonds.

6.29. Asset Backed Securities

Certain Sub-Funds may have exposure to a wide range of asset-backed securities (including asset pools in credit card loans, auto loans, residential and commercial mortgage loans, collateralised mortgage obligations, collateralised loan obligations and collateralised debt obligations), agency mortgage pass-through securities and covered bonds. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. Asset-backed securities and mortgage backed securities are securities that entitle the holders thereof to receive payments that are primarily dependent upon the cash flow arising from a specified pool of financial assets such as residential or commercial mortgages, motor vehicle loans or credit cards. Asset-backed securities and mortgage backed securities are often exposed to extension and prepayment risks that may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets. Prepayment risk is typically greater when interest rates are declining as mortgages and loans are prepaid. This may negatively impact the return of any Sub-Fund investing in such security as the income generated will have to be reinvested at the lower prevailing interest rates. Conversely, extension risk tends to increase when interest rates rise as the prepayment rate decreases causing the duration of asset-backed securities and mortgage backed securities to lengthen and expose investors to higher Interest Rate risk.

Asset-backed securities generally issue multiple notes or tranches, each having different characteristics in terms of interest rate paid, priority of claim on distributions and exposure to risk of loss on underlying pool of assets. Sub-Funds may invest in senior and subordinated notes or tranches which may expose investors to varying levels of credit risk. Additionally, recovery rates are generally lower for asset-backed securities where the underlying pool of assets includes unsecured debt.

In regards to asset-backed securities such as collateralised loan and debt obligations, the underlying asset pool generally consists of non-investment grade loans, interests in non-investment grade loans, high yield debt securities and other debt instruments, which are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks. The underlying assets will generally be subject to greater risks than investment-grade rated debt securities. The underlying assets are typically actively managed by a third party or by the Investment Manager (if the Sub-Fund invests in a tranche of a collateralised loan or debt obligation issued by the Investment Manager) according to rating agency requirements and other constraints. The aggregate return on the underlying assets will depend in part upon the ability of the relevant third-party or the Investment Manager to actively manage the related portfolio of underlying assets within the set constraints. Investing in these instruments is subject to fees charged to the Sub-Fund by the manager of the collateralised loan or debt obligation which may impact the return achieved by the Sub-Fund.

A Sub-Fund may gain exposure to mortgage backed securities by purchasing "To Be Announced" securities ("TBAs"). TBAs are forward settling contracts on mortgage pass-through securities issued by government agencies. At the time of purchase, the exact securities are not known, but their main characteristics are specified. Although the price has been established at the time of purchase, the principal value has not been finalised. Purchasing TBAs involves a risk of loss if the value of the securities to be purchased declines prior to the settlement date. Investing in TBAs may expose the Sub-Fund to various risks as listed under the section "Derivatives - General".

6.30. Collateralised Debt and Loan Obligations ("CDOs/CLOs")

Securities issued by CDOs/CLOs ("CDO/CLO Security" or "CDO/CLO Securities") are generally limited recourse obligations of the issuers thereof payable solely from the underlying assets ("Underlying Assets") of the relevant issuer or proceeds thereof. Consequently, holders of CDO/CLO Securities including the Sub-Fund must rely solely on distributions on the Underlying Assets or proceeds thereof for payment in respect thereof.

In addition, interest payments on CDO/CLO Securities (other than the most senior tranche or tranches of a given issue) are generally subject to deferral. If distributions on the Underlying Assets (or, in the case of a market value CDO/CLO Security - as explained hereinafter) - proceeds from the sale of the Underlying Assets) are insufficient to make payments on the CDO/CLO Securities, no other assets will be available for payment of the deficiency and following realization of the Underlying Assets, the obligations of the issuer of the related CDO/CLO Security to pay such deficiency including to the Sub-Fund will be extinguished.

With a market value CDO/CLO deal, principal and interest payments to investors come from both collateral cash flows as well as sales of collateral. Payments to tranches are not contingent on the adequacy of the collateral's cash flows, but rather the adequacy of its market value. Should the market value of collateral drop below a certain level, payments are suspended to the equity tranche. If it falls even further, more senior tranches are impacted. An advantage of a market value CDO/CLO is the added flexibility they afford the portfolio manager. It is not constrained by a need to match the cash flows of collateral to those of the various tranches.

Underlying Assets consist generally of non-investment grade loans, interests in non-investment grade loans, high yield debt securities and other debt instruments, which are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks. The Underlying Assets will generally be subject to greater risks than investment-grade corporate obligations. Such investments are normally considered speculative in nature. Underlying Assets are typically actively managed by an investment manager, and as a result Underlying Assets will be traded, subject to rating agency and other constraints, by such investment managers. The aggregate return on the Underlying Assets will depend in part upon the ability of the relevant investment manager to actively manage the related portfolio of the Underlying Assets.

The Underlying Assets will be subject to certain portfolio restrictions as set forth herein. However, the concentration of the Underlying Assets in any one security type subjects the holders of CDOs/CLOs to a greater degree of risk with respect to defaults on the Underlying Assets.

The Underlying Assets are subject to credit, liquidity, market value, interest rate and certain other risks.

CDO/CLO Securities are in general privately placed and offer less liquidity than other investment-grade or high-yield corporate debt. They are also generally issued in structured transactions with risks different from regular corporate debt. In addition, the assets collateralizing market value CDO/CLO Securities are subject to liquidation upon the failure of certain tests, and it is likely that any such liquidation would result in a substantial loss of value of the related market value CDO/CLO Securities.

Prices of the Underlying Assets may be volatile and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the Underlying Assets. In addition, the ability of the issuer to sell Underlying Assets prior to maturity is subject to certain restrictions set forth in the offering and constitutive documents of the relevant.

The average life of a CDO/CLO Security may be affected by the financial condition of the underlying loan or the CDO/CLO Security Issuer and/or the characteristics of the Underlying Assets, including, without limitation: the existence and frequency of exercise of any optional or mandatory redemption features; the prevailing level of interest rates; the redemption price; and the actual default rate.

6.31. Local Currency Securities

A Sub-Fund may invest in local currency securities. Such investments will be subject to the risks related to investing in emerging market securities as described above. In addition, when purchasing local Currency securities, exchange rate fluctuations may occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement demands.

6.32. Subordinated Debts

A Sub-Fund may invest in subordinated debt. Subordinated debt is debt which, in the case of insolvency of the issuer, ranks after other debts in relation to repayment. Because subordinated debt is repayable after senior debts have been re-paid, the chance of receiving any repayment on insolvency is reduced and therefore subordinated debt represents a greater risk to the investor.

Depending on the jurisdiction of the issuer, a financial regulator with supervisory authority may use statutory powers and deem the issuer of subordinated debt to have reached a point of non-viability, meaning that public intervention would be necessary. Under such conditions, subordinated debt securities may absorb losses prior to bankruptcy.

6.33. Contingent Convertibles

A Sub-Fund may invest in contingent convertibles ("CoCos"). CoCos are debt securities issued by financial institutions. CoCos generally contain loss absorption mechanisms, or 'bail-in' clauses, to avoid public sector intervention to keep the issuer of such securities from insolvency or bankruptcy. Additionally, CoCo investors may suffer losses prior to investors in the same financial institution holding equities or bonds ranking pari passu or junior to the CoCo bond holders. CoCos terms may vary from issuer to issuer and bond to bond and may expose investors to:

- Trigger risk in the event that the issuer falls below pre-determined capital ratio threshold levels causing CoCos to convert into equity or to be permanently written down. The trigger event calculations may be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. In the event of a security being converted to equity, investors may suffer a loss depending on the conversion rate. Were the securities to be written down, the principal may be fully lost with no payment to be recovered. Some CoCos may be written back up to par over time, but the issuer may be under no obligation to fully do so. Following a trigger event, losses may not reflect the waterfall of subordination and in some circumstances CoCo bond holders may suffer losses prior to investors in the same financial institution holding equity or bonds ranking pari passu or junior to the CoCo instruments.

- Extension risk as there may be no incentive, in the form of a coupon step-up, for the issuer to redeem the securities issued. This would cause the securities' duration to lengthen and to expose investors to higher Interest Rate risk.

- Coupon payment risk whereby coupon payments may be indefinitely deferred or cancelled with no interest accumulation and potentially no restriction on the issuer to pay dividends to equity holders or coupons to bond holders which rank pari passu or junior to the CoCo bond holders.

- In certain cases, a financial regulator with supervisory authority may at any time deem the issuer to have reached a point of non-viability, meaning that public intervention would be needed to keep the issuer out of bankruptcy, causing losses across the capital structure for equity and bondholders alike. Under these circumstances CoCo bondholders would suffer losses in line with the subordination of the CoCo host instrument.

CoCos tend to have higher price volatility, greater liquidity risk and valuation risk than other securities which do not expose investors to the aforementioned risks. Additionally, the extent to which the correlation between CoCos may rise in periods of stressed market conditions is unknown due to the innovative yet untested structures of these securities.

Most CoCos are subordinated debt securities. In such cases, the risk factor relating to 'Subordinated Debts' shall apply.

6.34. Corporate Hybrids

A Sub-Fund may invest in corporate hybrids which are subordinated bonds from the non-financial segment that share certain characteristics with equity. The yields of corporate hybrids are significantly higher than those paid by the senior bonds from the same issuer. The risk/return profile of this asset class is located on the continuum between equities and senior bonds. Corporate hybrids either come with very long maturities or have no end of maturity at all (perpetual).

The issuer has certain rights of termination during the life of the bond. Coupon payments may be deferred under certain conditions (e.g. if a dividend is not paid), but are typically recovered as soon as a dividend is paid out. Coupon payments are typically fixed for a period of five to twelve years, which is followed by a period of variable rates. If the bond is not redeemed at the initial call date, the coupon turns variable.

6.35. Equities

A Sub-Fund may invest in equity or equity-related investments. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

6.36. Loans

A Sub-Fund may invest in fixed and floating rate loans from one or more financial institutions ("lender(s)") to a borrower ("borrower") by way of (i) assignment/transfer of; or (ii) participation in the whole or part of the loan amount outstanding. The Sub-Funds will invest only in loans that qualify as Money Market Instruments for the purposes of the Law of 2010.

In both instances, assignments or participations of such loans must be capable of being freely traded and transferred between investors in the loans. Participations typically will result in the Sub-Fund having a contractual relationship only with a lender as grantor of the participation but not with the borrower. The Sub-Fund acquires a participation interest only if the lender(s) inter-positioned between the Sub-Fund and the borrower is determined by the Investment Manager to be creditworthy. When purchasing loan participations, a Sub-Fund assumes the economic risk associated with the corporate borrower and the credit risk associated with an interposed bank or other financial intermediary. Loan assignments typically involve a transfer of debt from a lender to a third party. When purchasing loan assignments, a Sub-Fund assumes the credit risk associated with the corporate borrower only.

Such loans may be secured or unsecured. Loans that are fully secured offer a Sub-Fund more protection than an unsecured loan in the event of non-payment of scheduled interest or principal. However, there is no assurance that the liquidation of collateral from a secured loan would satisfy the corporate borrower's obligation. In addition, investments in loans through a direct assignment include the risk that if a loan is terminated, a Sub-Fund could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral.

Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates.

A loan is often administered by an agent bank acting as agent for all holders. Unless, under the terms of the loan or other indebtedness, a Sub-Fund has direct recourse against the corporate borrower, the Sub-Fund may have to rely on the agent bank or other financial intermediary to apply appropriate credit remedies against a corporate borrower.
The loan participations or assignments in which a Sub-Fund invests may not be rated by any internationally recognised rating service.

6.37. Rule 144A Securities Risk

Rule 144A Securities are securities issued in the United States which are transferable via a private placement regime (i.e. without registration with the Securities and Exchange Commission), to which a registration right under the United States Securities Act of 1933 ("1933 Act") may be attached. The registration right provides for an exchange of the 144A securities into equivalent debt or equity securities. The selling of such Rule 144A Securities is restricted to Qualified Institutional Buyers (as defined by 1933 Act). The sale restriction of Rule 144A Securities may cause such securities to have higher price volatility and greater liquidity risk.

A Sub-Fund may invest in Rule 144A Securities under the conditions that:

- such securities are either admitted to official listing on a Regulated Market or are dealt in on an Other Regulated Market which operates regularly and is recognised and open to the public;
- such securities are deemed to be liquid.

Investment in Rule 144A Securities, which would not comply with any of the above conditions, shall, together with the Transferable Securities eligible under item (a) of Section 10.1.2. "Investment Restrictions" of this Prospectus, not exceed 10% of the Sub-Fund's net asset value.

6.38. Unlisted Securities

A Sub-Fund may invest in unlisted securities. In general there is less governmental regulation and supervision of transactions in the unlisted securities markets than for transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance guarantee of an exchange clearing house, may not be available in connection with unlisted securities. Therefore, any Sub-Fund investing in unlisted securities will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Sub-Fund will sustain losses. Additional risks in relation to unlisted financial derivatives are set out below.

6.39. Derivatives – General

A portion of a Sub-Fund's investments may consist of financial derivative instruments, to reduce risks or costs or to generate additional capital or income. Specific Sub-Funds may use more complex derivative investment instruments. The use of derivatives by each Sub-Fund is set out in more detail in Appendix 1.

Generally, derivative instruments are financial contracts whose value depends upon, or is derived from, the value of an underlying asset, reference rate or index, and may relate to stocks, bonds, leveraged loans, high yield debt securities, interest rates, currencies or currency exchange rates and related indexes. Examples of derivative instruments which a Sub-Fund may use include options contracts, futures contracts, options on futures contracts, swap agreements (including total return swaps, contracts for difference, portfolio swap agreements, credit swaps, credit default swaps, options on swap agreements, straddles, forward currency exchange contracts and structured notes).

A Sub-Fund's use of derivative instruments involves risks different from, or possibly greater than, the risk associated with investing directly in the underlying asset. The following sets out important risk factors investors should understand and consider in relation to derivative instruments.

Management Risk

Derivative instruments are highly specialised instruments that require investment techniques and risk analysis different from those associated with securities. The use of a derivative instrument requires an understanding not only of the underlying asset but also of the derivative instrument itself, without the benefit of observing the performance of the derivative instrument under all possible market conditions.

Liquidity risk

Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Market and Other Risks

Like most other investments, derivative instruments are subject to the risk that the market value of the instrument will change in a way detrimental to a Sub-Fund's interest. While some strategies involving derivative instruments can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favourable price movements in other Sub-Fund investments.

Unlisted instruments

For unlisted instruments, or OTC derivative instruments, where two parties contract directly rather than through an exchange, a Sub-Fund will usually have a contractual relationship only with the counterparty of such unlisted instrument and not the reference obligor on the reference obligation. The Sub-Fund generally will have no right directly to enforce compliance by the reference obligor with the terms of the reference obligation nor any rights of set-off against the reference obligor, may be subject to set-off rights exercised by the reference obligor against the counterparty or another person or entity, and generally will not have any voting or other contractual rights of ownership with respect to the reference obligation.

The Sub-Fund will not directly benefit from any collateral supporting the reference obligation and will not have the benefit of the remedies that would normally be available to a holder of such reference obligation. In addition, in the event of the insolvency of the counterparty, the Sub-Fund will be treated as a general creditor of such counterparty, and will not have any claim with respect to the reference obligation. Consequently, the Sub-Fund will be subject to the credit risk of the counterparty as well as that of the reference obligor. As a result, concentrations of over-the-counter derivative instruments entered into with any one counterparty will subject the Sub-Fund to an additional degree of risk with respect to defaults by such counterparty as well as by the reference obligor. Additionally, while the Investment Manager expects that the returns on an OTC derivative instrument will generally reflect those of the related reference obligation, as a result of the terms of the OTC derivative instrument and the assumption of the credit risk of the OTC derivative instrument counterparty, an over-the-counter derivative instrument may have a different expected return, a different (and potentially greater) probability of default and expected loss characteristics following a default, and a different expected recovery following default.

Additionally, when compared to the reference obligation, the terms of an over-the-counter derivative instrument may provide for different maturities, distribution dates, interest rates, interest rate references, credit exposures, or other credit or non-credit related characteristics. Upon maturity, default, acceleration or any other termination (including a put or call) other than pursuant to a credit event (as defined therein) of the over-the-counter derivative instrument, the terms of the over-the-counter derivative instrument may permit or require the issuer of such OTC derivative instrument to satisfy its obligations under the over-the-counter derivative instrument by delivering to the relevant Sub-Fund securities other than the reference obligation or an amount different than the then current market value of the reference obligation.

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivative instruments are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to over-the-counter derivative instruments are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

A Sub-Fund may enter into OTC derivative instruments cleared through a clearinghouse that serves as a central counterparty. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivative instruments, but it does not eliminate those risks completely. The central counterparty will require margin from the clearing broker which will in turn require margin from the Sub-Fund. There is a risk of loss by a Sub-Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Sub-Fund has an open position or if margin is not identified and correctly report to the particular Sub-Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the central counterparty. In the event that the clearing broker becomes insolvent, the Sub-Fund may not be able to transfer or "port" its positions to another clearing broker.

EU Regulation 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation or EMIR) requires certain eligible over-the-counter derivative instruments to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivative instruments which are not subject to mandatory clearing. Ultimately, these requirements are likely to include the exchange and segregation of collateral by the parties, including by the Sub-Fund. While some of the obligations under EMIR have come into force, a number of the requirements are subject to phase-in periods and certain key issues have not been finalised by the date of this Prospectus. It is as yet unclear how the OTC derivative instruments market will adapt to the new regulatory regime. ESMA has published an opinion calling for the UCITS Directive to be amended to reflect the requirements of EMIR and in particular the EMIR clearing obligation. However, it is unclear whether, when and in what form such amendments would take effect. Accordingly, it is difficult to predict the full impact of EMIR on the Fund, which may include an increase in the overall costs of entering into and maintaining OTC derivative instruments.

Investors should be aware that the regulatory changes arising from EMIR and other applicable laws requiring central clearing of OTC derivative instruments may in due course adversely affect the ability of the Sub-Funds to adhere to their respective investment policies and achieve their investment objective.

Investments in OTC derivative instruments may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivative instruments, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions. Inaccurate valuation can result in inaccurate recognition of gains or losses and counterparty exposure.

Unlike exchange-traded derivatives, which are standardised with respect to their terms and conditions, OTC derivative instruments are generally established through negotiation with the other party to the instrument. While this type of arrangement allows greater flexibility to tailor the instrument to the needs of the parties, OTC derivative instruments may involve greater legal risk than exchange-traded instruments, as there may be a risk of loss if the agreement is deemed not to be legally enforceable or not documented correctly. There also may be a legal or documentation risk that the parties may disagree as to the proper interpretation of the terms of the agreement. However, these risks are generally mitigated, to a certain extent, by the use of industry-standard agreements such as those published by the International Swaps and Derivatives Association (ISDA).

6.40. Credit Linked Notes

Credit linked notes and similar structured notes involve a counterparty structuring a note whose value is intended to move in line with the underlying security specified in the note. Unlike financial derivative instruments, cash is transferred from the buyer to the seller of the note. In the event that the counterparty (structurer of the note) defaults, the risk to the Sub-Fund is to that of the counterparty, irrespective of the value of the underlying security within the note. Additional risks result from the fact that the documentation of such notes programmes tends to be highly customised. The liquidity of a credit linked note or similar notes can be less than that for the underlying security, a regular bond or debt instrument, and this may adversely affect either the ability to sell the position or the price at which such a sale is transacted.

6.41. Repurchase or Reverse Repurchase Agreements

The principal risk when engaging in repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the relevant Sub-Fund as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of the relevant Sub-Fund. However, repurchase or reverse repurchase transactions may not be fully collateralised. Fees and returns due to the Fund under repurchase or reverse repurchase transactions may not be collateralised. In addition, the value of collateral may decline in between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the relevant Sub-Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the relevant Sub-Fund

A Sub-Fund may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Fund to the counterparty as required by the terms of the transaction. The relevant Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Fund.

Repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

A Sub-Fund may enter into repurchase or reverse repurchase transactions with other companies in the same group of companies as the Management Company or Investment Manager. Affiliated counterparties, if any, will perform their obligations under any repurchase or reverse repurchase transactions concluded with the Sub-Fund in a commercially reasonable manner. In addition, the Management Company or Investment Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the Sub-Fund and its investors. However, investors should be aware that the Management Company or Investment Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

6.42. Total Return Swaps

As any OTC financial derivative, a total return swap is a bilateral agreement which involves a counterparty which may not be in a position to fulfil its obligations under the total return swap. Each counterparty under a total return swap is thus exposed to counterparty risk and, if the agreement includes the use of collateral, to the risks related to the management thereof. Moreover, the lack of standardisation of total return swaps may adversely influence the price and/or conditions under which a total return swap can be sold, liquidated or closed out. Therefore, any total return swap involves a certain degree of liquidity risk. Investors are invited to consider section 6.38 “Derivatives – General” for additional information on the risks associated to total return swaps.

7. The Shares

7.1. General

The Shares of each Sub-Fund will be offered in registered form and will be issued without certificates. All Shares are of no par value and must be fully paid upon issue.

The Board of Directors may decide to issue fractional Shares. Fractions of Shares will be issued up to three decimal places. Such fractional Shares shall not be entitled to vote but shall be entitled to participate in the net assets attributable to the relevant Class on a pro rata basis. If the sum of the fractional Shares so held by the same Shareholder in the same Class represents one or more entire Share(s), such Shareholder benefits from the corresponding voting right(s).

Subject to the restrictions described below, Shares of each Class of each Sub-Fund are freely transferable and are each entitled to participate equally in the profits and liquidation proceeds attributable to that Class. The rules governing such allocation are set forth below.

The Shares carry no preferential or pre-emptive rights, and each Share entitles its registered holder to one vote at all general meetings of Shareholders and at all meetings of the Sub-Fund in which such Share is held. Shares redeemed by the Fund may be cancelled.

The Board of Directors may restrict or prevent the legal or beneficial ownership of Shares by any person, firm or corporation if the ownership is such that it may be contrary to the interests of the Fund or of the majority of its Shareholders or of any Sub-Fund or Class therein. Where it appears to the Board of Directors that a person who is precluded from holding Shares, either alone or in conjunction with any other person, is a beneficial owner of Shares, the Fund may proceed to compulsorily redeem all Shares so owned.

The Board of Directors may fix minimum subscription amounts for each Class, which, if applicable, are detailed below in Section 7.3. “Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts”.

Unless otherwise specified in Appendix 1 in relation to a specific Sub-Fund, applications for subscriptions can be submitted up to 12:00 CET on any Valuation Day, provided the application is received in good order. Applications for subscriptions received after such time will be dealt with on the following Valuation Day. Applications for redemptions and conversions from any Sub-Fund must be received in good order no later than 12:00 CET on the relevant Valuation Day. Redemption and conversion applications received after such time will be dealt with on the following Valuation Day.

Further information in relation to the subscription, conversion and redemption of Shares is set out below.

7.2. Subscription for Shares

Applications for subscriptions for Shares can be made on any Valuation Day for the relevant Sub-Fund prior to 12:00 CET. Applications for Shares should be sent to the Registrar and Transfer Agent at the address set out in Section 2. “Directory” of this Prospectus.

Shares of each Class shall be allotted at the net asset value per Share of such Class determined on the applicable Valuation Day, plus any applicable sales charge. A sales charge (if any) of up to 5% of the subscription amount may be applied and retained by the intermediary acting in relation to the distribution of Shares.

Payment for Shares must be received by the Depositary in the Reference Currency of the relevant Class not later than three Business Days after the relevant Valuation Day. Where an applicant for Shares fails to pay settlement monies on subscription, the Board of Directors may cancel the allotment or, if applicable, redeem the Shares. If requested by a Shareholder, the Board of Directors acting in its discretion may, from time to time, determine to pay such cancellation proceeds in currencies other than the designated currency of the relevant Class of Shares. The Depositary will inform the applicant that the application has been rejected or the subscription cancelled, as applicable, and the money received, if any, will be returned to the applicant at its risks and costs, without interest. The applicant may be required to indemnify the Fund against any and all losses, costs or expenses incurred (as conclusively determined by the Board of Directors in their discretion) directly or indirectly as a result of the applicant's failure to make timely settlement. In computing such loss, account shall be taken, where appropriate, of any movement in the price of the Shares concerned between allotment and cancellation or redemption and the costs incurred by the Fund in taking proceedings against the applicant.

If the applicant fails to make timely settlement in respect of the allotment of a share or shares, the Board of Directors may at its discretion take such steps as it sees fit to avoid, mitigate or make good any losses, costs or expenses incurred by the Fund as mentioned above including making payment of the due amount to the Fund on the due date and shall be entitled to recover all costs and expenses (including interest) incurred directly or indirectly by the Fund in seeking to recover such due debt and which is payable on demand.

The Board of Directors may impose restrictions on the frequency at which Shares shall be issued in any Class of Shares. The Board of Directors may, in particular, decide that Shares of any Class shall only be issued during one or more offering periods or at such other periodicity as provided for in this Prospectus. Furthermore, the Board of Directors may impose restrictions in relation to the minimum initial subscription amounts, the minimum subsequent subscription amount and the minimum shareholding amount. The Board of Directors may, from time to time, determine minimum holdings or subscriptions of Shares of any Sub-Fund/Class of such number or value thereof as it may think fit or waive these minimum.

The Fund may, if a prospective shareholder requests and the Board of Directors so agrees, satisfy any application for subscription of Shares which is proposed to be made by way of contribution in kind. The nature and type of assets to be accepted in any such case shall be determined by the Board of Directors and must correspond to the investment policy and restrictions of the Fund or the Sub-Fund being invested in. A report relating to the contributed assets must be delivered to the Fund by an independent auditor save as otherwise provided for under applicable laws. All costs associated with such contribution in kind shall be borne by the Shareholder making the contribution, or by such other third party as agreed by the Fund or in any other way which the Board of Directors considers fair to all Shareholders of the Sub-Fund.

The Board of Directors reserves the right to accept or refuse any application in whole or in part and for any reason. The Fund may also limit the distribution of Shares of a given Class or Sub-Fund to specific countries. The issue of Shares of a given Class shall be suspended whenever the determination of the net asset value per Share of such Class is suspended by the Fund (see Section 4.7. "Temporary Suspension of the calculation of net asset value, Issues, Redemptions and Conversions"). The Fund, the Management Company and the Registrar and Transfer Agent will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to money laundering, as they may be amended or revised from time to time, and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking. As a result, the Registrar and Transfer Agent has to ensure that the identity of subscribers who are individuals (demonstrated by a certified copy of their passport or identification card) or of subscribers who are not individuals (demonstrated by a certified copy of their articles of incorporation or equivalent documentation) or the status of financial intermediaries (demonstrated by a recent original extract of the Trade Register and, where applicable or if requested, a certified copy of the business authorisation delivered by the competent local authorities) are disclosed to the Fund. Such information shall be collected for compliance reasons only and shall not be disclosed to unauthorised persons.

Confirmation of completed subscriptions will be mailed, at the risk of the Shareholder, to the address indicated in the Shareholder's application, within 10 Business Days following the issue of Shares.

The Global Distributor may enter into agreements with certain distributors pursuant to which they agree to act as, or appoint nominees for, investors subscribing for Shares through their facilities (distribution and nominee agreements). In such capacity the distributor may effect subscriptions, conversions and redemptions of Shares in a nominee name on behalf of individual investors and request the registration of such operations on the register of Shareholders of the Fund in such nominee name. The nominee/distributor maintains its own records and provides the investor with individualised information as to its holdings of Shares in the Fund.

7.3. Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts

Classes of Shares

The Board of Directors may from time to time decide to create within each Sub-Fund different Classes which may have any combination of the following features:

- Each Sub-Fund may contain one or more of the following Classes: A, B, C, D, G, I, K, M, Q, R, S, V, W, X, Y, Z (and/or any of the aforementioned, followed by "R"). These Classes may differ in their minimum initial and minimum holding amount, eligibility requirements, and applicable fees and expenses, as detailed in Appendix 1.

- Each Class, where available, may be offered in the Reference Currency of the relevant Sub-Fund, or may be denominated in any other currency as determined from time to time by the Board of Directors. The currency denomination of each Class will be represented in the name of the Class by a short form reference to such currency. Classes not denominated in the Reference Currency of the relevant Sub-Fund are hedged on a periodic basis against the Reference Currency of such Sub-Fund, with the aim to mitigate currency risk between the currency in which the Class is denominated and the Reference Currency of the relevant Sub-Fund. This hedging technique is applied to all Classes not denominated in the Reference Currency of the Sub-Fund by default, except when a Class is a "BHedged" Class (see below), or unless otherwise stated. Such currency transactions are not linked to the underlying currency exposure of the portfolio holdings.

- Each Class, where available, may have a certain portion of its non-Class currency exposure in the benchmark of the relevant Sub-Fund hedged back to the Class currency on a periodic basis. Such Classes are denoted by "(BHedged)" in the name of the Class. Such currency transactions are not linked to the underlying currency exposures of the portfolio holdings. Investors should note the currency exposure of a Sub-Fund's benchmark may or may not be the same as the currency exposure of the Sub-Fund's portfolio in which case investors would still be exposed to currency fluctuations.

- Classes which are intended to distribute dividends will be classified according to the categories set out in Section 8.2. "Distributing Classes". Specific dividend policies are described therein.

- Each Class, where available, may charge a Performance Fee, as described in Section 9. "Management and Fund Charges". Classes which charge a Performance Fee are denoted by "(Perf)" for Equalised Performance Fees or "(CPerf)" for Unequalised Performance Fees in the name of the Class. The applicable Performance Fee Rate for each Class is set out in Appendix 1.

The availability of any Class detailed above may differ from Sub-Fund to Sub-Fund. A complete list of Classes offered within each Sub-Fund may be obtained online at www.bluebay.com, from the registered office of the Fund or from the Registrar and Transfer Agent upon request.

Eligibility Requirements

- **Class A, Class M, Class V and Class W Shares** may only be acquired by investors, including distributors and/or intermediaries rendering services such as non-independent advice and execution only under the MiFID 2, who are clients of the Investment Manager and meet the minimum account maintenance or qualification requirements established from time to time for the Investment Manager's client accounts.

- **Class B and Class R Shares** (except in instances where "R" is a suffix to another Class described below, in which case the eligibility requirements in respect of such Class shall prevail) are open to all investors, including distributors and/or intermediaries rendering services such as non-independent advice or execution only under the MiFID 2.

- **Class C Shares** are open to all investors via certain distributors and/or intermediaries who, on the basis of either (i) applicable legal and/or regulatory requirements including those rendering discretionary portfolio management and/or independent advice under the MiFID 2 or (ii) individual fee arrangements or commercial models with their clients, are not allowed to receive and retain any rebates/trail commission from the Investment Manager or Management Company.

- **Class D and Class DR Shares** are intended for investors who are resident or ordinarily resident in the United Kingdom for tax purposes.

- **Class G Shares** are only available to specific investors in certain countries at the discretion of the Investment Manager. Class G Shares will only be available for subscription until the total net asset value of the relevant Sub-Fund has reached or is greater than the amount specifically determined by the Investment Manager.

- **Class I Shares** are not intended to be placed with the public and may only be acquired by qualified Institutional Investors.

- **Class K Shares** may only be offered in limited circumstances in certain countries to qualified Institutional Investors who meet the minimum account maintenance or qualification requirements, or any other such criteria as established from time to time by the Investment Manager. Class K Shares will only be available for subscription until the total net asset value of the relevant Sub-Fund has reached or is greater than the amount specifically determined by the Investment Manager.

- **Class Q Shares** may be offered to certain distributors and/or intermediaries who, on the basis of either (i) applicable legal and/or regulatory requirements including those rendering discretionary portfolio management and/or independent advice under MiFID 2 or (ii) individual fee arrangements or commercial models with their clients are not allowed to receive and retain any rebates/trail commission from the Investment Manager or Management Company. This Class is only open to distributors and/or intermediaries who meet the minimum account maintenance or qualification requirements, typically being a minimum of EUR 50,000,000 in collective assets or equivalent in other currencies.

- **Class S Shares** may be offered in limited circumstances to certain distributors and/or intermediaries who, on the basis of either (i) applicable legal and/or regulatory requirements including those rendering discretionary portfolio management and/or independent advice under the MiFID 2 or (ii) individual fee arrangements or commercial models with their clients are not allowed to receive and retain any rebates/trail commission from the Investment Manager or Management Company. This Class is only open to distributors and/or intermediaries who meet the minimum account maintenance or qualification requirements, typically being a minimum of EUR 200,000,000 in collective assets or equivalent in other currencies.

- **Class X Shares** may only be acquired by (a) investors who are clients of the Investment Manager or clients of an affiliate of the Investment Manager and (i) meet the minimum account maintenance or qualification requirements established from time to time for the Investment Manager's or its affiliate's client accounts and/or (ii) whose Class X Shares will be held in a client account of the Investment Manager or an affiliate of the Investment Manager, subject to separate advisory fees payable to the Investment Manager or an affiliate of the Investment Manager; or (b) the Directors, directors or employees of the Investment Manager or of any affiliate of the Investment Manager and any of their connected persons (including without limitation a trustee of a trust established by or for such person), or any nominee of the foregoing.

- **Class Y Shares** may only be acquired by (a) Institutional Investors who are clients of the Investment Manager or clients of an affiliate of the Investment Manager and (i) meet the minimum account maintenance or qualification requirements established from time to time for the Investment Manager's or its affiliate's client accounts and/or (ii) whose Class Y Shares will be held in a client account of the Investment Manager or an affiliate of the Investment Manager, subject to separate advisory fees payable to the Investment Manager or an affiliate of the Investment Manager; or (b) the Investment Manager, affiliates of the Investment Manager which qualify as Institutional Investors, investment vehicles managed by the Investment Manager or affiliates of the Investment Manager.

- **Class Z Shares** is a Class which charges Performance Fee only and may only be acquired by qualified Institutional Investors.

- **Class ZR Shares** is a Class which charges Performance Fee only and may be acquired by any investor.

Where subscription proceeds are received from investors subscribing for Classes which are denominated in a currency other than the Reference Currency of the relevant Sub-Fund, the costs for the conversion of currencies into the Reference Currency of the relevant Sub-Fund are borne by the relevant Class, provided always that all Shareholders of the relevant Class are treated equally.

Hedged Currency Classes

A Sub-Fund does not hold a separate portfolio of assets relating to each Class of the same Sub-Fund. The assets and liabilities of each Class are allocated on a percentage basis. In the case of any type of hedged currency Classes, a Sub-Fund may incur liabilities in connection with currency hedging transactions carried out in relation to and for the benefit of a single Class.

In extreme cases, currency hedging transactions for one Class may adversely affect the net asset value of other Classes within the same Sub-Fund.

Initial Offering Price

The initial offering price for the respective currency denominations of each Class of each Sub-Fund can be obtained online at www.bluebay.com, from the registered office of the Fund or from the Registrar and Transfer Agent upon request.

Minimum Subscription and Holding Amount

The minimum subscription amount and minimum holding amount requirements set out below in relation to the relevant Class type apply to all variations of such Class type, unless specifically stated otherwise below or in Appendix 1. For Classes available in any currency not listed below, the minimum subscription amount and minimum holding amount can be obtained online at www.bluebay.com, from the registered office of the Fund or from the Registrar and Transfer Agent upon request (and will be approximately equivalent to the respective amounts listed below). Where no minimum amount is specified for a particular Class, no minimum amount is applicable. The availability of any Class described below may differ from Sub-Fund to Sub-Fund. A complete list of Classes offered by each Sub-Fund, together with the current minima in all available currencies, may be obtained online at www.bluebay.com, from the registered office of the Fund or from the Registrar and Transfer Agent upon request.

Minimum Subscription and Holding Amount		
Class	Currencies Offered	Minimum Subscription and Holding Amount
B	CAD	CAD 100,000
	CHF	CHF 100,000
	EUR	EUR 100,000
	GBP	GBP 50,000
	JPY	JPY 10,000,000
	USD	USD 100,000
D	GBP	GBP 50,000
DR	GBP	GBP 5,000
I and Z	AUD	AUD 500,000
	CAD	CAD 500,000
	CHF	CHF 500,000
	EUR	EUR 500,000
	GBP	GBP 300,000
	NOK	NOK 5,000,000
	SEK	SEK 5,000,000
	SGD	SGD 500,000
	USD	USD 500,000
	NOK	NOK 5,000,000
R and ZR	CHF	CHF 10,000
	EUR	EUR 10,000
	GBP	GBP 5,000
	NOK	NOK 100,000
	PLN	PLN 50,000
	SEK	SEK 100,000
	SGD	SGD 10,000
	USD	USD 10,000

No minimum subscription and holding amounts shall be applicable in respect of Class C, Class G, Class K, Class M, Class Q, Class S, Class W, Class X and Class Y shares except for any eligibility requirement as detailed above.

The Board of Directors has the discretion, from time to time, to waive any applicable minimum subscription amounts.

The minimum subscription amount and minimum holding amount requirements for Classes A, B, C, D, DR, G, I, K, M, Q, R, S, V, W, X, Y, Z and ZR for the BlueBay Capital Income Fund, the BlueBay Financial Capital Bond Fund, the BlueBay Global Sovereign Opportunities Fund and the BlueBay Investment Grade Structured Credit Fund are set out below and will be the equivalent for any alternative currency to the ones listed.

The Board of Directors does not have the discretion to waive any applicable minimum subscription amount and minimum holding amount on these Classes.

Minimum Subscription and Holding Amount		
Class	Currencies Offered	Minimum Subscription and Holding Amount
B	CHF	CHF 100,000
	EUR	EUR 100,000
	GBP	GBP 50,000
	USD	USD 100,000
A, C, G, K, M, Q, R, S, V, W, X, Y and ZR	CHF	EUR 10,000 or equivalent in other currencies
	EUR	
	GBP	
	NOK	
	SEK	
	SGD	
	USD	
D	GBP	GBP 50,000
DR	GBP	GBP equivalent to EUR 10,000
I and Z	AUD	AUD 500,000
	CAD	CAD 500,000
	CHF	CHF 500,000
	EUR	EUR 500,000
	GBP	GBP 300,000
	NOK	NOK 5,000,000
	USD	USD 500,000

The Board of Directors may, at any time, decide to compulsorily redeem all Shares from Shareholders whose holdings would, as a result of application for partial redemption of its Shares, be less than the minimum subscription amount or who consequently fail to satisfy any other applicable eligibility requirements set out. In such case, the Shareholder concerned will receive one month's prior notice so as to be able to increase its holding above such amount or otherwise satisfy the eligibility requirements.

7.4. Listing of Shares

At the discretion of the Management Company, Shares of certain Classes (excluding Class X/Y Shares) of all Sub-Funds may be listed on the Euro MTF market. More specific details may be obtained from the Listing Agent.

For so long as the Shares of any Sub-Fund are listed on the Euro MTF market, the Fund shall comply with the requirements of the Euro MTF market relating to those Shares.

7.5. Conversion of Shares

Subject to any suspension of the determination of the net asset values concerned, Shareholders have the right to convert all or part of their Shares of any Class into Shares of the same Class in another Sub-Fund or into Shares of another existing Class of the same or another Sub-Fund by applying for conversion in the same manner as for the issue of Shares. However, the right to convert Shares is subject to compliance with any conditions (including any minimum subscription amounts) applicable to the Class into which the conversion is to be effected. Therefore, if, as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than the minimum subscription amount (specified above in Section 7.3. "Class Descriptions, Eligibility for Shares, Minimum Subscription and Holding Amounts", where appropriate), the Management Company may decide not to accept the request for conversion of the Shares. In addition, if, as a result of a conversion, the value of a Shareholder's holding in the original Class would become less than the relevant minimum subscription amount, the Shareholder may be deemed (if the Management Company so decides) to have requested the conversion of all of its Shares.

The number of Shares issued upon conversion will be based upon the respective net asset values of the two Classes concerned on the Valuation Day in respect of which the conversion request is processed.

Requests for Conversion between Classes in the same Sub-Fund

For Conversions between different Classes in the same Sub-Fund, conversion requests received in good order prior to 12:00 CET on any Valuation Day will be processed on that Valuation Day. Requests received after 12:00 CET on any Valuation Day will be deferred to the next Valuation Day in the same manner as for the issue and redemption of Shares.

Requests for Conversion between Classes in different Sub-Funds

For Conversions between Classes in different Sub-Funds, conversion requests received in good order prior to 12:00 CET on any common Valuation Day will be processed on such common Valuation Day. Requests received after 12:00 CET on any common Valuation Day will be deferred to the following common Valuation Day in the same manner as for the issue and redemption of Shares.

For the avoidance of doubt, for conversions between Classes in different Sub-Funds, the notification period for conversion requests shall be the same as the notification period for redemptions applicable to the Sub-Fund from which conversion is requested.

The number of Shares issued upon conversion will be based upon the respective net asset value of the Shares of the relevant Sub-Funds on the Valuation Day in respect of which the conversion request is accepted and will be calculated as follows:

$$\mathrm{A} = \frac{(B\ x\ C\ x\ D)}{E}$$

A	is the number of Shares to be allocated in the new Sub-Fund/Class
B	is the number of Shares to be converted in the original Sub-Fund/Class
C	is the net asset value on the applicable Valuation Day of the Shares to be converted in the initial Sub-Fund/Class
D	is the exchange rate applicable on the effective transaction day for the currencies of the two Sub-Funds/Classes
E	is the net asset value on the applicable Valuation Day of the Shares to be allocated in the new Sub-Fund/Class

After the conversion, the Registrar and Transfer Agent will inform the Shareholder(s) as to the number of new Shares obtained as a result of the conversion, as well as the net asset value.

Additionally, with respect to any given Valuation Day, if requests for conversions exceed a certain percentage of the net asset value of a Sub-Fund or a Class of Shares as determined by the Board of Directors, the Board of Directors may decide that part or all of such requests for conversion shall be deferred in the same manner as deferred redemptions (see Section 7.6. “Redemption of Shares”).

Conversions of Shares of a given Sub-Fund shall be suspended whenever the determination of the net asset value per Share of such Sub-Fund is suspended by the Fund (see Section 4.7. “Temporary Suspension of the calculation of net asset value, Issues, Redemptions and Conversions”).

7.6. Redemption of Shares

Any Shareholder may apply for redemption of its Shares in part or in whole on any Valuation Day. For redemptions from any Sub-Fund, valid written redemption applications should be received in good order by the Registrar and Transfer Agent no later than 12:00 CET on the relevant Valuation Day.

Redemptions shall be effected at the net asset value per Share of the relevant Class determined on the applicable Valuation Day. Redemption payments will be made in the Reference Currency of the relevant Class and the Depositary will issue payment instructions to its correspondent bank for payment normally no later than three Business Days after the relevant Valuation Day. The Board of Directors reserves the right to extend the period for payment of redemption proceeds to such period, not exceeding 10 Business Days, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control regulations or similar constraints in the market in which a substantial part of the assets of a Sub-Fund are invested or in exceptional circumstances where a Sub-Fund is unable to meet a redemption request within three Business Days after the relevant Valuation Day.

If, as a result of a redemption, the value of a Shareholder’s holding falls below the relevant minimum subscription amount, that Shareholder may be deemed (if the Board of Directors so decides) to have requested redemption of all of its Shares.

When there is insufficient market liquidity to transact as determined by the Board of Directors at its discretion or in other exceptional circumstances, the Board of Directors reserves the right to postpone the payment of redemption proceeds.

Additionally, with respect to any given Valuation Day, if requests for redemption exceed a certain percentage of the net asset value of a Sub-Fund or a Class of Shares as determined by the Board of Directors, the Board of Directors may decide that part or all of such requests for redemption shall be deferred for a period and in a manner that the Board of Directors considers to be in the best interests of the Fund and its Shareholders. The deferral of redemptions is to allow for the orderly disposal of assets by the relevant Sub-Fund in order to realise the proceeds required to meet such requests. Deferred redemptions shall be paid out on a pro rata basis with respect to the aggregate redemptions received on a particular Valuation Day in the relevant Sub-Fund taking into account any deferred redemptions from previous Valuation Day(s). Redemption requests which have not been dealt with because of such deferral will be given priority over requests subsequently received. Deferred redemptions shall be effected at the net asset value per share of the Valuation Day redemptions are paid out rather than the net asset value per share of when the relevant redemption requests were made.

If with respect to any given Valuation Day, redemption requests amount to the total number of Shares in issue in any Class(es) of Shares or Sub-Funds or if the remaining number of Shares in issue in that Sub-Fund or Class of Shares after such redemptions would represent a total net asset value below the minimum level of assets under management required for such Sub-Fund or Class of Shares to be operated in an efficient manner, the Board of Directors may decide to terminate and liquidate the Sub-Fund or Class of Shares in accordance with the provisions in the Articles of Incorporation. For the purpose of determining the redemption price, the calculation of the net asset value per share of the relevant Sub-Funds or class(es) of shares shall take into consideration all liabilities that will be incurred in terminating and liquidating said class(es) of shares or Sub-Funds.

Redemption of Shares of a given Sub-Fund shall be suspended whenever the determination of the net asset value per Share of such Sub-Fund is suspended by the Fund (see Section 4.7. "Temporary Suspension of the calculation of net asset value, Issues, Redemptions and Conversions").

The Fund shall have the right, if the Board of Directors so determines, to satisfy in kind the payment of the redemption price to any shareholder who agrees by allocating to the shareholder investments from the portfolio of assets of the Fund or the relevant Sub-Fund(s) equal to the value of the shares to be redeemed. The assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other shareholders of the Fund or the relevant Sub-Fund(s) and the valuation used shall be confirmed by a special report of an independent auditor save as otherwise provided for under applicable laws. All costs associated with a redemption in kind shall be borne by the shareholder requesting the redemption or by such other party as agreed by the Fund or in any other way which the Board of Directors considers fair to all shareholders of the Sub-Fund.

Shareholders are required to notify the Registrar and Transfer Agent immediately in the event that they are or become US Persons or hold Shares for the account or benefit of US Persons or otherwise hold Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Fund or the Shareholders or which may otherwise be detrimental to the interests of the Fund. If the Board of Directors becomes aware that a Shareholder (a) is a US Person or is holding Shares for the account of a US Person, (b) is holding Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the Fund or the Shareholders or which may otherwise be detrimental to the interests of the Fund, the Board of Directors may redeem the Shares in accordance with the provisions of the Articles of Incorporation.

From time to time it may be necessary for the Fund to borrow on a temporary basis to fund redemptions. For restrictions applicable to the Fund's ability to borrow, see Section 10.1. "Investment Restrictions".

All redeemed shares may be cancelled.

7.7. Transfer of Shares

The transfer of registered Shares may normally be effected by delivery to the Registrar and Transfer Agent of an instrument of transfer in appropriate form. On receipt of the transfer request, the Registrar and Transfer Agent may, after reviewing the endorsement(s), require that the signature(s) be guaranteed by an approved bank, stockbroker or public notary.

Shareholders are advised to contact the Registrar and Transfer Agent prior to requesting a transfer to ensure that they have all the correct documentation for the transaction.

7.8. Late Trading and Market Timing

The Fund, the Management Company and the Registrar and Transfer Agent ensure that the practices of late trading and market timing will be eliminated in relation to the distribution of Shares. The cut-off times mentioned in this Section 7. will be observed rigidly. Investors do not know the net asset value per Share at the time of their request for subscription, redemption, or conversion.

Subscriptions, redemptions and conversions of Shares should be made for investment purposes only. The Fund and the Management Company do not permit market-timing or other excessive trading practices. Excessive, short-term trading practices may disrupt portfolio management strategies and harm the Fund's performance. To minimise harm to the Fund and the Shareholders, the Management Company or the Registrar and Transfer Agent on its behalf has the right to reject any subscription or conversion order, or levy a fee of up to 2% of the value of the order for the benefit of the Fund from any investor who is believed to engage in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Management Company, has been or may be disruptive to the Fund or any of the Sub-Funds. In making this judgment, the Management Company may consider trading done in multiple accounts under common ownership or control. The Management Company also has the power to redeem all Shares held by a Shareholder who is or has been engaged in excessive trading. Neither the Management Company nor the Fund will be held liable for any loss resulting from rejected orders or mandatory redemptions.

7.9. Data Protection

All personal data of Shareholders contained in any document provided by such Shareholder and any further personal data collected in the course of the relationship with the Fund, Management Company, Investment Manager, administrator, registrar and transfer agent and/or depositary (the "Personal Data") may be collected, recorded, organised, stored, adapted or altered, retrieved, consulted, used, disclosed by transmission, dissemination or otherwise made available, aligned or combined, blocked, erased or destroyed or otherwise processed ("Processed") by the Management Company (the "Authorised Entity") and other companies directly or indirectly affiliated with the Fund, Investment Manager, administrator, registrar and transfer agent and/or depositary in accordance with applicable data protection laws, including, but not limited to the Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "GDPR", applicable as from 25 May 2018), as implemented or complemented. Such Personal Data shall be Processed upon the legal bases of contractual necessity or the Authorized Entity's legitimate interests in administering the Fund (as appropriate), the conclusion and the execution of the Shareholder subscription in the

Fund and for the purposes of account administration, anti-money laundering identification, tax identification under applicable regulations such as the FATCA Law and the CRS Law and the development of the business relationship and as may otherwise be required to satisfy applicable laws. The Authorised Entity will be a data controller of the Personal Data.

The Personal Data will not be kept for longer than necessary to fulfil the abovementioned purposes, or unless any new purposes are agreed with you, or in accordance with applicable laws. The Authorised Entity may share the Personal Data with agents appointed by the Investment Manager, administrator, registrar and transfer agent and/or the depositary to support the Fund related activity in connection with the abovementioned purposes. To the extent the Authorised Entity transfer the Personal Data to countries located outside of the European Economic Area which have not been approved by the European Commission as providing adequate protection for personal data, such transfer will be made in accordance with applicable data protection laws. For any questions regarding the Authorised Entity's processing of the Personal Data (including data subjects' rights to access, rectification and deletion of the Personal Data) please contact dataprotection@bluebay.com.

Further details about the collection, the processing and the transfer of your Personal Data are contained in a privacy notice which may be consulted at the following address: http://www.bluebay.com/globalassets/documents/data-protection-statement.pdf.

7.10. Investors rights

The Fund draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general shareholders' meetings if the investor is registered himself and in his own name in the shareholders' register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

8. Dividend Policy

8.1. General

Except as set out below, it is the policy of each Sub-Fund to reinvest all revenues and capital gains and not to pay any dividends. The Board of Directors shall nevertheless in each accounting year have the option, if it deems appropriate, to propose to the Shareholders of any Sub-Fund or Class at the Annual General Meeting the payment of a dividend out of all or part of the net investment income of such Sub-Fund or Class. For the avoidance of doubt, net investment income shall not include any capital appreciation. The Board of Directors may elect to pay interim dividends at any time during the relevant accounting year. The Board of Directors may only propose the payment of a dividend if, after the deduction of such distribution, the Fund's capital will exceed the minimum capital required by Luxembourg law.

8.2. Distributing Classes

The various dividend distribution frequencies are denoted by the classifications set out below. Under normal circumstances it is expected that the following details will apply:

Classification	Distribution Frequency	Dividend Declaration Date
(M)	Monthly	Last Business Day of each month
(Q)	Quarterly	Last Business Day of March, June, September, and December each year
(A)	Annually	Last Business Day of June each year. The annual distribution is based on the net investment income and the net capital gains (if applicable) at the Fund's accounting year end in June.

The dividend policies applicable to the various categories of distributing Classes are set out below:

Classification	Policy
(CDiv)	The Board of Directors expects to recommend distribution of substantially all the net investment income and all of the net realised capital gains earned for each Class for each dividend distribution period.
(FDiv)	The dividend rate will be fixed as a percentage of the net asset value per Share for each Class, as determined by the Board of Directors from time to time. The current dividend rates are available on request from the Register and Transfer Agent. Investors should note that the fixed dividend rates will be determined at the discretion of the Board of Directors taking into account factors including, but not limited to, the relevant Sub-Fund's net income and capital appreciation after the deduction of any applicable fees and expenses during the relevant period. From time to time dividends may be paid out of the capital of the relevant Class. At the sole discretion of the Board of Directors, an additional dividend may be declared annually. The net asset value of such Class may fluctuate more than that of other Classes due to more frequent dividend distributions. The Board of Directors may vary the amount and timing of dividend payments at its sole discretion if it considers it necessary to reflect current market conditions.
(IDiv)	The Board of Directors expects to recommend distribution of substantially all of the net investment income of each Class for each dividend distribution period.
(KDiv)	The Board of Directors expects to recommend distribution of substantially all of the net investment income and all of the net realised capital gains earned for each Class for each relevant dividend distribution period. In cases where the net asset value of a Class falls below its initial offering price at the end of the relevant dividend distribution period, no distribution will be made.

For example, a Class which distributes substantially all of its net investment income on a quarterly basis will be denoted by (QIDiv) in the Class name.

8.3. UK Reporting Fund Status

Classes with UK Reporting Fund status may distribute income at the sole discretion of the Board of Directors. Investors invested in such Classes will be taxed on the higher of the reported income and any cash distribution received.

It is intended that UK Reporting Fund status shall be applied for in respect of all Class C, Class D, Class DR, Class G, Class M, Class Q, Class S and Class ZR Shares. The Board of Directors may choose to apply for UK Reporting Fund status in respect of any Classes at any time. However, there is no guarantee that Reporting Fund status will or will not be obtained for any Class.

A list of Classes which currently have UK Reporting Fund status may be obtained from the registered office of the Fund or from the Registrar and Transfer Agent upon request. Please refer to Section 11.9. for information regarding the Reporting Fund regime.

8.4. Dividend Payment

Dividends will normally be paid within 10 Business Days following the dividend declaration date or as soon as practicable thereafter.

Dividend payments will normally be made by electronic bank transfer. Shareholders should expect to receive the dividend payment within two Business Days following the payment date. Payment will be made in the Reference Currency of the relevant Shares.

Dividends not cashed within five years will lapse and the unclaimed dividend will revert to the relevant Class in accordance with Luxembourg law.

8.5. Reinvestment

Dividends may be reinvested at the prior written request of the Shareholder provided the request is received by the Depositary at least 10 Business Days prior to the dividend declaration date. Dividends to be reinvested are credited to the Depositary on the dividend declaration date. The Depositary invests the amount of the dividends in additional Shares of the same Class ("Reinvestment Shares") in the account of the Shareholder on such dividend declaration date if it is a Valuation Day, or if such date is not a Valuation Day, on the next following Valuation Day.

Reinvestment Shares are issued at the net asset value of the relevant Class as determined on the dividend declaration date if it is a Valuation Day, or if such date is not a Valuation Day, on the next following Valuation Day.

No sales charge is payable on Reinvestment Shares. Reinvestment Shares are held in the registered account for the Shareholder and are calculated to three decimal places.

8.6. Dividend Income Equalisation

For the purposes of calculating dividend income, income is equalised with a view to ensuring that the level of income per Share is not affected by the issue and redemption of Shares. The subscription price of Shares will therefore be deemed to include an equalisation payment calculated by reference to the accrued income of the relevant Shares, and the first distribution in respect of such Shares will include a payment of capital usually equal to the amount of such equalisation payment. The redemption price of each Share will also include an equalisation payment in respect of the accrued income of the relevant Shares up to the date of redemption.

9. Management and Fund Charges

9.1. Management and Advisory Fees

The Fund pays to the Management Company a Management and Advisory Fee calculated as a percentage of the net assets of each Class under its management. Management and Advisory Fees are accrued on each Valuation Day and payable monthly in arrears at the rate specified in Appendix 1.

Subject to the investment restrictions described in this Prospectus, Sub-Funds may invest in other collective investment schemes managed by the Investment Manager and/or the Management Company. Where such collective investment schemes are managed directly or indirectly by the Investment Manager or the Management Company, or by a company to which the Investment Manager or the Management Company (as applicable) is linked by joint management or control or by a direct or indirect participation exceeding 10% of the capital or voting rights ("Related Funds"), no Management and Advisory Fee will be charged to the relevant Sub-Fund in relation to such investments. Furthermore, no subscription, redemption and/or conversion fees may be charged to the relevant Sub-Fund in connection with Related Funds.

9.2. Performance Fees

There are two Performance Fee mechanisms that may be employed in respect of each Sub-Fund, namely 'equalised' performance fees and 'unequalised' performance fees. Under both principles the Management Company can be entitled to receive a Performance Fee from the Net Assets of the relevant Share Class. The calculation methodology varies under two different mechanisms as described below.

The Performance Fee will be deemed to accrue as at each Valuation Day. The Performance Fee effectively due and payable in respect of each Performance Fee-paying Class of each Sub-Fund will be determined on the last Valuation Day in October (the "Crystallisation Day"). The Performance Fee will in principle be calculated in respect of each period of 12 months ending on the last Valuation Day in October in respect of the relevant Class of the relevant Sub-Fund (a "Calculation Period").

For each Sub-Fund, the first Calculation Period in relation to each Class is the period commencing on the date on which the relevant Class of the relevant Sub-Fund first becomes invested, and ending on the last Valuation Day in the next following October. Notwithstanding the foregoing, the Management Company may in its sole discretion delay the commencement of the first Calculation Period for a period not exceeding one month following the date on which the relevant Class first becomes invested, taking into account factors such as, but not limited to, the size of the initial investment, the liquidity of the underlying portfolio and the trading capacity of the Sub-Fund. In the event that a Class of any Sub-Fund subsequently becomes disinvested, the then current Calculation Period for such Class will terminate on the date of such disinvestment and a new Calculation Period will restart as defined for each method of calculation at the date on which such Class subsequently becomes reinvested.

For each Calculation Period, the Performance Fee in respect of each shareholding will be equal to a percentage as set out in Appendix 1 ("Performance Fee Rate") of the appreciation in the Cumulative Relative Performance per Share during that Calculation Period, provided that the Cumulative Relative Performance is positive. The Performance Fee will be calculated at the Class level and will be paid by the Sub-Fund to the Management Company.

The Performance Fee will normally be payable to the Management Company in arrears after the end of each Calculation Period. However, in the case of Shares redeemed during a Calculation Period, the accrued Performance Fee in respect of those Shares will be payable after the date of redemption. In the event of a partial redemption, whether during or at the end of a Calculation Period, Shares will be treated as redeemed out of the Shareholder's pool of Shares.

If the Management Company Services Agreement is terminated before the end of any Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period.

9.2.1. Equalised Performance Fees

Where Shareholders have subscribed for Shares in the Performance Fee-paying Classes denoted by "(Perf)", the Management Company will be entitled to receive a Performance Fee calculated on a Shareholder-by-Shareholder basis using an equalised performance fee calculation methodology. This method of calculation ensures that: (i) any Performance Fee due to the Management Company is accrued only to those shareholdings which have appreciated in relative value (as measured by the "Cumulative Relative Performance" which is the cumulative return per Share less, if applicable, the cumulative return of the relevant benchmark or the hurdle rate("Index") over the same corresponding period); (ii) all Shareholders have the same amount of capital per Share at risk in the Sub-Fund; and (iii) all Shares of the relevant Class have the same net asset value per Share.

At each Crystallisation Day when a Performance Fee is payable, the Cumulative Relative Performance per Share will reset to zero by rebalancing the Index to the net asset value per Share as at such Crystallisation Day. A Performance Fee will only be payable in respect of a Calculation Period if the Cumulative Relative Performance at the end of the Crystallisation Day marking the end of such Calculation Period is positive. Where no Performance Fee is paid in respect of a Calculation Period, the Cumulative Relative Performance determination will continue without resetting until such time as there is positive Cumulative Relative Performance at a Crystallisation Day.

Adjustments

If a Shareholder subscribes for Shares at a time other than a Crystallisation Day, certain adjustments will be made to reduce inequities that could otherwise result to the Shareholder or to the Management Company. If Shares are subscribed for at a time when the Cumulative Relative Performance per Share is negative, the Shareholder will be required to pay an additional Performance Fee with respect to any subsequent increase in the Cumulative Relative Performance of those Shares for the period from the date of issue until such time as the Cumulative Relative Performance becomes positive (an "Equalisation Debit"). With respect to any appreciation in the relative value of those Shares from the Cumulative Relative Performance per Share at the date of subscription until such time as the Cumulative Relative Performance per Share becomes positive, the Performance Fee will be charged at the end of each Calculation Period by redeeming at net asset value such number of the Shareholder's Shares as have an aggregate net asset value (after accrual for any Performance Fee) equal to an amount calculated by applying the Performance Fee Rate to any such relative appreciation (a "Performance Fee Redemption"). If the Shareholder redeems its Shares before the Equalisation Debit has been fully applied, the Shareholder will be charged a Performance Fee equal to the Performance Fee Rate applied to any relative appreciation over the period such Shares were held multiplied by a fraction, the numerator of which will be the number of Shares being redeemed and the denominator of which will be the number of Shares held by the Shareholder immediately prior to the redemption in question. An amount equal to the aggregate net asset value of the Shares so redeemed will be paid by the Sub-Fund to the Management Company as a Performance Fee. Performance Fee Redemptions are employed to ensure that the Sub-Fund maintains a uniform net asset value per Share. As regards the Shareholder's remaining Shares, any appreciation in the Cumulative Relative Performance per Share of those Shares will be charged a Performance Fee in the manner described above until such time as the Cumulative Relative Performance per Share becomes positive.

If Shares are subscribed for at a time when the Cumulative Relative Performance per Share is positive, the Shareholder will be required to pay an amount in excess of the then current net asset value per Share equal to the Performance Fee Rate applied to the then current Cumulative Relative Performance per Share before accrual for the Performance Fee (an "Equalisation Credit"). At the date of subscription the Equalisation Credit will equal the Performance Fee per Share accrued with respect to the other Shares in the Sub-Fund (the "Maximum Equalisation Credit"). The Equalisation Credit is payable to account for the fact that the net asset value per Share has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders and serves as a credit against Performance Fees that might otherwise be payable by the Sub-Fund but that should not, in equity, be charged to the Shareholder making the subscription because, in respect of such Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Shares have the same amount of capital at risk per Share.

The additional amount invested as the Equalisation Credit will be at risk in the Sub-Fund and will therefore appreciate or depreciate based on the performance subsequent to the issue of the relevant Shares, but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Day in the Cumulative Relative Performance per Share of those Shares, the Equalisation Credit will also be reduced by an amount equal to the Performance Fee Rate applied to the difference between the Cumulative Relative Performance per Share (before accrual for the Performance Fee) at the date of issue and as at that Valuation Day. Any subsequent appreciation in the Cumulative Relative Performance per Share will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At each Crystallisation Day, if the Cumulative Relative Performance per Share (before accrual for the Performance Fee) is positive and exceeds the Cumulative Relative Performance per Share at the date of issue of such Shares, a portion of the Equalisation Credit equal to an amount calculated by applying the Performance Fee Rate to the Cumulative Relative Performance per Share at such Crystallisation Day, multiplied by the number of Shares held by the Shareholder on such Crystallisation Day, will be applied to subscribe for additional Shares for the Shareholder. Additional Shares will continue to be so subscribed for in this manner at each subsequent Crystallisation Day until the Equalisation Credit, as it may have appreciated or depreciated in the Sub-Fund after the original subscription for Shares was made, has been fully applied. If the Shareholder redeems its Shares before the Equalisation Credit has been fully applied, the Shareholder will receive additional redemption proceeds equal to the Net Equalisation Credit balance then remaining multiplied by a fraction, the numerator of which will be the number of Shares being redeemed and the denominator of which will be the number of Shares held by the Shareholder immediately prior to the redemption.

Where a Shareholder has made multiple subscriptions for Shares which have given rise to both Equalisation Debits and Equalisation Credits, in the first instance these will be netted off against each other at the time when the Shares in question crystallise the Performance Fees pertaining to them (either at the end of a Calculation Period or at the time of the redemption of such Shares) and the remaining net Equalisation Credit or Equalisation Debit balance will be treated as described above.

9.2.2. Unequalised Performance Fees

Where Shareholders have subscribed for Shares in the Performance Fee-paying Classes denoted by "(CPerf)", the Management Company will be entitled to receive a Performance Fee calculated at the Class level using an unequalised performance fee calculation methodology. This method of calculation does not apply any form of Performance Fee equalisation at the individual Shareholder level and there are no Equalisation Debits or Equalisation Credits associated with the Class. However, for such Classes, a specific mechanism is implemented (the "Subscription Adjustment"), consisting of removing, from the provision for the Performance Fee calculated on the number of shares outstanding, the Performance Fee related to the shares subscribed in the period prior to the subscription date. Thus, for these newly subscribed shares, no Performance Fee will be provisioned for the performance prior to the subscription date.

Any Performance Fee due to the Management Company is accrued when the Class has appreciated in relative value (as measured by the "Cumulative Relative Performance" which is the cumulative return per Share less, if applicable, the cumulative return of the relevant benchmark or the hurdle rate ("Index") over the same corresponding period).

At each Crystallisation Day when a Performance Fee is payable, the Cumulative Relative Performance per Share will reset to zero, if applicable by rebalancing the Index to the net asset value per Share and by resetting the Subscription Adjustment, as at such Crystallisation Day.

A Performance Fee will only be payable in respect of a Calculation Period if the Cumulative Relative Performance adjusted by the value of the Subscription Adjustment at the end of the Crystallisation Day marking the end of such Calculation Period is positive. Where no Performance Fee is paid in respect of a Calculation Period, the Cumulative Relative Performance determination will continue without resetting of the Cumulative Relative Performance and the Subscription adjustment until such time as there is positive Cumulative Relative Performance at a Crystallisation Day.

The Performance Fee charged to the Class on a daily basis is determined by multiplying the Cumulative Relative Performance, if positive, by the number of shares in the Class on that day. This is then multiplied by applicable Performance Fee Rate as set out in Appendix 1 and adjusted by the value of the Subscription Adjustment on that day. The calculation derives an aggregate fee to be charged to the Class as a whole. This aggregate Performance Fee is charged equally to the net asset value of all Class "(CPerf)" Shares. The Performance Fee payable in respect of each Class "(CPerf)" Shareholder's holding is proportionate to the size of its holding as a ratio of the Class as a whole on the relevant Crystallisation Day. There may be occasions where a Class "(CPerf)" Shareholder's holding is charged with a Performance Fee for which it has gained no relative benefit. If the Cumulative Relative Performance on the Crystallisation Day is negative no Performance Fee will be charged and the Calculation Period will continue until such time as the Class has a positive Cumulative Relative Performance on the Crystallisation Day. There might be instances where, despite a positive Cumulative Relative Performance, no Performance fee will be due and paid to the Management Company, due to the Subscription Adjustment; in such cases as well, the Calculation Period will continue until such time the Class has a Performance Fee payable to the Management Company on a Crystallisation Day.

9.3. Fees of the Investment Manager

The Management Company will be responsible, out of the fees it receives under Sections 9.1. and 9.2. above, for the fees of the Investment Manager.

9.4. Fees of the Sub-Investment Manager

The Investment Manager will be responsible, out of the fees it receives under Section 9.3. above, for the fees of the Sub-Investment Manager, BlueBay Asset Management USA LLC.

9.5. Fees of the Depositary, Administrative Agent, Domiciliary Agent, Paying Agent, Registrar, Transfer Agent and Listing Agent

The Depositary Administrative Agent, Domiciliary Agent, Paying Agent, Registrar, Transfer Agent and Listing Agent is entitled to receive, out of the assets of each Class within each Sub-Fund, a fee calculated in accordance with customary banking practice in Luxembourg.

In addition, the Depositary, Administrative Agent, Domiciliary Agent, Paying Agent, Registrar, Transfer Agent and Listing Agent is entitled to be reimbursed by the Fund for its reasonable out-of-pocket expenses and disbursements and for charges of any correspondents.

9.6. Operating and Administrative Expenses

The Fund bears all its Operating and Administrative Expenses including but not limited to: formation expenses such as organisation and registration costs; the Luxembourg asset-based *taxe d'abonnement* (up to the maximum rate referred to in Section 11 "Taxation"); attendance fees and reasonable out-of-pocket expenses incurred by the Board of Directors; expenses incurred by the Management Company on behalf of the Fund; legal and auditing fees and expenses; ongoing registration and listing fees (including translation expenses); and the costs and expenses of preparing, printing, and distributing the Prospectus, the KIIDs, financial reports and other documents made available to Shareholders.

Operating and Administrative Expenses do not include Transaction Fees and Extraordinary Expenses. Directors who are not directors, officers or employees of the Investment Manager will be entitled to receive remuneration from the Fund as disclosed in the annual financial statements of the Fund.

The Fund's final formation expenses of approximately €150,000 were capitalised and amortised over a period of five years, as permitted by Luxembourg law. The expenses relating to the creation of new Sub-Funds may be capitalised and amortised over a period not exceeding five years, as permitted by Luxembourg law.

9.7. Extraordinary Expenses

The Fund bears any Extraordinary Expenses. Extraordinary Expenses are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Funds to which they are attributable.

9.8. Transaction Fees

Each Sub-Fund bears its own Transaction Fees. Transaction Fees are accounted for on a cash basis and are paid when incurred or invoiced from the net assets of the Sub-Fund to which they are attributable.

The Investment Manager may effect transactions or arrange for the effecting of transactions through brokers with whom it has "soft commission" arrangements. The benefits provided under such arrangements will assist the Investment Manager in the provision of investment services to the Fund. Specifically, the Investment Manager may agree that a broker shall be paid a commission in excess of the amount another broker would have charged for effecting such transaction so long as the broker agrees to provide "best execution" to the Fund and, in the good faith judgement of the Investment Manager, the amount of the commissions is reasonable in relation to the value of the brokerage and other services provided or paid for by such broker. Such services, which may take the form of research services, quotation services, news wire services, portfolio and trade analysis software systems, special execution and clearance capabilities, may be used by the Investment Manager in connection with transactions in which the Fund will not participate.

The soft commission arrangements are subject to the following conditions: (i) the Investment Manager will act at all times in the best interests of the Fund when entering into soft commission arrangements; (ii) the services provided will be directly to the Investment Manager; (iii) brokerage commissions on portfolio transactions for the Fund will be directed by the Investment Manager to brokers that are entities and not to individuals; and (iv) the Investment Manager will provide reports to the Management Company with respect to soft commission arrangements including the nature of the services it receives.

9.9. Fixed Expenses

The aggregate amount per annum charged for expenses incurred for the services detailed in Sections 9.5. and 9.6. above in relation to each Class of each Sub-Fund shall be fixed at a certain percentage rate of the net assets of the relevant Class, as determined by the Management Company and the Fund pursuant to an Expense Agreement dated 1 July 2011. The fixed rate of expenses for each of the Classes of each Sub-Fund is set out in Appendix 1, and shall be subject to annual review. Any expenses that exceed such fixed rate shall be borne by the Management Company.

9.10. Rebate Arrangements

Subject to applicable law and regulations, the Management Company may at its discretion, on a negotiated basis, enter into private arrangements with a distributor pursuant to which the Management Company makes payments to or for the benefit of such distributor which represent a rebate of all or part of the fees paid by the Fund to the Management Company. In addition, subject to applicable law and regulations, the Management Company or a distributor may at their discretion, on a negotiated basis, enter into private arrangements with a holder or prospective holder of Shares pursuant to which the Management Company or distributor is entitled to make payments to such holder of Shares of part or all of such fees.

Consequently, the effective net fees payable by a Shareholder who is entitled to receive a rebate under the arrangements described above may be lower than the fees payable by a Shareholder who does not participate in such arrangements. Such arrangements reflect terms privately agreed between parties other than the Fund, and for the avoidance of doubt, the Fund cannot, and is under no duty to, enforce equality of treatment between Shareholders by other entities.

9.11. Administration Fee

Subject to applicable law and regulations, the Management Company may at its discretion, out of the fees it receives from the Fund, pay an administration fee to certain distributors and/or intermediaries to compensate for the provision of operational services.

9.12. Remuneration

The Management Company has in place remuneration policies, procedures and practices as required pursuant to the UCITS Directive (the “Remuneration Policy”). The Remuneration Policy is consistent with and promotes sound and effective risk management. It is designed to discourage risk-taking which is inconsistent with the risk profile of the Management Company and the Fund.

The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the Fund and of the investors of the Fund, and includes measures to avoid conflicts of interest. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the Management Company or the Fund, and ensures that no individual will be involved in determining or approving their own remuneration. The Remuneration Policy will be reviewed annually.

The assessment process relating to remuneration is set in a multi-year framework appropriate to the holding period recommended to the investors of the Fund, in order to ensure that such assessment is based on the longer-term performance of the Fund and their investment risks. The actual payment of performance-based components of remuneration is spread over the same period.

Fixed and variable components of total remuneration are appropriately balanced and the fixed remuneration component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable components, including the possibility to pay no variable remuneration component.

Details of the up-to-date Remuneration Policy are available from http://www.bluebay.com/en/corporate-governance/ and a paper copy of the Remuneration Policy will be made available to Shareholders free of charge upon request.

10. Investment Restrictions and Financial Techniques and Instruments

10.1. Investment Restrictions

10.1.1 The assets of the Sub-Funds shall comprise only one or more of the following:

(a) Transferable Securities and Money Market Instruments admitted to or dealt in on a Regulated Market;

(b) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;

(c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Other State or dealt in on an Other Regulated Market in an Other State;

(d) Recently issued Transferable Securities and Money Market Instruments, provided that:

i) the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market or on an Other Regulated Market as described under items (a), (b) or (c) above of this Section 10.1.1; and

ii) such admission is secured within one year of issue.

(e) Units of UCITS and/or other UCIs within the meaning of the first and second indent of Article 1 paragraph 2, points a) and b) of Directive 2009/65/EC, whether or not established in a Member State or in an Other State, provided that:

i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured (currently the United States of America, Canada, Switzerland, Hong Kong, Japan, Norway, the Isle of Man, Jersey and Guernsey);

ii) the level of protection for unit holders in such other UCIs is equivalent to that provided for unit holders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Directive 2009/65/EC;

iii) the business of such other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period; and

iv) no more than 10% of the assets of such UCITS or of the other UCIs, whose acquisition is contemplated can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs.

(f) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in EU law;

(g) Financial derivative instruments, i.e. in particular credit default swaps, options and futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in item (a), (b) or (c) above of this Section 10.1.1, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

i) the underlying consists of instruments covered by this Section 10.1.1, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Funds may invest according to its investment objectives;

ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and

iii) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Sub-Funds' initiative.

Under no circumstances shall such operations cause the Sub-Funds to diverge from its investment objectives.

(h) Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:

i) issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong;

ii) issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in items (a), (b) or (c) above of this Section 10.1.1;

iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by EU law; or

iv) issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in any other sub-paragraph of this item (h) provided that the issuer is a company whose capital and reserves amount to at €10,000,000 and which presents and publishes its annual accounts in accordance with EC Directive 78/660/EEC as amended, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

(i) Shares or units of a master fund qualified as a UCITS provided that the relevant Sub-Fund invests at least 85% of its net asset value in shares/units of such master fund and that such master fund shall neither itself be a feeder fund nor hold units/shares of a feeder fund;

(j) Shares of another Sub-Fund (the "Target Sub-Fund") provided that:

i) the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund; and

ii) no more than 10% in aggregate of the net assets of the Target Sub-Fund may be invested in units of other UCIs; and

iii) voting rights attached to the relevant shares of the Target Sub-Fund are suspended for as long as they are held by such Sub-Fund, without prejudice to the appropriate processing in the accounts and the periodic reports; and

iv) for as long as the relevant shares of the Target Sub-Fund are held by another Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum capital as set out in Article 5 of the Articles of Incorporation.

10.1.2 Each Sub-Fund may however:

(a) Invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above under items (a) to (d) and (h) of Section 10.1.1;

(b) Hold cash and cash equivalents on an ancillary basis (such restriction may exceptionally and temporarily be exceeded if the Board of Directors considers this to be in the best interest of the Shareholders);

(c) Borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis (collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction); and

(d) Acquire foreign currency by means of a back-to-back loan.

10.1.3 In addition, the Fund shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per issuer:

10.1.3.1 Risk Diversification Rules

For the purpose of calculating the restrictions described under items (a) to (e) and (h) of this Section 10.1.3, companies which are included in the same Group of Companies are regarded as a single issuer.

Transferable Securities and Money Market Instruments

(a) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:

i) upon such purchase more than 10% of its net assets would consist of Transferable Securities or Money Market Instruments of one single issuer; or

ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

(b) A Sub-Fund may invest on a cumulative basis up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.

(c) The limit of 10% set forth above under item (a) i) of this Section 10.1.3 is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).

(d) The limit of 10% set forth above under item (a) i) of this Section 10.1.3 is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its net assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the net assets of such Sub-Fund.

(e) The securities specified above under items c) and d) above of this Section 10.1.3 are not to be included for purposes of computing the limit of 40% set forth above under item (a) ii) of this Section 10.1.3.

(f) Notwithstanding the limits set forth above, each Sub-Fund is authorised to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by a member state of the OECD or the Group of twenty (G20), by the Republic of Singapore, by the Hong Kong Special Administrative Region of the People's Republic of China or by a public international body of which one or more Member State(s) are member(s), provided that: (i) such securities are part of at least six different issues; and (ii) the securities from any such issue do not account for more than 30% of the net assets of such Sub-Fund.

(g) Without prejudice to the limits set forth under Section 10.1.3.2, the limits set forth under item (a) above of this Section 10.1.3 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Regulatory Authority, on the following basis:

i) the composition of the index is sufficiently diversified;

ii) the index represents an adequate benchmark for the market to which it refers; and

iii) the index is published in an appropriate manner.

The limit of 20% is raised to 35% where justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. Investment up to such limit is only permitted for a single issuer.

Bank Deposits

(h) A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body.

Financial Derivative Instruments

(i) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to in item (f) of Section 10.1.1 above or 5% of its net assets in other cases.

(j) Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in items (a) to (e), (h), (i), (m) and (n) of this Section 10.1.3. When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in items (a) to (e), (h), (i), (m) and (n) of this Section 10.1.3.

(k) When a Transferable Security or Money Market Instrument embeds a financial derivative instrument, the latter must be taken into account when complying with the requirements of item (a) of this Section 10.1.3 and item (g) of Section 10.1.1 and above as well as with the risk exposure and information requirements laid down in this Prospectus.

Units of Open-Ended Funds

(l) Except as otherwise stated in Appendix 1 with respect to a specific Sub Fund, no Sub-Fund may invest more than 20% of its net assets in the units of other single UCITS or other UCIs.

Combined limits

(m) Notwithstanding the individual limits laid down in items (a), (h) and (i) above, a Sub-Fund may not combine, where this would lead to investing more than 20% of its assets in a single body, any of the following:

i) investments in Transferable Securities or Money Market Instruments issued by such body;

ii) deposits made with such body; and/or

iii) exposures arising from OTC derivative transactions undertaken with such body.

(n) The limits set out in items (a), (c), (d), (h), (i) and (m) above of this Section 10.1.3 may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or financial derivative instruments made with this body carried out in accordance with (a), (c), (d), (h), (i) and (m) above of this Section 10.1.3 may not exceed a total of 35% of the net assets of a Sub-Fund.

10.1.3.2 Limitations on Control

(o) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Fund to exercise a significant influence over the management of the issuer.

(p) No Sub-Fund may acquire:

i) more than 10% of the outstanding non-voting shares of any one issuer;

ii) more than 10% of the outstanding debt securities of any one issuer;

iii) more than 10% of the Money Market Instruments of any one issuer; or

iv) more than 25% of the outstanding shares or units of any one UCI.

The limits set forth in sub-paragraphs ii) to iv) above of this item (p) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the securities in issue cannot be calculated.

(q) The limits set forth above under items (o) and (p) of this Section 10.1.3 do not apply in respect of:

i) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;

ii) Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;

iii) Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s);

iv) shares in the capital of a company which is incorporated under or organised pursuant to the laws of an Other State provided that: (i) such company invests its assets principally in securities issued by issuers of that State; (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State; and (iii) such company observes in its investments policy the restrictions set forth in items (a) to (e), (h), (j) and (l) to (p) of this Section 10.1.3; or

v) shares in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

10.1.4 Finally, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:

(a) No Sub-Fund may acquire precious metals or certificates representative thereof.

(b) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

(c) No Sub-Fund may use its assets to underwrite any securities.

(d) No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.

(e) A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non-fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as detailed in items (e), (g) and (h) of Section 10.1.1.

(f) No Sub-Fund may enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed in items (e), (g) and (h) of Section 10.1.1.

10.1.5 Notwithstanding anything to the contrary herein contained:

(a) The limits set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to Transferable Securities or Money Market Instruments in such Sub-Fund's portfolio.

(b) If such limits are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Shareholders.

(c) The Board of Directors has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares Fund are offered or sold.

10.2. Investment Techniques and Instruments

Each Sub-Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments for investment purpose and efficient portfolio management as set forth in detail in Section 5. “Investment Policies” and in Appendix 1.

Financial Derivative Instruments

When operations concern the use of financial derivative instruments, the relevant techniques and instruments shall conform to the provisions laid down in Section 10.1. “Investment Restrictions”. In addition, the provisions laid down in Section 10.3. “Risk Management Process” must be complied with.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment policies and objectives as laid down in Section 5. “Investment Policies” and in Appendix 1.

A Sub-Fund may invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps or other financial instruments with similar characteristics, contracts for difference, portfolio swap agreements, interest rate swaps, currency swaps, options, swaptions, credit default swaps, and credit linked note for either investment or for hedging purposes that are traded “over-the-counter” or OTC (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to, Regulation (EU) 2015/2365), in accordance with the conditions set out in relevant sections of the prospectus and the investment objective and policy of each Sub-Fund. Such OTC financial derivative instruments will be safe-kept with the Depositary.

Non deliverable forwards is a generic term for a set of financial derivative instruments which cover notional currency transactions, including FX forward swaps, cross currency swaps and coupon swaps in non-convertible or highly restricted securities. Non deliverable forwards calculate the implied interest rates of the non-deliverable currency, given the settlement currency interest rates and either the current spot exchange rate and forward points, or the outright forwards.

Contracts for difference are agreements between two parties to exchange the difference between the opening price and the closing price of the contract, at the close of the contract, multiplied by the number of units of the underlying asset specified within the contract. Differences in settlement are thus made through cash payments, rather than physical delivery of the underlying assets.

Portfolio swap agreements are bilateral financial contracts similar to total return swaps with the exception that the underlying instrument is a basket of securities which is constructed and actively traded by the holder of the portfolio swap agreement or by the counterparty on behalf of the holder to adapt the basket to changing market conditions. Underlying instruments are sovereign and corporate bonds only and the rating assigned to these securities will be in line with the investment guidelines of each Sub-Fund.

Interest rate swaps provide for an exchange between two parties of interest rate exposures from floating to fixed rate or vice versa. Each party thereby gains indirect access to the fixed or floating capital markets.

Currency swaps are bilateral financial contracts to exchange the principal and interest in one currency for the same in another currency in order to hedge specific currency risk.

Swaptions are options on an interest rate swap. The buyer of a swaption has the right to enter into an interest rate swap agreement by some specified date in the future. The swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer. The writer of the swaption becomes the counterparty if the buyer exercises.

Credit default swaps are bilateral financial contracts in which one counterparty (the “protection buyer”) pays a periodic fee in return for a contingent payment by the other counterparty (the “protection seller”) following a credit event of a reference issuer. The protection buyer acquires the right to exchange particular bonds or loans issued by the reference issuer with the protection seller for its or their par value, in an aggregate amount up to the notional value of the contract, when a credit event occurs. A credit event is commonly defined as bankruptcy, insolvency, receivership, material adverse restructuring of debt, or failure to meet payment obligations when due. The ISDA has produced standardised documentation for these transactions under the umbrella of its ISDA Master Agreement.

Credit linked notes are structured notes that enable access to local or external assets which are otherwise inaccessible to the Sub-Fund. Credit linked notes are issued by highly rated financial institutions; where credit linked notes are not listed or dealt in on a Regulated Market, the investment in credit linked notes shall always be within the limit of 10% laid down in item (a) of Section 10.1.2; the legal restrictions are applied to the issuer of the credit linked notes as well as to the underlying thereof. In those cases where credit linked notes are listed or dealt in on a Regulated Market, the aforementioned limit of 10% shall not apply and the investment restrictions applicable to credit linked notes shall be those laid down in Section 10.1.3.

Total return swaps are agreements in which one party (total return payer) transfers the total economic performance of a reference obligation to the other party (total return receiver). Total economic performance includes income from interest and fees, gains or losses from market movements, and credit losses. Total return swaps are any swaps in which the non-floating rate side is based on the total return of a currency or fixed income instrument with a life longer than the swap. Total return swaps are most common in equity or physical commodity markets, but they can be used in fixed income markets where the non-domestic holder of a fixed income security would be subject to a withholding tax, but where the withholding tax may be avoided if the debt instrument is held by a domestic investor who pays the total return to a foreign investor by way of a total return swap. Total return swaps are also used to transfer credit exposure.

Total return swaps entered into by a Sub-Fund will predominantly be in the form of funded swaps, but a Sub-Fund may also enter into unfunded total return swaps. A funded swap means a swap where the total return receiver pays an upfront amount in return for the total return of the reference obligation. An unfunded total return swap means a swap where no upfront payment is made by the total return receiver at inception. The aim of using total return swaps and derivatives with similar characteristics by a Sub-Fund to gain exposure to underlying assets that the Sub-Fund is otherwise permitted to gain exposure to by its investment policy – a basket of specific securities or an index, for example. The Sub-Fund may use these types of instrument to gain a long or short exposure to make a profit or avoid a loss on (i) certain bonds or other instruments that provide bond related returns and (ii) to a limited extent, indexes, equities and other eligible assets when it is efficient to do so from an accessibility and/or cost perspective or where the Investment Manager does not wish to buy or hold the asset itself. The expected proportion of the assets under management of a Sub-Fund that could be subject to total return swaps (including contracts for difference) is set out in the relevant table of Appendix 1 "Investment Objectives, Policies, Fees and Additional Information for Sub-Funds". The counterparties will be reputable financial institutions specialised in this type of transaction.

Each Sub-Fund may incur costs and fees in connection with total return swaps or other financial derivative instruments with similar characteristics, upon entering into total return swaps and/or any increase or decrease of their notional amount. The amount of these fees may be fixed or variable. Information on costs and fees incurred by each Sub-Fund in this respect, as well as the identity of the recipients and any affiliation they may have with the Depositary, the Investment Manager or the Management Company to the extent permitted under applicable laws and regulations, if applicable, may be available in the Annual Report.
All revenues arising from total return swaps, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund.

Authorised counterparties to over-the counter derivative transactions, including total return swaps, are reputable financial institutions that specialise in these types of transactions and are subject to prudential supervision and belonging to categories approved by the CSSF. Counterparties will typically have a public credit rating which is investment grade, meaning rated BBB- or above by Standard & Poor's or Fitch or Baa3 or above by Moody's. While there are no predetermined legal status or geographic criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties will have no discretion over the composition or management of the relevant Sub-Fund's portfolio or over the underlying of the financial derivative instruments. The identity of the counterparties will be disclosed in the annual report.

Where a Sub-Fund uses total return swaps, the maximum and the expected proportion of assets that could be subject to these instruments will be expressed as the notional of the total return swaps entered by the Sub-Fund divided by its net asset value and set out in the relevant table of Appendix 1 "Investment Objectives, Policies, Fees and Additional Information for Sub-Funds".

The Depositary will verify the ownership of the OTC derivatives of the Sub-Funds and the Depositary will maintain an updated record of such OTC derivatives in accordance with the terms of the Depositary Agreement.

Securities Lending and Borrowing, and Repurchase and Reverse Repurchase Agreement Transactions

Each Sub-Fund may enter into efficient portfolio management techniques relating to Transferable Securities and Money Market instruments (within the meaning of, and under the conditions set out in, applicable laws, regulations and CSSF circulars issued from time to time, in particular, but not limited to CSSF circulars 08/356 and 14/592, ESMA guidelines 2014/937 and Regulation (EU) 2015/2365), such as securities lending and borrowing transactions, repurchase and reverse repurchase transactions, in accordance with the conditions set out in Section 5. "Investment Policies" and in Appendix 1 and the investment objective and policy of each Sub-Fund. The use of such techniques and instruments should not result in a change of the declared investment objective of any Sub-Fund or substantially increase the stated risk profile of the Sub-Fund.

General

Each Sub-Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments provided that such techniques and instruments are used for the purposes of efficient portfolio management within the meaning of, and under the conditions set out in, applicable laws, regulations and circulars issued by the CSSF from time to time. In particular, those techniques and instruments should not result in a change of the declared investment objective of the relevant Sub-Fund or add substantial supplementary risks in comparison to the stated risk profile of the relevant Sub-Fund.

The risk exposure to a counterparty generated through efficient portfolio management techniques and OTC financial derivatives must be combined when calculating counterparty risk limits referred to under article 52 of Directive 2009/65/EC.

Securities lending transactions

Securities lending transactions consist in transactions whereby a lender transfers securities or instruments to a borrower, subject to a commitment that the borrower will return equivalent securities or instruments on a future date or when requested to do so by the lender, such transaction being considered as securities lending for the party transferring the securities or instruments and being considered as securities borrowing for the counterparty to which they are transferred. Such instruments will be safe-kept with the Depositary.

Currently the Sub-Funds do not engage in securities lending transactions. In the event the Sub-Funds wish to engage in these transactions in the future, the Prospectus will be amended accordingly before they do so and in particular the legal status, country of origin and minimum credit rating criteria, if any, used to select the counterparties will be disclosed.

Each Sub-Fund may more specifically enter into securities lending transactions provided that the following rules are complied with in addition to the abovementioned conditions:

(i) The borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;

(ii) Each Sub-Fund may only lend securities to a borrower either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction; and

(iii) Each Sub-Fund may only enter into securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.

Repurchase and reverse repurchase transactions

Each Sub-Fund may enter into repurchase agreements that consist of forward transactions at the maturity of which the relevant Sub-Fund (seller) has the obligation to repurchase the assets sold and the counterparty (buyer) the obligation to return the assets purchased under the transactions. Each Sub-Fund may further enter into reverse repurchase agreements that consist of forward transactions at the maturity of which the counterparty (seller) has the obligation to repurchase the asset sold and the relevant Sub-Fund (buyer) the obligation to return the assets purchased under the transactions. Such instruments will be safe-kept with the Depositary.

Each Sub-Fund may incur transactions costs in connection with repurchase and reverse repurchase agreements similar to transactions costs applying to any kind of investments made by each Sub-Fund. All revenues arising from repurchase and reverse repurchase at rate agreed upfront between the Sub-Fund and the counterparty to these transactions (i.e. financial credit institutions) will be returned to the relevant Sub-Fund. Information on the transactions costs incurred by each Sub-Fund in this respect, as well as the identity of the counterparties to these transactions and any affiliation they may have with the Depositary, the Investment Manager or the Management Company, if applicable, will be available in the annual report of the Fund.

The Sub-Fund's involvement in such transactions is, however, subject to the additional following rules:

(i) Authorised counterparties to these transactions are reputable financial institutions that specialise in these types of transactions and are subject to prudential supervision and belonging to categories approved by the CSSF. Counterparties will typically have a public credit rating which is investment grade, meaning rated BBB- or above by Standard & Poor's or Fitch or Baa3 or above by Moody's. While there are no predetermined legal status or geographic criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. The counterparties will have no discretion over the composition or management of the relevant Sub-Fund's portfolio or over the underlying of the financial derivative instruments. The identity of the counterparties will be disclosed in the annual report.

(ii) Each Sub-Fund may only enter into reverse repurchase agreement and/or repurchase agreement transactions provided that it is able at any time (a) to recall the full amount of cash in a reverse repurchase agreement or any securities subject to a repurchase agreement or (b) to terminate the agreement in accordance with applicable regulations. However, fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the relevant Sub-Fund.

A Sub-Fund's involvement in repurchase or reverse repurchase transactions is, however, subject to the following additional rules:

a) The counterparty to these transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.
b) During the life of a purchase transaction which is combined with a right of repurchase, the Sub-Fund cannot sell the securities which are the subject of the transaction, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired.
c) During the life of any reverse repurchase transaction, the Sub-Fund may not sell or pledge/give as security the securities purchased under the transaction.
d) The Sub-Fund must ensure that the level of its exposure to any repurchase transaction is such that it is able, at all times, to meet its redemption obligations to Shareholders.
e) The Sub-Fund must ensure that upon maturity of these transactions it holds sufficient assets to be able to settle, if applicable, the amount agreed for the restitution of the securities.

f) Securities purchased under a repurchase transaction or a reverse repurchase transaction must be compliant with the relevant CSSF circulars and the Sub-Fund's investment policy and must, together with the other securities that the Sub-Fund holds in its portfolio, respect the Sub-Fund's applicable investment restrictions.
g) The risk exposure to a counterparty generated through these transactions must be combined when calculating the limits referred to in Appendix 1.

Any repurchase agreement or reverse repurchase agreement will generally be collateralised, at any time during the lifetime of the agreement, at a minimum of 100% of its notional amount.

Securities held by the Sub-Fund under a repurchase or reverse repurchase transaction will be held in custody by the Depositary (or a sub-custodian on behalf of the Depositary) in a registered account opened in the Depositary's books for safekeeping in accordance with the terms of the Depositary Agreement.

Management of collateral and collateral policy

General

In the context of OTC financial derivatives transactions and efficient portfolio management techniques, each Sub-Fund may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Fund in such case. All assets received by a Sub-Fund in the context of efficient portfolio management techniques (securities lending, repurchase or reverse repurchase agreements) shall be considered as collateral for the purposes of this section.

Eligible collateral

Collateral received by the relevant Sub-Fund may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

(a) Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;

(b) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(c) It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;

(d) It should be sufficiently diversified in terms of country, markets and issuers in line with the diversification requirements defined by ESMA. The maximum exposure of a Sub-Fund to any given issuer included in the basket of collateral received is limited to 20% of the net assets of the Sub-Fund. When the Sub-Fund is exposed to different counterparties, collateral received should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, this limit may be exceeded and up to 100% of the collateral received by a Sub-Fund may consist in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by one or more of its local authorities, or by a public international body of which one or more Member States are members, provided that such securities or instruments are part of a basket of collateral comprised of securities or instruments of at least six different issues and that securities or instruments from any one issue do not account for more than 30% of the net assets of the Sub-Fund;

(e) where there is a title transfer, collateral received should be held by the Depositary or one of its sub-custodians to which the Depositary has delegated the custody of such collateral. For other types of collateral arrangement (e.g. a pledge), collateral can be held by a third party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral;

(f) It should be capable of being fully enforced by the relevant Sub-Fund at any time without reference to or approval from the counterparty; and

(g) Where applicable, collateral received should also comply with the control limits set in section 10 of the present Prospectus.

Subject to the abovementioned conditions, collateral received by the Sub-Funds may consist of:

(a) Cash and cash equivalents, including short-term bank certificates and Money Market Instruments;

(b) Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;

(c) Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

(d) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in (e) and (f) below;

(e) Bonds issued or guaranteed by first class issuers offering adequate liquidity;

(f) Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

Level of collateral

Each Sub-Fund will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

With respect to securities lending, the relevant Sub-Fund will generally require the borrower to post collateral representing, at any time during the lifetime of the agreement, typically a minimum of 90% of the total value of the securities lent. Repurchase agreement and reverse repurchase agreements will generally be collateralised, at any time during the lifetime of the agreement, typically at a minimum of 90% of their notional amount.

Haircut policy

Collateral will be valued, on a daily basis, using available market prices and taking into account appropriate discounts which will be determined by the Investment Manager for each asset class based on its haircut policy.

The following haircuts are applied in respect of collateral received in the context of efficient portfolio management techniques:

Collateral Instrument Type	**Haircut (range)***
Cash	95-100%
Government Bonds	85-100%
Non-Government Bonds	65-100%
Others	50-100%

The following haircuts are applied in respect of collateral received in the context of OTC derivative transactions:

Collateral Instrument Type	**Haircut (range)***
Cash	100%
Government Bonds (less than one year maturity)	90-100%
Government Bonds (with maturity from 1 to 5 years)	85-99%
Government Bonds (with maturity above 5 years)	75-99%
Others	50-99%

*The ranges of haircut indicated above in respect of collateral received in the context of efficient portfolio management techniques and/or OTC derivative transactions are indicative levels which may vary in relation to a variety of factors, depending on the nature of the collateral received, such as the issuer's credit standing, the maturity, currency, price volatility of the assets and, where applicable, the outcome of liquidity stress tests carried out by the Fund under normal and exceptional liquidity conditions.

Reinvestment of collateral

Non-cash collateral received by the Sub-Funds may not be sold, re-invested or pledged.

Cash collateral received for the benefit of the Sub-Funds can only be:

(a) placed on deposit with credit institutions which have their registered office in an EU Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;
(b) invested in high-quality government bonds;
(c) used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the relevant Sub-Fund is able to recall at any time the full amount of cash on accrued basis; and/or
(d) invested in short-term money market funds as defined in the CESR Guidelines on a Common Definition of European Money Market Funds (CESR 10-049).

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above.

10.3. Risk Management Process

In accordance with the Law of 2010 and other applicable laws and regulations and in particular, CSSF regulation n°10-4 transposing Directive 2009/65/EC as regards organisational requirements, conflicts of interest, conduct of business, risk management and content of the agreement between a depositary and a management company, CSSF Circular 11/512, CSSF Circular 18/698 and the ESMA guidelines 10/788 on risk measurement and the calculation of global exposure and counterparty risk for UCITS, the Management Company uses a risk management process which enables it to assess and monitor the exposure of the Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Fund and their contribution to the overall risk profile of the Fund.

In relation to financial derivative instruments, the Fund and the Management Company employ a process for accurate and independent assessment of the value of OTC derivatives and the Fund ensures for each of its Sub-Funds that its global exposure relating to financial derivative instruments does not exceed the limits as set out in Appendix 1.

The global exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Each Sub-Fund may invest, according to its investment policy and within the limits laid down in Section 10.1. “Investment Restrictions”, in financial derivative instruments provided that the global exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Section 10.1. “Investment Restrictions”.

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in Section 10.1. “Investment Restrictions”.

When a Transferable Security or Money Market Instrument embeds a financial derivative instrument, the latter must be taken into account when complying with the requirements of this Section 10.3.

11. Taxation

11.1. General

The following is a summary of certain material Luxembourg tax consequences of purchasing, owning and disposing of Shares. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell Shares. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. This summary does not allow any conclusion to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based on the Luxembourg law and regulations in effect and as interpreted by the Luxembourg tax authorities on the date of the Prospectus. These laws and interpretations are subject to change that may occur after such date, even with retroactive or retrospective effect. It is expected that Shareholders will be resident for tax purposes in many different countries. Consequently, investors should consult their own tax adviser as to the particular tax consequences of subscribing, purchasing, holding and disposing of the Shares, including the application and effect of any federal, state or local taxes under the tax laws of the Grand Duchy of Luxembourg and each country of which they are residents or citizens. Investors should be aware that the residence concept used under the respective headings applies for Luxembourg tax assessment purposes only. Any reference in this Section 11 to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Investors should also note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu des personnes physiques*). Corporate Shareholders may further be subject to net wealth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and a solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply in addition.

German investors should inform themselves at the registered office of the Fund which Classes are certified for German tax purposes.

The Fund is intended to be managed and controlled in such a manner that it should not be treated as a resident in the UK for UK tax purposes.

11.2. The Fund

Income tax and withholding tax

Under current Luxembourg tax law and practice, the Fund is not liable to any Luxembourg income tax, nor are any distribution (including distribution of liquidation proceeds), redemption or payment made by the Fund to its Shareholders under the Shares subject to withholding in Luxembourg.

Subscription tax

However, the Fund is as a rule liable in Luxembourg to a subscription tax (*taxe d'abonnement*) of 0.05% per annum, such tax being payable quarterly. The taxable basis of the subscription tax is the aggregate net assets of the Fund valued on the last day of each quarter of the civil year.

This rate is however of 0.01% per annum for:

- Undertakings whose sole object is the collective investment in money market instruments and in deposits with credit institutions;
- undertakings whose sole object of which is the collective investment in deposits with credit institutions; and
- individual compartments of undertakings for collective investment ("UCIs") with multiple compartments as well as for individual classes of securities issued within a UCI or within a compartment of a UCI with multiple compartments, provided that the securities of such compartments or classes are reserved to one or more institutional investors.

Are further exempt from the subscription tax:

- the value of the assets represented by shares or units held in other UCIs to the extent such shares or units have already been subject to the subscription tax provided for by Article 46 of the law of 23 July 2016 on reserved alternative investment funds, Article 174 of the Law or Article 68 of the amended law of 13 February 2007 on specialised investment funds;
- UCIs as well as individual compartments of UCIs with multiple compartments funds (i) whose securities are reserved for institutional investors, and (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institution, and (iii) whose weighted residual portfolio maturity does not exceed 90 days and (iv) that have obtained the highest possible rating from a recognised rating agency. Where several classes of securities exist within the UCI or the compartment, the exemption only applies to classes whose securities are reserved for institutional investors;
- UCIs whose securities are reserved for (i) institutions for occupational retirement pension or similar investment vehicles, set up on one or more employers' initiative for the benefit of their employees and (ii) companies of one or several employers investing funds they hold, to provide retirement benefits to their employees;

- UCIs as well as individual compartments of UCIs with multiple compartments whose invest for more than 50% in one or many microfinance institutions or which have been granted the Luxembourg Fund Labelling Agency (LuxFLAG) microfinance label;

- UCIs as well as individual compartments of UCIs with multiple compartments (i) whose securities are listed or traded on at least one stock exchange or another regulated market, operating regularly, recognised and open to the public, and (ii) whose sole object is to replicate the performance of one or more indices. If several classes of securities exist within the UCI or the compartment, the exemption only applies to classes fulfilling the condition sub-point (i).

Other taxes

No stamp duty or other tax is generally payable in Luxembourg on the issue of Shares for cash by the Fund. Any amendment to the Articles of the Fund is generally subject to a fixed registration duty of €75.

No tax is payable in Luxembourg on realised or unrealised capital appreciation of the assets of the Fund. Although the Fund's realised capital gains, whether short term or long term, are not expected to become taxable in another country, Shareholders must be aware and recognise that such a possibility is not totally excluded. The regular income of the Fund from some of its securities as well as interest earned on cash deposits in certain countries may be liable to withholding taxes at varying rates, which normally cannot be recovered. Withholding and other taxes levied at source, if any, are not recoverable. Whether the Fund may benefit from a double tax treaty concluded by Luxembourg must be determined on a case-by-case basis.

11.3. Shareholders

Luxembourg Tax Residency

A Shareholder will not become resident, nor be deemed to be resident, in Luxembourg by reason only of the holding and/or disposing of Shares or the execution, performance or enforcement of its rights thereunder.

Luxembourg Residents

Luxembourg resident Shareholders are not liable to any Luxembourg income tax on reimbursement of the share capital contributed to the Fund.

Luxembourg Resident Individuals

Any dividends and other payments derived from the Shares received by Luxembourg resident individuals, who act in the course of either their private wealth or their professional or business activities are subject to income tax at the progressive ordinary rate.

Capital gains realised upon the sale, disposal or redemption of Shares by Luxembourg resident individual Shareholders acting in the course of the management of their private wealth are not subject to Luxembourg income tax, provided such gains do not qualify as speculative gains and provided the Shares do not represent a substantial shareholding. Capital gains are deemed to be speculative and are thus subject to income tax at ordinary rates if the shares are disposed of within 6 months after their acquisition or if their disposal precedes their acquisition. A shareholding is considered as a substantial shareholding in limited cases, in particular if (i) the Shareholder holds or has held, either alone or together with his/her spouse or partner and/or his/her minor children, either directly or indirectly, at any time within the five years preceding the realisation of the gain, more than 10% of the share capital of the Fund or (ii) the Shareholder acquired free of charge, within the five years preceding the transfer, a participation that constituted a substantial participation in the hands of the alienator (or alienators, in case of successive transfers free of charge within the same five year period). Capital gains realised on a substantial participation more than six months after the acquisition thereof are subject to income tax according to the half-global rate method (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shareholding.

Capital gains realised upon the sale, disposal or redemption of Shares by Luxembourg resident individual Shareholders acting in the course of the management of their professional/business activities, are subject to Luxembourg income tax at ordinary rates.

Luxembourg Resident Corporations

Luxembourg resident corporate Shareholders (*sociétés de capitaux*) must include any profits derived, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable profits for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Luxembourg Residents Benefiting from a Special Tax Regime

Luxembourg resident Shareholders which benefit from a special tax regime, such as (i) UCI governed by the Law of 20 December 2002 or the Law, (ii) specialised investment funds governed by the law of 13 February 2007, as amended, and (iii) family wealth management companies governed by the amended law of 11 May 2007 or (iv) reserved alternative investment funds treated as a specialised investment fund for Luxembourg tax purposes governed by the law of 23 July 2016, are tax exempt entities in Luxembourg and are thus not subject to any Luxembourg income tax.

Luxembourg Non-residents

Shareholders, who are non-residents of Luxembourg and which have neither a permanent establishment nor a permanent representative in Luxembourg to which the Shares are attributable are generally not subject to any Luxembourg income tax on income received and capital gains realised upon the sale, disposal or redemption of the Shares.

Corporate Shareholders which are non-residents of Luxembourg but which have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

It is expected that Investors in the Fund will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the taxation consequences for each Investor of subscribing, converting (if any), holding, redeeming, transferring or otherwise acquiring or disposing of Shares in the Fund. These consequences will vary in accordance with the law and practice currently in force in the Investor's country of citizenship, residence, domicile or incorporation and with his personal circumstances. Investors resident in or citizens of certain countries which have a tax legislation affecting foreign funds may have a current liability to tax on the undistributed income and gains of the Fund.

11.4. FATCA

Capitalised terms used in this section should have the meaning as set forth in the FATCA Law, unless provided otherwise.

The Fund may be subject to the so-called FATCA legislation which generally requires reporting to the U.S. Internal Revenue Service of non-U.S. financial institutions that do not comply with FATCA and direct or indirect ownership by U.S. persons of non-U.S. entities. As part of the process of implementing FATCA, the U.S. government has negotiated intergovernmental agreements with certain foreign jurisdictions which are intended to streamline reporting and compliance requirements for entities established in such foreign jurisdictions and subject to FATCA.

Luxembourg has entered into a Model I Intergovernmental Agreement ("IGA") implemented by the FATCA Law which requires Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by Specified U.S. Persons if any, to the Luxembourg tax authorities (*administration des contributions directes*).

Under the terms of the FATCA Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution.

This status imposes on the Fund the obligation to regularly obtain and verify information on all of its Shareholders. On the request of the Fund, each Shareholder shall agree to provide certain information, including, in the case of a Non-Financial Foreign Entity ("NFFE") information on the Controlling Persons of such NFFE, along with the required supporting documentation. Similarly, each investor shall agree to actively provide to the Fund within thirty (30) days any information that would affect its status, as for instance a new mailing address or a new residency address.

FATCA may require the Fund to disclose the names, addresses and taxpayer identification numbers (if available) of Shareholders as well as information such as account balances, income and gross proceeds (non-exhaustive list) to the Luxembourg tax authorities for the purposes set out in the FATCA Law. Such information will be relayed by the Luxembourg tax authorities to the US Internal Revenue Service.

Additionally, the Fund is responsible for the processing of personal data and each Shareholder has the right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the applicable data protection laws.

Although the Fund will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Fund will be able to satisfy these obligations. If the Fund becomes subject to a withholding tax or penalties as result of the FATCA regime, the value of the Shares held by the Shareholders may suffer material losses. The failure of the Fund to obtain such information from each Shareholder and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on payments of U.S. source income and on proceeds from the sale of property or other assets that could give rise to U.S. source interest and dividends as well as penalties.

Any Shareholder that fails to comply with the Fund's documentation requests may be charged with any taxes and/or penalties imposed on the Fund as a result of such Shareholder's failure to provide the information and the Fund may, in its sole discretion, redeem the Shares of such Shareholder.

Shareholder who invest through intermediaries are reminded to check if and how their intermediaries will comply with this U.S. withholding tax and reporting regime.

Shareholders should consult a U.S. tax advisor or otherwise seek professional advice regarding the above requirements.

11.5. Common Reporting Standards

Capitalised terms used in this section should have the meaning as set forth in the CRS Law, unless provided otherwise herein.

The Fund may be subject to the CRS Law implementing Directive 2014/107/EU which provides for an automatic exchange of financial account information between member States of the European Union as well as the OECD's multilateral competent authority agreement on automatic exchange of financial account information signed on 29 October 2014 in Berlin, with effect as of 1 January 2016.

Under the terms of the CRS Law, the Fund is likely to be treated as a Luxembourg Reporting Financial Institution. As such, the Fund will be required to annually report to the Luxembourg tax authority (*administration des contributions directes*) personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain Shareholders qualifying as Reportable Persons as per the CRS Law and (ii) Controlling Persons of certain non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the "Information"), will include personal data related to the Reportable Persons.

The Fund's ability to satisfy its reporting obligations under the CRS Law will depend on each Shareholder providing the Fund with the Information, along with the required supporting documentary evidence. In this context, the Shareholders are hereby informed that, as data controller, the Fund will process the Information for the purposes as set out in the CRS Law. The Shareholders qualifying as passive NFEs undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Fund.

Additionally, the Fund is responsible for the processing of personal data and each Shareholder has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Fund are to be processed in accordance with the applicable data protection laws.

The Shareholders are further informed that the Information related to Reportable Persons within the meaning of the CRS Law will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. The Luxembourg tax authorities will, under their own responsibility, eventually exchange the reported information to the competent authority of the Reportable Jurisdiction. In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities.

Similarly, the Shareholders undertake to inform the Fund within thirty (30) days of receipt of these statements should any included personal data be not accurate. The Shareholders further undertake to inform the Fund of, and provide the Fund with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any Shareholder that fails to comply with the Fund's Information or documentation requests may be held liable for penalties imposed on the Fund and attributable to such Shareholder's failure to provide the Information or subject to disclosure of the Information by the Fund to the Luxembourg tax authorities and the Fund may, in its sole discretion, redeem the Shares of such Shareholders.

11.6. Net Wealth Tax

Luxembourg resident Shareholders, and non-resident Shareholders having a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, are subject to Luxembourg net wealth tax on such Shares, unless the Shareholder is (i) a resident or non-resident individual taxpayer, (ii) a UCI governed by the Law, (iii) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (iv) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (v) a specialised investment fund governed by the law of 13 February 2007, as amended, (vi) a professional pension institution governed by the amended law dated 13 July 2005, (vii) a family wealth management company governed by the amended law of 11 May 2007, or (viii) a reserved alternative investment fund governed by the law of 23 July 2016.

However, (i) a securitisation company governed by the amended law of 22 March 2004 on securitisation, (ii) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (iii) a professional pension institution governed by the amended law dated 13 July 2005, and (iv) a reserved alternative investment fund treated as a venture capital governed by the law of 23 July 2016 remain subject to minimum net wealth tax.

11.7. Value Added Tax

The Fund is considered in Luxembourg as a taxable person for value added tax ("VAT") purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund could potentially trigger VAT and require the VAT registration of the Fund in Luxembourg so as to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its Shareholders, to the extent that such payments are linked to their subscription for Shares and do not constitute the consideration received for any taxable services supplied.

11.8. Other Taxes

Under Luxembourg tax law, where an individual Shareholder is a resident of Luxembourg for tax purposes at the time of his/her death, the Shares are included in his or her taxable basis for inheritance tax purposes. On the contrary, no inheritance tax is levied on the transfer of Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes.

Luxembourg gift tax may be levied on a gift or donation of Shares if embodied in a Luxembourg notarial deed or otherwise registered in Luxembourg.

11.9. UK Reporting Funds

On 1 December 2009, the UK Government enacted the Offshore Funds (Tax) Regulations 2009 (SI 2009/3001) which replaced the UK Distributor Status regime. Funds which have opted to enter this regime are referred to as 'Reporting Funds'.

Under the UK Reporting Funds regime, investors in Reporting Funds are subject to tax on the share of the Reporting Fund's income attributable to their holding in the Fund, whether or not distributed, but any gains on disposal of their holding are subject to capital gains tax.

Appendix 1: Investment Objectives, Policies, Fees and Additional Information for Sub-Funds

The information set out below in relation to each Sub-Fund should be read in conjunction with the full text of this Prospectus. Any investment policy will always be subject to the restrictions set out in Section 10. "Investment Restrictions and Financial Techniques and Instruments".

Definitions

In this Appendix, the following terms shall have the following meanings:

"B-/B3"	means rated B- by Standards & Poor's or Fitch or B3 by Moody's, unless otherwise stated in the Sub-Fund appendix.
"Distressed Debt Securities"	means securities whereby its issuer has failed to make a contractual payment as it falls due, is subject to bankruptcy or equivalent procedures or is undertaking an involuntary debt restructuring. The Investment Manager will be guided by rating agencies, the ISDA Credit Derivatives Determinations Committee and other external data providers but may at times diverge from their opinions. In particular, the Investment Manager will not consider the contractually provided suspension of coupon payments on additional tier 1 instruments such as preference shares or contingent convertible bonds as an indication of distress. If Distressed Debt Securities are envisaged in a Sub-Fund's investment policy, typically such Sub-Fund would not invest more than 10% of its net assets into Distressed Debt Securities, unless otherwise stated in the Sub-Fund appendix.
"Emerging Market Countries"	means all countries in the following regions: Asia (excluding Japan), Eastern Europe, Middle East, Africa and Latin America, or such countries as reasonably determined by the Investment Manager from time to time.
"Emerging Market Issuer"	means an entity domiciled in an Emerging Market Country.
"Hard Currencies"	means G7 country currencies, i.e. USD, Canadian Dollars, EUR, GBP or Japanese Yen.
"investment grade"	means rated BBB- or above by Standard & Poor's or Fitch or Baa3 or above by Moody's, unless otherwise stated in the Sub-Fund appendix.
"Local Currencies"	means currencies of Emerging Market Countries.
"Structured Credit Securities"	means cash or synthetic collateralised loan obligations, collateralised bond obligations, collateralised debt obligations, residential mortgage-backed securities, commercial mortgage-backed securities and asset-backed securities (including, but not limited to, securities backed by credit card loans, auto loans, consumer loans and student loans), credit risk transfer securities, agency mortgage pass-through securities and covered bonds.

For the purpose of all credit ratings and unless stated otherwise in the Sub-Fund appendix, in instances where 1) two different credit ratings are published by Standards & Poor's, Fitch or Moody's for a specific security, the lower of these ratings shall be decisive, and 2) where three ratings are published by Standards & Poor's, Fitch or Moody's for a specific security, the lower of the top two ratings shall be decisive.

The Sub-Funds may invest in unrated securities whose creditworthiness is, in the opinion of the Investment Manager, of comparable quality to other securities eligible for inclusion in the relevant Sub-Fund's portfolio and/or the constituents of the relevant benchmark index of such Sub-Fund. The internal rating assigned to such securities by the Investment Manager will be used for the purpose of calculating the specified thresholds within each Sub-Fund's investment policy.

Ancillary liquid assets are excluded from net assets for the purposes of calculating all minimum investment thresholds detailed below. Ancillary liquid assets are included within net assets for the purposes of calculating all maximum investment thresholds detailed below. Ancillary liquid assets are those assets invested outside the main investment strategy of a Sub-Fund including, but not limited to, cash, cash equivalents and assets linked to repurchase agreements as part of a treasury management strategy.

For each investment policy detailed below, all references to investment shall include both direct and indirect investment, unless otherwise stated.

For each investment policy detailed below, an entity's country of domicile may be determined by the Investment Manager to be the country in which, in the Investment Manager's reasonable opinion, such entity carries out its significant business operations.

Where valuation of the net asset value per Share occurs weekly, the Valuation Day shall be (i) each Tuesday which is a Business Day or, for each Tuesday which is not a Business Day, the following Business day and (ii) the last Business Day of each month.

Where valuation of the net asset value per Share occurs daily, each Business Day shall be a Valuation Day.

The Investment Manager may manage the currency allocation of each Sub-Fund.

The method used for the determination of the level of leverage of each Sub-Fund is the "sum-of-notionals" approach.

Investment in the Sub-Funds may not be suitable for all investors. Investors should review this Prospectus in its entirety, and consult with their professional advisors, before making an application for Shares.

Fees and Expenses

For each Sub-Fund, the "Fees and Expenses" table sets out:

(a) the relevant Management and Advisory Fees, Performance Fees and fixed expenses; and

(b) the relevant benchmarks or hurdle rates, where applicable, for the purposes of calculating the performance and Performance Fee (where applicable).

Fees for each Class are applicable to all currency denominations of the same Class, unless otherwise specifically stated.

The benchmark or hurdle rate set out in each table is the benchmark or hurdle rate (as applicable) for the Class offered in the Reference Currency of the relevant Sub-Fund. The benchmark or hurdle rate (as applicable) for Classes offered in currencies different to the Reference Currency of any given Sub-Fund is denominated in the Reference Currency and will be fully hedged against the currency in which the relevant Class is denominated. For example, the benchmark for a EUR Class of a Sub-Fund with USD as its Reference Currency is denominated in USD and fully hedged to EUR in order to hedge any currency fluctuations between the Reference Currency and the Class currency. In the case of "BHedged" Classes, the benchmark is denominated in the currency of the relevant "BHedged" Class and any non-Class currency exposure in the benchmark will be fully hedged back to the Class currency. For example, the benchmark for a EUR BHedged Class of a Sub-Fund with USD as its Reference Currency is denominated in EUR and any non EUR exposure in the benchmark will be fully hedged to EUR.

Detailed information about the various fund charges is set out in Section 9. "Management and Fund Charges".

BlueBay Capital Income Fund

Reference Currency:	EUR
Benchmark:	N/A
Investment Objective:	To achieve a total return from a portfolio of subordinated debt securities
Investment Policy:	The Sub-Fund invests at least 50% of its net assets in subordinated debt securities issued by corporate issuers, including financial institutions. Subordinated debt securities include, but are not limited to, corporate hybrid bonds, Tier 1 and Tier 2 contingent convertibles ("CoCos") and US perpetual preferred stock. The Sub-Fund invests at least 80% of its net assets in fixed income securities issued by entities rated investment grade. The Sub-Fund may invest in fixed income securities rated below investment grade, provided that such securities are not rated below B3/B-. The Sub-Fund may invest up to 15% of its net assets in fixed income securities issued by entities domiciled in an Emerging Market Country.
Investment Restrictions:	The Sub-Fund may invest: • up to 50% of its net assets in CoCos; • up to 25% of its net assets in equity securities; • up to 10% of its net assets in money market funds; and • up to one-third of its net assets in Money Market Instruments. The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets. The Sub-Fund may from time to time, if deemed appropriate by the Investment Manager, hold up to 50% of its net assets in cash and cash equivalents.
Financial Techniques and Instruments:	The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, inflation swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.
Securities Financing Transactions:	The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following: • Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%. The Sub-Fund will not engage in margin lending or securities lending.
Investor Profile:	Investors with a medium to long-term horizon (3 to 5 years) looking for an actively managed portfolio of subordinated debt securities. Due to the complexity of the loss absorbing mechanisms and the absence of harmonized terms from issuer to issuer and from issue to issue of Contingent Convertibles, the Sub-Fund is only suitable for Financially Sophisticated Investors who can bear the economic risk of the loss of their investment in the Sub-Fund. By consequence, Shares of this Sub-Fund are only available to Financially Sophisticated Investors and / or qualified Institutional Investors. Financially Sophisticated Investor for this purpose means an investor who:

	(a) has knowledge of, and investment experience in, financial markets generally and financial products which invest in securities and/or derivatives with complex features; and (b) understands and can evaluate the strategy, characteristics and risks of the Sub-Fund in order to make an informed investment decision.
Global Exposure:	An absolute VaR approach is applied. The Sub-Fund's VaR is limited internally, subject to change, and may not exceed 20% of the Sub-Fund's net asset value. The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 700% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 350% of the net asset value of the Sub-Fund. The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management. The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.
Valuation:	Daily
Sub-Investment Manager:	BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Capital Income Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
C	Up to 200	Nil	20
G	Up to 200	Nil	20
I	70	Nil	16
I (Perf)	20	10	16
K	Up to 200	Nil	16
M	70	Nil	20
Q	Up to 200	Nil	20
R	120	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Hurdle rate	Not applicable		

BlueBay Emerging Market Aggregate Bond Fund

Reference Currency: USD

Benchmark: Composite index comprised 50% of JP Morgan Emerging Market Bond Index Global Diversified and 50% JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified

Investment Objective: To achieve a total rate of return in excess of a composite index comprised 50% of JP Morgan Emerging Market Bond Index Global Diversified and 50% JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified from a portfolio of fixed income securities issued by entities domiciled in Emerging Market Countries.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities of any rating issued by entities domiciled in an Emerging Market Country. The Sub-Fund may also invest in unrated debt securities and in Distressed Debt Securities.

The Sub-Fund invests in securities denominated in Hard Currencies but will not invest in securities denominated in the Local Currencies of the Emerging Market Countries.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds;
- up to 10% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, and credit default swaps; (ii) invest in currency swaps and currency forwards for currency hedging and other purposes; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap without holding the underlying assets; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities of Emerging Market Issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 150% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Aggregate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	70	Nil	20
B (Perf)	50	20	20
C	Up to 200	Nil	20
G	Up to 200	Nil	20
I	70	Nil	16
I (Perf)	50	20	16
K	Up to 200	Nil	16
M	70	Nil	20
Q	Up to 200	Nil	20
R	130	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	A composite index comprised 50% of JP Morgan Emerging Market Bond Index Global Diversified and 50% JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified		

BlueBay Emerging Market Aggregate Short Duration Bond Fund

Reference Currency:	USD
Benchmark:	JP Morgan Emerging Market Blend Hard Currency Credit 50-50 1-3 year Index
Investment Objective:	To achieve a total rate of return in excess of the JP Morgan Emerging Market Blend Hard Currency Credit 50-50 1-3 year Index from a portfolio of short duration fixed income securities issued by entities domiciled in Emerging Market Countries.
Investment Policy:	The Sub-Fund invests at least two-thirds of its net assets in short duration fixed income securities of any rating issued by entities domiciled in an Emerging Market Country. The Sub-Fund may also invest in unrated debt securities and in Distressed Debt Securities. It is expected that the Sub-Fund will typically have a weighted interest rate duration of 1 to 3 years. The Sub-Fund invests in securities denominated in Hard Currencies but will not invest in securities denominated in the Local Currencies of the Emerging Market Countries.
Investment Restrictions:	The Sub-Fund may invest: • up to 10% of its net assets in equity securities; • up to 10% of its net assets in money market funds; • up to 10% of its net assets in convertible bonds or bonds with warrants attached; and • up to one-third of its net assets in Money Market Instruments, provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund. The Sub-Fund may not invest more than 10% of its net assets in CoCos. The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.
Financial Techniques and Instruments:	The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, and credit default swaps; (ii) invest in currency swaps and currency forwards for currency hedging and other purposes; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap without holding the underlying assets; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.
Securities Financing Transactions:	The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following: • Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%. The Sub-Fund will not engage in margin lending or securities lending.
Investor Profile:	Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities of Emerging Market Issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 150% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Aggregate Short Duration Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
C	Up to 200	Nil	20
G	Up to 200	Nil	20
I	60	Nil	16
K	Up to 200	Nil	16
M	60	Nil	20
Q	Up to 200	Nil	20
R	95	Nil	20
S	Up to 200	Nil	20
W	Up to 200	Nil	20
X, Y	Nil	Nil	16

BlueBay Emerging Market Bond Fund

Reference Currency: USD

Benchmark: JP Morgan Emerging Market Bond Index Global Diversified

Investment Objective: To achieve a total rate of return in excess of the JP Morgan Emerging Market Bond Index Global Diversified from a portfolio of fixed income securities of issuers based in Emerging Market Countries.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities of any rating issued by Emerging Market Issuers. The Sub-Fund may also invest in Distressed Debt Securities.

The Sub-Fund invests in USD and non-USD denominated securities, including securities denominated in the Local Currencies of the Emerging Market Countries in which the Sub-Fund invests. The percentage of non-USD denominated securities may increase over time to reflect market opportunities as well as the composition of the benchmark index.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Instruments: The Sub-Fund may: (i) hold credit default swaps; (ii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; and (iii) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities of Emerging Market Issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 200% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	100	Nil	20
B (Perf)	60	20.0	20
C	Up to 200	Nil	20
D	100	Nil	20
DR	150	Nil	20
I	100	Nil	16
I (Perf)	60	20.0	16
M	100	Nil	20
Q	Up to 200	Nil	20
R	150	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	JP Morgan Emerging Market Bond Index Global Diversified		

BlueBay Emerging Market Corporate Bond Fund

Reference Currency: USD

Benchmark: JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified

Investment Objective: To achieve a total rate of return in excess of the JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified from a portfolio of fixed income securities of corporate issuers based in Emerging Market Countries.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities of any rating issued by corporate issuers domiciled within an Emerging Market Country, in unrated debt securities and in Distressed Debt Securities.

The Sub-Fund invests in USD and non-USD denominated securities, including securities denominated in the Local Currencies of the Emerging Market Countries in which the Sub-Fund invests. The percentage of non-USD denominated securities may increase over time to reflect market opportunities as well as the composition of the benchmark index.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in eligible derivative instruments (including but not limited to total returns swaps) relating to commodity indices subject to Article 9 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2002;
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund’s aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in total return swaps, contracts for difference, portfolio swap agreements and credit default swaps; (ii) invest in currency swaps and currency forwards for currency hedging and other purposes; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; and (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap without holding the underlying assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund’s net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund’s net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund’s net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund’s net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities of Emerging Market Issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 150% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Corporate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	120	Nil	20
B (Perf)	80	20.0	20
C	Up to 200	Nil	20
D	120	Nil	20
DR	150	Nil	20
I	120	Nil	16
I (Perf)	80	20.0	16
M	120	Nil	20
Q	Up to 200	Nil	20
R	150	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	JP Morgan Corporate Emerging Market Bond Index (CEMBI) Diversified		

BlueBay Emerging Market High Yield Corporate Bond Fund

Reference Currency: USD

Benchmark: JP Morgan Corporate Emerging Market Diversified High Yield Index

Investment Objective: To achieve a total rate of return in excess of the JP Morgan Corporate Emerging Market Diversified High Yield Index.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities rated below investment grade issued by corporate issuers domiciled within an Emerging Market Country. The Sub-Fund may also invest in Distressed Debt Securities.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
  up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in total return swaps, contracts for difference, portfolio swap agreements and credit default swaps; (ii) invest in currency swaps and currency forwards for currency hedging and other purposes; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap without holding the underlying assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities of Emerging Market Issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 150% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market High Yield Corporate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	150	Nil	20
B (Perf)	110	20.0	20
C	Up to 200	Nil	20
I	150	Nil	16
I (Perf)	110	20.0	16
M	150	Nil	20
Q	Up to 200	Nil	20
R	200	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	JP Morgan Corporate Emerging Market Diversified High Yield Index, USD unhedged		

BlueBay Emerging Market Investment Grade Corporate Bond Fund

Reference Currency: USD

Benchmark: JP Morgan Corporate Emerging Market Diversified High Grade Index

Investment Objective: To achieve a total return in excess of the JP Morgan Corporate Emerging Market Diversified High Grade Index.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities rated investment grade and issued by corporate issuers which are domiciled in an Emerging Market Country.

The Sub-Fund may invest up to 15% of its net assets in fixed income securities rated below investment grade, provided that such securities are not rated below B-/B3.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund and that no such financial assets (to the extent they are rated) are rated below B-/B3.

The Sub-Fund may not invest in securities rated below B-/B3. In the event that the rating of any security held by the Sub-Fund is downgraded to below B-/B3 subsequent to the Sub-Fund acquiring such security, the Investment Manager will reduce the relevant position over time in line with market conditions, provided that it must dispose of the relevant security within a maximum period of six months following a downgrading. Under such circumstances the Sub-Fund may however maintain a maximum exposure of 3% to securities rated below B-/B3.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in total return swaps, contracts for difference, portfolio swap agreements, and credit default swaps; (ii) invest in currency swaps and currency forwards for currency hedging and other purposes; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap without holding the underlying assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of investment grade-rated fixed income securities who are prepared to tolerate price fluctuations.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 150% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Investment Grade Corporate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	100	Nil	20
B (Perf)	60	20.0	20
C	Up to 200	Nil	20
I	100	Nil	16
I (Perf)	60	20.0	16
M	100	Nil	20
Q	Up to 200	Nil	20
R	150	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	JP Morgan Corporate Emerging Market Diversified High Grade Index, USD unhedged		

BlueBay Emerging Market Local Currency Bond Fund

Reference Currency:	USD
Benchmark:	JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged
Investment Objective:	To achieve a total rate of return in excess of the JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged from a portfolio of fixed income government securities of issuers based in Emerging Market Countries and mainly denominated in Local Currencies.
Investment Policy:	The Sub-Fund invests at least two-thirds of its net assets in fixed income government securities of any rating issued by governments of Emerging Market Countries and which are denominated in a Local Currency, and in Distressed Debt Securities issued by governments of Emerging Market Countries and which are denominated in a Local Currency. Investments may include bonds issued by sovereign entities which are traded in Local Currencies, as well as bonds and notes issued by banks and corporations which are traded in local markets. It is expected that investments will principally be made in bonds of government issuers. The Sub-Fund may invest up to one-third of its net assets in fixed income securities of Emerging Market Issuers denominated in currencies other than Local Currencies and in fixed income securities issued by sovereign entities of non-Emerging Market Countries.
Investment Restrictions:	The Sub-Fund may invest: • up to 10% of its net assets in equity securities; • up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010; • up to 10% of its net assets in money market funds; • up to 25% of its net assets in convertible bonds or bonds with warrants attached; and • up to one-third of its net assets in Money Market Instruments, provided that investment in such financial assets and fixed income assets not denominated in Local Currencies of an Emerging Market Country does not in aggregate exceed one-third of the net assets of the Sub-Fund. The Sub-Fund may not invest more than 20% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect. The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.
Financial Techniques and Instruments:	The Sub-Fund may: (i) invest in financial derivative instruments for the purpose of efficient portfolio management, mainly in those markets which it cannot access directly; (ii) invest in financial derivative instruments such as foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, options and swaptions for either investment purposes to gain exposure to Local Currencies and local interest rates or for hedging purposes; (iii) buy protection in countries where the Sub-Fund has an existing Local Currency position (the Sub-Fund may buy protection by using all financial derivative instruments described above and/or credit default swap); and (iv) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection.
Securities Financing Transactions:	The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following: • Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%. The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income government securities of Emerging Market Issuers denominated in Local Currencies.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 400% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Currency Hedging: The Sub-Fund may hedge Local Currency exposure at the discretion of the Investment Manager.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Local Currency Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	125	Nil	20
B (Perf)	80	20.0	20
C	Up to 200	Nil	20
D	125	Nil	20
DR	175	Nil	20
G	150	Nil	20
I	125	Nil	16
I (Perf)	80	20.0	16
M	125	Nil	20
Q	Up to 200	Nil	20
R	175	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged		

BlueBay Emerging Market Local Currency Corporate Bond Fund

Reference Currency:	USD
Benchmark:	ICE BofA Merrill Lynch Diversified Local Emerging Markets Non-Sovereign Index
Investment Objective:	To achieve a total rate of return in excess of the ICE BofA Merrill Lynch Diversified Local Emerging Markets Non-Sovereign Index from a portfolio of fixed income securities of corporate issuers based in Emerging Market Countries and mainly denominated in Local Currencies.
Investment Policy:	The Sub-Fund invests at least two-thirds of its net assets in fixed income securities of any rating issued by corporate issuers domiciled within an Emerging Market Country, in unrated debt securities and in Distressed Debt Securities, which are denominated in Local Currencies.
Investment Restrictions:	The Sub-Fund may invest: • up to 10% of its net assets in equity securities; • up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010; • up to 10% of its net assets in money market funds; • up to 25% of its net assets in convertible bonds or bonds with warrants attached; and • up to one-third of its net assets in Money Market Instruments, provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund. The Sub-Fund may not invest more than 20% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect. The Sub-Fund may not invest more than 20% of its net assets in CoCos. The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.
Financial Techniques and Instruments:	The Sub-Fund may: (i) invest in total return swaps, contracts for difference, portfolio swap agreements, and credit default swaps; (ii) invest in currency swaps and currency forwards for currency hedging and other purposes; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; and (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap without holding the underlying assets.
Securities Financing Transactions:	The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following: • Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%. The Sub-Fund will not engage in margin lending or securities lending.
Investor Profile:	Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities of Emerging Market Issuers.
Global Exposure:	A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above. The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 300% of the net asset value of the Sub-Fund. The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration

management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Local Currency Corporate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	90	Nil	20
B (Perf)	70	20.0	20
C	Up to 200	Nil	20
C (Perf)	Up to 200	20.0	20
G	Up to 200	Nil	20
I	90	Nil	16
I (Perf)	70	20.0	16
K	Up to 200	Nil	16
M	90	Nil	20
Q	Up to 200	Nil	20
Q (Perf)	Up to 200	20.0	20
R	140	Nil	20
R (Perf)	120	20.0	20
S	Up to 200	Nil	20
S (Perf)	Up to 200	20.0	20
X, Y	Nil	Nil	16
Benchmark	ICE BofA Merrill Lynch Diversified Local Emerging Markets Non-Sovereign Index		

BlueBay Emerging Market Select Bond Fund

Reference Currency: USD

Benchmark: Composite index comprised 50% of JP Morgan Emerging Markets Bond Index Global Diversified and 50% JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged

Investment Objective: To achieve a total rate of return in excess of a composite index comprised 50% of JP Morgan Emerging Markets Bond Index Global Diversified and 50% JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged.

Investment Policy: The Sub-Fund invests in fixed income securities of Emerging Market Issuers denominated in any currency.

The Sub-Fund invests at least two-thirds of its net assets in fixed income securities of any rating issued by Emerging Market Issuers, which may be denominated in any currency, and in Distressed Debt Securities of Emerging Market Issuers.

The Sub-Fund takes active exposure to Hard Currency and Local Currency investments. The Sub-Fund will vary the proportion invested in Hard Currency instruments and Local Currency instruments according to the investment view of the Investment Manager in relation to the relevant instruments, taking into consideration in particular the credit rating, the currency (in the case of Local Currency instruments only) and the interest rate of such instruments.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments for the purpose of efficient portfolio management, varying Hard Currency and Local Currency instruments according to the investment view of the Investment Manager in relation to the relevant instruments, and mainly in those markets which it cannot access directly; (ii) invest in financial derivative instruments such as foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, options and swaptions for either investment purposes to gain exposure to Local Currency and local interest rates or for hedging purposes; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; and (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities of Emerging Market Issuers denominated in any currency.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund typically based on the "sum-of-notionals" methodology does not exceed 400% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Currency Hedging: The Sub-Fund may at any time have a significant proportion of its total exposure denominated in Local Currencies. The Sub-Fund may hedge Local Currency exposure at the discretion of the Investment Manager.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Select Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	125	Nil	20
B (Perf)	80	20.0	20
C	Up to 200	Nil	20
D	125	Nil	20
I	125	Nil	16
I (Perf)	80	20.0	16
M	125	Nil	20
Q	Up to 200	Nil	20
R	175	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	A composite index comprised 50% of the JP Morgan Emerging Markets Bond Index Global Diversified and 50% JP Morgan Government Bond Index – Emerging Markets Global Diversified (GBI-EM Global Diversified), USD unhedged		

BlueBay Emerging Market Unconstrained Bond Fund

Reference Currency: USD

Benchmark: N/A

Investment Objective: To achieve a total return from a portfolio of fixed income securities predominantly issued by Emerging Market Issuers and denominated in any currency, as well as making investments linked directly or indirectly to currencies and/or interest rates of Emerging Market Countries.

Investment Policy: The Sub-Fund may invest in fixed income securities of any rating. Typically, the Sub-Fund invests at least 50% of its net assets in fixed income securities issued by Emerging Market Issuers, fixed income securities issued by non-Emerging Market Issuers with substantial exposure to emerging markets and which can be denominated in any currency, and in Distressed Debt Securities of Emerging Market Issuers.

At least 50% of the Sub-Fund's net assets will be exposed to bonds and/or debt instruments issued by sovereign Emerging Market Issuers as well as currencies and interest rates. The Sub-Fund may hold these investments directly or will gain exposure to them through financial instruments.

The Sub-Fund is considered unconstrained as it can take both long and short positions (via the use of financial derivative instruments) in eligible securities based on the Investment Manager's views and without reference to a benchmark.

The Sub-Fund takes active exposure to Hard Currency and Local Currency investments. The Sub-Fund will vary the proportion of exposure to Hard Currency instruments and Local Currency instruments according to the investment view of the Investment Manager in relation to the relevant instruments, taking into consideration in particular the credit quality, the currency (in the case of Local Currency instruments only) and the interest rate of such instruments.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may from time to time, if deemed appropriate by the Investment Manager, hold up to 50% of its net assets in cash and cash equivalents.

The Sub-Fund will not invest more than 50% of its net assets in bonds, qualifying loans (as described above) and/or other debt instruments issued by corporate issuers held directly in the Sub-Fund or through total return swaps, contracts for difference, portfolio swap agreements, repurchase agreements, credit linked notes or credit default swaps (acting as protection seller) on bonds and/or other debt instruments issued by corporate issuers.

The Sub-Fund may not invest more than 20% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, bonds and/or debt instruments issued by sovereign issuers of Emerging Market Countries and/or corporate issuers with substantial exposure to emerging markets); (iii) invest in financial derivative instruments for the purpose of efficient portfolio management and for investment purposes, varying Hard Currency and Local Currency instruments according to the investment view of the Investment Manager in relation to the relevant instruments, typically in those markets which it cannot access directly; (iv) enter into credit default swaps; (v) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; (vi) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets; and (vii) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for an actively managed portfolio of fixed income securities and other debt instruments issued by or referencing Emerging Market Issuers denominated in any currency, and investments linked directly or indirectly to Local Currencies and interest rates of Emerging Market Countries.

Currency Hedging: The Sub-Fund may at any time have a significant proportion of its total exposure denominated in Local Currencies. The Sub-Fund may hedge Local Currency exposure at the discretion of the Investment Manager.

Global Exposure: An absolute VaR approach is applied. The Sub-Fund's VaR is limited internally, subject to change, and may not exceed 20% of the Sub-Fund's net asset value.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 400% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Emerging Market Unconstrained Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	95	Nil	20
B (Perf)	50	10.0	20
C	Up to 200	Nil	20
C (CPerf)	Up to 200	10.0	20
G	Up to 200	Nil	20
G (Perf)	Up to 200	10.0	20
I	95	Nil	16
I (Perf)	50	10.0	16
K	Up to 200	Nil	16
K (Perf)	Up to 200	10.0	16
M	95	Nil	20
M (CPerf)	50	10.0	20
Q	Up to 200	Nil	20
Q (CPerf)	Up to 200	10.0	20
R	150	Nil	20
R (CPerf)	100	10.0	20
S	Up to 200	Nil	20
S (CPerf)	Up to 200	10.0	20
X, Y	Nil	Nil	16
Hurdle for Class G (Perf)	ICE BofA Merrill Lynch US Dollar 3-Month Deposit Offered Rate Constant Maturity Index plus 3%		
Hurdle for other Classes	ICE BofA Merrill Lynch US Dollar 3-Month Deposit Offered Rate Constant Maturity Index		

BlueBay Financial Capital Bond Fund

Reference Currency: USD

Benchmark: N/A

Investment Objective: To achieve a total return from a portfolio of subordinated debt securities issued by financial institutions.

Investment Policy: The Sub-Fund invests at least 50% of its net assets in subordinated debt securities issued by financial institutions. Subordinated debt securities include, but are not limited to, Tier 1 and Tier 2 contingent convertibles ("CoCos") and US perpetual preferred stock.

The Sub-Fund may invest in fixed income securities of any rating, in unrated debt securities and in Distressed Debt Securities.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in securities of the same financial institution;
- up to 25% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds; and
- up to one-third of its net assets in Money Market Instruments.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

The Sub-Fund may from time to time, if deemed appropriate by the Investment Manager, hold up to 50% of its net assets in cash and cash equivalents.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, inflation swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions; and (iv) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (3 to 5 years) looking for an actively managed portfolio of subordinated debt securities issued by financial institutions. Investors should be aware that the Sub-Fund will concentrate its investment in companies from the financial sector and more specifically in banks, causing the performance of the Sub-Fund to be highly dependent on the sector's evolution. The Sub-Fund may consequently be subject to higher volatility and may expose investors to greater capital loss in the event that loss absorption mechanisms are triggered. The likeliness of triggering events across several Cocos held by the Sub-Fund may be greater in the event of stressed conditions within the financial sector causing partial or total loss.

Due to the complexity of the loss absorbing mechanisms and the absence of harmonized terms from issuer to issuer and from issue to issue of Contingent Convertibles, the Sub-Fund is only suitable for Financially Sophisticated Investors who can bear the economic risk of the loss of their investment in the Sub-Fund. By consequence, Shares of this Sub-Fund are only available to Financially Sophisticated Investors and / or qualified Institutional Investors. Financially Sophisticated Investor for this purpose means an investor who:

(a) has knowledge of, and investment experience in, financial markets generally and financial products which invest in securities and/or derivatives with complex features; and

(b) understands and can evaluate the strategy, characteristics and risks of the Sub-Fund in order to make an informed investment decision.

Global Exposure: An absolute VaR approach is applied. The Sub-Fund's VaR is limited internally, subject to change, and may not exceed 20% of the Sub-Fund's net asset value.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 1,600% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 400% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Financial Capital Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	80	Nil	20
C	Up to 200	Nil	20
G	Up to 200	Nil	20
I	80	Nil	16
I (Perf)	20	10	16
K	Up to 200	Nil	16
M	80	Nil	20
Q	Up to 200	Nil	20
R	130	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Hurdle rate	Not applicable		

BlueBay Global Convertible Bond Fund

Reference Currency:	USD
Benchmark:	Thomson Reuters Global Convertible Focus Index USD
Investment Objective:	To achieve a total return in excess of the Thomson Reuters Global Convertible Focus Index USD from a portfolio of convertible securities.
Investment Policy:	The Sub-Fund invests at least two-thirds of its net assets in convertible bonds, warrant-linked bonds and similar convertible instruments issued by domestic or international issuers. The Sub-Fund may invest up to one-third of its net assets in fixed interest and variable-interest securities (excluding conversion rights) and in equities, equity warrants and participation certificates. The Sub-Fund invests at least 50% of its net assets in securities issued by entities domiciled within the European Union, Japan or the United States.
Investment Restrictions:	The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.
Financial Techniques and Instruments:	The Sub-Fund may: (i) invest in derivative instruments including, but not limited to, credit default swaps, equity index futures, equity index options, equity options, total return swaps, contracts for difference and portfolio swap agreements; (ii) hold credit default swaps; (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection (the Sub-Fund may also use credit default swaps on a basket or index of issuers in order to manage the overall credit risk of the portfolio by buying protection); (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets ; and (v) use a range of derivative instruments to establish positive and negative exposure to security issuers (negative exposure may be established through derivative products without the Sub-Fund holding the underlying asset).
Securities Financing Transactions:	The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following: • Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%. The Sub-Fund will not engage in margin lending or securities lending.
Investor Profile:	The Sub-Fund is designed for investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of convertible securities.
Global Exposure:	A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above. The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 300% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level. The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.
Valuation:	Daily

Fees and Expenses:

BlueBay Global Convertible Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	75	Nil	20
B (Perf)	60	20.0	20
C	Up to 200	Nil	20
D	75	Nil	20
DR	150	Nil	20
I	75	Nil	16
I (Perf)	60	20.0	16
M	75	Nil	20
Q	Up to 200	Nil	20
R	150	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	Thomson Reuters Global Convertible Focus Index USD		

BlueBay Global High Yield Bond Fund

Reference Currency: USD

Benchmark: ICE BofA Merrill Lynch Global High Yield Constrained Index, fully hedged against USD

Investment Objective: To achieve a total return in excess of the ICE BofA Merrill Lynch Global High Yield Constrained Index, fully hedged against USD from a global portfolio of fixed income securities.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed and floating rate, senior and subordinated debt obligations of companies rated below investment grade. The Sub-Fund may also invest in Distressed Debt Securities.

At least 50% of the Sub-Fund's net assets are invested in securities issued by entities domiciled in the United States.

The Sub-Fund may also invest (i) up to 10% of its net assets in securities issued by entities domiciled in Latin America (Mexico, Central America, South America and the islands of the Caribbean, including Puerto Rico); and (ii) up to 10% of its net assets in securities issued by entities domiciled in Asia (the Asian continent and the surrounding Pacific islands including Australia and New Zealand).

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010; and
- up to 10% of its net assets in convertible bonds or bonds with warrants attached,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets ; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of fixed income securities predominantly of high yield issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 200% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Global High Yield Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	70	Nil	20
B (Perf)	50	20.0	20
C	Up to 200	Nil	20
D	70	Nil	20
DR	125	Nil	20
I	70	Nil	16
I (Perf)	50	20.0	16
M	70	Nil	20
Q	Up to 200	Nil	20
R	125	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	ICE BofA Merrill Lynch Global High Yield Constrained Index, fully hedged against USD		

BlueBay Global High Yield ESG Bond Fund

Reference Currency:	USD
Benchmark:	ICE BofA Merrill Lynch Global High Yield Investment Grade Countries Index, fully hedged against USD
Investment Objective:	To achieve a total return from a global portfolio of fixed income securities.
Investment Policy:	The Sub-Fund invests at least two-thirds of its net assets in fixed and floating rate, senior and subordinated debt securities rated below investment grade. The Sub-Fund may also invest in Distressed Debt Securities. At least 50% of the Sub-Fund's net assets are invested in securities issued by entities domiciled in the United States. The Sub-Fund may also invest (i) up to 10% of its net assets in securities issued by entities domiciled in Latin America (Mexico, Central America, South America and the islands of the Caribbean, including Puerto Rico); and (ii) up to 10% of its net assets in securities issued by entities domiciled in Asia (the Asian continent and the surrounding Pacific islands including Australia and New Zealand). The Sub-Fund shall take into account environmental, social and corporate governance factors by excluding any company included in the Norwegian Government Pension Fund Global exclusion list, once publicly disclosed, from its investment universe.
Investment Restrictions:	The Sub-Fund may invest: • up to 10% of its net assets in equity securities; • up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010; and • up to 10% of its net assets in convertible bonds or bonds with warrants attached, provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund. The Sub-Fund may not invest more than 20% of its net assets in CoCos. The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.
Financial Techniques and Instruments:	The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets ; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.
Securities Financing Transactions:	The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following: • Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%. • Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%. The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of fixed income securities predominantly of high yield issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 200% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Global High Yield ESG Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	70	Nil	20
B (Perf)	50	20.0	20
C	Up to 200	Nil	20
G	Up to 200	Nil	20
I	70	Nil	16
I (Perf)	50	20.0	16
K	Up to 200	Nil	16
M	70	Nil	20
Q	Up to 200	Nil	20
R	125	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	ICE BofA Merrill Lynch Global High Yield Investment Grade Countries Index, fully hedged against USD		

BlueBay Global Investment Grade Corporate Bond Fund

Reference Currency: USD

Benchmark: Bloomberg Barclays Global Aggregate Corporates Bond Index USD Hedged

Investment Objective: To achieve a total return in excess of the Bloomberg Barclays Global Aggregate Corporates Bond Index USD Hedged from a portfolio of investment grade-rated fixed income securities.

Investment Policy: The Sub-Fund invests at least 65% of its net assets in fixed income securities rated investment grade.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010, of debtors not rated below B-/B3 on their debt securities (to the extent that they are rated);
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets and fixed income assets rated below investment grade does not in aggregate exceed one-third of the net assets of the Sub-Fund and that no such financial assets (to the extent they are rated) are rated below B3/B-.

The Sub-Fund may invest up to 15% of its net assets in fixed income securities rated below investment grade, provided that such securities are not rated below B-/B3.

The Sub-Fund may not invest more than 20% of its net assets in asset-backed securities or mortgage-backed securities.

To the extent that investment in asset-backed securities or similar assets (such as credit linked notes) is contemplated by the Sub-Fund, such investment will not be rated below investment grade.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets ; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of investment grade-rated fixed income securities.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 750% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 350% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Currency Hedging: The Sub-Fund may at any time have a significant proportion of its total exposure denominated in currencies other than USD. The Sub-Fund may hedge non-USD currency exposure at the discretion of the Investment Manager.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Global Investment Grade Corporate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	50	Nil	16
B (Perf)	30	20.0	16
C	Up to 200	Nil	11
I	50	Nil	7
I (Perf)	30	20.0	7
M	50	Nil	11
Q	Up to 200	Nil	11
R	75	Nil	16
S	Up to 200	Nil	11
X, Y	Nil	Nil	16
Benchmark	Bloomberg Barclays Global Aggregate Corporates Bond Index USD Hedged		

BlueBay Global Sovereign Opportunities Fund

Reference Currency: USD

Benchmark: N/A

Investment Objective: To achieve a total return from a portfolio of global sovereign debt (including Emerging Market Countries) through active interest rate, credit and currency management.

Investment Policy: The Sub-Fund invests its net assets in global fixed income securities issued by sovereign entities globally (including Emerging Market Countries).

In addition, the Sub-Fund intends to implement the Investment Manager's views across interest rates, credit and currencies via active use of financial derivative instruments. Depending on perceived market opportunities, the use of financial derivative instruments for both long and short positions can be significant.

The Sub-Fund invests in USD and non-USD denominated securities, including securities denominated in Local Currencies.

The Sub-Fund may only invest up to 50% of its net assets in fixed income securities rated below investment grade.

Investment Restrictions: The Sub-Fund may not invest:

- more than 20% of its net assets in fixed income securities issued by corporate issuers;
- in aggregate more than 10% of its net assets in convertible bonds, bonds with warrants or equity securities;

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

The Sub-Fund may from time to time, if deemed appropriate by the Investment Manager, hold up to 50% of its net assets in Money Market Instruments, cash and cash equivalents.

The Sub-Fund may not invest more than 25% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, inflation swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by sovereign entities globally); (iii) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions; and (iv) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (3 to 5 years) looking for an actively managed portfolio of fixed income securities taking both long and short positions via the use of financial derivatives instruments across interest rates, credit and currencies.

Due to the extensive use of derivatives including, but not limited to, the use of short term interest rate contracts, the Sub-Fund is only suitable for Financially Sophisticated Investors who can bear the economic risk of the loss of their investment in the Sub-Fund. By consequence, Shares of this Sub-Fund are only available to Financially Sophisticated Investors and or qualified Institutional Investors. Financially Sophisticated Investor for this purpose means an investor who:

(a) has knowledge of, and investment experience in, financial markets generally and financial products which invest in securities and/or derivatives with complex features; and

(b) understands and can evaluate the strategy, characteristics and risks of the Sub-Fund in order to make an informed investment decision.

Global Exposure: An absolute VaR approach is applied. The Sub-Fund's VaR is limited internally, subject to change, and may not exceed 20% of the Sub-Fund's net asset value.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 3,000% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 500% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Fees and Expenses:

BlueBay Global Sovereign Opportunities Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
A (CPerf)	160	15.0	20
C	Up to 200	Nil	20
C (CPerf)	Up to 200	15.0	20
I	95	Nil	16
I (Perf)	100	15.0	16
I (CPerf)	100	15.0	16
K (Perf)	Up to 200	15.0	16
M	95	Nil	20
M (CPerf)	100	15.0	20
Q	Up to 200	Nil	20
Q (CPerf)	Up to 200	15.0	20
S	Up to 200	Nil	20
S (CPerf)	Up to 200	15.0	20
V (CPerf)	Up to 200	15.0	20
W (CPerf)	Up to 200	15.0	20
X, Y	Nil	Nil	16
Z (Perf)	Nil	30.0	16
ZR (CPerf)	Nil	30.0	20
Hurdle for Class K (Perf)	ICE BofA Merrill Lynch US Dollar 3-Month Deposit Offered Rate Constant Maturity Index plus 3%		
Hurdle for other Classes	Not applicable		

Classes C, I, K (Perf), M, Q, S (together, "GSOV founder Classes") are open for subscription until the size of the Sub-Fund reaches a threshold determined by the Board of Directors, currently set at USD 200,000,000. The Board of Directors may change this threshold from time to time in their sole discretion. Once the Sub-Fund's size reaches the aforementioned threshold, such GSOV founder Classes will only be available for subscription by existing investors of such Classes and are closed to subscription by any party who is not an existing investor of such Classes. The Board of Directors may decide to reopen such GSOV founder Classes at their sole discretion.

BlueBay High Yield Bond Fund

Reference Currency: EUR

Benchmark: ICE BofA Merrill Lynch European Currency High Yield Constrained Index, fully hedged against EUR

Investment Objective: To achieve a total return in excess of the ICE BofA Merrill Lynch European Currency High Yield Constrained Index, fully hedged against EUR from a portfolio of fixed income securities.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities rated below investment grade. The Sub-Fund may invest up to one-third of its net assets in fixed income securities rated investment grade.

Typically at least 50% of its net assets will be invested in fixed income securities* issued by entities domiciled within European countries whose sovereign long term debt rating is investment grade or by entities domiciled elsewhere provided the issuer has a parent undertaking that is domiciled within a European country whose sovereign long term debt rating is investment grade, and in Distressed Debt Securities.

At least two-thirds of the net assets of the Sub-Fund will be denominated in the currencies of European Union countries. The Sub-Fund may invest up to one-third of its net assets in securities denominated in currencies of other countries whose sovereign long term debt rating is investment grade.

* including fixed income securities convertible into equity or having attached warrants.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments issued by issuers worldwide,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative and equity instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets ; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of fixed income securities predominantly of high yield issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 200% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay High Yield Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	120	Nil	16
B (Perf)	80	20.0	16
C	Up to 200	Nil	16
D	120	Nil	16
DR	150	Nil	16
I	120	Nil	12
I (Perf)	80	20.0	12
M	120	Nil	16
Q	Up to 200	Nil	16
R	150	Nil	16
S	Up to 200	Nil	16
X, Y	Nil	Nil	16
Benchmark	ICE BofA Merrill Lynch European Currency High Yield Constrained Index, fully hedged against EUR		

BlueBay High Yield Corporate Bond Fund

Reference Currency: EUR

Benchmark: ICE BofA Merrill Lynch European Currency High Yield Constrained Ex. Sub-Financials Index, fully hedged against EUR

Investment Objective: To achieve a total return in excess of the ICE BofA Merrill Lynch European Currency High Yield Constrained Ex. Sub-Financials Index, fully hedged against EUR, from a portfolio of fixed income securities.

Investment Policy: The Sub-Fund invests at least 50% of its net assets in debt obligations of companies rated below investment grade and domiciled within the European Union. The Sub-Fund may invest up to 50% of its net assets in debt obligations of companies rated investment grade.

Typically, the Sub-Fund will invest at least 50% of its net assets in fixed income securities* issued by entities domiciled within European countries whose sovereign long term debt rating is investment grade or by entities domiciled elsewhere provided the issuer has a parent undertaking that is domiciled within a European country whose sovereign long term debt rating is investment grade, and in Distressed Debt Securities.

At least 50% of the net assets of the Sub-Fund will be denominated in the currencies of European Union countries. The Sub-Fund may invest up to 50% of its net assets in securities denominated in currencies of other countries whose sovereign long term debt rating is investment grade.

* including fixed income securities convertible into equity or having attached warrants

Investment Restrictions: The Sub-Fund may invest:

- up to 5% of its net assets in subordinated financial debt issued by banks;
- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
  up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in bonds of any rating and in Money Market Instruments issued by issuers worldwide,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets ; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and

may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of fixed income securities predominantly of high yield issuers.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology typically does not exceed 200% of the net asset value of the Sub-Fund. However, under certain circumstances the level of leverage might exceed the aforementioned level.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay High Yield Corporate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	120	Nil	20
B (Perf)	80	20.0	20
C	Up to 200	Nil	20
D	120	Nil	20
DR	150	Nil	20
I	120	Nil	16
I (Perf)	80	20.0	16
M	120	Nil	20
Q	Up to 200	Nil	20
R	150	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16
Benchmark	ICE BofA Merrill Lynch European Currency High Yield Constrained Ex. Sub-Financials Index, fully hedged against EUR		

BlueBay Investment Grade Absolute Return Bond Fund

Reference Currency: EUR

Benchmark: ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index

Investment Objective: To achieve a total return in excess of the ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index from a portfolio of investment grade-rated fixed income securities.

Investment Policy: The Sub-Fund invests at least 50% of its net assets in fixed income securities rated investment grade.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010;
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund and that no such financial assets (to the extent they are rated) are rated below B-/B3.

The Sub-Fund may invest up to 25% of its net assets in fixed income securities rated below investment grade, provided that such securities are not rated below B3/B-.

The Sub-Fund may not invest more than 20% of its net assets in asset-backed securities or mortgage-backed securities.

To the extent that investment in asset-backed securities or similar assets (such as credit linked notes) is contemplated by the Sub-Fund, such investment will not be rated below investment grade.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

The Sub-Fund may not invest more than 10% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, inflation swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions; and (iv) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (3 to 5 years) looking for an actively managed portfolio of investment grade-rated fixed income securities.

Global Exposure: An absolute VaR approach is applied. The Sub-Fund's VaR is limited internally, subject to change, and may not exceed 20% of the Sub-Fund's net asset value.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 1,500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 400% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Investment Grade Absolute Return Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	100	Nil	20
B (Perf)	60	20.0	20
C	Up to 200	Nil	14
D	100	Nil	20
DR	150	Nil	20
I	100	Nil	10
I (Perf)	60	20.0	10
K	Up to 200	Nil	10
M	100	Nil	14
Q	Up to 200	Nil	14
R	150	Nil	20
R (CPerf)	120	20	20
S	Up to 200	Nil	14
S (CPerf)	Up to 200	20	14
X, Y	Nil	Nil	16
Benchmark	ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index		

BlueBay Investment Grade Bond Fund

Reference Currency:	EUR
Benchmark:	iBoxx Euro Corporates Index
Investment Objective:	To achieve a total return in excess of the iBoxx Euro Corporates Index from a portfolio of investment grade-rated fixed income securities.

Investment Policy:

The Sub-Fund invests at least two-thirds of its net assets in fixed income securities rated investment grade and issued by entities domiciled within European countries whose sovereign long term debt rating is investment grade.

The Sub-Fund may invest up to one-third of its net assets in investment grade rated fixed income securities issued by entities domiciled in non-European countries whose sovereign long term debt rating is investment grade.

The Sub-Fund may invest up to 15% of its net assets in fixed income securities rated below investment grade provided that such securities are not rated below B-/B3.

At least two-thirds of the net assets of the Sub-Fund will be denominated in the currencies of European Union countries. The Sub-Fund may invest up to one-third of its net assets in securities denominated in currencies of other countries whose sovereign long term debt rating is investment grade.

Investment Restrictions:

The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010, of debtors not rated below B-/B3 on their debt securities (to the extent that they are rated);
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets and fixed income assets rated below investment grade does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in asset-backed securities or mortgage-backed securities.

To the extent that investment in asset-backed securities or similar assets (such as credit linked notes) is contemplated by the Sub-Fund, such investment will not be rated below investment grade.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments:

The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, bonds and/or debt instruments issued by European countries' governments and their agencies); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions:

The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile:

Investors with a medium to long-term horizon (three to five years) looking for an actively managed

	portfolio of investment grade-rated fixed income securities.
Global Exposure:	A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above. The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 750% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 350% of the net asset value of the Sub-Fund. The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management. The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.
Valuation:	Daily
Sub-Investment Manager:	BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Investment Grade Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	50	Nil	16
B (Perf)	30	20.0	16
C	Up to 200	Nil	11
D	50	Nil	16
DR	75	Nil	16
I	50	Nil	7
I (Perf)	30	20.0	7
M	50	Nil	11
Q	Up to 200	Nil	11
R	75	Nil	16
S	Up to 200	Nil	11
X, Y	Nil	Nil	16
Benchmark	iBoxx Euro Corporates Index		

BlueBay Investment Grade Euro Aggregate Bond Fund

Reference Currency: EUR

Benchmark: Bloomberg Barclays Euro Aggregate Index

Investment Objective: To achieve a total return in excess of the Bloomberg Barclays Euro Aggregate Index from a portfolio of investment grade-rated fixed income securities.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities rated investment grade issued by entities domiciled in countries within the European Union whose sovereign long term debt rating is investment grade.

The Sub-Fund may invest up to one-third of its net assets in fixed income securities rated investment grade issued by entities domiciled in countries outside the European Union whose sovereign long term debt rating is investment grade.

The Sub-Fund may invest up to 15% of its net assets in fixed income securities rated below investment grade provided that such securities are not rated below B-/B3.

At least two-thirds of the net assets of the Sub-Fund will be denominated in the currencies of European countries.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010, of debtors not rated below B-/B3 on their debt securities (to the extent that they are rated);
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in asset-backed securities or mortgage-backed securities.

To the extent that investment in asset-backed securities or similar assets (such as credit linked notes) is contemplated by the Sub-Fund, such investment will not be rated below investment grade.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, bonds and/or debt instruments issued by European countries' governments and their agencies); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of investment grade-rated fixed income securities.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 1,500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 300% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Investment Grade Euro Aggregate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	50	Nil	20
B (Perf)	30	20.0	20
C	Up to 200	Nil	11
I	50	Nil	7
I (Perf)	30	20.0	7
M	50	Nil	11
Q	Up to 200	Nil	11
R	75	Nil	20
S	Up to 200	Nil	11
X, Y	Nil	Nil	16
Benchmark	Bloomberg Barclays Euro Aggregate Index, in Euro		

BlueBay Investment Grade Euro Government Bond Fund

Reference Currency: EUR

Benchmark: Bloomberg Barclays Euro Aggregate Treasury Index

Investment Objective: To achieve a total return in excess of the Bloomberg Barclays Euro Aggregate Treasury Index from a portfolio of investment grade-rated fixed income securities.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed income securities rated investment grade issued by entities domiciled in countries within the European Union whose sovereign long term debt rating is investment grade.

The Sub-Fund may invest up to one-third of its net assets in fixed income securities rated investment grade issued by entities domiciled in countries outside the European Union whose sovereign long term debt rating is investment grade.

The Sub-Fund may invest up to 15% of its net assets in fixed income securities rated below investment grade provided that such securities are not rated below B-/B3.

At least two-thirds of the net assets of the Sub-Fund will be denominated in the currencies of European countries.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010, of debtors not rated below B-/B3 on their debt securities (to the extent that they are rated);
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in asset-backed securities or mortgage-backed securities.

To the extent that investment in asset-backed securities or similar assets (such as credit linked notes) is contemplated by the Sub-Fund, such investment will not be rated below investment grade.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, bonds and/or debt instruments issued by European countries' governments and their agencies); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets ; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed

	portfolio of investment grade-rated fixed income securities.
Global Exposure:	A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above. The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 1,500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 300% of the net asset value of the Sub-Fund. The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management. The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.
Valuation:	Daily
Sub-Investment Manager:	BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Investment Grade Euro Government Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	50	Nil	20
B (Perf)	30	20.0	20
C	Up to 200	Nil	11
I	50	Nil	7
I (Perf)	30	20.0	7
K	Up to 200	Nil	7
M	50	Nil	11
Q	Up to 200	Nil	11
R	75	Nil	20
S	Up to 200	Nil	11
X, Y	Nil	Nil	16
Benchmark	Bloomberg Barclays Euro Aggregate Treasury Index, in Euro		

BlueBay Investment Grade Global Aggregate Bond Fund

Reference Currency: USD

Benchmark: Bloomberg Barclays Global Aggregate Bond Index USD unhedged

Investment Objective: To achieve a total return in excess of the Bloomberg Barclays Global Aggregate Bond Index USD unhedged from a portfolio of investment grade-rated fixed income securities.

Investment Policy: The Sub-Fund invests at least two-thirds of its net assets in fixed and floating rate fixed income securities rated investment grade issued by sovereign and corporate issuers globally (including Emerging Market Issuers).

The Sub-Fund may invest up to 15% of its net assets in fixed income securities rated below investment grade provided that such securities are not rated below B-/B3.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010, of debtors not rated below B-/B3 on their debt securities (to the extent that they are rated);
- up to 10% of its net assets in money market funds;
- up to 25% of its net assets in convertible bonds or bonds with warrants attached; and
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in asset-backed securities or mortgage-backed securities.

To the extent that investment in asset-backed securities or similar assets (such as credit linked notes) is contemplated by the Sub-Fund, such investment will not be rated below investment grade.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

The Sub-Fund may not invest more than 10% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, bonds and/or debt instruments issued by corporate, sovereign and government agency issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of its issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of fixed income securities.

Global Exposure: A relative VaR approach is applied. The Sub-Fund's VaR is limited by twice the VaR of a reference portfolio, being the benchmark of the Sub-Fund as set out above.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 1,500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 300% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Investment Grade Global Aggregate Bond Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	50	Nil	20
B (Perf)	30	20.0	20
C	Up to 200	Nil	11
I	50	Nil	7
I (Perf)	30	20.0	7
M	50	Nil	11
Q	Up to 200	Nil	11
R	75	Nil	20
S	Up to 200	Nil	11
X, Y	Nil	Nil	16
Benchmark	Bloomberg Barclays Global Aggregate Bond Index USD unhedged		

BlueBay Investment Grade Structured Credit Fund

Reference Currency:	EUR
Benchmark:	ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index
Investment Objective:	To achieve a total return in excess of the ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index from a portfolio of Structured Credit Securities.

Investment Policy:

The Sub-Fund invests at least two-thirds of its net assets in Structured Credit Securities globally.

The Sub-Fund may invest up to one-third of its net assets in other fixed and floating rate fixed income securities issued by sovereign and corporate issuers globally (including Emerging Market Issuers).

The Sub-Fund may invest up to 30% of its net assets in Structured Credit Securities and other fixed income securities rated below 'investment grade' provided that such securities are not rated below B- by Standards & Poor's or Fitch or B3 by Moody's or the equivalent rating of any other recognised ratings agency.

"Investment grade" means rated BBB- or above by Standard & Poor's or Fitch, or Baa3 or above by Moody's, or the equivalent rating of any other recognised ratings agency, as reasonably determined by the Investment Manager from time to time. For the purpose of all credit ratings, in instances where there is a split rating, the highest rating shall apply.

Investment Restrictions:

The Sub-Fund may invest:

- up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010, of debtors not rated below B-/B3 on their debt securities (to the extent that they are rated);
- up to 10% of its net assets in money market funds;
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

Financial Techniques and Instruments:

The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; (iv) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets; and (v) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions:

The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to Structured Credit Securities, sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to Structured Credit Securities, sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Structured Credit Securities, Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile:

Investors with a medium to long-term horizon (three to five years) looking for an actively managed portfolio of Structured Credit Securities.

Due to the significant investment in Structured Credit Securities, the Sub-Fund is only suitable for

Financially Sophisticated Investors who can bear the economic risk of the loss of their investment in the Sub-Fund. By consequence, Shares of this Sub-Fund are only available to Financially Sophisticated Investors and / or qualified Institutional Investors. Financially Sophisticated Investor for this purpose means an investor who:

(a) has knowledge of, and investment experience in, financial markets generally and financial products which invest in securities and/or derivatives with complex features; and

(b) understands and can evaluate the strategy, characteristics and risks of the Sub-Fund in order to make an informed investment decision.

Global Exposure: An absolute VaR approach is applied. The Sub-Fund's VaR is limited internally, subject to change, and may not exceed 20% of the Sub-Fund's net asset value.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 750% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 200% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Investment Grade Structured Credit Fund			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
C	Up to 200	Nil	14
G	Up to 200	Nil	14
I	35	Nil	10
K	Up to 200	Nil	10
M	35	Nil	14
Q	Up to 200	Nil	14
R	55	Nil	14
S	Up to 200	Nil	14
X, Y	Nil	Nil	10
Benchmark	ICE BofA Merrill Lynch Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index		

BlueBay Total Return Credit Fund

Reference Currency: USD

Benchmark: N/A

Investment Objective: To achieve a total return from investments in higher yielding fixed income asset classes through active security selection, asset allocation and capital preservation techniques.

Investment Policy: The Sub-Fund invests its net assets predominately in fixed and floating rate, senior and subordinated fixed income securities issued by corporate and sovereign issuers (including Emerging Market Issuers).

The Sub-Fund may invest in fixed income securities of any rating, in unrated debt securities and in Distressed Debt Securities.

The Sub-Fund may invest up to 25% of its net assets in convertible bonds, warrant-linked bonds and similar convertible instruments issued by corporate issuers globally.

The Sub-Fund may invest up to 20% of its net assets in Structured Credit Securities.

The Sub-Fund may invest up to 10% of its net assets in loans qualifying as Money Market Instruments for the purposes of Article 1 item 23 of the Law of 2010 and Articles 3 and 4 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the Law of 2010.

The Sub-Fund invests in USD and non-USD denominated securities, including securities denominated in the Local Currencies of the Emerging Market Countries in which the Sub-Fund invests.

The Sub-Fund may from time to time, if deemed appropriate by the Investment Manager, hold up to 50% of its net assets in cash and cash equivalents.

Investment Restrictions: The Sub-Fund may invest:

- up to 10% of its net assets in equity securities;
- up to 10% of its net assets in money market funds;
- up to one-third of its net assets in Money Market Instruments,

provided that investment in such financial assets does not in aggregate exceed one-third of the net assets of the Sub-Fund.

The Sub-Fund may not invest more than 20% of its net assets in CoCos.

The Sub-Fund's aggregate investment in the units of other UCITS or UCIs may not exceed 10% of its net assets.

The Sub-Fund may not invest more than 20% of its net assets in securities traded on the CIBM through the CIBM Direct Access or Bond Connect.

Financial Techniques and Instruments: The Sub-Fund may: (i) invest in financial derivative instruments including but not limited to foreign exchange forwards, non-deliverable forwards, total return swaps, contracts for difference, portfolio swap agreements, interest rate swaps, cross currency swaps, options, futures and swaptions, for either investment or hedging purposes; (ii) create both long and short positions via the use of financial derivative instruments (these are typically created by using financial derivative instruments on currencies, interest rates, equities, bonds and/or debt instruments issued by corporate and sovereign issuers globally); (iii) enter into credit default swaps; (iv) use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection; (v) sell protection by entering into credit default swap sale transactions in order to acquire a specific credit exposure and/or buy protection by entering into credit default swap purchase transactions without holding the underlying assets; and (vi) use repurchase and reverse repurchase agreements to borrow or lend out assets.

Securities Financing Transactions: The Sub-Fund may engage in securities financing transactions covered under Regulation (EU) 2015/2365 as per the following:

- Repurchase agreements may be used in respect to sovereign and corporate bonds for investment and efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Reverse repurchase agreements may be used in respect to sovereign bonds for efficient portfolio management purposes. The proportion of the Sub-Fund's net assets subject to these instruments is expected to range from 0% to 30% and may not exceed 50%.
- Total return swaps and contracts for difference may be used in respect to Local Currency bonds and financial indices for investment and hedging purposes. The proportion of the Sub-Fund's net assets subject to these instruments, expressed as the notional of the total return swap or contract for difference divided by the Sub-Fund's net asset value, is expected to range from 0% to 25% and may not exceed 50%.

The Sub-Fund will not engage in margin lending or securities lending.

Investor Profile: Investors with a medium to long term time horizon (three to five years) looking for a total return from exposure to a wide range of fixed income securities.

Currency Hedging: The Sub-Fund may at any time have a significant proportion of its total exposure denominated in currencies other than USD, and in Local Currencies. The Sub-Fund may hedge such currency exposure at the discretion of the Investment Manager.

Global Exposure: An absolute VaR approach is applied. The Sub-Fund's VaR is limited internally, subject to change, and may not exceed 20% of the Sub-Fund's net asset value.

The expected level of leverage of the Sub-Fund based on the "sum-of-notionals" methodology usually does not exceed 1,500% of the net asset value of the Sub-Fund. When excluding short term interest rate contracts from the calculation, the expected level of leverage of the Sub-Fund typically does not exceed 500% of the net asset value of the Sub-Fund.

The level of leverage will vary depending on the positioning of the Sub-Fund and may, under certain circumstances, exceed the aforementioned levels depending on the types and maturity of instruments used. Interest rate derivatives can create a high leverage based on the "sum-of-notionals" methodology, particularly where shorter duration instruments are used for duration management.

The "sum-of-notionals" methodology does not allow for offsets of hedging transactions and other risk mitigation strategies involving derivatives, such as currency hedging, duration management and macro hedging. Consequently, the reported level of leverage may exceed, at times considerably, the economic leverage assumed by the Sub-Fund.

Valuation: Daily

Sub-Investment Manager: BlueBay Asset Management USA LLC

Fees and Expenses:

BlueBay Total Return Credit Fund: current fees, expenses and benchmark			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	120	Nil	20
C	Up to 200	Nil	20
I	120	Nil	16
M	120	Nil	20
Q	Up to 200	Nil	20
R	150	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16

BlueBay Total Return Credit Fund: new fees, expenses and benchmark (with effect from 01 April 2020)			
Class	Management and Advisory Fee (basis points)	Performance Fee Rate (%)	Expenses (basis points)
B	70	Nil	20
C	Up to 200	Nil	20
I	70	Nil	16
M	70	Nil	20
Q	Up to 200	Nil	20
R	120	Nil	20
S	Up to 200	Nil	20
X, Y	Nil	Nil	16

Appendix 2: Launch Dates of Sub-Funds

Sub-Fund	Launch Date
BlueBay Capital Income Fund	Available for subscription
BlueBay Emerging Market Aggregate Bond Fund	06 July 2015
BlueBay Emerging Market Aggregate Short Duration Bond Fund	11 July 2019
BlueBay Emerging Market Bond Fund	03 September 2002
BlueBay Emerging Market Corporate Bond Fund	31 March 2008
BlueBay Emerging Market High Yield Corporate Bond Fund	17 January 2012
BlueBay Emerging Market Investment Grade Corporate Bond Fund	15 March 2011
BlueBay Emerging Market Local Currency Bond Fund	06 December 2005
BlueBay Emerging Market Local Currency Corporate Bond Fund	01 July 2014
BlueBay Emerging Market Select Bond Fund	30 November 2006
BlueBay Emerging Market Unconstrained Bond Fund	20 July 2010
BlueBay Financial Capital Bond Fund	14 January 2015
BlueBay Global Convertible Bond Fund	09 December 2008
BlueBay Global High Yield Bond Fund	02 November 2010
BlueBay Global High Yield ESG Bond Fund	08 February 2017
BlueBay Global Investment Grade Corporate Bond Fund	22 October 2012
BlueBay Global Sovereign Opportunities Fund	22 December 2015
BlueBay High Yield Bond Fund	03 September 2002
BlueBay High Yield Corporate Bond Fund	01 December 2009
BlueBay Investment Grade Absolute Return Bond Fund	24 May 2011
BlueBay Investment Grade Bond Fund	11 November 2003
BlueBay Investment Grade Euro Aggregate Bond Fund	02 November 2010
BlueBay Investment Grade Euro Government Bond Fund	22 December 2010
BlueBay Investment Grade Global Aggregate Bond Fund	20 May 2015
BlueBay Investment Grade Structured Credit Fund	17 December 2018
BlueBay Total Return Credit Fund	22 October 2013

Appendix 3: Additional information for investors in the United Kingdom

Addendum to the prospectus of BlueBay Funds dated December 2019 for Investors in the United Kingdom

BlueBay Funds

The BlueBay Funds ("Fund") is a Société d'Investissement à Capital Variable (SICAV) established under Part I of the Law of 2010 in Luxembourg.

General

This Supplement should be read in conjunction with the Fund's Prospectus, of which it forms part. Unless otherwise defined, defined terms in this Supplement shall have the same meaning as provided in the Prospectus. References to the "Prospectus" are to be taken as references to that document as supplemented or amended hereby.

The Fund is a recognised collective investment scheme for the purposes of section 264 of the Financial Services and Markets Act 2000 ("FSMA") of the United Kingdom. The Prospectus is distributed in the United Kingdom by or on behalf of the Fund and is approved by BlueBay Asset Management LLP, which is regulated by the Financial Conduct Authority ("FCA"), for the purposes of section 21 of the FSMA.

UK Distributor

The Fund has appointed BlueBay Asset Management LLP as the UK Distributor of the Fund:

BlueBay Asset Management
LLP 77 Grosvenor Street
London W1K
3JR

BlueBay Asset Management LLP is acting for the Fund in relation to the Prospectus and matters relating thereto and it or any of its associates may have an interest or position in Shares of the Fund. It is not acting for, or advising or treating as its client any other person (unless other arrangements apply between BlueBay Asset Management LLP and such person) in relation to investment in the Fund.

Any investor wishing to make a complaint regarding any aspect of the Fund or its operations may do so directly with the UK Distributor at the offices of BlueBay Asset Management LLP.

Important

A United Kingdom investor who enters into an investment agreement with the Fund to acquire Shares in response to the Prospectus will not have the right to cancel the agreement under the cancellation rules made by the FCA in the United Kingdom. The agreement will be binding upon acceptance of the order by the Fund.

The Fund does not carry on any regulated activity from a permanent place of business in the United Kingdom and United Kingdom investors are advised that most of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Fund. Shareholders in the Fund may be protected by the Financial Services Compensation Scheme established in the United Kingdom.

Potential investors should note that the investments of the Fund are subject to normal market fluctuations and other risks inherent in investing in shares and other securities, in addition to the additional risks associated with investment in certain of the Sub-Funds, as described in the Prospectus under the section "Investment Objectives and Policy".

The value of investments and the income from them, and therefore the value of, and income from, the Shares of each Class can go down as well as up, and an investor may not get back the amount he/she invests. Changes in exchange rates between currencies may also cause the value of the investment to diminish or increase.

Dealing Procedures

The attention of investors is drawn to the subscription and redemption procedures (sections 7.2 and 7.6 respectively) contained in the Prospectus, in particular with regard to the subscription and redemption deadlines for the relevant Sub-Funds. Requests for subscription and redemption should be sent to the Fund's Registrar and Transfer Agent in Luxembourg:

Brown Brothers Harriman (Luxembourg)
S.C.A. 80, route d'Esch
L-1410 Luxembourg
Tel: +352 47 40 66 226
Fax: +352 47 40 66 401

Investors can also arrange for redemption of Shares by contacting the UK Distributor at the address above.

Application forms are available on request from any Distributor, the Registrar and Transfer Agent or the UK Distributor of the Fund.

Shares

The Shares of each Sub-Fund will be offered in registered form and will be issued without certificates.

Publication of Prices

The Net Asset Value per Share of each Class of Shares is available on each Valuation Day from the address of the UK Distributor of the Fund.

The Net Asset Value per Share of the Fund is published electronically on the website www.bluebayinvest.com.

The Net Asset Value of the Shares of each Class is determined in its Reference Currency on each Valuation Day by dividing the net assets attributable to each Class by the number of Shares of such Class then outstanding. Fractions of Shares, calculated to three decimal places, may be allocated as required.

UK Taxation

BlueBay UK tax rider

UK Taxation

The tax consequences for each Shareholder of acquiring, holding, redeeming or otherwise disposing of shares depend upon the laws of any jurisdiction to which the Shareholder is subject. Shareholders who are unsure of their position should seek professional advice. Further information regarding the taxation of investors can be found in the Prospectus.

The statements on taxation below are intended to be a general guide to the anticipated tax treatment in the UK of the Fund and its UK tax resident Shareholders. The statements relate to Shareholders holding shares as an investment (as opposed to as a dealer) and who are not subject to special tax rules. They are based on the law and practice in force at the date of this Supplement. As is the case with any investment, there can be no guarantee that the tax position when an investment in the Fund is made will continue indefinitely (and tax law may change with retrospective effect).

The Fund is a UCITS established in Luxembourg so it is not resident in the UK for the purposes of UK taxation. The Sub-Funds will therefore not be liable to UK tax on income or gains, with the exception of certain UK source income which may be subject to UK withholding tax.

Accordingly, and provided that all the Sub-Funds' trading transactions in the UK (if any) are carried out through a broker or investment manager acting within the UK investment manager exemption, the Sub-Funds will not be liable to UK tax on their profits. The Directors, the Management Company and the Investment Manager each intend that the affairs of the Investment Manager are conducted so that this requirement is met, insofar as this is within their respective control.

Each Class in each Sub-Fund is treated as a separate offshore fund for the purposes of the UK's offshore funds tax regime.

Details of which Classes have UK reporting fund status can be found on HM Government's website at https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds (and which Classes previously had distributing fund status can be found at https://www.gov.uk/government/publications/offshore-funds-list-of-distributing-funds).

All the Sub-Funds are intended to hold more than 60% by market value of their assets in interest- bearing and economically-equivalent investments. Provided that they each do so at some point during an accounting period, then they will each be bond funds for UK tax purposes.

UK tax resident individual investors in reporting funds must treat the dividends they receive from a Sub-Fund (and any amounts of income retained by the Sub-Fund) as if they were payments of interest for UK tax purposes.

Investment transactions in securities, including fixed income securities, most financial derivatives and other assets relevant to the Sub-funds, carried out by an offshore fund with UCITS status satisfying the following statutory 'diversely held' condition are treated as non-trading transactions for reporting funds. Shares in all Classes with reporting fund status are, and will continue to be, widely available. Their intended category of investors is either all or institutional UK tax residents. Shares in each of them are, and will continue to be, marketed and made available widely to reach their intended category of investor in a manner appropriate to attract them.

Dividends are taxable in the tax year they are paid (or in the case of reportable income which is retained by the Sub-Fund in the tax year in which the reporting date falls).

Basic rate taxpayers are exempt from income tax on the first £1,000 of interest, including amounts taxable as interest, that they receive (or are treated as receiving) each tax year. For higher rate taxpayers, the exempt amount is reduced to £500 and additional rate taxpayers do not receive an allowance. The applicable tax rates for the income received (or treated as being received) from bond funds which is not covered by allowances is 20% for basic rate taxpayers, 40% for higher rate taxpayers, 45% for additional rate taxpayers, and there is also a 0% band for starting rate on savings income taxpayers.

When a UK tax resident individual investor disposes of Shares in a Class which has been a reporting fund (and, where relevant, previously a reporting fund) throughout that investor's period of ownership and makes a capital gain the investor will be liable to UK capital gains tax (with the benefit of the annual exempt amount).

If an investor has been charged to income tax on reported income retained in a Sub-Fund the aggregate amount of the income may be deducted in computing the taxable capital gain.

If a UK tax resident individual receives a distribution from a Class which is not a reporting fund, it must be treated for UK tax purposes as interest in the same way as in reporting funds (but undistributed income is not taxed each year).

Under the offshore funds rules, any UK tax resident individual who realises a gain on the disposal of an investment in an offshore fund which is not certified as a reporting fund during the investor's entire period of ownership (and previously, where relevant, a distributing fund) will be liable to UK income tax on the gain (often described as an 'offshore income gain'), at the investor's marginal rate of tax.

UK tax resident corporate investors investing in a Sub-Fund where the 60% bond fund test described above is satisfied at any time during the corporate investor's accounting period must apply the loan relationship rules for the taxation of corporate and government debt to the holding. The investor must bring all profits and losses arising from fluctuations in the fair value of the holding (including the value of distributions received), calculated at the end of each of the investor's accounting periods and when it disposes of its Shares, into its profit and loss account for tax purposes. This applies whether or not the fund is a reporting fund.

The UK tax rules contain a number of anti-avoidance codes that can apply to UK investors in offshore funds in particular circumstances. It is not anticipated that they will normally apply to Shareholders. Any UK taxpaying investor who (together with connected persons) holds 25% or more of a Sub-Fund should take specific advice.

In order to comply with CRS Law and FATCA Law, the Fund (or its agent) will collect and report information about Shareholders for this purpose, including information to verify their identity and tax status. Please see the Prospectus for further details.

When requested to do so by the Fund or its agent, Shareholders must provide information to be passed on to the Luxembourg tax authority which may pass it to any other relevant tax authorities (including HM Revenue & Customs where information concerns persons who are tax-resident in the UK).

Compensation

In the event of the Fund defaulting, compensation may be available to investors through the Financial Services Compensation Scheme in the United Kingdom.

Documents Available for Inspection

Copies of the following documents, in English, may be inspected free of charge during usual business hours on any week day (Saturdays, Sundays and public holidays excepted) at the offices of the Fund and at the offices of the UK Distributor, BlueBay Asset Management LLP:

(a) The Articles of Incorporation of the Fund;

(b) The most up-to-date Prospectus of the Fund;

(c) The most up-to-date Key Investor Information Document; and

(d) The most up-to-date annual and semi-annual financial reports of the Fund.

The above documents may be delivered to interested investors at their request and free of charge.