

05 December 2016

Tel: +352 451 451
www.deloitte.lu

BlueOrchard Microfinance Fund
11-13, Boulevard de la Foire
L-1528 Luxembourg

Re.: Italian tax regulation regarding profits deriving from investment fund

To whom it may concern:

According to the provisions of the Italian Law Decree 138/2011 dated 13/08/2011, the taxation on financial instruments for residents and non-residents has been modified and, as from 1 January 2012, a single taxation has replaced various tax rates. Government bonds and assimilated securities are however taxed at the rate of 12.5%. As from 1 January 2012, direct investment in government bonds are subject to a lower rate (i.e. 12.5%) than comparable investments made through Italian or Luxembourg regulated investment funds (taxed at 26% effective as from 01 July 2014 onwards, formerly 20%). To allow the application of the 12.5% tax rate to investment funds investing into Italian government bonds and assimilated securities, investment funds may perform an asset test which estimates the percentage of the portfolio invested in qualifying government bonds.


The Board of Directors of BlueOrchard Microfinance Fund has engaged Deloitte Tax and Consulting S.à.r.l. to provide tax services for the Fund respectively sub-funds as listed in Appendix I with regard to the compilation and the review of tax figures.

We hereby certify that the percentages of financial instruments which will grant a reduced taxation rate in the period between 01/01/2017 and 30/06/2017 for the Fund respectively sub-funds as listed in Appendix I have been computed in line with the Italian Law-Decree 138 issued on 13/08/2011, the Decree issued by the Italian Ministry of Finance on 13 December 2011, the Circular 11/E issued by the Italian Tax Authorities on 28 March 2012 and the Law Decree no. 66.

It should be pointed out that the compilation of the Tax Relevant Information as well as its transmission to the relevant parties falls under the ultimate responsibility of the Board of Directors of the Fund.

Yours faithfully,

For Deloitte Tax and Consulting S.à.r.l.



Vincent Gouverneur
Partner, Deloitte Luxembourg

Encs : Appendix I

Appendix I

Italian tax regulation regarding profits deriving from investment fund

BlueOrchard Microfinance Fund

Pursuant to the provisions of the Decree-law 138, issued by the Italian Government on 13/08/2011 (article 2, paragraphs 6, 7, 13 and 14), the Decree issued by the Italian Ministry of Economy and Finance on 13 December 2011, the Circular No.11/E issued by the Italian Tax Authorities on 28 March 2012 and the Decree-law 66, hereby we certify the percentages of Government Bonds directly or indirectly held by the following Funds, which will grant a reduced taxation rate in respect of income perceived by unit-holders in the period between 01/01/2017 and 30/06/2017. These percentages refer to the holdings in State Bonds issued by the Italian State (as well as bonds and similar securities treated as such) and to the holdings in bonds and assimilated securities issued by Countries which allow an adequate exchange of information with the Italian tax authorities, as listed in Ministerial Decree 4 September 1996 (and subsequent amendments). These Funds are established in EU/EEA Countries which allow an adequate exchange of information with the Italian tax authorities and subject to regulatory supervision in their relevant Country of establishment.

ISIN	SHARE NAME	SHARE CLASS	SHARE CLASS CURRENCY	FIRST REFERENCE FINANCIAL STATEMENT DATE	LATEST REFERENCE FINANCIAL STATEMENT DATE	% PRIVILEGED SECURITIES FIRST DATE	% PRIVILEGED SECURITIES SECOND DATE	ITALIAN REDUCED RATE PERCENTAGE (as %)	PERCENTAGE APPLICATION STARTING DATE	PERCENTAGE APPLICATION END DATE
LU0973079543	BlueOrchard Microfinance Fund	Class I - USD	USD	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU0973079972	BlueOrchard Microfinance Fund	Class I - CHF (hedged)	CHF	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU0973080392	BlueOrchard Microfinance Fund	Class I - EUR (hedged)	EUR	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1079060619	BlueOrchard Microfinance Fund	Class N - USD	USD	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1079060700	BlueOrchard Microfinance Fund	Class N - CHF (hedged)	CHF	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1079060882	BlueOrchard Microfinance Fund	Class N - EUR (hedged)	EUR	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1399444022	BlueOrchard Microfinance Fund	Class D - USD	USD	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1399444378	BlueOrchard Microfinance Fund	Class D - CHF (hedged)	CHF	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1399444295	BlueOrchard Microfinance Fund	Class D - EUR (hedged)	EUR	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1399444451	BlueOrchard Microfinance Fund	Class S - USD	USD	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1399444618	BlueOrchard Microfinance Fund	Class S - CHF (hedged)	CHF	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017
LU1399444535	BlueOrchard Microfinance Fund	Class S - EUR (hedged)	EUR	31/12/2015	30/06/2016	0.2%	0.3%	0.3%	01/01/2017	30/06/2017