

This document comprises a supplementary prospectus prepared in accordance with the Prospectus Rules made under Part VI of the Financial Services and Markets Act 2000 ("FSMA") (the "**Supplementary Prospectus**"). This Supplementary Prospectus has been filed with the Financial Conduct Authority (the "**FCA**") and has been made available to the public in accordance with section 3.2 of the Prospectus Rules. This Supplementary Prospectus has been approved as a supplementary prospectus under section 87A of FSMA. This Supplementary Prospectus is supplemental to and must be read in conjunction with the prospectus published by Blue Capital Global Reinsurance Fund Limited (the "**Company**") on 16 April 2013 (the "**Original Prospectus**"), the supplement to the Prospectus published by the Company on 1 August 2013 (the "**First Supplementary Prospectus**"), the second supplement to the Prospectus published by the Company on 30 August 2013 (the "**Second Supplementary Prospectus**"), the third supplement to the Prospectus published by the Company on 7 October 2013 (the "**Third Supplementary Prospectus**") and the fourth supplement to the Prospectus published by the Company on 23 December 2013 (the "**Fourth Supplementary Prospectus**") (all such supplements together, the "**Current Supplements**").

The Company and the Directors of the Company, whose names appear on page 5 of this document, accept responsibility for the information contained in this Supplementary Prospectus, and declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplementary Prospectus is, to the best of its and their knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Supplementary Prospectus includes particulars given in compliance with the Prospectus Rules of the UK Listing Authority for the purpose of giving information with regard to the Company. The information contained in this Supplementary Prospectus should be read in the context of, and together with, the information contained in the Original Prospectus.

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## **BLUE CAPITAL GLOBAL REINSURANCE FUND LIMITED**

*(Incorporated and registered as an exempted mutual fund company in Bermuda with registration number 46969)*

### **Placing Programme of up to 250 million New Shares**

#### ***Investment Manager***

Blue Capital Management Ltd.

#### ***Financial Adviser and Bookrunner***

Jefferies

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Jefferies is authorised and regulated in the United Kingdom by the FCA, and is acting exclusively for the Company and is not advising any other person or treating any other person as their respective customers in relation to the Placing Programme or to the matters referred to in this Supplementary Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for affording advice in relation to the Placing Programme. Apart from the responsibilities and liabilities, if any, which may be imposed on Jefferies by FSMA or the regulatory regime established thereunder, Jefferies accepts no responsibility whatsoever for the contents of this Supplementary Prospectus or for any other statement made or purported to be made by it or on its behalf in connection with the Company or the New Shares. Jefferies accordingly disclaims all and any liability, whether arising in tort or contract or otherwise (save as referred to above), which it might otherwise have in respect of this Supplementary Prospectus or any such statement.

The Bermuda Stock Exchange takes no responsibility for the contents of this Supplementary Prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this Supplementary Prospectus.

The Bermuda Monetary Authority, the Registrar of Companies in Bermuda and the Minister of Finance of Bermuda accept no responsibility for the financial information or for the accuracy of any statements made or opinions expressed in this Supplementary Prospectus. This Supplementary Prospectus will be filed with the Registrar of Companies in Bermuda pursuant to Part III of the Companies Act 1981 of Bermuda. In accepting this document for filing, the Registrar of Companies in Bermuda shall not be liable for the financial soundness or performance of the Company's business or for the correctness of any opinions or statements expressed in this Supplementary Prospectus.

1. **SIGNIFICANT NEW INFORMATION**

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Original Prospectus and the Current Supplements. Words and phrases defined in the Original Prospectus shall have the same meaning in this Supplementary Prospectus unless otherwise defined herein.

1.1 **SUMMARY**

In accordance with PR 3.4.2, the summary contained in the Original Prospectus (as updated by the Current Supplements is supplemented as follows:

B.7	During the period covered by the selected key financial information for the Company from 6 December 2012 (being the date of commencement of operations) to 30 June 2013 and the subsequent period to the date of this Supplementary Prospectus, the significant change to the financial condition and operating results of the Company was as follows: the unaudited net assets have increased from US\$100 to US\$185,409,053 representing capital contributions and income from operations, partially offset by dividends paid.	
B.39	<b>The following information relates to the Master Fund.</b> It has been included here as the Company invests (and is expected to continue to invest) in excess of 40 per cent. of its gross assets in the Master Fund and is required to briefly explain the exposure, the identity of the Master Fund and to provide such information as would be required in a summary note by the Master Fund.	
B.7	Selected historical key financial information	During the period covered by the selected key financial information for the Master Fund from 1 January to 31 January 2013 and the subsequent period to the date of this Supplementary Prospectus, the significant change to the financial condition and operating results of the Master Fund was as follows: the unaudited net assets have increased from US\$0 to US\$161,803,967 representing capital contributions and income from operations.
B.45	Portfolio	The Master Fund's portfolio has been deployed across 99 positions providing diversification by geography, peril and occurrence. The Master Fund's portfolio currently comprises non-voting redeemable preference shares in the capital of the Reinsurer issued in a number of different share series, with each series relating to one or more underlying insurance contracts. A description of the Reinsurer's portfolio in respect of the Master Fund is set out in B.45 (Reinsurer) below.
	<b>The following information relates to the Reinsurer.</b> It has been included here as the Master Fund invests (and is expected to continue to invest) in excess of 40 per cent. of its gross assets in the Reinsurer and is required to briefly explain the exposure, the identity of the Reinsurer and to provide such information as would be required in a summary note by the Reinsurer.	
B.7	Selected historical key financial information	During the period covered by the selected key financial information for the Reinsurer from 18 November 2011 to 31 December 2012 and the subsequent period to the date of this Supplementary Prospectus, the significant change to the financial condition and operating results of the Reinsurer was as follows: the unaudited net assets have increased from US\$100 to US\$212,771,870 representing capital contributions, as well as, reinsurance premiums earned, net of

			acquisition costs and losses incurred.
	B.45	Portfolio	As of the date of this Supplementary Prospectus, the Master Fund has invested substantially all of its assets in preferred shares of the Reinsurer, which in turn has deployed US\$161 million of funds across 99 different positions and 40 different clients generating US\$30.6 million of net premium written.
C.3	Number of shares issued		The Company has 172,451,028 fully paid Ordinary Shares of US\$0.00001 each in issue as at the date of this Supplementary Prospectus.

## 1.2 THE CURRENT PORTFOLIO

In accordance with PR 3.4.1, information in relation to changes to the Current Portfolio constitutes significant new information arising during the period that the Placing Programme is open. The following information replaces Part 2 of the Original Prospectus (as amended by paragraph 1.2 of the First Supplementary Prospectus) in its entirety.

### Overview

The Company's total exposure after the January 2014 renewals exceed that of the previous year by US\$104 million, resulting in an aggregate US\$161 million exposure through an investment in 142,061.6979 Master Fund Shares. This investment represents 86.8 per cent. of the Company's net assets as at 31 December 2013. Most of the balance of the Company's net assets is expected to be deployed during the first half of 2014, with the remainder being held in cash or cash equivalents for working capital purposes and to fund the declared US\$0.044 dividend per share payable in February 2014.

The Master Fund has invested substantially all of its assets in preferred shares of the Reinsurer, which in turn has deployed US\$161 million of funds across 99 different positions and 40 different clients generating US\$30.6 million of net premium written. A further breakdown of the exposure of the Current Portfolio is set out below.

In deploying such capital in the January 2014 reinsurance renewals, Blue Capital experienced a competitive underwriting environment with strong competition from traditional and alternative markets. Overall, the January 2014 trades were executed with an average risk adjusted rate decrease of 12 per cent. compared to January 2013.

### Exposure Summary

The following unaudited tables provide a breakdown of the Current Portfolio's exposure by contract type, zone and peril as at the date of this Supplementary Prospectus (based on the unaudited valuation of the Company as at 31 December 2013).

Contract Type	Exposure (\$)	Percentage
Prop Cat Excess of Loss	100.7	62.6%
Prop Cat Aggregate	7.3	4.5%
Prop Cat Subsequent Event	11.8	7.3%
<b>Property Cat Total</b>	<b>119.8</b>	<b>74.4%</b>
ILW Excess of Loss	13.4	8.3%
ILW Aggregate	0.0	0.0%
ILW Subsequent Event	25.8	16.0%
<b>Industry Loss Warranty Total</b>	<b>39.2</b>	<b>24.4%</b>
<b>Catastrophe Bond Total</b>	<b>2.0</b>	<b>1.2%</b>
<b>Total</b>	<b>161.0</b>	<b>100.0%</b>

<b>Zones</b>	<b>First Event Exposure Percentage</b>
US - Florida Windstorm	30.0%
US - Gulf Windstorm	23.6%
US - MidAtlantic Windstorm	16.7%
US - NorthEast Windstorm	10.6%
US - Hawaii Windstorm	10.4%
UK and Ireland Windstorm	8.4%
Eastern Europe Windstorm	8.4%
Western Europe Windstorm	8.4%
Western Central Europe Windstorm	8.4%
Northern Europe Windstorm	8.4%
Southern Europe Windstorm	8.4%
US - New Madrid Earthquake	7.0%
Japan Earthquake	6.8%
Japan Windstorm	6.4%
US - New Madrid Windstorm	5.3%
US - Midwest Windstorm	4.4%
US - Northwest Earthquake	3.8%
UK and Ireland Earthquake	3.1%
US - Midwest Earthquake	3.3%
US - California Earthquake	3.0%
US - Northwest Windstorm	2.9%
US - California Windstorm	2.9%
US - Florida Earthquake	3.0%
Eastern Canada Earthquake	2.7%
Western Canada Earthquake	2.7%
US - MidAtlantic Earthquake	2.5%
US - Gulf Earthquake	2.4%
US - NorthEast Earthquake	2.4%
Western Canada Windstorm	1.9%
Eastern Canada Windstorm	1.9%
Australia Earthquake	1.7%
US - Hawaii Earthquake	1.6%
Western Europe Earthquake	1.4%
Western Central Europe Earthquake	1.4%
Southern Europe Earthquake	1.2%
New Zealand Earthquake	1.1%
Northern Europe Earthquake	1.1%
Eastern Europe Earthquake	1.1%
South America Earthquake	0.9%
New Zealand Windstorm	0.7%
Australia Windstorm	0.7%
Middle East Windstorm	0.7%
South America Windstorm	0.7%
Middle East Earthquake	0.7%

Source: Investment Manager. Notes: for contracts that overlap zones, the total exposure is counted in each of the exposed zones.

**2. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of this Supplementary Prospectus will be available (subject to applicable law) on the Company's website at [www.bluecapital.bm](http://www.bluecapital.bm) and for collection, free of charge during normal business hours, from the offices of Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London, EC1A 2FG and at the registered office of the Company until 15 April 2014 or the earlier termination of the Placing Programme.

**3. RESPONSIBILITY**

The Directors, whose names appear below, and the Company accept responsibility for the information contained in this Supplementary Prospectus. To the best knowledge of the Directors and the Company (who have all taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Prospectus is in accordance with the facts and contains no omission likely to affect the import of such information.

Directors:

John Weale (Chairman)  
Gregory D. Haycock  
Neil W. McConachie

**4. GENERAL**

To the extent that there is any inconsistency between any statement in or incorporated by reference in this document and any other statement in or incorporated by reference in the Prospectus or the Current Supplements, the statements in or incorporated by reference in this document will prevail.

Save as disclosed in the Current Supplements and this Supplementary Prospectus, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

This Supplementary Prospectus is dated 21 February 2014