

## LEVENDI THORNBRIDGE DEFINED RETURN FUND

### UK COUNTRY SUPPLEMENT

#### ADDITIONAL INFORMATION FOR INVESTORS IN THE UK

DATED 26 MARCH 2019

This document forms part of and should be read in conjunction with the prospectus for the Skyline Umbrella Fund ICAV (the "ICAV") dated 16 February 2016 as amended or supplemented from time to time, addendum to the prospectus dated 22 June 2016 and the supplement for Levendi Thornbridge Defined Return Fund dated 15 March 2019 (the "Funds") (together, the "Prospectus"). Information contained in this UK Country Supplement is selective, containing specific information in relation to the Funds and does not relate to any of the other sub-funds of the ICAV. This UK Country Supplement contains information for investors in the UK only. References to the Prospectus are to be taken as references to that document as supplemented or amended hereby. In addition, words and expressions defined in the Prospectus, unless otherwise defined below, shall bear the same meaning when used herein.

The ICAV has made an application to the Financial Conduct Authority (the "FCA") for the Funds to be registered in the United Kingdom, in accordance with the requirements of Section 264 of the United Kingdom Financial Services and Markets Act 2000.

The FCA has not approved and takes no responsibility for the contents of the Prospectus or for the financial soundness of the ICAV or any of its sub-funds or for the correctness of any statements made or expressed in the Prospectus.

The ICAV is a recognised collective investment scheme within the meaning of Section 264 of the UK Financial Services and Markets Act 2000 (the "FSMA") and shares in the ICAV may be promoted to the UK public by persons authorised to carry on investment business in the UK and will not be subject to restrictions contained in Section 238 of the FSMA.

The ICAV does not carry on regulated activities in the UK and so does not require the conduct of its business to be regulated under the FSMA. Investors will therefore not benefit from the protections provided by the UK regulatory system such as the Financial Services Compensation Scheme or the Financial Ombudsman Service.

Investors' attention is drawn to the section of the Prospectus entitled "Fees and Expenses".

#### **UK Facilities Agent**

The ICAV has appointed Davy Asset Management Limited (the "**Facilities Agent**") as its facilities agent in the UK. The Facilities Agent has agreed to maintain certain facilities at its principal place of business in the UK which is at Dashwood House, 69 Old Broad Street, London EC2M 1QS.

At this address any person may inspect (free of charge) copies (in English) of:

- a) Instrument of incorporation of the ICAV (including any subsequent amendments and any instrument amending such instrument of incorporation);
- b) the most recent Prospectus including the Supplement;
- c) Key Investor Information Document(s);
- d) the latest annual reports and semi-annual reports; and
- e) any other documents required from time to time by the rules of the FCA.

Any person may obtain a paper copy (in English) of any of the above documents (free of charge in the case of the documents at (b) to (d) and at not more than a reasonable charge in respect of any other documents) at the address stated above during normal business hours on a Business Day. UK investors may also request information in English about the Company's Share prices.

#### Subscription and Redemption Process

Subscriptions can be made provided that there is a validly and duly executed Application Form received by the Administrator. For further information related to any charges and levies, please see the relevant sections under the headings "Subscription for Shares", "Repurchase of Shares" and "Fees and Expenses" in the Prospectus.

A shareholder in the ICAV may redeem his or her Shares in the ICAV by submitting a validly and duly executed Application Form together with the requisite information and documentation for verification purposes to the Administrator and obtain payments of the price on any Redemption Proceeds from the Administrator, at the following address: George's Court, 54-62 Townsend Street, Dublin 2, Ireland, or they may arrange for redemption of their shares through the Facilities Agent who shall forward the redemption proceeds (if any) to the relevant Shareholders. For further information on Redemption Proceeds and the process for payment on the receipt of redemption monies into the Subscriptions/Redemptions Account please see the sections under the heading "**Repurchase of Shares**" and "**Subscription of Shares**" in the Prospectus.

. Any such redemption requests received by the Facilities Agent shall be sent to the Administrator for processing.

UK Shareholders may also submit any complaints in respect of the ICAV to the Facilities Agent.

#### United Kingdom Taxation

##### Taxation

The following information, which relates only to UK taxation, is applicable to the ICAV and to persons who are resident in the UK and who hold Shares as investments. It is based on the law and practice currently in force in the UK. The information is not exhaustive and, if potential investors are in any doubt as to the taxation position, they should consult their professional advisers without delay.

Potential investors should note that tax law and interpretation can change and that, in particular, the levels and basis of, and reliefs from, taxation may change and it may alter the benefits of investment in the ICAV.

The Directors intend to manage the affairs of the ICAV in such a way that it is not resident in the UK for UK tax purposes. In these circumstances, and, provided that the ICAV is not treated as carrying on a trade in the UK through a fixed place of business or an agent which constitutes a "permanent establishment" in the UK, the ICAV will not be subject to UK tax on its profits and gains (other than withholding tax on any interest or certain other income which has a UK source).

Shareholders who are resident in the UK for taxation purposes should be aware that their Shares will constitute a participation in an "offshore fund" for the purposes of the United Kingdom Offshore Funds (Tax) Regulations 2009 (the "**Tax Regulations**"). Each Class of Shares in the ICAV is expected to constitute an "offshore fund" for the purposes of the above mentioned tax regime. Where such a Shareholder holds such a participation, any gain arising to that person on the sale, redemption or other disposal of that interest (including a deemed disposal on death) will be taxed at the time of such sale, redemption or other disposal as income and not as capital gain, unless the offshore fund has been certified by HM Revenue and Customs ("**HMRC**"), the UK Revenue authority, as a "reporting fund" throughout the period during which that person has held that interest.

The Directors intend to make an application to HMRC to obtain reporting status for a limited number of Classes of Shares, in each case as specified in the relevant Supplement. Where no application for reporting fund status is made, or where a Class of Shares did not have reporting fund status throughout the period of investment by a relevant Shareholder, any gain realised by UK resident Shareholders on a sale, redemption or other disposal of their Shares (including a deemed disposal on death) will be taxed as income and not as capital gains. The precise consequences of such treatment will depend upon the particular tax position of each such Shareholder.

For those Classes of Shares where the Directors of the ICAV intend to obtain reporting fund status, subject to satisfying certain conditions (such as the relevant Class having had reporting fund status throughout the period of investment by a relevant Shareholder), any gains arising to Shareholders resident in the UK on a sale, redemption or other disposal of their Shares would be taxed as capital gains. The precise consequences of such treatment will depend upon the particular tax position of each Shareholder. Further, under the Tax Regulations, a reporting fund is required to provide each Shareholder in the relevant Class of Shares, for each accounting period, a report of the income of the Class for that account period which is attributable to the Shareholder's interest (whether or not such income has been distributed), and such reported income is treated as an additional distribution made by the Class to the Shareholder. A UK resident Shareholder in the relevant Class of Shares will therefore (subject to their particular UK tax position) be potentially subject to UK tax on that reported income as if such reported income were a distribution upon their Shares. These rules are complex and Shareholders or potential investors are advised to consult their own tax advisers. Further, there can be no guarantee that the relevant conditions to achieve or maintain "reporting" status will be satisfied at all times.

Shareholders who are within the charge to UK corporation tax should be aware that where such an investor holds a participation in an "offshore fund" and that offshore fund fails, at any time in an accounting period in which the Shareholder holds its participation, to satisfy the "non-qualifying investments test", the Shareholder is required to treat its interest for that accounting period as if it were rights under a creditor relationship for the purposes of the "loan relationships" regime (which governs the UK taxation of most forms of corporate debt) contained in the UK Corporation Tax Act 2009. Each Class of Shares is expected to constitute a participation in an offshore fund for this purpose. An offshore fund fails to satisfy the non-qualifying investments test at any time when its investments consist as to more than 60% by market value of, inter alia, government and corporate debt securities, money placed at interest or holdings in unit trust schemes or offshore funds which do not themselves satisfy the non-qualifying investments test. The investment policies of the ICAV (or any sub-fund) could fail the non-qualifying investments test. Shareholders within the charge to UK corporation tax would in these circumstances be required to account for their interest in the Funds under the loan relationships regime, in which case all returns on their Shares in the relevant accounting period (including gains and losses) would be taxed or relieved as income receipt or expense on a fair value basis. Such Shareholders might therefore, depending upon their particular circumstances, incur a charge to UK corporation tax on an unrealised increase in the value of their Shares (or obtain relief against UK corporation tax for an unrealised diminution in the value of their Shares).

Subject to their personal circumstances, Shareholders resident in the UK for taxation purposes will generally be liable to UK income tax or corporation tax in respect of dividends or other distributions of the Funds, whether or not such distributions are reinvested. However, under changes introduced in the Finance Act 2009, UK resident corporate Shareholders may be exempt from taxation on dividends, depending on their circumstances and subject to certain conditions being satisfied. Further, UK resident individual Shareholders may be eligible for a tax credit, depending on their circumstances and certain conditions being satisfied, equal to one ninth of the amount of the dividend, which may be available for set-off against their UK income tax liability.

An exchange of Shares for Shares in a different sub-fund, or for a different Class of Shares in the same sub-fund, may result in a UK resident Shareholder who exchanges Shares in these circumstances being treated as making a disposal of Shares giving rise to a chargeable gain or allowable loss for UK tax purposes. However, whether or not such an exchange gives rise to a chargeable disposal will depend on the precise circumstances as not all exchanges of Shares are expected to give rise to a taxable event. Further, special tax rules exist governing the exchange of Shares of a "reporting" Class of Shares into a "non-reporting" Class of Shares, and vice versa. The rules described in this paragraph are complex and Shareholders and potential investors are advised to consult their own tax advisers.

The attention of individuals resident in the UK for taxation purposes is drawn to the provisions of Sections 714 to 751 (inclusive) of the UK Income Tax Act 2007, which may render them liable to income tax in respect of the undistributed income of the ICAV.

If the ICAV is controlled for UK taxation purposes by persons (whether companies, individuals or others) who are resident in the UK for these purposes, or is controlled by two persons, one of whom is resident in the UK for these purposes and has at least 40% of the interests, rights and powers by which the two persons together control the ICAV and the other of whom has at least 40% and not more than 55% of such interests, rights and powers, the ICAV will be a "controlled foreign ICAV" for the purposes of Part 9A of the Taxation (International and Other Provisions) Act 2010. Where a UK resident ICAV, either alone or together with persons connected or associated with it for UK taxation purposes, has an interest in 25% or more of the "chargeable profits" of a controlled foreign ICAV, the UK resident ICAV may be subject to UK taxation on an amount calculated by reference to its proportionate interest in those chargeable profits. The chargeable profits of a controlled foreign ICAV do not include its capital gains. Shareholders who are UK resident companies should therefore be aware that they may in some circumstances be subject to UK tax on an amount calculated by reference to undistributed profits of the ICAV.

The attention of persons resident in the UK for taxation purposes is drawn to the provisions of Section 13 of the Taxation of Chargeable Gains Act 1992 ("**Section 13**"). Section 13 applies to a "participator" in the ICAV for UK taxation purposes (which term includes a Shareholder) if, at a time when any gain accrues to the ICAV which constitutes a chargeable gain for those purposes, the ICAV is itself controlled by a sufficiently small number of persons so as to render the ICAV a body corporate that would, were it to have been resident in the UK for taxation purposes, be a "close" ICAV for those purposes. The provisions of Section 13 could, if applied, result in such a Shareholder being treated for the purposes of UK taxation of chargeable gains as if a part of any chargeable gain accruing to the ICAV had accrued to the Shareholder directly, that part being equal to the proportion of the gain that corresponds to that Shareholder's proportionate interest in the ICAV as a "participator". No liability under Section 13 could be incurred by such a Shareholder, however, where such a proportion does not exceed one quarter of the gain.

No UK stamp duty or stamp duty reserve tax ("**SDRT**") will be payable on the issue of the Shares. An agreement to transfer Shares should not be subject to SDRT provided the Shares are not and will not be registered in any register of the ICAV kept in the UK. An instrument transferring Shares in the ICAV will, if executed in the UK or no matter where executed if related to any UK property or any other matter or thing done (or to be done) in the UK, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid, rounded up to the nearest £5.