

SKAGEN Global II

Notice of withdrawal from the UK reporting fund regime

Dear Investor,

You are receiving this Notice because you are an investor in the above-mentioned fund, which is currently registered as a "reporting fund" for UK tax purposes.

The fund hereby gives you notice under Regulation 116 of the Offshore Funds (Tax) Regulations 2009 that it intends to withdraw this share class from the reporting fund regime effective 31 December 2018 (the "specified day").

Reporting fund status, and this withdrawal from the reporting fund regime, are of relevance to UK tax-resident investors, and to investors which are themselves offshore funds. Other investors are unlikely to be affected by this notice.

The following paragraphs provide additional explanations which you may find helpful.

Reporting fund status

Reporting fund status allows investors to get capital gains treatment on a disposal of their investment, provided that the fund calculates the income portion of its return each year and reports this income to investors. Investors are taxed on this reported income as though the fund had distributed this income to them.

In this way, reporting fund status seeks to maintain capital gains treatment for capital gains, whilst the investor's share of any income inside the fund (such as dividends and interest) is taxed as income.

Withdrawal from the regime

The fund has decided to withdraw this share class from the reporting fund regime effective from the specified day set out above, which will be the last day of the current accounting period of the fund. The fund will be required to comply with its annual reporting requirements in the usual way for the period which ends on that day. Accordingly, if you hold shares on the specified day, you will receive a report of income from the fund within six months of that date.

After the specified day, the share class will no longer be a reporting fund, and any disposal or redemption of shares after the specified day will no longer be subject to capital gains taxation treatment.

Actions required

The benefits of reporting fund status will no longer be available after the specified day.

In order to ensure that the accrued benefits arising from the reporting fund status holding period are not lost, you may be required to make a "Regulation 100" election in your tax return. We suggest you discuss this with your tax adviser.