

CONTRIBUTION AGREEMENT

CREDIT MUTUEL ASSET MANAGEMENT, approved by the AMF to operate as a portfolio management company under number GP 97-138, a limited liability company (société anonyme) with share capital of €3,871,680, with its registered office at 4, rue Gaillon, 75002 PARIS, registered with the Paris Trade and Companies Register under number B 388 555 021, represented by Mr William Margoline, General Counsel and Chief Financial Officer, duly authorised for the purpose hereof,

Hereinafter referred to as the '**Portfolio Management Company**';

Acting on behalf of:

CM-CIC HIGH YIELD 2024* Mutual Fund, hereinafter referred to as the '**Absorbed Fund**',

**The fund is not registered in Ireland*

as party of the first part,

AND

The investment company with variable capital (SICAV), **CM-CIC SICAV**, a limited liability company (société anonyme) with its registered office at 4, rue Gaillon – 75002 PARIS, registered in the Paris Trade and Companies Register under number 879 479 491, hereinafter referred to as the '**SICAV**', represented by Mr Olivier Vaillant, Chairman,

Acting on behalf of:

CM-CC HIGH YIELD 2024, a sub-fund in the process of being created, hereinafter referred to as the '**Absorbing SICAV**',

as party of the second part.

RECITALS

WHEREAS, the Portfolio Management Company and the SICAV decided at the Board of Directors' meeting of 6 April 2020 to turn the Absorbed Fund into a SICAV and therefore to merge by way of absorption the Absorbed Fund into the Absorbing SICAV through the contribution of all of the securities of the Absorbed Fund to the Absorbing SICAV.

WHEREAS, the merger shall be carried out in accordance with the merger provisions of Article 212-34 and Articles 411-44 et seq. of the General Regulation of the Autorité des Marchés Financiers (AMF) and Instruction No. 2011-19.

REASON FOR THE MERGER

By contributing the securities of the Absorbed Fund to the Absorbing SICAV, the Portfolio Management Company is turning the Absorbed Fund into a sub-fund of the SICAV.

This transaction aims to give the Fund's unitholders shareholder status which will enable them to vote at general meetings and participate in the governance of the SICAV.

Based on these considerations, this contribution agreement has been drawn up under the terms of which the Absorbed Fund is contributing all of its assets and liabilities to the Absorbing SICAV.

As consideration, the Absorbing SICAV shall assume all of the liabilities of the Absorbed Fund and shall allocate to it shares issued as consideration for the contribution made, these shares having a value equal to the value of the net assets contributed by the Absorbed Fund.

I. Characteristics of Undertakings for Collective Investment (UCIs)

1) Legal characteristics:

The Absorbed Fund and the Absorbing SICAV are UCITS that fall under Instruction No. 2011-19.

2) Other characteristics:

The Absorbing SICAV and the Absorbed Fund have the BANQUE FEDERATIVE DU CREDIT MUTUEL as their custodian.

The Absorbed Fund and the Absorbing SICAV have an identical investment objective, investment strategy and asset composition.

The Absorbing SICAV and the Absorbed Fund are open to all subscribers.

The Absorbing SICAV and the Absorbed Fund are UCIs that accumulate and/or distribute distributable amounts.

The fees and commissions of the Absorbed Fund are currently as follows and shall also apply mutatis mutandis to the Absorbing SICAV:

Subscription and redemption fees

Fees are to be paid by investors upon subscription or redemption	Basis	Rate scale
		Share Classes RC, RD, S and IC
Subscription fees not paid to the UCITS	Net asset value × number of shares	Maximum 1%
Subscription fees paid to the UCITS	Net asset value × number of shares	None
Redemption fees not paid to the UCITS	Net asset value × number of shares	2% up to the last NAV of September 2024
Redemption fees paid to the UCITS	Net asset value × number of shares	None

Management and administration fees

	Fees invoiced to the UCITS	Basis	Rate scale		
1	Financial management fees and administration fees external to the Portfolio Management Company	Net assets	Share Classes RC and RD Maximum 0.60% inclusive of tax	Share Class S: Maximum 0.40% inclusive of tax	Share Class IC: Maximum 0.30% inclusive of tax
2	Transfer fees Portfolio Management Company: 100%	Levy on each transaction	None		
4	Performance fee	Net assets	None		

Non-recurring costs linked to the recovery of claims on behalf of the UCITS or to a procedure for enforcing a claim may be added to the ongoing fees invoiced to the UCITS and listed above.

II. Terms and conditions of the transaction:

- 1) The basis and terms and conditions of this merger shall be determined based on the inventory of the portfolio and the net assets of the Absorbed Fund certified by the auditor, taking into account the creation of the Absorbing SICAV by means of a contribution of all assets of the Absorbed Fund.
- 2) The valuations for determining the exchange ratio will be made on 20/07/2020.

Subject to the normal functioning of the financial markets, otherwise from the day on which trading resumes, the merger by contribution of all assets of the Absorbed Fund to the Absorbing Fund is set for 20/07/2020.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1 - CONTRIBUTIONS

1.1 Contributions - designation - valuation

With a view to completing the merger of the Absorbed Fund and Absorbing SICAV by absorption of the former by the latter, the Absorbed Fund shall contribute all of its assets, comprising all of its property, rights and securities, without exception or reservation, to the Absorbing SICAV, subject to the ordinary guarantees and rights applicable in such cases.

The assets in question comprise a portfolio of transferable securities and other items, valued in accordance with the usual methods set out in the prospectus and the regulations of the Absorbed Fund.

1.2 Date of taking possession

The Absorbing SICAV shall acquire all of the assets of the Absorbed Fund on the date of the final completion of the merger, i.e. on 20/07/2020.

1.3 Winding up of the Absorbed Fund

Solely as a result of the final completion of the merger referred to herein and on the date of this merger, the Absorbed Fund shall be automatically wound up early.

ARTICLE 2 - TERMS AND CONDITIONS - CONSIDERATION

2.1 Terms and conditions

The contributions set out in Article 1 are made and accepted under the ordinary and statutory terms and conditions applicable in such cases, and in particular under the following terms and conditions:

- The Absorbing SICAV shall take the rights and property contributed in the condition in which they are found at the time it takes possession thereof, thereby waiving any recourse against the contributing body, the Absorbed Fund, for any reason whatsoever, such as the insolvency of the debtors;
- It shall bear and pay from the date of completion of the merger all taxes, contributions, dues, rents, insurance premiums and contributions and, generally, all ordinary or extraordinary expenses that are or will be levied on the assets contributed and that are inherent to their ownership;
- As from the date of completion of the merger, the Absorbing SICAV must fulfil all commitments of any kind that may have been entered into by the Portfolio Management Company on behalf of the Absorbed Fund.

The Absorbing SICAV shall be subrogated in the rights and obligations arising from the commitments entered into by the Portfolio Management Company on behalf of the Absorbed Fund, without recourse against said Portfolio Management Company.

2.2 Assumption of liabilities

The Absorbing SICAV declares it agrees to assume and wishes to accept in place of the Portfolio Management Company:

- All the liabilities of the Absorbed Fund as they may appear on the merger date;
- Fees and expenses of any kind, without exception or reservation, that will fall to the Portfolio Management Company on behalf of the Absorbed Fund as a result of its dissolution and liquidation as a consequence of the merger, and in particular any tax charges that may become payable.

2.3 Merger completion and consideration for the net assets contributed

2.3.1 To determine the exchange ratio of the shares of the Absorbing SICAV for units in the Absorbed Fund, the following procedure shall be adopted:

2.3.1.1 The net assets of each of the UCIs shall be estimated according to the same rules as those applied by them for the calculation of the net asset value on each business day with the exception of French public holidays, even if the reference stock exchange(s) is (are) open, or days on which the Paris stock exchange is closed.

2.3.1.2 The net asset value of the units and shares of each of the UCIs in question is calculated according to the usual rules based on the aggregate value of the assets and the number of units or shares comprising the assets of each UCI on the same date.

2.3.2 Shares shall be created in the SICAV on the basis of an original value equal to that of the Fund units on the date of the merger.

The number of shares of the Absorbing SICAV allocated to the holders of units of the Absorbed Fund in exchange for the assets contributed is derived from the net asset value of the Absorbed Fund units, at the ratio of one Class RC share of the Absorbing SICAV for one Class RC unit of the Absorbed Fund, one Class IC share of the Absorbing SICAV for one Class IC unit of the Absorbed Fund, and one Class S share of the Absorbing SICAV for one Class S unit of the Absorbed Fund, i.e. an exchange ratio at par.

2.3.3 Unitholders' attention is drawn to the fact that the Portfolio Management Company has decided to suspend subscriptions and redemptions of the Absorbed Fund at the order centralisation cut-off time on the date of the merger, i.e. 12 noon on 20/07/2020.

The Portfolio Management Company of the Absorbed Fund has also decided that unitholders may redeem their units free of charge for a period of three months as from receipt of the individual letter sent to them.

2.3.4 Under the supervision of the statutory auditor, the Portfolio Management Company of the Absorbed Fund shall assess the net assets of the Absorbed Fund on the basis of the accounts determined at the closing price on 20/07/2020. The statutory auditor shall confirm in their report the terms and conditions for the completion of the merger.

2.3.5 The merger shall become final on the day set by the Portfolio Management Company of the Absorbed Fund, i.e. on 20/07/2020.

2.3.6 Upon completion of the merger, the Absorbed Fund shall be automatically wound up. As all liabilities of the fund are borne by the Absorbing SICAV, the winding up will not be followed by any liquidation process.

2.3.7 On that same day, the Class RC shares created by the Absorbing SICAV as consideration for contributions from the Absorbed Fund shall be immediately and directly allocated to the holders of the latter's Class RC units, the Class RD shares created by the Absorbing SICAV as consideration for contributions from the Absorbed Fund shall be immediately and directly allocated to the holders of the latter's RD units, the Class IC shares created by the Absorbing SICAV as consideration for contributions from the Absorbed Fund shall be immediately and directly allocated to the holders of the latter's Class IC units, and the Class S shares created by the Absorbing SICAV as consideration for contributions from the Absorbed Fund shall be immediately and directly allocated to the holders of the latter's Class S units.

The shares of the Absorbing SICAV created in this way shall be entirely equivalent to the old units issued.

The number of shares issued by the Absorbing SICAV shall be equal to the net assets of the Absorbed Fund on the date of the merger.

2.3.8 The Absorbing SICAV shall register in its assets the securities at their contribution value.

2.3.9 BANQUE FEDERATIVE DU CREDIT MUTUEL, whose registered office is located at 4, rue Frédéric-Guillaume Raiffeisen, STRASBOURG CEDEX (67913), will centralise the transactions for the exchange of the Absorbing SICAV's shares for the units of the Absorbed Fund, with the transactions to begin as soon as possible after the final completion of the merger.

2.4 Tax commitments

It should be noted that the two UCIs in question are exempt from corporation tax pursuant to Article 208-1 A bis of the French General Tax Code. They will therefore place this merger under the tax regime provided for in Articles 115 A, 210 A to 210 C, 816 and 832 of the French General Tax Code. In accordance with the regulations in force, on the date this merger agreement was entered into, the tax regime governing natural persons and legal entities would be as follows:

Taxation applicable to natural persons resident in France – excluding shares held in an equity savings plan (plan d'épargne en actions or PEA):

Shareholders or unitholders – natural persons resident in France – benefit from the tax deferral regime: The exchange does not form part of the capital gains calculation for income tax purposes in respect of the year of the exchange. The realised capital gain or loss is calculated only when the securities received at the exchange are sold or redeemed later by reference to the cost price of the shares or units of the Absorbed Fund.

Taxation of resident corporate entities:

Shareholders – legal entities subject to corporation tax or legal entities subject to income tax if taxed under a BIC (Bénéfices Industriels et Commerciaux) or BA (Bénéfices Agricole) regime – of the Absorbed Fund who make a loss or profit on the exchange transaction must report this under the provisions of Article 38-5 bis.

Article 38-5 bis provides that the profit recorded on an exchange of securities resulting from a merger of UCIs is not immediately included in taxable profit; its consideration is carried forward to the time of the actual sale of the securities received in exchange.

However, for unitholders who are legal entities liable to corporation tax, the exchange neutralisation loses some of its effects because the UCI securities must be valued at their net asset value at the end of the financial year, so any valuation differences are included in the taxable income of the legal entity liable to corporation tax (Article 209 O A of the French General Tax Code).

ARTICLE 3 - MISCELLANEOUS PROVISIONS

3.1 Delegations of power

The Chief Executive Officer of the Portfolio Management Company shall have full powers with the power to substitute itself for the purpose of carrying out the transaction successfully, and in particular:

- To approve the valuation of the assets and final exchange ratio.
- To transfer to the Absorbing SICAV all securities included in the assets of the Absorbed Fund, sign to this effect all necessary deeds and documents, establish all confirmatory, additional or amending deeds that may be necessary, perform all necessary acts and formalities to facilitate the transfer of the assets of the Absorbed Fund to the Absorbing SICAV.
- To comply with all formalities, make all declarations, in particular to the finance departments, and provide all notices to whomever.
- In the event of difficulties, to engage or monitor all bodies.

3.2 Objections

Creditors of UCIs participating in the merger transaction whose claim predates the announcement of the merger proposal may oppose it within 30 days of the publication of the notice in the Official Gazette of Civil and Commercial Announcements (B.O.D.A.C.C.).

3.3 Conditions precedent

The final completion of the merger is subject to the condition precedent of compliance with the specific procedure provided for in the AMF's General Regulation, i.e.:

- Notification of this merger proposal to the statutory auditor at least 45 days before 20/07/2020, the date of the merger, the statutory auditor being required to make its report available to the unitholders at least 15 days before said date;
- Filing of the merger proposal with the Registrar of the Paris Commercial Court and the publication of a notice in a medium authorised to receive legal announcements to be published no later than 30 days before the completion of the merger by contribution of all assets of the Absorbed Fund to the Absorbing SICAV.
- Prior approval of a change in the legal structure envisaged by the Autorité des Marchés Financiers.
- Approval of the Contribution Agreement by the Extraordinary General Meeting of the SICAV as well as the terms and conditions of the exchange and merger as agreed therein.
- Valuation of the contributions and determination of exchange ratios by the Chief Executive Officer of the SICAV on behalf of the Absorbing SICAV.
- Valuation of the assets and determination of the exchange ratio by the Chief Executive Officer of the Portfolio Management Company on behalf of the Absorbed Fund.

If the above conditions precedent were not fulfilled, said agreement would be considered null and void.

3.4 Formalities

In order to carry out all formalities prescribed by law or that would appear necessary, all powers are given to the bearer of a copy of this deed.

3.5 Costs - Election of domicile

All costs, disbursements and fees due as a result of this deed, as well as its consequences, shall be borne exclusively by the Absorbing SICAV, which is obliged to do so.

For the execution of this deed and its consequences, the parties shall elect domicile at their registered office.

Paris, 25 May 2020
in 2 copies

Portfolio Management Company

SICAV

**General Counsel and Chief Financial Officer,
William Margoline**

**Chairman
Olivier Vaillant**