

SouthernSun Value Fund plc

An umbrella fund with segregated liability between sub-funds

A company incorporated with limited liability as an investment company with variable capital incorporated under the laws of Ireland with registered number **528150**)

(the **Company**)

**ADDITIONAL INFORMATION FOR INVESTORS IN THE UNITED
KINGDOM**

Information contained herein is selective, containing specific information in relation to the Company. This document (the UK Country Supplement) forms part of and should be read in conjunction with the Prospectus for the Company dated 3 January 2017 together with any supplement or addendum thereto (collectively the Prospectus). This document is for distribution in the United Kingdom only.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used herein.

Dated: 5 January 2017

The Company is a recognised collective investment scheme within the meaning of Section 264 of the UK Financial Services and Markets Act 2000 as amended (the **FSMA**) and Shares in the Company may be promoted to the UK public by persons authorised to carry on investment business in the UK.

The Company does not carry on investment business in the UK, so as to require the conduct of its business to be regulated under the FCA. Shareholders will therefore not benefit from the protections provided by the UK regulatory system.

This Prospectus is issued only to, or directed only at, persons who are: (i) Investment Professionals within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **FP Order**); (ii) High Net Worth Companies and certain other entities falling within Article 49 of the FP Order; or (iii) any other persons to whom the Company or any Fund may lawfully be promoted (the persons in (i), (ii) and (iii) together, the **Relevant Persons**).

This Prospectus must not be acted on or relied on by persons who are not Relevant Persons and/or addressed to or disseminated in such a way that is likely to be received by any person who is a “retail client” for the purposes of the European Parliament and Council Directive on Markets in Financial Instruments (No. 2004/39/EC). Prior to accepting an application from any applicant who claims to fall within any of the above categories, verifiable evidence of the applicant’s status may be required.

Important

Compensation under the Financial Services Compensation Scheme will generally not be available to UK investors.

A UK investor who enters into an investment agreement with the Company to acquire Shares in response to the Prospectus will not have the right to cancel the agreement under the cancellation rules made by the FCA. The agreement will be binding upon acceptance of the order by the Company.

In connection with the Company’s recognition under section 264 of the FSMA, the Company has entered into a Representative Agreement dated 29 August 2016 with Maples Fiduciary Services (UK) Limited (the **Representative Agent**) who is responsible for providing facilities services to the Company and maintenance of the facilities required of a recognised scheme pursuant to the rules contained in the Collective Investment Schemes Sourcebook (**COLL**) published by the Financial Conduct Authority as part of the Financial Conduct Authority’s Handbook of Rules and Guidance governing recognised schemes.

The facilities will be located at the offices of the Facilities Agent at **11th Floor, 200 Aldersgate Street, London, EC1A 4HD**.

At these facilities, any person may:

1. Inspect (free of charge), during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted), a copy of the following documents:
 - (a) the Memorandum and Articles of Association of the Company and any instruments amending these;

- (b) the latest Prospectus including any addenda or supplements thereto;
 - (c) the latest key investor information documents;
 - (d) the latest annual and half-yearly reports; and
 - (e) any other documents required from time to time by COLL to be made available;
2. Obtain a copy (in English) of any of the above documents (free of charge in the case of documents (b) and (c));
 3. Obtain information (in English) relating to the prices of Shares;
 4. Redeem or arrange for the redemption of Shares (and obtain payment for such Shares); any redemption request received shall be sent to the Administrator for processing;
 5. Make a complaint about the operation of the Company, which complaint will be transmitted to the Company;
 6. Obtain, free of charge, details or copies of any notices which have been given or sent to Shareholders.

United Kingdom Taxation

The Company

The Directors intend that the affairs of the Company should be managed and conducted so that it does not become resident in the UK for UK taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the UK through a permanent establishment situated in the UK for UK taxation purposes, the Company will not be subject to UK corporation tax on income and capital gains arising to it (other than withholding taxes (if any) on income arising to the Company from a UK source).

The Directors intend that the respective affairs of the Company are conducted in such a way so that no such permanent establishment will arise insofar as this is within their respective control, but it cannot be guaranteed that the conditions necessary to prevent any such permanent establishment coming into being will at all times be satisfied.

Interest and certain other income received by the Company which has a UK source may be subject to withholding taxes (which may not be reclaimable) in the UK, although the circumstances in which UK income tax must be withheld at source will become more limited from April 2017.

Interests in the funds of the Company will be made widely available to institutional investors able to meet the minimum investment criteria and the funds will be marketed accordingly.

Shareholders

Subject to their personal circumstances, Shareholders resident in the UK for taxation purposes will be liable to UK income tax or corporation tax on dividends paid or other distributions of income made by the Company whether or not such distributions are reinvested in the Company.

No credit will be available against a Shareholder's UK tax liability in respect of income distributions of the Company nor for any taxes suffered or paid by the Company on its own income, (except in the case of a Corporate Shareholder which is resident in the UK (or not resident but carrying on a business in the UK through a permanent establishment) owning directly or indirectly not less than 10 per cent. of the voting share capital of the Company where double taxation agreements provide for payment of tax credit).

Certain classes of overseas dividend distributions received by UK corporate shareholders are exempt from tax. The exemption will not be available where it is used for tax avoidance purposes.

Offshore Funds Regime

The share classes of SouthernSun US Value Fund (the '**Fund**') are not currently registered as UK "reporting funds" under the Offshore Funds (Tax) Regulations 2009 for the purposes of taxation in the UK. However, the Directors may elect to apply to HMRC for UK reporting fund status in respect of these Share Classes and that they will have UK reporting fund status with effect from the accounting period ending 31 December 2016 onwards.

In order to obtain certification as a reporting fund, the "reportable income" of the relevant Share Class for each period of account must be reported to its investors and to HM Revenue & Customs ("**HMRC**"). Investors will be liable to tax on their proportionate share of the "reportable income" of the Fund, whether or not that income is in fact distributed to them.

The effect of certification as a reporting fund is that any gains arising to Shareholders resident in the UK on a sale, redemption or other disposal of the relevant Shares should be taxed as capital gains and not as income.

There can be no guarantee or assurance that the law and regulations governing reporting fund status, or the interpretation of them, will remain the same. Investors are advised to seek their own specialist advice in relation to how (if at all) these rules will affect them.

Individual Shareholders: Transfer of assets abroad

The attention of individual Shareholders resident in the UK is drawn to Chapter 2 of Part 13 of the Income Tax Act 2007 ("**ITA**"). These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the United Kingdom and may render them liable to income tax in respect of undistributed income of the Company on an annual basis. The legislation is not directed towards the taxation of capital gains.

Corporate Shareholders: Loan Relationships

The attention of UK resident corporate shareholders is drawn to Chapter 3 of Part 6 of the Corporation Tax Act 2009, whereby interests of UK companies in offshore funds may be deemed to constitute a loan relationship; with the consequence that all profits and losses on such relevant interests are chargeable to UK corporation tax in accordance with a fair value basis of accounting. These provisions apply where the market value of relevant underlying interest bearing securities and other qualifying investments of the offshore fund (broadly investments which yield a return directly or indirectly in the form of interest) are at any time more than 60% of the value of all of the investments of the offshore fund.

Corporate Shareholders: Controlled Foreign Companies

Part 9A of Taxation (International and Other Provisions) Act 2010 (“**TIOPA 2010**”) imposes a charge to tax on chargeable profits, affecting any UK resident Company with an interest of 25 per cent or more (including the interests of associated or connected persons) in the profits of a non-UK resident Company provided no statutory exemptions apply. Where a CFC’s profits fall within certain “gateway” provisions (and are not otherwise excluded by any exemption) they will be apportioned to UK participators. This charge may be reduced by a credit for any foreign tax attributable to the relevant profits and by the offset of UK reliefs. UK resident companies holding a right to 25 per cent. or more of the profits of the Company (directly or indirectly) are advised to seek their own specific professional taxation advice in relation to whether and how these rules might affect their proposed investment in the Company. The legislation is not directed towards the taxation of capital gains.

Anti-avoidance: General

The attention of persons resident in the UK for taxation purposes (and who, if individuals, are also domiciled in the UK for those 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” for UK taxation purposes (which term includes a Shareholder) if at the same time: (i) a gain accrues to the Company which constitutes a chargeable gain for those purposes; and (ii) the Company is itself controlled by a sufficiently small number of persons so as to render the Company a body corporate that would, were it to have been resident in the UK for taxation purposes, be a “close” Company for those purposes.

The provisions of Section 13 could, if applied, result in any such person who is a “participator” in the Company being treated for the purposes of UK taxation of chargeable gains as if a part of any chargeable gain accruing to the Company had accrued to that person directly, that part being equal to the proportion of the gain that corresponds on a just and reasonable basis to that person’s proportionate interest in the Company as a “participator”. No liability under Section 13 could be incurred by such a person however, where such proportion does not exceed one quarter of the gain. Furthermore, this rule should only apply where either the holding of the asset by the Company or its disposal formed part of a scheme or arrangements of which one of the main purposes was the avoidance of capital gains tax or corporation tax. The charge is also extended to UK resident individuals who are domiciled outside the UK in respect of gains relating to assets of the Company situated in the UK and in respect of gains relating to non-UK situs assets if such gains are remitted to the UK.

Transfer Taxes

Transfer taxes may be payable by the Company in the UK and elsewhere in relation to the acquisition and/or disposal of investments. In particular, stamp duty reserve tax at the rate of 0.5% (or, if the transfer does not take place in dematerialised form, stamp duty at an equivalent rate) will be payable by the Company in the UK on the acquisition of shares in companies incorporated in the UK or which maintain a share register in the UK.

Because the Company is not incorporated in the UK and the register of holders of shares will be kept outside the UK, no liability to stamp duty reserve tax should arise by reason of the transfer, subscription for or redemption of shares.

The summary given in this section is for information purposes only. It is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their

own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares. The tax consequences applicable to Shareholders may vary depending on their particular circumstances. It is the responsibility of all prospective investors to inform themselves as to the tax consequences and any foreign exchange or other fiscal or legal restrictions, which may be relevant to their particular circumstances in connection with the acquisition, holding or disposition of Shares. The above is a brief summary of certain aspects of UK taxation law and practice relevant to the transactions contemplated in the Prospectus. While it is based on the law and practice and official interpretation currently in effect, no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with the interpretation given or that changes in such law and practice will not occur.