

BLUE CHIP SECURED HIGH INCOME FUND

AN INVESTMENT SUMMARY

AN EXCEPTIONAL INCOME OPPORTUNITY

7% Fixed Income

In today's cluttered investment environment, there appears to be a product to fill almost every investment requirement. In North America there are over 15,000 mutual funds available to investors. Unfortunately, few investment products address the true needs of today's investor.

In the past, investors have been forced to accept higher risk in order to achieve superior yields. Blue Chip Funds feels that this is not necessary — "you can have your cake and eat it too"

The Blue Chip Secured High Income Fund fully secures investors' principal while delivering a fixed 7% annual return paid quarterly over a three year term.

Focus of Investment Activity:

1. Diversified Healthcare Receivables
2. Minimum S&P Credit Rating of 'A to AAA'
3. Security of Principal via Collateral Coverage

STABLE INCOME FROM

"A-AAA" Rated Receivables



CERTAINTY

Can you predict where the markets, interest rates, inflation rates and other economic indicators will stand a year from now? The truth is no one can predict these factors. However, time and time again, investors spend large amounts of time and sleepless nights worrying about what their investment will be worth tomorrow.

When you invest in the Blue Chip Secured High Income Fund you are certain that your principal is protected and your return is fixed. The Fund has been designed to give investors peace of mind.

INVESTMENT STRATEGY

The Blue Chip Secured High Income Fund utilizes a strategy of asset securitization. Asset securitization is one of the fastest growing investment strategies in the world today – accounting for billions of dollars of annual investment. Asset securitization capitalizes fixed and anticipated revenues, and then packages them to sell to investors at a discount to create an asset-backed security. The fund incorporates this strategy in the booming US health care industry.

In the US, many small to mid-sized medical practitioners find it very difficult to receive reimbursements from health insurance companies for rendered medical services. Generally, health insurance companies are very slow to pay on claims – this can lead to a cash flow crunch for the medical practitioner.

For investors, health care receivables are a preferred investment choice for three major reasons. Firstly, the obligors (insurance companies) of the medical receivables possess very high credit ratings thereby ensuring a safe and secure investment. Typically, these obligors such as Medicare, Blue Cross and Aetna have a S & P rating of 'A to AAA'. Secondly, the rate of return to investors is higher than most other forms of asset backed securities. Thirdly, this industry has little or no impact from adverse economic conditions.



If you are seeking a secure investment delivering high returns, the Blue Chip Secured High Income Fund is designed for you.



OVERVIEW OF THE OFFERING

Incorporation Blue Chip Secured High Income Fund is organized under the laws of the Commonwealth of The Bahamas as a Standard Investment Fund. The Investment Manager is organized under the laws of the Commonwealth of The Bahamas.

The Offering This offering (“Offering”) consists of a maximum of 499,000 Preference Shares (the “Shares”) of Blue Chip Secured High Income Fund (the “Fund”) at an initial offering price of US \$10,000 per Share (the “Purchase Price”). The minimum initial subscription for Units is US \$10,000, with further subscriptions in increments of a minimum of US \$10,000.

Closing Date The Offering is a continuous offering and will be open until the maximum amount is completed. There is no minimum offering amount. Subscriptions will be closed and registered as received and accepted.

Use of Proceeds The net proceeds of the Offering, after the payment of the expenses of the Offering, will be utilized to execute the Fund’s acquisition of a diversified portfolio of health care receivables secured by insurance companies with S&P ‘A to AAA’ ratings.

Investment Manager Blue Chip Fund Management acts as the Investment Manager and as the Investment Advisor of the Blue Chip Secured High Income Fund, responsible for the allocation and the management of the Fund’s assets.

Shares Outstanding The Fund presently has 499,000 Preference Shares (“Units”) each with an initial value of US \$10,000. Upon completion of the Offering, the Fund will have a maximum of 499,000 Units, with a value calculated by adding all the holdings of the Fund, less the Fund’s liabilities.

Price Per Share Upon completion of the Offering, the value of the Preference Shares will be equal to the assets less liabilities, determined in accordance with International Accounting Standards.



When asked “what would be your ideal investment?”
Virtually everyone would agree “a product that will give a high fixed rate of return minimizing risk”



THE BOTTOM LINE

Annual Return: 7% fixed

Interest payable: Quarterly

Investment Term: Three years (renewable)

Credit Rating: S&P Credit Rating of ‘A to AAA’

If you wish to invest, please visit our website at visitBlueChip.com or contact us at 242-677-5360.



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