

CIGOGNE CLO ARBITRAGE

**An investment company with variable share capital (SICAV)
subject to the Luxembourg Law of 13 February 2007 relating to
specialised investment funds
(the “SICAV”)**

OFFERING DOCUMENT

&

ARTICLES OF ASSOCIATION

governing the issue of shares of the SICAV

CIGOGNE CLO ARBITRAGE

JANUARY 2022

as shall be made on the basis of this Offering Document and Articles of Association as amended by the latest annual report of the SICAV.

Offering Document and the latest financial report of the SICAV may be made available to investors, upon request at the registered office of the SICAV.

VISA 2022/167522-6860-0-PC

L'apposition du visa ne peut en aucun cas servir
d'argument de publicité
Luxembourg, le 2022-01-11
Commission de Surveillance du Secteur Financier

TABLE OF CONTENTS

1. THE SICAV AND THE INTERVENING PARTIES	4
2. DEFINITIONS	7
3. PRELIMINARY INFORMATION	9
4. DESCRIPTION OF THE FUND	11
5. INVESTMENT OBJECTIVE OF THE SICAV	11
6. INVESTMENT AND RESTRICTIONS	11
7. GENERAL RISK FACTORS	15
8. AIFM	17
9. PORTFOLIO MANAGERS	18
10. DEPOSITARY	19
11. CENTRAL ADMINISTRATION	20
12. INDEPENDENT AUDITOR OF THE SICAV	20
13. CONFLICTS OF INTEREST	20
14. DESCRIPTION OF SHARES, SHAREHOLDER RIGHTS AND DISTRIBUTION POLICY	20
15. ENTITIES AUTHORISED TO RECEIVE SUBSCRIPTION, REDEMPTION AND CONVERSION ORDERS	21
16. SUBSCRIPTION, REDEMPTION AND CONVERSION OF SHARES	21
17. DEFINITION AND CALCULATION OF THE NET ASSET VALUE	23
18. TAXATION OF THE FUND AND SHAREHOLDERS	23
19. BENCHMARK REGULATION	24
20. OBLIGATIONS AND CONSTRAINTS RESULTING FROM FATCA AND CRS	24

21. DATA PRIVACY PROVISIONS OF THE PROSPECTUS	27
22. SUSTAINABLE FINANCE DISCLOSURE REGULATION	30
23. FINANCIAL REPORTS	30
24. INFORMATION TO SHAREHOLDERS	31
25. MANAGEMENT FEE	31
26. PERFORMANCE FEE	32
FACTSHEET.....	34
CIGOGNE CLO ARBITRAGE ARTICLES OF ASSOCIATION	42

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

1. THE SICAV AND THE INTERVENING PARTIES

Name of the SICAV	CIGOGNE CLO ARBITRAGE
Registered Office of the SICAV	18, boulevard Royal L-2449 Luxembourg
Luxembourg Trade and Companies Register Number	B 156 998
Legal form	Undertaking for collective investment with multiple sub-funds in the legal form of an investment company with variable share capital (" <i>Société d'Investissement à Capital Variable</i> ") subject to the Law of 13 February 2007
Date of incorporation and date of amendment of the articles of association	November 22, 2010
Date of publication of the deed of incorporation in the <i>Mémorial, Recueil des Sociétés et Associations</i>	December 14, 2010
Term of the SICAV	Unlimited
Minimal Capital	EUR 1.250.000
Currency of accounts	EUR
End of financial period	December 31 of each year
Board of directors of the SICAV	Georges VANDERMARLIERE Responsable Solutions de placement Crédit Industriel et Commercial 6, avenue de Provence F-75009 Paris Chairman, Director Guillaume BINNENDIJK Member of the Executive Committee Cigogne Management S.A. 18, boulevard Royal L-2449 LUXEMBOURG Director Joffrey CZURDA Member of the Executive Committee Cigogne Management S.A. 18, boulevard Royal L-2449 LUXEMBOURG Director
AIFM of the SICAV	CIGOGNE MANAGEMENT S.A. Société Anonyme 18, boulevard Royal L-2449 LUXEMBOURG

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

Depository	BANQUE DE LUXEMBOURG Société Anonyme 14, boulevard Royal L-2449 LUXEMBOURG
Board of Directors of the AIFM	Guillaume ANGUE Directeur Général CREDIT MUTUEL INVESTMENT MANAGERS 4, Rue Gaillon F-75002 PARIS Chairman Georges ENGEL CONVENTUM ASSET MANAGEMENT 18, Boulevard Royal L-2449 Luxembourg Luxembourg Director Hugues DUBLY DUBLY DOUILHET GESTION 50 Boulevard de la Liberté F-59800 Lille France Director Jean-Louis LAURENS Financière de Montméjean SARL 412F Route d'Esch L-2086 Luxembourg Luxembourg Director
Executive Committee of the AIFM	Guillaume BINNENDIJK Chief Risk Officer Member of the Executive Committee CIGOGNE MANAGEMENT S.A. 18, boulevard Royal L-2449 Luxembourg Joffrey CZURDA Chief Investment Officer Member of the Executive Committee CIGOGNE MANAGEMENT S.A. 18, boulevard Royal L-2449 Luxembourg
Central Administration	BANQUE DE LUXEMBOURG Société Anonyme 14, boulevard Royal L-2449 LUXEMBOURG
Central Administration's subcontractor	EUROPEAN FUND ADMINISTRATION S.A. Société Anonyme 2 rue d'Alsace B.P. 1725 L-1017 LUXEMBOURG

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

Independent Auditor

DELOITTE AUDIT
Société à responsabilité limitée
20, boulevard de Kockelscheuer
L-1821 LUXEMBOURG

2. DEFINITIONS

AIF	Alternative Investment Fund
AIFM	Alternative Investment Fund Manager
AIFM Directive	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010
AIFM Regulations	Commission delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
Articles of Incorporation	The articles of incorporation of the SICAV
Board of Directors	The board of directors of the SICAV
Central Administration	The central administration of the SICAV
Central Administration's Subcontractor	EFA
Conversion Day	For dealing with conversion of Share(s) the relevant day on which the converted Shares shall be cancelled/issued, as determined in the Factsheet of the SICAV. Unless otherwise specified in the Factsheet, such day shall be the first Luxembourg bank business day immediately following the relevant Valuation Day, a day on which the AIFM or the appropriate agent of the AIFM shall cancel/issue any converted Shares.
CSSF	The Commission de Surveillance du Secteur Financier in Luxembourg
Custodiable Assets	A financial instrument to be held in custody in the meaning of Article 21.8.(a) of the AIFM Directive and Article 88 of the AIFM Regulation which belongs to the Sub-Fund.
Depositary	The depositary of the SICAV
Depositary Agreement	The agreement signed between the SICAV, the AIFM and the depositary
Distribution Agreement	The agreement signed between the AIFM and the Distributor
Distributor	A distributor appointed by the AIFM
EFA	EUROPEAN FUND ADMINISTRATION S.A.
Executive Committee	The Executive Committee of the AIFM
Factsheet	A factsheet of the Offering Document
Independent Auditor	The independent auditor of the SICAV
Law of 1 August 2018	Luxembourg law of 1 August 2018 on the protection of persons with regard to the processing of personal data
Law of 12 July 2013	Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended from time to time.
Law of 13 February 2007	Luxembourg law of 13 February 2007 relating to specialised investment funds, as amended from time to time
Main Party	Any of the following entities : <ul style="list-style-type: none"> • the AIFM • the Depositary • The Central Administration

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

	<ul style="list-style-type: none"> • the Central Administration Subcontractor(s) • the Portfolio Manager(s) • the investment advisor(s) of the SICAV any other entity specifically designated by the Board of Directors
Management Agreement	The agreement signed between the SICAV and the AIFM
NAV	The net asset value per share of the SICAV
Offering Document	The offering document of the SICAV
Portfolio Management Agreement	The agreement signed between the AIFM and each of the Portfolio Manager(s)
Portfolio Manager	Each portfolio manager appointed by the AIFM
Redemption Day	For dealing with redemption of Share(s) the relevant day on which the redeemed Shares shall be cancelled, as determined in the Factsheet of the SICAV. Unless otherwise specified in the Factsheet, such day shall be the first Luxembourg bank business day immediately following the relevant Valuation Day, a day on which the AIFM or the appropriate agent of the AIFM shall cancel any redeemed Shares.
Relevant Person	Any of the following persons : <ul style="list-style-type: none"> • a member of the Board of Directors; • an employee of the SICAV, if applicable; • any other person specifically designated by the Board of Directors.
Securities Financing Transaction (or "SFT")	A securities financing transaction as defined in Regulation (EU) 2015/2365, as it may be amended and supplemented from time to time
Share	A share of the SICAV
Shareholder	A shareholder of the SICAV
SICAV	CIGOGNE CLO ARBITRAGE
Sub-Fund	A sub-fund of the SICAV
Subscription Day	The first Luxembourg bank business day immediately following the relevant Valuation Day, being a day on which the AIFM or the appropriate agent of the AIFM shall issue any Share(s) following a subscription or a conversion.
Total Return Swap	A total return swap in the meaning of the SFTR, defined as an OTC derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty
Valuation Day	The day as of which the NAV is determined

3. PRELIMINARY INFORMATION

Provisions on the prevention of money-laundering and the financing of terrorism

In accordance with the international regulations and the laws and regulations applicable in Luxembourg on the fight against money laundering and terrorist financing, professionals in the financial sector are subject to obligations intended to prevent the use of undertakings for collective investment for the purposes of money laundering and terrorist financing. As such, the SICAV, the AIFM, the Central Administration and any duly mandated person is required to identify subscribers in application of Luxembourg laws and regulations. The SICAV, the AIFM, the Central Administration or any duly mandated person, must require all subscribers to provide any documents and all information that it deems necessary for carrying out this identification.

In the event of delay or failure to provide the documents or information required, the application for subscription (or, as appropriate, for redemption, conversion or transfer) may be refused by the SICAV, the AIFM or by the Central Administration or by any duly mandated person. Neither the SICAV, nor the AIFM or the Central Administration or any other mandated person may be held responsible (1) for refusal to accept an order, (2) for delay in the processing of an order or (3) for the decision to suspend payment in respect of an order accepted when the investor has not provided the requested documents or information or has provided incomplete documents or information.

Shareholders may, moreover, be asked to provide additional or updated documents in compliance with the obligations for on-going control and monitoring according to the applicable laws and regulations.

Restrictions on the subscription and transfer of Shares applicable to US investors

The SICAV has not been or will not be registered in application of the United States Securities Act of 1933 ("Law of 1933") or of any law on transferable securities of any State or political subdivision of the United States of America or of its territories, possessions or other regions subject to the jurisdiction of the United States of America, such as the Commonwealth of Puerto Rico ("United States"), and the Shares of the SICAV can only be offered, purchased or sold in compliance with the provisions of the Law of 1933 and of laws governing transferable securities of said States or others.

Certain restrictions also apply to any subsequent transfer of Shares of the SICAV to or on behalf of US persons (US Persons, as defined by Regulation S of the Law of 1933, hereinafter "US Persons"), i.e. to any resident of the United States, any legal entity, corporation or partnership or any other entity created or organised under the laws of the United States (including any asset of such a person created in the United States or organised in accordance with the laws of the United States). The SICAV is not and will not be registered under the United States Investment Company Act of 1940, as amended, in the United States.

Shareholders must immediately inform the SICAV if they are or become US Persons or if they hold classes of Shares for or on behalf of US Persons or else if they hold classes of Shares in violation of any laws or regulations or in circumstances that have or could have unfavourable regulatory or fiscal consequences for the Sub-Fund or its Shareholders, or against the best interests of the SICAV. If the Board of Directors discovers that a Shareholder (a) is a US Person or holds Shares on behalf of a US Person, (b) holds classes of Shares in violation of any laws or regulations or in circumstances that have or could have unfavourable regulatory or fiscal consequences for the SICAV or its Shareholders, or going against the best interests of the SICAV, the SICAV has the right to execute a forced redemption of the Shares concerned, in accordance with the provisions in the Articles of Incorporation.

Before making an investment decision with respect to Shares of the SICAV, investors should consult their legal, tax and financial advisor, auditor or any other professional advisor.

Restrictions on the distribution of the Shares

The distribution of the Offering Document and of the Shares may be restricted in certain jurisdictions. Persons who are in possession of this Offering Document should seek information from the SICAV and other organisations with regard to such restrictions and are bound to adhere to them.

The Offering Document does not constitute a public offer or invitation to acquire Shares with regard to persons from jurisdictions in which such a public offering of Shares is not authorised or if it could be considered that such an offer is not authorised with regard to that person. Moreover, the fact that the SICAV is registered on the official list of the CSSF may under no circumstances be considered as a positive appreciation by the supervisory authority of the quality of the Shares offered for sale.

However, the Shares may be marketed to professional investors in other member states of the European Union in accordance with the Law of 12 July 2013.

Moreover, the SICAV may apply to be admitted for public distribution in other countries. In the case of the issue and redemption of Shares outside Luxembourg, the local regulations applicable to this matter shall apply.

Inducements

Subject to the Law of 12 July 2013 and the AIFM Regulation, third parties may be remunerated or compensated in monetary or other form for distribution activities performed in relation to the SICAV on terms the AIFM has agreed with such parties. Such remuneration or compensation, if applicable, is generally expressed as a percentage of the management fee levied on the SICAV calculated on the investor's average holdings in the SICAV Shares. Subject to reference to his transactions, an investor may receive further details of such arrangements by or shared with such parties on request.

Conflicts of interests

A conflict of interest is a situation where a Relevant Person or Main Party has personal interests that influence or may influence the way in which such Relevant Person or Main Party assumes its role and responsibility towards the SICAV in a manner which is distinct from the SICAV's interest and that is or might be detrimental to the SICAV ("Conflict of Interest").

At the level of a Relevant Person or a Main Party, Conflicts of Interest may arise in a variety of situations, including but not limited to the following situations:

- Relevant Persons may act as directors, managers, employees, representatives of other entities pursuing the same objective as the SICAV.
- Main Parties may provide a similar service to entities other than the SICAV and pursuing the same objective as the SICAV.
- More particularly, the Portfolio Manager(s) or the investment advisor(s) may act as portfolio manager or investment advisor for persons or entities other than the SICAV.
- Relevant Persons or Main Parties may operate proprietary trading including personal transactions.

The SICAV has formalised a policy regarding Conflicts of Interest which is available upon request at the registered office of the SICAV.

Moreover, the AIFM has also formalized a policy regarding Conflicts of Interest on www.cigogne-management.com.

4. DESCRIPTION OF THE FUND

CIGOGNE CLO ARBITRAGE is an investment company with variable share capital in the form of a "*Société d'Investissement à Capital Variable*" with multiple sub-funds and subject to the Luxembourg Law of 13 February 2007 on specialised investment funds and qualifies as an AIF in accordance with the Law of 12 July 2013.

The consolidation currency of the SICAV is the euro. The SICAV was created for an unlimited term on November 22, 2010 with an initial capital of EUR 31.000. The initial share capital of the SICAV is represented by 3.1 (three point one) fully-paid up A Shares without par value. The capital of the SICAV is expressed in EUR and is at all times equal to its net assets as defined in Article 12 of the Articles of Association.

The financial year end is 31 December of each year.

The Board of Directors may create different classes of Shares, the characteristics of which are detailed in Chapter 14 "Description of Shares, Shareholder Rights and Distribution Policy".

The SICAV will only accept subscription from well-informed investors within the meaning of Article 2, Chapter 1 of the Law of 13 February 2007.

A well-informed investor within the meaning of the Law of 13 February 2007 is an institutional investor, a professional investor or another investor who meets the following conditions:

- a) who have stated in writing that they adhere to the status of "well-informed investors" and
- b) who (i) invests a minimum of EUR 125.000 in the specialised investment fund, or
(ii) he has been the subject of an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of Directive 2004/39/EC or by a management company within the meaning of Directive 2009/65/EC certifying his expertise, his experience and his knowledge to adequately appraise an investment in the specialised investment fund.

5. INVESTMENT OBJECTIVE OF THE SICAV

The SICAV's investment objective is to offer shareholders a return in the medium term above the money market rates by investing in a professionally managed portfolio of securities consisting in debt securities and/or instruments issued by public and/or private issuers worldwide.

The SICAV must comply with certain diversification requirements as detailed in Chapter 6. "INVESTMENT AND RESTRICTIONS". The diversification requirement can however not totally exclude the risks inherent in any investment. The SICAV cannot therefore guarantee that it will achieve its indicative investment objective.

Investments by the SICAV are made by the appointed Investment Manager acting under the control and responsibility of the Board of Directors of the SICAV.

6. INVESTMENT AND RESTRICTIONS

The SICAV will be invested in asset in such a way as to ensure a spread of investment risks in accordance with provisions of the Circular CSSF 07/309.

➡ Investment instruments

In order to achieve its investment policy, the SICAV will invest in financial instruments comprising:

- (i) debt securities listed on a stock exchange or dealt on a regulated market issued by financial or credit institutions or corporate issuers or sovereign states that are OECD members states and/or supranational;
- (ii) undertaking for collective investment established in the European Union;
- (iii) equities listed on a stock exchange or dealt on a regulated market and equity-type securities including equity index futures and equity index options;
- (iv) cash and cash equivalents;
- (v) currencies, including currency forwards and futures; and
- (vi) the SICAV may enter into securities lending, repurchase and reverse repurchase transactions.

➤ Investment restrictions

The SICAV is permitted to invest up to a maximum of 30% of its assets in securities of a single type issued by the same issuer.

This restriction is not applicable to:

- Investments in securities issued or guaranteed by an OECD Member State or its regional public authorities or by EU, regional or global supranational institutions and bodies;
- Investments in target undertakings for collective investments that are subject to risk-spreading requirements at least comparable to those applicable to specialised investment funds subject to the Law of 13 February 2007. For the purposes of the application of this restriction, each Sub-Fund of a target undertakings for collective investments with multiple Sub-Funds is considered as a separate issuer, provided that the principle of segregation of the liabilities of different Sub-Funds with regard to third parties is guaranteed.

Short sales may not in principle result in the SICAV holding a short position in securities of the same type issued by the same issuer representing more than 30% of its assets.

The SICAV may use derivative instruments dealt on a regulated market and/or financial derivative instruments dealt in over-the-counter ('OTC derivative'), provided that:

- a) the counterparties to OTC derivative transactions are first ranking professional institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg Supervisory Authority and;
- b) the OTC derivatives are subject to reliable and verifiable valuation on a frequency at least equal to the frequency of the calculation of the net asset value of the shares of the SICAV and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the SICAV initiative, and;
- c) the net exposure to a counterparty in an OTC derivative transaction does not exceed 30% of the SICAV's net assets;
- d) derivative instruments and/or OTC derivative transactions are concluded on the basis of market standard international documentation (like ISDA Agreement with its Credit Support Annexes and adequate standard transaction confirmations, or any other market standard documentation as required).

The SICAV may enter into securities lending or borrowing transactions provided that:

The SICAV may only lend and/or borrow securities through a standardized system organized by a recognized clearing institution or through a first class financial institution specializing in this type of transactions and acting as its counterparty.

As intrinsic part of the lending transaction, the SICAV will simultaneously receive full legal title to securities (being Government securities or any other by the parties agreed securities with a market liquidity level comparable to the securities lent) or cash transferred as collateral under a master securities lending agreement such as OSLA, GMSLA, EMA or any internationally recognised master agreement, for an amount equivalent to the securities lent (subject to standard over-collateralization), and this whether the lending transaction be made with a counterparty referred to above, or through Clearstream Banking or Euroclear or through any other recognized clearing institution. Such collateral, which guaranties totally the market value of the securities lent, will be marked to market daily, and its adequacy to the marked to market value of the securities temporarily lent will be achieved by way of margin calls.

The SICAV may enter into repurchase and reverse repurchase ('Repo') transactions, on the basis of standard PSA-ISMA, TBMA-ISMA or any internationally recognised master agreement, provided that:

- a) the SICAV may only buy and/or sell securities using a 'repo' transaction through a standardized system organized by a recognized clearing institution or through a first class financial institution specializing in this type of transactions and acting as its counterparty;
- b) during the life of a 'repo' contract of purchase, the SICAV may not sell the securities which are the object of the contract, unless the SICAV holds adequate coverage;
- c) where the SICAV is exposed to redemption of its own shares, it must take care to ensure that the level of its exposure to 'repo' transactions is such that it is able, at all times, to meet its redemption obligations.

Any of the ISDA, GMSLA, TBMA-ISMA or other internationally recognised Agreement to be concluded by the SICAV for the purpose of its activities will be negotiated by and agreed with the Investment Manager and copies of executed agreements will be held by the Investment Manager.

➤ Securities Financing Transactions Regulation (SFTR)

The SICAV is subject to the provisions of the SFTR, which sets out certain disclosure requirements regarding the use of Securities Financing Transactions and Total Return Swaps.

If and to the extent specified in its Factsheet, each Sub-Fund may use Securities Financing Transactions, which include the following types of transactions:

- a) securities or commodities lending or securities or commodities borrowing: a transaction by which a counterparty transfers securities or commodities subject to a commitment that the borrower will return equivalent securities or commodities on a future date or when requested to do so by the transferor, that transaction being considered as securities or commodities lending for the counterparty transferring the securities or commodities and being considered as securities or commodities borrowing for the counterparty to which they are transferred;
- b) repurchase transaction: a transaction governed by an agreement by which a counterparty transfers securities, commodities, or guaranteed rights relating to title to securities or commodities where that guarantee is issued by a recognized exchange which holds the rights to the securities or commodities and the agreement does not allow a counterparty to transfer or pledge a particular security or commodity to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities or commodities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities or commodities and a reverse repurchase agreement for the counterparty buying them;
- c) buy-sell back transaction or sell-buy back transaction: a transaction by which a counterparty buys or sells securities, commodities, or guaranteed rights relating to title to securities or commodities, agreeing, respectively, to sell or to buy back securities, commodities or such guaranteed rights of the same description at a specified price on a future date, that transaction being a buy-sell back transaction for the counterparty buying the securities, commodities or guaranteed rights, and a sell-buy back transaction for the counterparty selling them, such buy-sell back transaction or sell-buy back transaction not being governed

by a repurchase agreement or by a reverse-repurchase agreement within the meaning of point b) above;

- d) margin lending transaction: a transaction in which a counterparty extends credit in connection with the purchase, sale, carrying or trading of securities, but not including other loans that are secured by collateral in the form of securities.

If and to the extent specified in its Factsheet, each Sub-Fund may also use Total Return Swaps.

Where applicable, the relevant Factsheet for a Sub-Fund will disclose which types of Securities Financing Transactions and Total Return Swaps the Sub-Fund may use, the rationale for their use, the types of assets that can be subject to them, the maximum and expected proportion of assets that can be subject to them, and whether there are any restrictions on the reuse of collateral received by the Sub-Fund. In addition, investors should note the following information which applies to all Sub-Funds using Securities Financing Transactions or Total Return Swaps, unless otherwise specified in the Factsheet.

The AIFM will select counterparties to Securities Financing Transactions and Total Return Swaps among reputable financial institutions, based on an internal credit assessment process conducted by credit specialists and regularly updated, in order to mitigate the default risk attached to such transactions. The identity of counterparties will be disclosed in the Annual Report.

The types of acceptable collateral received by the SICAV in respect of Securities Financing Transactions and Total Return Swaps include: cash, short term certificates, money market instruments, bonds issued or guaranteed by a member state of the OECD or by supranational institutions and undertakings, and bonds or equities issued or guaranteed by issuers offering a high credit quality and adequate liquidity.

Collateral received will be valued on at least a daily basis using available market prices and taking into account appropriate haircuts for each asset class. The SICAV does not always require collateral of 100% of the exposure to the counterparty but instead will require collateral where the exposure to the counterparty has reached a minimum threshold level. That minimum threshold level will be determined by AIFM on a counterparty by counterparty basis and will depend on many factors including applicable legal requirements and the credit quality of the counterparty. Daily variation margins will be used if and to the extent required by regulation or otherwise agreed with the counterparty or broker.

Collateral posted in favour of the SICAV under a title transfer arrangement will be held by the Depositary or one of its correspondents or sub-custodians. Collateral posted in favour of the SICAV under a security interest arrangement (e.g., a pledge) may be held by the Depositary or one of its correspondents or sub-custodians, or by a third-party custodian which is subject to prudential supervision and which is unrelated to the provider of the collateral.

Direct and indirect operational costs and fees incurred in the use of Securities Financing Transactions may be deducted from the revenue delivered to the SICAV from the use of such techniques. These costs and fees shall be charged at normal commercial rates and shall not include hidden revenue.

The AIFM does not receive reimbursements for costs or fees for techniques of this type.

All of the revenues arising from Total Return Swaps, net of direct and indirect financing costs, will be retained by the SICAV.

For purposes of the investments limits listed in this Chapter 6. "INVESTMENT AND RESTRICTIONS", all percentage limitations apply immediately upon purchase or the initial investment, and any subsequent change in any applicable percentage, resulting from market fluctuations, or reasons beyond the control of the SICAV, or disinvestments to meet redemption requests, does not require immediate elimination of any investment from the SICAV's portfolio. However, the SICAV shall adopt as objective for its transactions the remedying of that situation, taking due account of the interests of its shareholders.

7. GENERAL RISK FACTORS

The present section intends to inform investors of certain risks associated with investments in Shares of the SICAV. Investors are informed that the risks listed hereunder may not be exhaustive and investors may be exposed to additional risks not described therein. Moreover, investors holding Shares of a Sub-Fund may be exposed to certain risks whereas it may be exposed to other risks whilst investing in another Sub-Fund. Investors should consult their financial or other professional adviser for further information in this area.

General remarks on risks

An investment in shares of the SICAV is exposed to risks. These risks may include, or be linked to, share and bond risks, exchange rate risk, interest rate risk, credit risk and volatility risk, as well as political risks. Each of these types of risks may also occur in conjunction with other risks. Some of these risk factors are described briefly below. Potential investors must have experience of investing in instruments used in the context of the investment policy concerned.

Investors must, moreover, be fully aware of the risks involved in investing in shares and ensure that they consult their legal, tax and financial adviser, auditor or other adviser in order to obtain complete information on (i) the appropriate nature of an investment in shares, depending on their personal financial and fiscal situation and on their particular circumstances, (ii) the information contained in the present issuing document and (iii) the investment policy of the SICAV, before taking any investment decision.

Other than the potential for capital gains that it provides, it is important to note that an investment in the SICAV also involves the risk of capital losses. The SICAV's shares are instruments the value of which is determined by fluctuations in the prices of the securities or other financial assets owned by the SICAV. The value of the shares can therefore increase or decrease when compared to their initial value.

Potential investors must be aware that there is no guarantee that the investment policy objectives of the SICAV will be achieved.

Market risk

This risk is of a general nature, affecting all types of investment. The trend in the prices of transferable securities is determined mainly by the trend in the financial markets and by the economic development of the issuers, who are themselves affected both by the overall situation of the global economy and by the economic and political conditions prevailing in each country.

Interest rate

Investors must be aware that an investment in the SICAV's shares may be exposed to interest rate risks. These risks occur when there are fluctuations in the interest rates of the main currencies of each security or other financial assets of the SICAV.

Currency risk

The value of investments may be affected by a variation in exchange rates in case the currency of a given share class is different from the currency of all or part of the investments of the SICAV.

Credit risk

Investors must be fully aware that an investment in the SICAV may involve credit risks. Debt securities and debt instruments involve an issuer-related credit risk. The rating given by recognized rating agencies may be an indication of the level of credit risk. Generally, debt securities and debt instruments issued by entities that have a low rating are considered to be securities or instruments that bear a higher credit risk, with a probability of the issuer defaulting, than those of issuers with a higher rating. When the issuer of debt securities and debt instruments finds itself in financial or economic difficulty, the value of the debt securities

and debt instruments (which may fall to zero) and the payments made for these debt securities and debt instruments (which may fall to zero) may be affected.

Liquidity risk

Liquidity risks arise when an asset is difficult or impossible to sell. Some assets that the SICAV may invest in, may be difficult or impossible to sell within the desired timescale, or during certain periods. Finally, there is a risk that assets including debt securities and debt instruments traded in a narrow market segment, are subject to high price volatility.

Counterparty risk

When the SICAV enters into OTC contracts, the SICAV may find itself exposed to risks that the counterparty fails to respect its commitments under the terms of the contracts. In the event of the insolvency or default of the counterparty, the SICAV could suffer a loss.

Risks arising from the use of derivatives

Financial derivative instruments are available under the investment policy of the SICAV. The ability to use these derivative instruments may be limited by market conditions and regulatory limits. Participation in financial derivative instruments transactions involves investment risks and transaction costs to which the SICAV would not be subject if the SICAV did not use these instruments. Risks inherent in the use of derivative instruments include, but are not limited to (a) dependence on the Investment Manager to correctly predict movements in the direction of interest rates, securities prices and currency markets; (b) imperfect correlation between the price of the derivative instruments and the movements in the prices of the underlying assets of such derivative instruments; (c) the fact that skills needed to use these instruments are different from those needed to select transferable securities; (d) the possible absence of a liquid secondary market for any particular derivative instrument dealt over-the-counter at any time; and (e) the possible inability of the SICAV to purchase or sell a transferable security at a time that otherwise would be favourable for it to do so, or the possible need for the SICAV to sell a transferable security at a disadvantageous time. When the SICAV enters into OTC transactions, it is exposed to a potential counterparty risk. The use of derivative instruments implies additional risks due to the leverage thus created. Leverage occurs when a modest capital sum is invested in the purchase of derivative instruments in comparison with the cost of direct acquisition of the underlying assets. The higher the leverage effect is, the more a given variation in the value of the underlying assets will impact the SICAV. The potential benefits and risks of the use of derivative instruments thus increase in parallel with the increase of the leverage effect. Finally, there can be no assurance that the objective sought to be attained through the use of derivative instruments will be achieved.

Leverage

Some issuers of debt securities or debt instruments the SICAV may invests in, may use leverage. The investors should be aware that the resulting risk is naturally higher than the risk resulting from investments in unleveraged products. Leverage will amplify both positive and negative returns.

In addition, the SICAV may use leverage in order to finance its investments. The investors should be aware that the use of leverage by the SICAV. The SICAV will add to the leverage used for the investments and thus create additional risk. Interest rate and currency risks may increase the volatility of the SICAV and may positively or negatively impact the returns.

Valuation Risk

Some of the target assets the Sub-Fund may invest in, may have poor liquidity so that these assets may be overvalued and be worth less than expected when it mature or will be sold. Accordingly there is a risk that the valuations of the Sub-Fund may not reflect the fair market value of such assets at a specific valuation point, which could result in significant losses or inaccurate pricing for the Sub-Fund. Factors contributing to valuation risk can include incomplete data, market instability, financial modelling uncertainties and poor data analysis by the people responsible for valuation

Volatility

The investors should be aware that the markets the target funds are investing in, may have a more speculative and volatile character in the respect of the investment policy than certain traditional markets.

Investors should remember that the price of Shares and any income from them may fall as well as rise and that Shareholders may not get back the full amount invested. Past performance is not necessarily a guide to future performance and Shares should be regarded as a medium to long-term investment.

8. AIFM

The SICAV has designated CIGOGNE MANAGEMENT S.A. to act as its AIFM.

CIGOGNE MANAGEMENT S.A. was incorporated in the Grand-Duchy of Luxembourg on July 6, 2004 as a public limited company ("Société Anonyme") and is registered at the Luxembourg Trade and Companies Register under n° B 101 547. The AIFM has its registered office in Luxembourg at 18 Boulevard Royal L-2449 Luxembourg and is subject to the provisions of Chapter 15 of the Law of 17 December 2010 and is authorized as alternative investment fund manager in accordance with Chapter 2 of the Law of 12 July 2013.

In order to cover any potential professional liability risks resulting from its activities as AIFM, the AIFM has subscribed a professional indemnity insurance in accordance with the provisions of the Law of 12 July 2013 and the AIFM Regulation.

Description of the AIFM functions

In accordance with Annex I of the Law of 12 July 2013, the AIFM performs investment management activities (i.e. portfolio and/or risk management). In addition, the AIFM performs administrative duties (including in particular valuation and pricing, the maintenance of the shareholder register and the issue and redemption of shares), marketing and other activities related to the assets of the SIF.

The details of the AIFM's rights and duties towards the SICAV are governed by the Law of 12 July 2013 and the Management Agreement.

Description of the delegated AIFM functions

In accordance with Law of 13 February 2007 as well as the Law of 12 July 2013 and following the approval by the CSSF, the AIFM delegates, under its responsibility, the central administration duties to BANQUE DE LUXEMBOURG which itself subcontracts part of its duties, but under the responsibility of the BANQUE DE LUXEMBOURG, to EFA.

In addition, the AIFM may delegate, under its responsibility the following aforementioned duties:

- the portfolio management duties to one or more Portfolio Manager(s); and/or
- the distribution of the SICAV's shares to one or more Distributor(s).

When selecting and appointing a delegate, the AIFM shall exercise all due skill, care and diligence as required by the Law of 12 July 2013 to ensure that it entrusts such functions to counterparties with adequate skills, knowledge and expertise.

Description of the risk management function

The AIFM has established and maintains a permanent risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an on-going basis all risks relevant to the SICAV's investment strategy to which the SICAV is or may be exposed.

Furthermore, the risk management process ensures an independent review of the valuation policies and procedures as per Article 70 (3) of AIFM Regulation.

The AIFM applies a comprehensive process based on qualitative and quantitative risk measures to assess the risks of the SICAV, in particular market risks, credit risks, liquidity risks, counterparty risks and operational risks.

The global exposure of the SICAV will be calculated through the commitment methodology taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Additionally the SICAV may use the Value-at-Risk (VaR) methodology for reporting purpose only. The Value-at-Risk methodology provides a measure of the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level.

According to the commitment methodology, financial derivative instruments are converted into equivalent positions in the underlying asset while taking into consideration any netting and hedging effects. In addition, the commitment methodology considers any other arrangements that are likely to generate incremental exposure to the AIF such as reinvestment of borrowings, repurchase agreements or securities lending.

The AIFM supervises the compliance of these provisions in accordance with the requirements of applicable CSSF circulars or regulations or any other European authority authorized to issue related regulation or technical standards.

Liquidity Management

The AIFM has put in place an appropriate liquidity management system which enables it to monitor the liquidity risk of the SICAV. The AIFM ensures that the investment strategy, the liquidity profile and the redemption policy are consistent. The SICAV may also use tools and arrangements necessary to handle illiquid assets (such as gates and side pockets).

Determination of the leverage

The Factsheet of the SICAV will determine the circumstances in which the SICAV may use leverage, the types and sources of leverage permitted and the associated risks, any restrictions on the use of leverage and any collateral and asset reuse arrangements, and the maximum level of leverage which the AIFM is entitled to employ.

9. PORTFOLIO MANAGERS

The Board of Directors is responsible to define the SICAV's investment policy. The Board of Directors has appointed the AIFM to implement the SICAV's investment policy on a day-to-day basis.

In order to implement the investment policy, the AIFM may delegate, under its permanent supervision and responsibility, the management of the assets to one or more Portfolio Managers.

A Portfolio Manager may appoint in accordance with the Portfolio Management Agreement one or more Sub-Portfolio Managers to assist it in the management of the relevant portfolios. The Portfolio Manager and Sub-Portfolio Manager(s) are indicated in the Factsheet of the SICAV.

The AIFM, a Portfolio Manager and/or a Sub-Portfolio Manager may, under each one's own responsibility and at its own cost, in accordance with current Luxembourg law and regulations and without leading to an increase in the management fees paid by the SICAV, seek assistance from one or more investment advisers whose activity consists of advising, as the case may be, the AIFM, the Portfolio Manager or the Sub-Portfolio Manager in the performance of its respective duties.

The AIFM may terminate the relation with any of the Portfolio Manager(s). The investors will be informed and the Offering Document will be modified accordingly.

10. DEPOSITARY

Banque de Luxembourg is acting as depositary of the SICAV (the "Depositary") in accordance with a depositary agreement dated 01 July 2017 as amended from time to time (the "Depositary Agreement") and with the relevant provisions of the Law of 12 July 2013.

Banque de Luxembourg S.A. is a credit institution incorporated as a public limited company under the laws of Luxembourg and licensed to carry its activities under the terms of the amended Luxembourg law of 5 April 1993 relating to the financial sector.

In compliance with the provisions of the Depositary Agreement and the Law of 12 July 2013, the Depositary may, under certain conditions, delegate part of its safekeeping obligations to third parties as appointed from time to time. The Depositary's liability shall not be affected by any such delegation, unless otherwise specified, but only within the limits as permitted by the Law of 12 July 2013.

In compliance with the Depositary Agreement and pursuant to specific consent, the Depositary may be discharged of liability for loss of Custodiable Assets if it can prove that:

- (a) all requirements for the delegation of its custody tasks set out in the AIFM Directive and AIFM Regulation are met;
- (b) a written contract between the Depositary and the third-party expressly transfers the liability of the Depositary to that third-party and makes it possible for the SICAV to make a claim against the third-party in respect of the loss of Custodiable Asset or for the Depositary to make such a claim on their behalf; and
- (c) a written contract between the Depositary and the SICAV, expressly allows a discharge of the Depositary's liability and establishes the objective reason to contract such a discharge.

Further, where the law of a third country requires that certain Custodiable Assets are held in custody by a local entity and there are no local entities that satisfy the delegation requirements laid down in AIFM Directive and AIFM Regulation, the Depositary can be discharged itself of liability provided that the following conditions are met:

- (a) the investors of the Fund have been duly informed of that discharge and of the circumstances justifying the discharge prior to their investment;
- (b) the SICAV or the AIFM of the SICAV instructed the Depositary to delegate the custody of such Custodiable Assets to a local entity;
- (c) there is a written contract between the Depositary and the SICAV or the AIFM of the SICAV acting on behalf of the AIF, which expressly allows such a discharge; and
- (d) there is a written contract between the Depositary and the third-party that expressly transfers the liability of the Depositary to that local entity and makes it possible for the Fund to make a claim against that local entity in respect of the loss of Custodiable Assets or for the Depositary to make such a claim on their behalf.

The SICAV and the Depositary intends to contract from time to time arrangements for such discharge and transfer of liability. Details such discharges and transfer of liability are available to investors at the registered office of the SICAV.

The Depositary has no decision-making discretion nor any advice duty relating to the SICAV's investments and is prohibited from meddling in the management of the SICAV's investments. The Depositary is a service provider to the Fund and is not responsible for the content of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the SICAV.

Investors are invited to consult the Depositary Agreement to have a better understanding and knowledge of the duties and liabilities (and of the limitations thereof) of the Depositary.

The Depositary Agreement may be terminated by either party according to the terms and conditions as set out in such agreement.

11. CENTRAL ADMINISTRATION

The AIFM has delegated to BANQUE DE LUXEMBOURG its administrative duties related to the administration of the SICAV, including the issue and redemption of Shares, calculation of the NAV, accounting and maintenance of the register of Shareholders to BANQUE DE LUXEMBOURG.

BANQUE DE LUXEMBOURG has further subcontracted part of these duties, under its responsibility, to EFA.

Neither BANQUE DE LUXEMBOURG, nor EFA will act as external valuer as provided under article 17 of the Law of 12 July 2013.

12. INDEPENDENT AUDITOR OF THE SICAV

The SICAV has appointed DELOITTE Audit S.à.r.l. as independent auditor.

DELOITTE Audit S.à.r.l. is a incorporated under Luxembourg Law and has its registered office at 20, boulevard de Kockelscheuer, L-1821 Luxembourg. It is registered at the Luxembourg Trade and Companies Register under n° B165179.

The independent auditor verifies that the annual accounts of the SICAV present a true and fair view of the SICAV's financial situation and that the management report is in agreement with the accounts.

13. CONFLICTS OF INTEREST

The AIFM does not act as investment manager solely for the SICAV but acts as investment manager or management company of or is otherwise involved in other corporations, collective investment schemes or investment structures which have the same or similar investment objectives than those of the SICAV. Therefore, conflicts may arise regarding the allocation of investment opportunities or regarding the allocation of management resources at the level of the AIFM. The Investment Manager may accept further mandates in the future and its services are not limited to the SICAV.

Members of the board of directors of the SICAV may serve as officers and directors of other corporations, collective investment schemes or investment structures pursuing the same or similar objectives than those of the SICAV.

The AIFM and the members of the board of directors of the SICAV shall manage conflicts of interest fairly where any potential conflict of interest may arise between 1) the AIFM or the members of the board of directors respectively and 2) the SICAV, or between 1) the SICAV and 2) other corporations, collective investment schemes or investment structures served by the Investment Manager or by members of the board of directors of the SICAV respectively.

Where the AIFM is unable to manage fairly a conflict of interest, it will disclose this fact to the board of directors of the SICAV. Conflicts of interest affecting the members of the board of directors of the SICAV will be dealt with in accordance with the Articles of Association of the SICAV.

14. DESCRIPTION OF SHARES, SHAREHOLDER RIGHTS AND DISTRIBUTION POLICY

The capital of the SICAV is expressed in EUR and is at all times equal to its net assets.

Various classes of shares may be issued for the SICAV. At the date of this issuing document, following classes of shares are offered for subscription:

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

- Distribution Shares ("Div Shares") : Div Shares grant the shareholder the right to receive a dividend as specified in the present issuing document. Div Shares will be expressed in EUR.
- Capitalization Shares ("A Shares") : A Shares do not grant the shareholder the right to receive a dividend. A Shares are reserved for the subscription of investment funds managed by the AIFM of the SICAV. Corresponding revenues will remain within the SICAV and be reinvested for the benefit of the holders of A Shares. A Shares will be expressed in EUR.
- Capitalization Shares ("O Shares") : O Shares do not grant the shareholder the right to receive a dividend. Corresponding revenues will remain within the SICAV and be reinvested for the benefit of the holders of O Shares. O Shares will be expressed in EUR.
- Capitalization Shares ("I Shares") : I Shares do not grant the shareholder the right to receive a dividend. Corresponding revenues will remain within the SICAV and be reinvested for the benefit of the holders of I Shares. I Shares will be expressed in EUR. I Shares may differ to the other shares by the fee structure, are reserved to institutional investors, and no inducement or similar fee would be paid by the AIFM.

Shares are issued without par value and are fully paid-up. All shares, whatever the share class into which they fall, are issued in registered form in the name of the subscriber, evidenced by entry of the subscriber in the register of shareholders, in which case a registered share certificate may be only provided at the express request of the shareholder. If a shareholder requires more than one registered certificate for his shares, the cost of additional certificates will be charged to him.

Fractions of shares may be issued up to one ten-thousandth of a share.

15. ENTITIES AUTHORISED TO RECEIVE SUBSCRIPTION, REDEMPTION AND CONVERSION ORDERS

The following entities are authorized to receive subscription, redemption and conversion orders on behalf of the SICAV:

EUROPEAN FUND ADMINISTRATION S.A., 2 Rue d'Alsace, P.O. Box 1725, L-1017 Luxembourg or by facsimile to +352 48 65 61 8002.

Orders for subscription, redemption and conversion of Shares are submitted by investors at an unknown net asset value.

16. SUBSCRIPTION, REDEMPTION AND CONVERSION OF SHARES

Subscriptions, redemptions and conversions of Shares are executed in accordance with the Articles of Incorporation and as described in the Factsheet of the SICAV. In principle, subscriptions, redemptions and conversions are executed in the currency of the relevant Share class.

The SICAV will only accept subscriptions of Shares from well-informed investors within the meaning of Article 2, Chapter 1 of the Law of 13 February 2007.

Restrictions on subscriptions and transfers of Shares

The marketing of Shares may be restricted in certain jurisdictions. Persons in possession of the Offering Document should obtain information from its financial adviser on such restrictions.

In addition, the SICAV has the right to:

- refuse at its sole discretion an order for subscription of Shares,

- process a forced redemption of Shares in accordance with the provisions in the Articles of Incorporation.

Restrictions on the subscription and transfer of shares applicable to US investors

The SICAV has not been or will not be registered in application of the United States Securities Act of 1933 ("Law of 1933") or of any law on transferable securities of any State or political subdivision of the United States of America or of its territories, possessions or other regions subject to the jurisdiction of the United States of America, such as the Commonwealth of Puerto Rico ("United States"), and the Shares of said Sub-Funds can only be offered, purchased or sold in compliance with the provisions of the Law of 1933 and of laws governing transferable securities of said States or others.

Certain restrictions also apply to any subsequent transfer from SICAV in the United States to or on behalf of US persons (US Persons, as defined by Regulation S of the Law of 1933 or any other laws or regulations of the United States, hereinafter "US Persons"), i.e. to any resident of the United States, any legal entity, corporation or partnership or any other entity created or organised under the laws of the United States (including any asset of such a person created in the United States or organised in accordance with the laws of the United States). The SICAV is not and will not be registered under the United States Investment Company Act of 1940, as amended, in the United States.

Shareholders must immediately inform the SICAV if they are or become US Persons or if they hold classes of shares for or on behalf of US Persons or else if they hold classes of shares in violation of any laws or regulations or in circumstances that have or could have unfavourable regulatory or fiscal consequences for the SICAV or its Shareholders, or against the best interests of the SICAV. If the Board of Directors discovers that a shareholder (a) is a US Person or holds Share(s) on behalf of a US Person, (b) holds classes of Share(s) in violation of any laws or regulations or in circumstances that have or could have unfavourable regulatory or fiscal consequences for the SICAV or its Shareholders, or going against the best interests of the SICAV, the SICAV has the right to execute a forced redemption of the Share(s) concerned, in accordance with the provisions in the articles of incorporation.

Before making an investment decision with respect to shares of the SICAV, investors should consult their legal, tax and financial advisor, auditor or any other professional advisor.

Market Timing / Late Trading

In accordance with applicable legal and regulatory provisions, the SICAV does not authorise practices associated with Market Timing and Late Trading. The SICAV reserves the right to reject any subscription and conversion order from an investor that the SICAV suspects to be using such practices and to take, where appropriate, whatever steps are necessary to protect the other investors of the SICAV. Subscriptions, redemptions and conversions are executed at an unknown net asset value.

Delayed payment of subscriptions

The Board of Directors may specify that Shares shall only be issued on receipt of the subscription amount as consideration. If payment is not made by the deadline, the subscription request becomes null and void and is cancelled at the expense of the subscriber or financial intermediary. The Board of Directors may also decide to defer the processing of a subscription request to enable the corresponding funds for the subscription to be received.

Right of the SICAV to reject subscription, conversion and transfer orders

The SICAV reserves the right to reject any subscription, conversion and transfer orders:

- that are not in accordance with the dedicated subscription, conversion or transfer form, if available
- from a non-eligible investor within the meaning of Article 2 Chapter 1 of the Law of 13 February 2007

- received from an investor that the SICAV suspects is using “market timing” practices and to take the necessary measures to protect the other investors of the SICAV.

The SICAV is also entitled to:

- reject, at its discretion, any subscription, conversion and transfer request for shares;
- redeem at any time the shares held by shareholders who are not authorised to buy or hold shares of the SICAV.

Contractual relationship between the Shareholders and the SICAV

When subscribing in one the SICAV, the investor will become a shareholder of the SICAV. Shareholders shall be aware that their liability is limited to the amount invested in the SICAV.

Moreover, the contractual relationship entered into for the purpose of investment is construed in accordance with and is governed by the laws of the Grand Duchy of Luxembourg. Any litigation that may arise from or during such contractual relationship and which could not be settled by mutual agreement between the Shareholder and the SICAV shall fall under the exclusive jurisdiction of the competent courts of and in Luxembourg City.

17. DEFINITION AND CALCULATION OF THE NET ASSET VALUE

The net assets of the SICAV are valued, and the net asset value (“NAV”) per share is calculated monthly in accordance with the provisions of Article 12 of the Articles of Association.

The net asset value will be determined on the basis of the last available prices on the Valuation Day.

The net asset value of a share will be determined in the respective currency of the class of shares.

The board of directors may decide to determine additional NAVs during a year. The day of determination of such additional NAV will also represent a Valuation Day and the relevant NAVs will apply to subscription, redemption and conversion orders of Shares.

18. TAXATION OF THE FUND AND SHAREHOLDERS

Under Luxembourg law, the SICAV is not liable to any Luxembourg taxes.

However, the SICAV is subject to the payment of a subscription tax (“*taxe d’abonnement*”), the annual rate of which is specified in the Factsheet, payable quarterly on the basis of the SICAV’s net assets, on the last day of each quarter. The SICAV’s net assets that are invested in undertakings for collective investment which are already subject to the Luxembourg subscription tax are exempt from the subscription tax.

In some countries, the SICAV may be subject to withholding taxes on income, dividends and interest or on its investments in those countries; these taxes may not be recoverable.

The SICAV may also be subject to indirect taxes on its operations and on the services billed to it according to legislation in force.

The SICAV recommends that potential shareholders seek information and, if necessary, advice about the prevailing regulations relating to the subscription, purchase, holding, redemption and sale of shares in their country of origin, residence and domicile and their taxation in particular.

The above mentioned information is not and should not be interpreted as being a legal or tax advice. The SICAV recommends that investors and/or potential investors seek information, and if necessary, advice about the laws and regulations which are applicable to

them in relation with the subscription, purchase, holding, redemption, sale, conversion and transfer of Share(s).

19. BENCHMARK REGULATION

Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “Benchmark Regulation”) applies from 1 January 2018.

According to the regulatory requirements of the Benchmark Regulation:

- The sub-funds of the SICAV may use a benchmark or a combination of benchmarks if the benchmark is provided by an administrator located in the European Union and included in the register referred to in Article 36 of the Benchmark Regulation (the “Register”) or is a benchmark which is included in the Register.
- The AIFM shall produce and maintain a robust written plan setting out the actions that the AIFM would take in the event that a benchmark materially changes or ceases to be provided. Where feasible and appropriate, such plan shall nominate one or several alternative benchmarks that could be referenced to substitute the benchmarks no longer provided, indicating why such benchmarks would be suitable alternatives.

If one or several benchmarks used by a sub-fund of the SICAV (the « Benchmark(s) ») materially changes or ceases to be provided, the robust written plan produced and maintained by the AIFM (the “Contingency Plan”) provides for the substitution of the Benchmark(s) by one or several alternative benchmarks.

The Contingency Plan can be made available upon request at the registered office of the AIFM.

20. OBLIGATIONS AND CONSTRAINTS RESULTING FROM FATCA AND CRS

This chapter provides general information on the impacts on the SICAV and on its shareholders of two main regulations (FATCA and CRS), both ultimately aiming at combatting tax evasion. **Shareholders and prospective shareholders in the SICAV are recommended to consult with their own tax advisors regarding the implications that FATCA and/or CRS will or would have on them by investing in the SICAV.**

General introduction on FATCA

The Foreign Account Tax Compliance Act (“FATCA”) in the United States (“U.S.”) requests non-U.S. financial institutions (“Foreign Financial Institutions” or “FFI”) to report information relating to certain U.S. persons that have accounts with or investments in FFI or that have a beneficial interest in such accounts or investments (the “U.S. Reportable Accounts”).

In accordance with the Luxembourg law of 24 July 2015 transposing the Intergovernmental Agreement concluded on 28 March 2014 between the Grand Duchy of Luxembourg and the United States of America (the “Luxembourg FATCA Regulations”), Luxembourg FFI are required to annually report through the Luxembourg tax authority (i.e. *Administration des Contributions Directes*, the “ACD”), as set out in the Luxembourg FATCA Regulations, personal and financial information (the “Information” as further defined in the Data Protection section) related, *inter alia*, to the identification of, holdings by and payments made (i) to Specified U.S. Persons (“Specified U.S. Persons” as such term is defined in the Luxembourg FATCA Regulations), (ii) to certain non-financial foreign entities (“NFFE”) with a significant ownership by Specified U.S. Persons (iii) and to FFI that do not comply with FATCA (nonparticipating FFIs or “NPFFIs”) (together the “U.S. Reportable Persons”).

The SICAV qualifies as Luxembourg FFI and is therefore subject to the provisions of the Luxembourg FATCA Regulations.

General introduction on CRS

The Standard for Automatic Exchange of Financial Account Information in Tax matters (the “Common Reporting Standard” or “CRS”) as set out in the Multilateral Competent Authority Agreement on the Automatic exchange of Financial Account Information (“MCAA”) signed by Luxembourg on 29 October 2014 and in the Luxembourg law of 18 December 2015 on CRS (together the “Luxembourg CRS Regulations”) requests Luxembourg financial institutions (“Luxembourg FI”) to report information relating to certain persons that have accounts with or investments in FI or that have a beneficial interest in such accounts or investments (the “CRS Reportable Persons”).

In accordance with the Luxembourg CRS Regulations, Luxembourg FI are required to annually report to the ACD, as set out in the Luxembourg CRS Regulations, personal and financial information (the “Information” as further defined in the Data Protection section) related, *inter alia*, to the identification of, holdings by and payments made (i) to CRS Reportable Persons, and (ii) to controlling persons of certain non-financial entities (“NFE”) which are themselves CRS Reportable Persons.

The SICAV qualifies as Luxembourg FI and is therefore subject to the provisions of the Luxembourg CRS Regulations.

Status of the SICAV under FATCA and under CRS (the “SICAV’s Status”)

The SICAV has elected to be treated as Collective Investment Vehicle for FATCA purposes and as Exempt Collective Investment Vehicle for CRS purposes.

Impact of the SICAV’s Status on shareholders and prospective shareholders

References to the obligation of shareholders and prospective shareholders to provide the SICAV with certain information and documentary evidence shall be understood as meaning an obligation to provide the SICAV or European Fund Administration as delegate of the SICAV’s registrar and transfer agent, with such information and documentary evidence.

The SICAV’s Status implies that the SICAV will only accept certain categories of shareholders as detailed under ‘Eligibility criteria of investors in the SICAV and will not accept a prospective shareholder that has not provided the SICAV with such Information and supporting documentary evidence as required by the Luxembourg FATCA Regulations and/or the Luxembourg CRS Regulations.

Should the prospective shareholder fail to provide the SICAV with the required Information and supporting documentary evidence at the time of receipt of the subscription request by the SICAV, the subscription request will not be accepted and will be postponed for a limited period of time (the “Grace Period”) until the SICAV receives the required Information and supporting documentary evidence. The subscription request will only be accepted if and will be considered to have been received by the SICAV :

- i. at the time the SICAV has received the required Information and supporting documentary evidence during the Grace Period; and
- ii. the SICAV has reviewed such Information and supporting documentary evidence
- iii. and the SICAV has accepted the prospective shareholder.

At the date of this offering document, the Grace Period is set at 90 calendar days but may be adjusted or cancelled at any time at the discretion of the SICAV or if required by applicable laws and regulations.

In such case, following the acceptance of the prospective shareholder, the subscription request will be processed in accordance with the terms of the offering document of the SICAV.

Should the prospective shareholder have failed to provide the SICAV with the required Information and supporting documentary evidence at the end of the Grace Period, the subscription request will

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

be cancelled definitely without any compensation due to the prospective shareholder and any subscription money received will be returned to the prospective shareholder.

Prospective shareholders should be aware that, in addition to the Information and supporting documentary evidence as required by the Luxembourg FATCA Regulations and/or the Luxembourg CRS Regulations, they might be requested to provide such additional information and supporting documentary evidence as required by other applicable laws and regulations, including by the laws and regulations regarding money laundering and financing of terrorism.

In addition, the SICAV's Status includes the obligation for the SICAV to regularly assess the existing shareholders' own status under FATCA and CRS. To this extent, the SICAV will request to obtain and verify Information and supporting documentary evidence on all of its shareholders. Upon request of the SICAV, each shareholder agrees and commits to provide certain Information and supporting documentary evidence as required by the Luxembourg FATCA Regulations and/or the Luxembourg CRS Regulations, including, in case of certain categories of NFFE/NFE, Information and supporting documentary evidence regarding such NFFE/NFE's Controlling Persons¹. **Similarly, each shareholder agrees and commits to actively inform the SICAV within ninety days of any change to the Information and supporting documentary evidence provided (like for instance a new mailing address or a new residency address) that would affect the shareholder's or, in case of certain categories of NFFE/NFE, the NFFE/NFE's Controlling Persons, own status under FATCA and CRS.**

Any U.S. Reportable Person and/or CRS Reportable Person will be reported to the ACD which will in turn pass on the Information to the relevant foreign tax authorities which, in particular under FATCA, includes the US Department of Treasury.

Should the SICAV fail to obtain the required Information and supporting documentary evidence from a shareholder, the SICAV is allowed, in its sole discretion, or may be required to take any action to comply with its obligations under the Luxembourg FATCA Regulations and the Luxembourg CRS Regulations. Such action (i) may include the disclosure to the ACD of the Information of the relevant shareholder and, if applicable, of the shareholder's Controlling Persons, and (ii) may potentially be charged with any taxes and penalties imposed on the SICAV attributable to such shareholder's failure to provide the Information and supporting documentation required.

Additionally, the SICAV may also, in its sole discretion, forcefully redeem any shareholder's holdings in the SICAV or reject subscriptions requests from any shareholder it deems may jeopardize the SICAV's Status.

Eligibility criteria of investors in the SICAV

The status of the SICAV under the Luxembourg FATCA Regulations and the Luxembourg CRS Regulations implies certain obligations and restrictions on prospective and existing shareholders of the SICAV as detailed hereafter.

To prevent the SICAV from incurring any liability or taxation or suffering any other disadvantage or constraint arising from the Luxembourg FATCA Regulations and/or the Luxembourg CRS Regulations, shares of the SICAV, in its own discretion, may only be offered to, sold to, transferred to or held by eligible shareholders. Eligible shareholders are:

- (i) exempt beneficial owners as defined under the Luxembourg FATCA Regulations which are not Reportable Persons under the Luxembourg CRS Regulations;
- (ii) Active NFFEs under the Luxembourg FATCA Regulations and active NFEs that are not Reportable Persons under the Luxembourg CRS Regulations;
- (iii) U.S. Persons that are neither 1) Specified U.S. Persons under the Luxembourg FATCA Regulations nor 2) U.S. Investment Entities as per Annex I Section VIII A 6 b) of the

¹ The term "Controlling Persons" means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

Luxembourg CRS Regulations with Controlling Person(s) which is/are Reportable Persons under the Luxembourg CRS Regulations;

- (iv) FFIs that do not qualify as NPFFI under the Luxembourg FATCA Regulations and FIs other than Investment Entities located in a non-CRS jurisdiction with Controlling Person(s) which is/are Reportable Persons under the Luxembourg CRS Regulations.

For the avoidance of doubt, because of the SICAV's Status, certain investors will not be accepted by the SICAV as shareholders. In particular, individuals and Passive NFFEs/NFEs will not be accepted as shareholders. Such investors are invited to subscribe through an FFI/FI that does not qualify as NPFFI.

Should it nonetheless happen, for example because of a change of circumstances, that a shareholder qualifies as non-eligible shareholder, the SICAV may take any action including (i) the disclosure to the ACD of the Information of the relevant shareholder and (ii) the compulsory redemption of the shares held by the relevant shareholder and may preclude the continuation of the relationship between the SICAV and the shareholder.

21. DATA PRIVACY PROVISIONS OF THE PROSPECTUS

Introduction

These data privacy provisions serve the purpose to provide shareholders, prospective shareholders and business partners of the SICAV (including the SICAV's contractual counterparties) as well as persons related to such shareholders, prospective shareholders and business partners ("Related Persons") with important information on the collection, recording, storage, use and transfer of personal data relating to such shareholders, prospective shareholders, business partners and Related Persons (each a "Data Subject") by the SICAV and/or by the Processors (as such term is defined in section 5) in connection with such shareholders' and prospective shareholders' investment or intended investment in the SICAV or with such business partner's relationship with the SICAV.

A Related Person means in this context an individual whose personal data was provided to the SICAV and/or to the Processors by or on behalf of a shareholder, prospective shareholder or business partner or whose personal data was otherwise obtained by the SICAV and/or by the Processors, in connection with such shareholder's or prospective shareholder's investment or intended investment in the SICAV or with such business partner's relationship with the SICAV. A Related Person may include, but not limited to, a director, officer, employee, controlling person, beneficial owner, representative or agent of an entity, a trustee, a settlor, a protector of a trust. In this context, it is assumed that for personal data of a Related Person provided to the SICAV and/or to the Processors by or on behalf of a shareholder, prospective shareholder or business partner, such shareholder, prospective shareholder or business partner has duly notified the Related Person about how the SICAV and/or the Processors process the Related Person's personal data in accordance with these data privacy provisions.

Categories of personal data processed

The personal data collected, recorded, stored, used and transferred, by electronic and/or by other means (hereafter referred to as personal data "processed") by the SICAV and/or by the Processors in connection with a shareholder's or prospective shareholder's investment or intended investment in the SICAV or with a business partner's relationship with the SICAV includes (the "Personal Data"):

- personal information concerning the Data Subjects (e.g. last name, first name, gender, date and place of birth, residence address(es), postal addresses, telephone and fax number(s), email address(es) or other identifying addresses for electronic communications, details from passports or other government or state issued forms of personal identification, nationality(ies), country(ies) of tax residence and tax identification number, bank account details);
- professional information concerning the Data Subjects (e.g. employment history, title, representation authorities);
- financial information concerning the Data Subjects (e.g. transaction details regarding subscriptions, redemptions, conversions and transfers of shares of the SICAV, income paid or other payments made with respect to the shares held in the SICAV);

- any other information concerning the Data Subjects and required by applicable laws and regulations including laws and regulations regarding anti money laundering and counter financing of terrorism (e.g. source of wealth, information about regulatory and other investigations or litigations to which Data Subjects are or have been subject).

The SICAV and the Processors do not intend to actively process special category personal data, being personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union memberships or genetic, biometric data or health data or data concerning a Data Subject's sex life or sexual orientation about Data Subjects. Whilst the SICAV and the Processors will use reasonable efforts to limit the processing of such special category personal data, Data Subjects should be aware that such special category personal data may be processed incidentally for example where the Data Subject volunteers such special category personal data to the SICAV and/or to the Processors (for example when the Data Subject sends a communication such as an email containing such special category personal data) or where documents and information received or gathered for one or more of the Purposes (as such term is defined hereafter) contain special category personal data.

Data controller

The SICAV acts as data controller with regard to the Personal Data of shareholders, prospective shareholders or business partners processed in connection with such shareholder's or prospective shareholder's investment or intended investment in the SICAV or with such business partner's relationship with the SICAV.

Processing of Personal Data

Personal Data will be processed for the purpose of 1) performing the services required by the shareholders and prospective shareholders in connection with their investment or intended investment in the SICAV; and/or 2) performing services related to the one referred to under 1) here above in connection with shareholders' and prospective shareholders' investment or intended investment in the SICAV if such related services are considered as necessary by the SICAV and/or the Processors for the purpose of the legitimate interest pursued by the SICAV and/or the Processors provided such interests are not overridden by the interests or fundamental rights and freedoms of the relevant Data Subjects and/or 3) performing the contractual or other arrangements concluded between the SICAV and its business partners and/or 4) complying with the legal and regulatory obligations applicable to the SICAV and/or to the Processors.

In accordance with the preceding paragraph, Personal Data may be processed for the purpose of (the "Purposes"):

- opening and maintaining shareholders' registered accounts including providing shareholders with information and documents regarding their investment in the SICAV (e.g. contract notes, holding statements);
- processing subscriptions, redemptions, conversions and transfers of shares of the SICAV, payment of income or other proceeds made with respect to the shares held by the shareholders in the SICAV;
- informing shareholders of corporate actions concerning the SICAV;
- convening and organizing meetings of shareholders;
- relationship management including responding to enquiries from shareholders, prospective shareholders and business partners and providing shareholders and prospective shareholders with information and documentation in connection with their investment or intended investment in the SICAV (e.g. SICAV's articles, prospectus, key information documents, financial reports, fact sheets, investment management reports);
- processing of shareholders' complaints;
- recording of communications (e.g. telephone conversations, mailings including electronic mailings) for relationship management or monitoring for evidentiary or compliance purposes;
- performing controls on excessive trading and market timing practices;
- performing the contractual or other arrangements concluded between the SICAV and its business partners;
- performing due diligence and controls with regard to applicable laws and regulations fight against money laundering and financing of terrorism;
- reporting to the competent authorities in accordance with Luxembourg or foreign laws and regulations (including laws and regulations relating to FATCA and CRS); to enforce the SICAV's terms and conditions or to protect the SICAV's or the Processors' (as such term is

defined hereafter) rights in the context of legal claims, litigation, arbitration or similar proceedings.

To achieve the Purposes, Personal Data may be collected or received directly from the Data Subjects or indirectly through external sources including any publicly available sources or through subscription services or from third parties.

A shareholder or prospective shareholder of the SICAV or a business partners of the SICAV or a Related Person related to such a shareholder, prospective shareholder or business partner may elect to refuse to provide the Personal Data requested by or on behalf of the SICAV. In such a case, the SICAV may not be able and may consequently 1) decline to provide the services required by such shareholder or prospective shareholder in connection with their investment or intended investment in the SICAV; and/or 2) decline to provide the services related to the one referred to under 1) here above considered as necessary by the SICAV and/or the Processors for the purpose of the legitimate interest pursued by the SICAV and/or the Processors in connection with shareholders' and prospective shareholders' investment or intended investment in the SICAV; and/or 3) decline to perform the contractual or other arrangements concluded between the SICAV and its business partners; and 4) decide to preclude the continuation of the relationship between the SICAV and the shareholder or between the SICAV and the business partner.

Subject to applicable legal periods of limitation which may vary depending on the Purposes for which Personal Data was obtained, the Personal Data shall not be retained for longer than necessary in light of the Purposes for which it was obtained. Personal Data will be deleted or anonymized (or equivalent) once it is no longer necessary to achieve the Purposes for which it was obtained, subject however (i) to any applicable legal or regulatory requirements to process Personal Data for a longer period, or (ii) to enforce the SICAV's terms and conditions or for the protection of the SICAV's or the Processors' rights in the context of legal claims, litigation, arbitration or similar proceedings.

Transfer of Personal Data

For the purpose of achieving the Purposes, the SICAV uses the services of delegates, sub-delegates and service providers (such as the SICAV's management company, central administration agent, delegate of the central administration agent, domiciliary agent and depositary) and may delegate the processing of and consequently transfer Personal Data to such delegates, sub-delegates and service providers (the "Processors") in compliance with and within the limits of the applicable laws and regulations.

The Processors may delegate the processing of the Personal Data to one or several of their agents or delegates, which may be located in or outside the European Economic Area ("EEA").

Processors may also process Personal Data for their own purposes and outside of the scope of their role as processor for the SICAV, in which case and with regard to such own purposes, Processors shall be considered as distinct data controllers and shall be directly accountable to the relevant Data Subjects with regard to the processing for such own purposes.

For the purpose of achieving the Purposes, the SICAV and the Processors may also transfer Personal Data : 1) to comply with applicable laws and regulations including treaties or agreements with or between Luxembourg or foreign governments (including in relation to tax reporting laws such as FATCA and CRS), which may include Luxembourg and foreign authorities, to respond to requests from public or government authorities including tax authorities, which may include Luxembourg and foreign authorities, to cooperate with law enforcement, governmental, regulatory, securities exchange, financial markets or similar agencies or authorities or for other legal reasons, who may transfer the Personal Data to equivalent agencies or authorities in other countries; 2) to central banks, regulators, trade repositories, approved reporting mechanisms which may be located in Luxembourg or abroad; 3) to their external auditors; 4) to courts, litigation counterparties, external legal counsels and others in the context of legal claims, litigation, arbitration or similar proceedings to enforce the SICAV's terms and conditions or to protect the SICAV's or the Processors' rights against a Data Subject; 5) to legitimate third parties in the event of a merger of the SICAV or of a Sub-Fund of the SICAV.

Processors may also transfer Personal Data to the SICAV and to other Processors the SICAV in order to enable the SICAV and such other Processors to fulfill the Purposes.

The transfer of Personal Data may include the transfer to jurisdictions within the EEA and to other jurisdictions provided that 1) such other jurisdictions benefit from an adequacy decision from the European Commission; or 2) where such other jurisdictions do not benefit from an adequacy decision from the European Commission, appropriate safeguards are provided; or 3) the transfer falls under one of the derogations for specific situations as foreseen by the applicable laws and regulations.

Rights of Data Subjects

Subject to the laws and regulations applicable to the SICAV and/or the Processors, each Data Subject has a right to:

- access his/her/its Personal Data;
- have his/her/its Personal Data rectified where it is inaccurate or incomplete;
- where the SICAV processes his/her/its Personal Data on the basis of his/her/its consent, to withdraw this consent being understood that, to achieve the Purposes, the SICAV and the Processors do not rely on the Data Subjects' consent for the process of the Data Subjects' Personal Data;
- have his/her/its Personal Data erased in certain circumstances;
- obtain restriction of processing or object to processing in certain circumstances;
- lodge a complaint to the relevant data protection authority;
- receive his/her/its Personal Data in a structured, commonly used and machine-readable format and to have that Personal Data transmitted directly to another data controller.

If a Data Subject wishes to exercise, any of the rights referred to above, the Data Subject shall address its request by letter sent to the registered office of the SICAV. Requests will be responded in accordance with applicable laws and regulations.

Even if a Data Subject objects to the processing or requests the erasure of its Personal Data, the SICAV and/or the Processors may nevertheless be allowed to continue the processing if i) the processing is mandatory because of legal or regulatory obligations applicable to the SICAV and/or to the Processors; or ii) is necessary for the achievement of one, more or all of the Purposes; or iii) is necessary for the enforcement of the SICAV's terms and conditions or for the protection of the SICAV's and/or the Processors' rights in the context of legal claims, litigation, arbitration or similar proceedings.

22. SUSTAINABLE FINANCE DISCLOSURE REGULATION

With respect to the SICAV, the investment process of the AIFM is not driven by environmental, social and/or governance ("ESG") considerations.

The AIFM invests in companies / issuers, regardless of potential ESG impacts as the AIFM does not currently consider sustainability risks, nor adverse impacts of investment decisions on sustainability factors in its investment process.

The AIFM considers that applying binding ESG criteria to its investment process reduces the investment universe and thus excludes certain issuers, leading the AIFM to ignore investment possibilities offering attractive risk adjusted return opportunities and impacting adversely investors' performance.

More information about the AIFM's investment process can be found on the AIFM's website: www.cigogne-management.com

23. FINANCIAL REPORTS

The SICAV's financial year ends on December 31 of each year. The first financial year were end on

June 30, 2011. At the end of each year, the SICAV publishes an audited annual report. The first audited annual report was the report produced on June 30, 2011.

24. INFORMATION TO SHAREHOLDERS

The net asset value and the issue, redemption and conversion price for each class of share are available on each banking day in Luxembourg at the SICAV's registered office.

Any amendments to the SICAV's Articles of Association will be published in the Luxembourg *Mémorial, Recueil des Sociétés et Associations*.

Any notice to general meetings of Shareholders will be sent to registered Shareholders by post at least eight days prior to the meeting. To the extent required by applicable legislation, notices to attend General meetings of Shareholders will be published in the *Mémorial, Recueil des Sociétés et Associations* and a nationally circulated Luxembourg media.

The other shareholders' notices will be sent to registered Shareholders by post. To the extent required by applicable legislation, such other shareholders' notices will be published in a nationally circulated Luxembourg media.

Copies of the following documents are available to the public:

- the offering document and the Articles of Association of the SICAV
- the subscription form for the SICAV
- the audited annual reports of the SICAV.

Moreover, the following disclosures will be made in the audited annual report or in another appropriate periodic reporting:

- the historical performance of each Sub-Fund, where available
- the changes to the Depositary's liability
- the total amount of leverage employed by each Sub-Fund
- any changes to the maximum level of leverage which the AIFM may employ on behalf of each Sub-Fund as well as any right of the re-use of collateral or any guarantee granted under the leveraging arrangement
- any new arrangements for managing the liquidity of each Sub-Fund
- the percentage of each Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature
- the current risk profile of each Sub-Fund and the risk management systems employed by the AIFM to manage those risks
- any changes to risk management systems employed by the AIFM in accordance with point (c) of Article 23(4) of the AIFM Directive.

A copy of the agreements contracted by the SICAV with the AIFM and the Depositary may be consulted, free of charge, at the SICAV's registered office.

25. MANAGEMENT FEE

The management fee is equal to maximum 2% p.a. within the time period specified in the Factsheet, calculated on the average net assets of the respective share class of the SICAV determined on each Valuation Day (as such term is defined in the Prospectus), for time period during the continuance of the Management Agreement (in the case of the first period, the time period commencing on the day on which the shares are first issued). Unless otherwise specified in the factsheet of the SICAV, the management fee shall be paid within ten Business Days after the end of each time period (in the relevant currency of the SICAV, annualised using an actual/365 daycount).

26. PERFORMANCE FEE

The AIFM will be entitled to a performance fee equal to maximum 20% of the increase in the Net Asset Value of the relevant Class in issue in respect of each Performance Period but only to the extent that such increase exceeds the High Water Mark (both as defined below), (the "Performance Fee").

The Performance Fee of the relevant Share class is calculated as a maximum of 20% of, if positive of $(\textcircled{1} - \textcircled{2} + \textcircled{3})$ where :

$\textcircled{1}$ is the aggregate Net Asset Value of the relevant Share class at the end of that calendar year;

$\textcircled{2}$ is the Compounded High Water Mark;

$\textcircled{3}$ is the sum of the monthly net changes in the aggregate Net Asset Value of the relevant Share class due to new subscription since the last Performance Fee payment compounded at a rate equal to the Performance Index. Note: an increase in the Net Assets is a positive net change.

The Performance Index is the 1-month Euribor index defined as the arithmetic figure of the 1-month Euribor at 11:00 a.m. (Brussels time) as appears on page : Bloomberg EUR001M Index (or Reuters EURIBOR01) on the first Business Day of each month.

The Performance Fee is calculated on a High Water Mark basis, which means that, if there are net losses in Shares during a calculation period, such losses are carried forward in the following calculation period(s), and must be recovered before a further Performance Fee may be paid, taking into account the gains and losses attributable to subscribed and redeemed Shares occurred in previous calculated periods and gains and losses attributable to the compounded of the High Water Mark.

The Performance Fee will normally be payable to the Management Company in arrears within 30 days of the end of each Calculation Period.

The Performance Period means the period beginning on the first calendar day of January and ending on the last calendar day of each December.

For each Performance Period, the "High Water Mark" means the highest value between:

- The "Compounded High Water Mark" on the last day of the last Performance Period
- The Net Asset Value of the relevant Class on the last day of the last Performance Period.

The "Compounded High Water Mark" is the "High Water Mark" of the "Performance Period" monthly compounded at a rate equal to the Performance Index of the previous Valuation Day for the relevant Class.

The Management Fee is paid to the AIFM whether or not the SICAV generates a profit. However, the performance fee is payable only on cumulative profits achieved from asset selection and trading.

Any fees paid will not be reimbursed despite net trading losses which might occur in subsequent twelve-month periods but no further performance fees will be payable until the SICAV recoups the trading losses (except trading losses attributable to redeemed Shares) and achieves additional trading gains.

When the SICAV invests in funds managed by the same AIFM, these funds will not charge any placement fee on the assets invested by the SICAV. Moreover, the AIFM will not charge twice the performance fee.

In the case of a conversion, shares which are acquired pursuant to transfer will be treated as if they were issued on the date of the acquisition for these purposes. In the event that a Shareholder redeems its Shares prior to the end of a Performance Period, any accrued but unpaid Performance Fee in respect of such Shares will be deducted from the repurchase proceeds and paid to the AIFM promptly thereafter. The Performance Fee in respect of such Performance Period will be calculated by reference to the Net Asset Value before the deduction of any accrued Performance Fees.

The Management Company may, from time to time, and in its absolute discretion, decide to rebate all or part of the Management Fee and/or Performance Fee to any Shareholder. Any such rebates may be applied in paying cash to the Shareholder.

If CIGOGNE MANAGEMENT S.A. ceases to be the AIFM of the Fund (either by termination of any related agreement or by termination of the appointment) before 31 December in any year, the Performance Fee in respect of the then current Performance Period will be calculated and paid as though the date of termination were the end of the relevant period.

FACTSHEET

CIGOGNE CLO
FACTSHEET OF THE SUB-FUND
EUROPE

INVESTMENT POLICY

***Investment objective, strategy and instruments**

The investment objective of the Sub-Fund, is to realize consistently high risk-adjusted appreciation in the value of its assets.

The Sub-Fund will seek to achieve its investment objective by primarily using arbitrage strategies on all types of debt securities and debt instruments issued by public and/or private issuers worldwide, including, without limitation, fixed rate bonds, variable rate bonds, inflation linked bonds, collateralised debt obligations, collateralised loan obligations, mortgage backed securities, asset backed securities. The debt securities and debt instruments the Sub-Fund will have the possibility to invest in, are not subject to any restrictions regarding the level of rating from one of the recognized rating agencies. In addition, the debt securities and debt instruments the Sub-Fund will have the possibility to invest in, may have no rating at all.

The weighting of a particular category of securities and instruments in the Sub-Fund's portfolio will depend on the conditions on the financial markets at the time of the investment and/or the outlook of these markets.

For the purpose of hedging risks and/or the purpose of efficient portfolio management (which includes return enhancement), the Sub-Fund may also use derivative instruments and techniques, including, without limitation, swaps transactions such as interest rates swaps, asset swaps, equity swaps, credit default swaps, currency swaps, repurchase transactions, reverse repurchase transactions, securities lending transactions, securities borrowing transactions, forward, futures and options contracts.

The Sub-Fund may hold cash, cash deposits, money market instruments, shares or units of open-ended undertakings for collective investment invested in cash deposits and/or money market instruments in such proportions as will depend on the conditions and long term outlooks of the markets.

***Investment policy**

The investment policy of the Sub-Fund is to develop a dynamic approach to build a medium to high level risk/return portfolio.

If considered appropriate to the investment strategy or for defensive purposes, the Sub-Fund may, according to the principle of risk spreading, invest the assets not allocated to trading as described here above, in instruments such as transferable debt securities and/or money market instruments and/or hold cash.

The derivatives instruments are used for investment purposes and efficient portfolio management. Where the Sub-Fund uses derivatives instruments (inter alia securities lending, repurchase, reverse repurchase transactions) the underlying consists of instruments in which the Sub-Fund may invest according to its Investment Objective and Investment Policy.

For repurchase transactions, the gross exposure will not exceed 100% and is expected to remain within the range of 0% to 50% of the Net Asset Value.

For reverse repurchase transactions, the gross exposure will not exceed 100% and is expected to remain within the range of 0% to 50% of the Net Asset Value.

For securities lending transactions, the gross exposure will not exceed 50% and is expected to remain within the range of 0% to 25% of the Net Asset Value.

The **investment restrictions** are as describe in chapter 6 above.

***Leverage**

The maximum level of leverage which the AIFM is entitled to employ on behalf of the Sub-Fund is 200% in accordance with the commitment method and 300% in accordance with the gross method of the total net assets.

***Risk Profile**

Money invested in the Sub-Fund can both increase and decrease in value and investment results may vary substantially over time. It is not certain that one will recover the entire amount of the invested capital. The Sub-Fund is only suitable to investors who understand and can bear the risk involved in an investment therein, including the risk of loss of the entire amount invested. An investment in the Sub-Fund is not intended to be a complete investment program for an investor. Past performance is not necessarily indicative of future results.

The description of the risks involved in the Sub-Fund are described in Chapter 7 – General Risk Factors.

***Sustainable finance disclosure regulation**

Binding ESG criteria are not applied. Investors are invited to read chapter 22 “Sustainable finance disclosure regulation” for further information on the integration of ESG factors and sustainability risks.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

INVESTMENT ADVISOR

Investment Advisor of the AIFM of the SIF

CREDIT INDUSTRIEL ET COMMERCIAL, Paris subject to supervision of the Autorité des marchés financiers (AMF) and the Autorités de Contrôle Prudentiel (ACP).

COMMISSIONS AND FEES PAID BY THE SHAREHOLDERS

Subscription fee:	> Maximum of 2% of the subscribed amount payable to the AIFM.
Redemption fee	> Maximum of 2% of the redeemed amount payable to the AIFM.
Conversion fee	> 0%

EXPENSES BORNE BY THE SUB-FUND

Portfolio Management fee

For “Div Shares”, “A”, “ I ” and “O” Shares: maximum 2% p.a. payable quarterly and calculated pursuant to Chapter 24 – Management Fee.

Performance Fee

The performance fee is as described above on Chapter 25 – Performance Fee.

Other Management Company Fee including Administration Fee

As specified in a the fee schedule negotiated by the Sub-Fund, payable quarterly and calculated on the basis of the average net assets of the Sub-Fund for the quarter in question.

Depository Fee

Maximum 0.04% p.a. payable quarterly and calculated on the basis of the average net assets of the Sub-Fund for the quarter in question.

Other Fees and Commissions

Moreover, the Sub-Fund shall bear all of its operating costs. The details of the operating costs are stated in article 30 of the Articles of Incorporation

MARKETING OF SHARES

***Shares**

Class of shares	Currency	Nature of shares	ISIN
Div Shares	EUR	Distribution	LU0563587491
A Shares	EUR	Capitalisation	LU1633811259
I Shares	EUR	Capitalisation	LU1633812810
O Shares	EUR	Capitalisation	LU0563588119

Shares may be issued as registered form shares in the name of the subscriber, recorded by subscriber's registration in to the shareholder's register. The shares may be held and processed in a recognized clearing system.

***Initial and subsequent subscription**

Class of shares	Minimum initial subscription	Minimum subsequent subscription
Div Shares	EUR 1,000,000	EUR 5,000
A Shares	EUR 125,000	EUR 5,000
I Shares	EUR 1,000,000	EUR 5,000
O Shares	EUR 1,000,000	EUR 5,000

***Subscription/Redemption/Conversion**

Shares may only be subscribed and held by well-informed investors within the meaning of Article 2 of the Law of 13 February 2007.

Subscription:

For "A Shares": Subscription requests must be received no later than 5 p.m. Luxembourg Time on the second (2) Luxembourg bank business day preceding a Subscription Day. Subscription requests will, if accepted, be dealt on the basis of the relevant NAV of the Valuation Day immediately preceding the Subscription Day.

For "Div Shares", "I" and "O" Shares: Subscription requests must be received no later than 5 p.m. Luxembourg Time on the third (3) Luxembourg bank business day preceding a Subscription Day. Subscription requests will, if accepted, be dealt on the basis of the relevant NAV of the Valuation Day immediately preceding the Subscription Day.

Payments for Share(s) subscribed shall be received by the Depositary in EUR no later than 10:00 a.m. Luxembourg time on the last Luxembourg bank business day immediately preceding the relevant Subscription Day. Subscriptions may only be made in amount.

The Board of Directors may however accept a subscription request if a complete application form has been received after the cut-off time but no later than the Valuation Day or if the subscription money has been received no later than the Valuation Day, subject to the condition that the interests of any investor will not be harmed by this decision.

Redemption. Notwithstanding the foregoing, shareholders in each Shares classes may redeem all or part of their Shares on the first Luxembourg bank business day of each month (being therefore the "Trade Date") while respecting the applicable notice period of each Share class.

For A Shares: redemption request must be received not later than 5 p.m. Luxembourg time on the second (2) Luxembourg bank business day before the Trade Date in order to be executed against the relevant NAV on the Redemption Day, after application of the redemption fees detailed below.

For "Div Shares", "I" and "O" Shares: In order to be executed against the NAV determined each month, redemption request must be received not later than 5 p.m. Luxembourg time the third (3) month calendar month before the preferred Trade Date in order to be executed against the relevant NAV established on the Valuation Day immediately preceding such Trade Date, after application of the redemption fees.

Redemption requests received after this deadline shall be deemed to be received on the next following Valuation Day. The redemption price will be calculated on the basis of the NAV as of that next following Valuation Day. The notice period may be waived at the discretion of the Board of Directors provided the relevant Sub-Fund has sufficient liquid assets to accommodate the redemption subject to the condition that the interests of any investor will not be harmed by this decision.

All payments due pursuant to redemptions will be paid in principle no later than the last Luxembourg bank business day of the month of the Redemption Day.

Conversion : Notwithstanding the foregoing, shareholders in each Shares classes may convert all or part of their Shares on the first Luxembourg bank business day of each month (being therefore the "Trade Date") while respecting the applicable notice period of each Share class.

Conversion requests from one Share class to another received before 5 p.m. (Luxembourg Time), the third (3) Luxembourg bank business days before the Trade Date will, if accepted, be dealt on the basis of the relevant NAV of the Valuation Day immediately preceding the Conversion Day. All payments in cash due pursuant to conversions will be paid in principle no later than the last Luxembourg bank business day of the month of the Conversion Day.

***Frequency of the net asset value (NAV) calculation**

The NAV is calculated monthly, as follows:

- (i) for the exclusive purpose of determining the prices of the Sub-Fund's assets and liabilities, Valuation Day shall mean the last Luxembourg bank business day of each month; and
- (ii) for the purpose of calculating the NAV (taking into account interests on Sub-Fund's assets and liabilities), Valuation Day shall mean the last calendar day of each month.

The Board of Directors may decide to determine additional NAVs during a year. The day of determination of such additional NAV will also represent a Valuation Day and the relevant

NAVs will apply to subscription, redemption and conversion orders of Shares as described under section "subscription/redemption/conversion" hereunder.

***Publication of the NAV**

At the registered office of the SICAV.

***Listing on the Luxembourg Stock Exchange**

No

ADDITIONAL INFORMATION

***Potential Loss of Invested Capital**

A shareholder could lose all or substantially all of its investment in the Sub-Fund. The Shares are only suitable for investors willing to accept this risk. Prospective investors should carefully consider their portfolio objectives and their need to minimize the risk of large losses in evaluating an investment in the Shares.

No investor should invest in the Sub-Fund more than such investor can afford to lose. As a non-traditional investment, the Sub-Fund is suitable only for a limited portion of an investor's portfolio. The Sub-Fund does not purport to constitute a complete investment program, but rather only to serve as a diversification alternative intended to complement an investor's core holdings.

***Currency of the Sub-Fund**

EUR

***Legal Entity Identifier of the Sub-Fund**

549300YX8CEXJ7JNXB03

***Portfolio manager**

The assets of the Sub-Fund are managed by the following portfolio manager:

CIGOGNE Management S.A., a public limited company incorporated under the laws of Luxembourg having its registered office at 18 Boulevard Royal L-2449 Luxembourg. It is under the supervisory authority of Commission de Surveillance du Secteur Financier.

***Rate of the "*taxe d'abonnement*"**

The *taxe d'abonnement* (subscription tax) is 0.01% p.a. (net assets invested in UCI which are already subject to the *taxe d'abonnement* are exonerated from payment of this tax).

***Contact for Subscriptions, redemptions, conversions and transfers**

EUROPEAN FUND ADMINISTRATION
Fax: +352 48 65 61 8002

***Contact for documentation requests**

CIGOGNE MANAGEMENT S.A.
Tel: +352 27 46 1
Fax: +352 26 26 24 19

**CIGOGNE CLO ARBITRAGE
ARTICLES OF ASSOCIATION**

SECTION I. – NAME – REGISTERED OFFICE – TERM – OBJECT OF THE COMPANY

Art. 1. Name

There exists among the subscribers and all those who subsequently become shareholders a “*société d’Investissement à Capital Variable*” operating in the form of an investment company with variable share capital with multiple sub-funds (a “SICAV-SIF”) bearing the name of CIGOGNE CLO ARBITRAGE (the “Company”). The Company is subject to the provisions of the Law of 13 February 2007 relating to specialised investment funds (the “Law of 13 February 2007”).

Art. 2. Registered office

The Company's registered office is established in the City of Luxembourg in the Grand Duchy of Luxembourg. By simple decision of the board of directors, the Company may set up branch establishments or offices both in the Grand Duchy of Luxembourg and in other countries. Within the district of Luxembourg, the registered office may be relocated by simple decision of the board of directors.

In the event that the board of directors considers that extraordinary events of a political or military nature that may compromise ordinary operations at the registered office or smooth communication with the registered office or from the registered office to locations abroad have arisen or appear imminent, the board may temporarily transfer the registered office abroad until complete cessation of the abnormal circumstances; such a temporary measure shall not, however, have any effect on the nationality of the Company which, notwithstanding this temporary transfer, shall remain a Luxembourg company.

Art. 3. Term

The Company is established for an indefinite period. It may be dissolved by a decision of the General Meeting of Shareholders ruling in the same way as for an amendment to the articles of association.

Art. 4. Object

The exclusive object of the Company is to invest the funds at its disposal in various securities and other authorized assets, with the aim of spreading the investment risks and enabling shareholders to benefit from the results of the management of its portfolio. The Company may take all measures and perform all operations that it deems expedient in terms of achieving or furthering its object in the broadest sense within the framework of the Law of 13 February 2007.

SECTION II. – SHARE CAPITAL – FEATURES OF THE SHARES

Art. 5. Share capital

The initial capital of thirty-one thousand (31.000) EUR has been fully paid-up by way of cash contribution. The initial share capital of the Company is represented by 3.1 (three point one) fully-paid up shares without par value and shall at all times be equal to the equivalent in EUR of its net assets, as defined in Article 12 of these articles of association.

The minimum subscribed capital of the Company shall at all times be equal to the minimum fixed by current regulations, i.e. the equivalent of one million two hundred fifty thousand (1.250.000) EUR. This minimum has to be reached within a period of twelve months following the approval of the Company by the Luxembourg supervisory authority. The Company's capital is expressed in EUR.

Art. 6. Classes of shares

The board of directors may decide to create one or more classes of shares which may differ, among others, with respect to the sales and/or redemption commission, the advisory or

management fee, the performance fee, the currency hedge policy, the distribution policy (distribution shares, capitalization shares).

The features of the shares offered for subscription are described in the issuing document of the Company.

A distribution share is a share, which normally confers upon its holder the right to receive a dividend payment in cash.

A capitalisation share is a share that does not normally confer upon its holder the right to receive a dividend but the portion due to the holder of the amount to be distributed is capitalised for the benefit of the holders of the capitalisation shares.

The board of directors may also decide to split or to reverse split a share class of the Company.

The shares of the various classes confer on their holders the same rights, in particular with regard to voting rights at General Meetings of shareholders. According to the provisions of Article 7 of these articles of association, the right to vote can only be exercised for a whole number of shares.

The articles of these articles of association apply *mutatis mutandis* to the different classes of shares described in the Company's issuing document.

Art. 7. Form of the shares

Shares are issued without par value and are fully paid-up. All shares, whatever the class into which they fall, are issued in registered form in the name of the subscriber, evidenced by entry of the subscriber in the register of shareholders, in which case a registered share certificate may be provided at the express request of the shareholder. If a shareholder requires more than one registered certificate for his shares, the cost of additional certificates may be charged to him.

In the case the shares are held by a bare owner (nu-propriétaire) and a usufructuary (usufruitier), the voting rights and rights to dividends belong to the usufructuary.

The register of shareholders shall be held by the Company or by one or more persons appointed to this effect by the Company. The entry in the register must indicate the name of each holder of registered shares, their elected place of residence or domicile, the number of registered shares they hold, and the amount paid for each of the shares. Any transfer of registered shares, whether *inter vivos* or *causa mortis*, shall be recorded in the register of shareholders, and the entry shall be recorded by one or more executives or authorized agents of the Company, or by one or more other persons appointed to this effect by the board of directors.

The transfer of registered shares shall be undertaken by submitting to the Company certificates representing the shares, together with all the other transfer documents required by the Company or, if no certificates have been issued, by a written transfer declaration entered in the register of shareholders, dated and signed by the transferor and the transferee or by their agents providing evidence of the requisite authority.

Any shareholder wishing to obtain registered share certificates must provide to the Company an address to which all communications and information may be sent. This address shall also be entered in the register of shareholders.

Share certificates shall be signed by two directors. The two signatures may be handwritten, printed, or affixed by stamp. However, one of the signatures may be affixed by a person appointed to this effect by the board of directors, in which case it must be handwritten. The Company may issue temporary certificates in the forms determined by the board of directors.

Shares may be issued in fractions of shares up to one ten-thousandth of a share.

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

The rights relating to fractions of shares are exercised pro rata to the fraction held by the shareholder, with the exception of the voting right, which may only be exercised in respect of a whole number of shares.

If a shareholder can demonstrate to the Company that his share certificate has been lost or destroyed, a duplicate may be issued at his request under the conditions and subject to the guarantees specified by the Company, usually in the form of an undertaking, without prejudice to any other form of guarantee which the Company may choose. From the time of issue of the new certificate, endorsed to show that it is a duplicate, the original certificate shall no longer have any value.

Damaged share certificates may be exchanged by the Company, which will then cancel them immediately. The Company may at its discretion charge the shareholder for the cost of the duplicate or the new certificate as well as all documented expenses incurred by the Company in relation to the issue and entry in the register or to destruction of the old certificate.

The Company only recognises one holder per share. If there are several holders of one share, the Company shall be entitled to suspend exercise of all rights attached thereto until such time as a single person has been designated as being the owner of the share in question.

Art. 8. Issue of shares

The board of directors is authorized, at any time and without limitation, to issue additional shares, fully paid-up, without reserving to the former shareholders any preferential subscription right.

If the Company offers shares for subscription, the price per share offered shall be equal to the net asset value of that share as determined in accordance with Article 12 of these articles of association. Subscriptions are accepted on the basis of the price on such Valuation Day, defined in Article 13 of these articles of association, as detailed in the issuing document of the Company. This price shall be increased by the commissions stipulated in the Company's offering document. The beneficiary of these commissions shall be disclosed in the issuing document of the Company. Unless otherwise stated in the issuing document of the Company, such price is payable at the latest on the applicable Valuation Day or, if such Valuation Day is not a business day in Luxembourg, on the first business day in Luxembourg preceding such Valuation Day.

Shares shall only be issued to well-informed investors within the meaning of Article 2, Chapter 1 of the Law of 13 February 2007 and on acceptance of the subscription and receipt of the price. Following acceptance of the subscription and receipt of the price, the shares subscribed shall be allocated to the subscriber.

Unless otherwise stated in the issuing document of the Company, only subscription requests expressed in amounts will be accepted and subscription orders expressed in number of shares will be rejected.

Shares are only issued upon acceptance of the subscription and receipt of the price payable in accordance with Article 8 of these articles of association.

Subscription requests accepted by the Company are final and binding upon the subscriber, except in case of suspension of the calculation of the net asset value of the shares of the Company. However, the board of directors may consent to a modification or cancellation of a subscription request in case of manifest error from the subscriber and provided such modification and cancellation is not detrimental to the other existing shareholders of the Company.

Subject to receipt of the full subscription price, delivery of the shares shall take place once the calculation of the net asset value of the Shares of the Company has been performed in accordance with Article 12 of these articles of association.

Subscriptions may also be made by contribution of transferable securities and authorized assets other than cash, subject to the consent of the board of directors who may refuse its consent at its own discretion and without justification. These securities and other authorized assets must comply with the investment policy and investment restrictions of the Company as detailed in the issuing

document of the Company. They shall be valued in accordance with the valuation principles for assets set out in Article 12 of these articles of association. In addition, in accordance with the Law of 10 August 1915, as amended, relating to Commercial Companies, such contributions in kind shall be the subject of a report prepared by the Company's auditor. The costs in relation to subscription through contribution in kind shall be borne by the Subscriber.

The board of directors may delegate to any director or any executive or other agent of the Company duly authorized to this effect, the task of accepting subscriptions and receiving payment of the price of the new shares to be issued.

All new share subscriptions must be fully paid up, failing which they shall be null and void, and the shares issued shall enjoy the same interest or dividends as the shares existing on the date of issue.

The board of directors may refuse subscription orders, at any time, at its discretion and without justification.

Art. 9. Redemption of shares

All shareholders are entitled to ask the Company at any time to repurchase some or all of the shares which they hold, subject to the terms, conditions and restrictions as decided by the board of directors and as disclosed in the issuing document of the Company.

The redemption price of a share shall be equal to its net asset value, as determined for each class of share in accordance with Article 12 of these articles of association. Depending on the Redemption frequency for each class of Share as provided in the Prospectus, Redemptions are based on the price established on the relevant Valuation Day. The redemption price may be reduced by a redemption commission specified in the Company's offering document. The beneficiary of these commission shall be disclosed in the issuing document of the Company.

The redemption price shall normally be paid within the usual time limits as laid down in the Prospectus once the applicable Net Asset Value is calculated in accordance to Article 12 of the Articles of Incorporation. The board of directors of the Company however reserves the right to defer any payment of redemption proceeds until that time when the Company has received sufficient cash to honour the payment of the redemption proceeds.

Redemption requests accepted by the Company are final and binding upon the shareholder, except in case of suspension of the calculation of the net asset value of the shares of the Company. However, the board of directors may consent to a modification or cancellation of a redemption request in case of manifest error from the redeeming shareholder and provided such modification and cancellation is not detrimental to the other existing shareholders of the Company.

Neither the board of directors nor the custodian bank of the Company may be held liable for any failure to pay redemption proceeds resulting from the application of any exchange control or other circumstances that are outside their control, which would restrict transfer of the proceeds from the redemption of the shares or make it impossible.

All redemption applications must be presented by the shareholder in writing to the registered office of the Company in Luxembourg or to another legal entity authorized to execute the redemption of shares. Applications must state the name of the investor, the class of shares, the number of shares or the amount to be redeemed, as well as the payment instructions for paying the redemption price.

Before the redemption price can be paid, redemption applications must be accompanied by the share certificate(s) in the due and proper form (if certificates were issued).

Shares repurchased by the Company shall be cancelled.

With the agreement of the shareholder(s) concerned, the board of directors of the Company may from time to time decide to execute redemptions of shares by means of payments in kind of securities held by the Company. By complying with the principle of equal treatment of

shareholders, the board of directors of the Company may allocate to shareholders who have requested redemption of their shares and agreed to receive a payment in kind, securities from the portfolio of the Company, 1) the composition of which shall be determined by the board of directors of the Company and 2) the value of which shall be equal to the redemption price of the shares and 3) the value of which shall be audited by the Company's auditor. The costs in relation to redemptions in kind shall be borne by the concerned shareholders pro rata to the value of their shares redeemed and deducted from the redemption price.

Any payment in kind of securities shall be evaluated in a report drafted by the Company's statutory auditor and shall be made on an equitable basis.

The board of directors may delegate to any director or any executive or other authorized agent of the Company, duly authorized to this effect, the task of accepting and executing redemptions and of paying the price of the shares redeemed.

In the event of redemption and/or conversion in a sub-fund bearing on 10% or more of the net assets of the sub-fund or a threshold below 10% deemed critical by the board of directors, this latter may either:

- postpone the payment of the redemption price of such requests to a date at which the Company will have sold the necessary assets and it will have the proceeds from such sales;
- postpone whole or part of such requests to a later Valuation Day determined by the board of directors, when the Company will have sold the necessary assets, taking into consideration the interests of all shareholders and when it will have the proceeds from such sales. These requests shall be treated with priority over any other request.

In addition, the Company can postpone the payment of all requests for redemption and/or conversion for a sub-fund:

- if any one of the stock exchanges and/or other markets on which the sub-fund concerned were broadly exposed, in the opinion of the board of directors, were closed or;
- if transactions on stock exchanges and/or other markets on which the sub-fund concerned were broadly exposed, in the opinion of the board of directors, were restricted or suspended.

If, following the acceptance and execution of a redemption order, the value of the remaining shares held by the shareholder in the sub-fund or in the class of shares falls below a minimum amount as may be determined by the board of directors for the sub-fund or the class of shares, the board of directors can rightfully believe that the shareholder has requested the redemption of all of its shares held in that sub-fund or class of shares. The board of directors can, in this case at its sole discretion, execute a forced redemption of the remaining shares held by the shareholder in the sub-fund or the class concerned.

Art. 10. Conversion of shares

Subject to any restrictions that may be implemented by the board of directors, all shareholders are entitled to switch from one class of shares to another class of shares and to request conversion of the shares they hold in a given class of shares into shares of another class of shares.

A conversion of shares is based on the net asset values, as determined according to Article 12 of these articles of association, of the class(es) of shares on the first common Valuation Day following the date of receipt of the conversion applications and taking into account the exchange rate in force on the Valuation Day, if the currencies of the two share classes are different. The board of directors may impose any restrictions it deems necessary on the frequency of conversions and may render conversions subject to payment of costs, the amount of which it shall determine on a reasonable basis.

All conversion applications must be presented by the shareholder in writing to the registered office of the Company or to another legal entity delegated for the conversion of shares. The application must state the name of the investor, the class of share held, the number of shares or the amount to

be converted, as well as the class of share to be obtained in exchange. It must be accompanied by any share certificates issued. If registered share certificates have been issued for the shares in the original class, the new certificates shall not be prepared until the old certificates have been received by the Company.

Conversion requests accepted by the Company are final and binding upon the shareholder, except in case of suspension of the calculation of the net asset value of the shares of the Company. However, the board of directors may consent to a modification or cancellation of a conversion request in case of manifest error from the converting shareholder and provided such modification and cancellation is not detrimental to the other existing shareholders of the Company.

The board of directors may decide to allocate fractions of shares produced by the conversion, or to pay the corresponding cash difference for such fractions to the shareholders who requested conversion.

Shares which have been converted into other shares will be cancelled.

The board of directors may delegate to any director, executive or other authorized agent of the Company, duly authorized to this effect, the task of accepting and executing conversions.

Art. 11. Restrictions on share ownership

The Company may restrict or prevent ownership of shares in the Company by any natural person or legal entity and may in particular prohibit ownership of shares by nationals of the United States of America.

The Company will automatically refuse to issue shares to investors who, in the opinion of the board of directors, cannot be considered as informed investors within the meaning of Article 2, Chapter 1 of the Law of 13 February 2007.

The Company may further enact any restrictions that it deems expedient with a view to ensuring that no share of the Company shall be acquired or held by (a) a person in breach of the laws or requirements of any country or governmental authority or (b) a person whose circumstances, in the view of the board of directors, may lead the Company to incur taxes or other financial disadvantages which it would otherwise not have incurred.

To this end:

(1) The Company may refuse to issue shares or register the transfer of shares if it appears that such an issue or transfer would or could lead to allocation of ownership of the share to a national of the United States of America.

(2) The Company may ask any person on the register of shareholders or any other person who applies to have a share transfer registered to provide it with all the information and certificates it deems necessary, where appropriate supported by an affidavit, with a view to determining whether the shares belong or will belong in terms of actual ownership to a national of the United States of America.

(3) The Company may compulsorily repurchase the shares if it appears that a national of the United States of America, either singly or together with other persons, is a holder of shares in the Company. In such event, the following procedure shall be applied:

(a) The Company shall send a letter of notice (hereinafter referred to as "the Redemption Notice") to the shareholder holding the shares or appearing in the register as being the owner of the shares; the Redemption Notice shall specify the shares to be repurchased, the redemption price to be paid and the place where such price shall be payable. The Redemption Notice may be sent to the shareholder by registered letter addressed to his last known address or to that entered in the register of shareholders. The shareholder in question shall be obliged to return the certificate(s) representing the shares specified in the Redemption Notice without delay.

(b) From the close of business on the day specified in the Redemption Notice, the shareholder in question shall cease to be owner of the shares specified in the Redemption Notice; if the shares are registered shares, his name will be deleted from the register; if the shares are bearer shares, the certificate(s) representing the shares shall be cancelled in the books of the Company.

(c) The price at which the shares specified in the Redemption Notice are repurchased ("the Redemption Price") shall be equal to the net asset value of the shares of the Company immediately preceding the Redemption Notice. With effect from the date of the Redemption Notice, the shareholder in question shall lose all rights as a shareholder.

(d) The payment will be effected in the currency determined by the board of directors. The price will be deposited by the Company with a bank, in Luxembourg or elsewhere, specified in the Redemption Notice, which will forward it to the shareholder in question in return for delivery of the certificates indicated in the Redemption Notice. Following payment of the price under these terms and conditions, no person having an interest in the shares indicated in the Redemption Notice may assert any right regarding the shares nor may they instigate any action against the Company and its assets other than the right of the shareholder appearing as the owner of the shares to receive the price deposited (excluding interest) at the bank in return for delivery of the certificates.

(e) The exercise by the Company of the powers conferred under the present Article may under no circumstances be called into question or invalidated on the grounds that there is insufficient proof of ownership of the shares by a particular person, or that a share belonged to a person other than the person cited by the Company when sending the Redemption Notice, on the sole condition that the Company exercises its powers in good faith.

(4) At any General Meeting of shareholders, the Company may deny voting rights to a national of the United States of America or any shareholder who has received a Redemption Notice in respect of his shares.

The term "national of the United States of America", as used in these articles of association, shall mean any national, citizen or resident of the United States of America or any territory or possession under the jurisdiction of the United States of America, or persons ordinarily residing there (including successors of all persons or companies or Incorporations established or organised there).

Art. 12. Calculation of the net asset value of shares

The net asset value of a share shall be determined in the currency chosen by the board of directors for the relevant share class by a figure obtained by dividing on the Valuation Day, defined in Article 13 of these articles of association, the net assets attributable to the relevant share class by the number of shares issued and in circulation for such share class.

The net assets of the Company are constituted by the assets of the Company as defined below, less the liabilities of the Company as defined below, on the Valuation Day on which the net asset value of the shares is determined.

I. The assets of the Company comprise the following:

- a) All cash in hand or held at banks, including interest accrued and not paid;
- b) All bills and notes payable on demand and accounts receivable, including proceeds from the sale of securities, the price of which has not yet been collected;
- c) All securities, units, shares, bonds, options or subscription rights, and other investments and transferable securities which are the property of the Company;
- d) All dividends and distributions due to the Company in cash or securities insofar as the Company could reasonably have knowledge thereof (the Company may however make adjustments in view of fluctuations in the market value of transferable securities on the basis of operations such as ex dividend and ex rights trading);

e) All interest accrued and not paid produced by the securities which are the property of the Company, unless however this interest is included in the principal amount of these securities;

f) The costs of incorporation of the Company insofar as they have not been amortised;

g) All other assets, of any kind, including prepaid expenses.

II. The value of these assets shall be determined as follows:

The securities instruments and other assets as well as liabilities will be valued at fair market value as determined in good faith by the board of directors of the Company and the valuation shall be made according to the following guidelines.

a) The value of cash in hand or on deposit, of bills and notes payable on demand and accounts receivable, prepaid expenses, dividends and interest announced or due for payment and not yet collected is formed by the nominal value of such assets, unless however it appears unlikely that this value can be collected; in the latter instance, the value will be determined by deducting an amount that the Company deems appropriate to reflect the real value of these assets.

b) The value of securities and instruments which are quoted or traded on a stock exchange shall be determined according to the last quoted or traded price known on the principal market for each security or instrument at the relevant Valuation Day.

c) The value of securities and instruments which are traded on another regulated market, functioning regularly, recognised and open to the public, shall be determined according to the last traded price known at the relevant Valuation Day.

d) Money-market instruments and fixed-income securities may be valued on the basis of the amortised cost, a method which consists, following purchase, of taking into account straight-line amortisation in order to reach the redemption price at maturity of the security provided the residual maturity of such instruments and securities is less than 3 months or equal to 3 months. This method involves valuing a security at its cost and thereafter assuming a constant amortization to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security or other instrument. While this method provides certainty in valuation, it may result in periods during which value as determined by amortized cost, is higher or lower than the price the Company would receive if it sold the securities or instruments.

e) The value of the securities representing units or shares of an undertaking for collective investment shall be determined in accordance with their last official net asset value per unit or share or according to their last estimated net asset value if this is more recent than the official net asset value, provided that the Company is assured that the valuation method used for this estimate is consistent with that utilised for the calculation of the official net asset value.

f) the valuation of derivatives traded over-the-counter (OTC), such as swaps, futures, forward or option contracts not traded on exchanges or on other recognized markets, will be based on their net liquidating value determined, pursuant to the policies established by the board of directors on the basis of recognized financial models in the market and in a consistent manner for each category of contracts. The net liquidating value of a derivative position is to be understood as being equal to the net unrealized profit/loss with respect to the relevant position;

g) Insofar as the securities or instruments in the portfolio on the Valuation Day are not listed or traded on a stock exchange or on another regulated market, functioning regularly, recognised and open to the public, or in the event that, for securities, instruments listed and traded on a stock exchange or on another market or securities representing units or shares of an undertaking for collective investment, the price determined pursuant to paragraphs b), c) or e) is not representative of the real value of the securities, instruments or securities representing units or shares of an undertaking for collective investment, the valuation shall be estimated prudently and in good faith.

h) Values and liabilities expressed in a currency other than the EUR will be converted at the rates last quoted by major banks or any relevant authority recognised to be competent for. If such

quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the board of directors of the Company.

III. The liabilities of the Company comprise the following:

- a) All loans, bills outstanding and accounts payable;
- b) All administration costs outstanding or due, including the remuneration to the investment manager, the custodian bank, the central administration, the domiciliary agent and to other representatives and agents of the Company;
- c) All known obligations, whether outstanding or not yet payable, including all contractual obligations due which relate to payments either in cash or in kind, including the amount of any dividends announced by the Company but not yet paid, where the Valuation Day coincides with the date on which determination of the person entitled thereto is undertaken;
- d) An appropriate provision for tax on capital and income, accrued to the Valuation Day and fixed by the board of directors, and other provisions authorized or approved by the board of directors;
- e) All other obligations of the Company, of any kind, with the exception of the liabilities represented by the Company's own funds. For the valuation of the amount of these liabilities, the Company may take account of administrative and other expenses which are regular or periodic in nature, using an estimate for the year or any other period and allocating the amount pro rata to the fractions of that period.

IV. The net assets attributable to all the shares shall be formed by the assets less the liabilities at close of business on the Valuation Day on which the net asset value of the shares is determined.

The net asset value of the shares of the Company determined is final and binding on the investors subscribing, redeeming or converting shares of the Company and on existing shareholders of the Company, except when the net asset value of the shares is subject to a material error as defined in applicable regulations in Luxembourg.

In cases where subsequently to the close of business on the relevant Valuation Day, a material change occurs in the quotations in the markets on which a substantial portion of the investments of the Company are dealt or quoted or a material change occurs with regards to the value of the liabilities of the Company, the board of directors of the Company may, but is not obliged to proceed to a calculation of an adjusted net asset value of the shares of the Company by taking into account the relevant changes. The adjusted net asset value of the shares of the Company will be binding on the investors subscribing, redeeming or converting shares of the Company and on existing shareholders of the Company.

V. For the purposes of this Article:

- 1. Each share of the Company which is in the process of being redeemed pursuant to Article 9 of these articles of association shall be considered as a share which is issued and existing until the close of business on the Valuation Day applying to redemption of that share and its price shall, with effect from this Date and until such time as its price is paid, be considered as a liability of the Company;
- 2. Each share to be issued by the Company in accordance with subscription applications received shall be treated as being issued with effect from the close of business on the Valuation Day on which its issue price has been determined, and its price shall be treated as an amount due to the Company until the Company has received it;
- 3. All securities, instruments, cash balances and other assets of the Company expressed in a currency other than in the EUR shall be valued taking account of the last rates quoted by major banks or any relevant authority recognised to be competent for on the date of determination of the net asset value of the shares; and

4. On the Valuation Day, as far as possible, any purchase or sale of securities and instruments contracted by the Company shall be effective.

VI. Insofar as and for the time that shares of different classes have been issued and are in circulation, the value of the net assets, established pursuant to the provisions in (I) to (IV) of this Article, shall be apportioned over all the shares of each class.

If subscriptions of shares, redemptions of shares, conversions of shares or payments of dividends take place in respect of shares of a specific class, the net assets attributable to all the shares of that class shall, as the case will be, be increased or reduced by the net amounts received or paid by the Company on the basis of those subscriptions of shares, redemptions of shares, conversions of shares or payments of dividends.

The net asset value of a share shall be determined in the currency chosen by the board of directors for the relevant share class by a figure obtained by dividing the net assets attributable to the relevant share class by the number of shares issued and in circulation for such share class.

Art. 13. Frequency and temporary suspension of the calculation of the net asset value of shares, issues, redemptions and conversions of shares.

I. Frequency of net asset value calculation

The net asset value of shares, including the relevant issue price and redemption price, shall be determined periodically by the Company or by a third party appointed by the Company, at least once per year, and at a frequency decided by the board of directors of the Company and at such days as disclosed in the issuing document of the Company (each such day being referred to as a "Valuation Day").

II. Temporary suspension of the net asset value calculation

Without prejudice to legal reasons, the Company may suspend calculation of the net asset value of shares and the issue, redemption and conversion of its shares, if the following circumstances arise:

- During all or part of a period in which any of the principal stock exchanges or other markets on which a substantial part of the portfolio is listed is closed for a reason other than normal holiday periods or during which operations thereon are restricted or suspended;
- If an emergency situation exists as a result of which the Company cannot access the assets or value them;
- If the means of communication necessary for determining the price, the value of the assets or the stock exchange prices under the conditions defined in the first bullet point above are out of service;
- During any period when the Company is unable to repatriate funds in order to make payments on the redemption of shares or during which transfers of funds involved in the sale or acquisition of investments or payments due for the redemption of shares cannot, in the opinion of the board of directors, be effected at normal rates of exchange;
- In the event of publication of a notice convening a General Meeting at which the winding up and liquidation of the Company is proposed.

The Company shall notify shareholders seeking subscription, redemption or conversion of shares of any such suspension of the calculation of the net asset value and they shall be entitled to cancel their order. Other shareholders will be informed in writing.

SECTION III. – ADMINISTRATION AND SUPERVISION OF THE COMPANY

Art. 14. Directors

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

The Company is administered by a board of directors consisting of at least three members, who need not be shareholders. The directors shall be appointed by the General Meeting of shareholders for a period not exceeding six years.

Any director may be removed from office with or without cause or be replaced at any time by a decision of the General Meeting of shareholders.

In the event that a post of director becomes vacant following death, resignation or otherwise, a replacement director may be temporarily appointed in accordance with legal provisions. In this event, a definitive election process shall be conducted at the next General Meeting.

Art. 15. Meetings of the board of directors

The board of directors shall choose from among its members a chairman who must be a natural person. It may also appoint a vice-chairman and choose a secretary, who need not be a member of the board. Meetings of the board of directors are convened by the chairman or, in place of the chairman, by two directors, as often as required in the interests of the Company, at the place indicated in the notice of the meeting. Meetings may be convened by any means, including verbal.

The board of directors may only validly deliberate and adopt resolutions if at least half its members are present or represented.

Any director may authorise one of his colleagues to represent him at a meeting of the board of directors and vote in his place on matters on the agenda, such authority to be given in writing, by letter, fax, e-mail or any other means approved by the board of directors. One director may represent several of his colleagues.

Decisions shall be taken by a majority of votes. In the event of parity of votes, the person chairing the meeting shall have the casting vote.

In urgent instances, the directors may cast their vote on matters on the agenda by simple letter, telegram or e-mail or by any other means approved by the board of directors.

Directors may participate in a meeting of the board of directors by telephone conference call, videoconference, or other means of communication that enable them to be identified. These means of communication must satisfy technical criteria guaranteeing effective participation in the meeting of the board of directors, and the meeting's deliberations must be transmitted without interruption. Any meeting held by such remote means of communication is deemed to have been held at the Company's registered office.

The deliberations of the board of directors shall be recorded in minutes signed by all directors attending or by the chairman or, in his place, by the person who chaired the meeting. Copies or extracts for production in court or elsewhere shall be signed by the chairman or by two directors.

A resolution signed by all members of the board of directors shall have the same value as a resolution taken at a meeting of the board of directors. Such resolution shall consist of one or more documents containing the resolution and signed that, taken together, constitute the resolution. They may be proved by post, fax, scan, telecopy or other means that is approved by the board of directors.

Copies or extracts of minutes or resolutions for production in court or elsewhere shall be signed by the chairman or by two directors.

Art. 16. Powers of the board of directors

The board of directors has extensive powers to manage the business of the Company and conduct conveyances and administrative acts coming under the scope of the Company's object, subject to compliance with the investment policy pursuant to Article 4 of these articles of association.

All acts which are not expressly reserved for the General Meeting of shareholders by law or by the articles of association shall come under the sphere of authority of the board of directors.

Art. 17. Commitment of the Company in relation to third parties

In relation to third parties, the Company shall be validly committed by the joint signature of two directors or by the single signature of any persons to whom such powers of signature have been delegated by the board of directors.

Art. 18. Delegation of powers

The board of directors may delegate the powers relating to daily management of the business of the Company, either to one or several directors or to one or several other agents who need not be shareholders of the Company, subject to compliance with the provisions of Article 60 of the Law of 10 August 1915, as amended, relating to Commercial Companies.

Art. 19. Custodian bank

The Company shall conclude an agreement with a Luxembourg bank under the terms of which that bank shall assume the functions of custodian of the assets of the Company pursuant to the Law of 13 February 2007.

Art. 20. Personal interests of directors

No contract or other transaction between the Company and other companies or firms shall be affected or invalidated by the fact that one or more directors or authorized agents of the Company have an interest therein or is a director, partner, authorized agent or employee thereof. A director or authorized agent of the Company who at the same time performs the function of director, partner, authorized agent or employee of another company or firm with which the Company contracts or otherwise enters into business relations shall not on the basis of this connection with that company or firm be prevented from giving his opinion or from voting or acting with regard to any questions relating to such a contract or operation.

In the event that a director or authorized agent of the Company has a personal interest in a transaction of the Company, he shall inform the board of directors thereof and this declaration will be recorded in the minutes of the meeting. He shall not give an opinion or vote on that transaction. Shareholders shall be informed of the transaction and the associated personal interest at the next General Meeting of shareholders.

The term "personal interest" as used in the above paragraph shall not apply to relations or interests which may exist in any manner or capacity or on any basis, in relation to any company or legal entity which the board of directors may determine.

Art. 21. Indemnification of directors

The Company shall indemnify directors and authorized agents as well as their heirs, testamentary executors or legal administrators for the expenses reasonably incurred by them in relation to any action, procedure or process to which they are a party or in which they are involved due to the fact that they are or have been a director or authorized agent of the Company, or due to the fact that, at the request of the Company, they have been a director or authorized agent of another company in which the Company is a shareholder or creditor, insofar as they are not entitled to be indemnified by that other entity, except regarding matters in which they are subsequently convicted for serious negligence or misadministration under that action or procedure; in the event of out-of-court settlement, such indemnity shall only be granted if the Company is informed by its counsel that the person to be indemnified has not committed any dereliction of duty. This right to indemnification shall not exclude other individual rights held by such persons.

Art. 22. Supervision of the company

Pursuant to the Law of 13 February 2007, all aspects concerning the assets of the Company shall be subject to the control of an independent auditor. The auditor shall be appointed by the General Meeting of shareholders for a period exceeding not six years. The auditor may be replaced at any time, with or without cause, by the General Meeting of shareholders.

SECTION IV. – GENERAL MEETINGS

Art. 23. Representation

The General Meeting represents all shareholders. It has extensive powers to order, effect or ratify all acts relating to the operations of the Company.

Art. 24. Annual General Meeting

The General Meeting shall be convened by the board of directors.

It must be held within one month of a written request made to the board of directors by shareholders representing one tenth of the share capital specifying the items for the agenda.

One or more shareholders, together holding at least ten percent of the share capital, may ask the board of directors for one or more items to be included on the agenda of a General Meeting. Any such request must be sent to the Company's registered office by registered letter at least five days before the date of the General Meeting.

The Annual General Meeting shall be held in the Grand Duchy of Luxembourg at the place specified in the notice of meeting, on the second Wednesday of the month of May each year at 11.30 a.m.. If that day is a public holiday in Luxembourg, the Annual General Meeting shall be held on the first bank business day in Luxembourg thereafter. The Annual General Meeting may be held abroad if the board of directors determines on its sole authority that this is required by exceptional circumstances.

The General Meeting shall be convened observing the notice periods required by law, by a registered letter addressed to each of the registered shareholders.

In addition, the shareholders of each class of share may meet in a separate General Meeting, deliberating and deciding under the conditions of quorum and majority determined by the law in force with regard to the following matters:

1. Allocation of the annual net profit of their share class;
2. In the instances set out in Article 32 of the articles of association.

The matters dealt with at a General Meeting of shareholders shall be limited to the items on the agenda and matters relating to these items.

Art. 25. Meetings held without prior notice

Whenever all shareholders are present or represented and declare themselves to be duly convened and to have knowledge of the agenda submitted to them, they can, by unanimous decision, declare that they constitute a General Meeting that may validly decide upon the items on the agenda submitted to them.

Art. 26. Votes

Each share, irrespective of the share class to which it belongs or the net asset value of such share, confers the right to one vote. Voting rights may only be exercised in respect of a whole number of shares. Fractions of shares are not taken into account when calculating the vote and quorum. Shareholders may arrange to be represented at General Meetings by proxies, who need not be shareholders, by granting them written power of attorney.

The board of directors may authorize, but is not obliged to authorize shareholders to participate in a General Meeting by telephone conference call, videoconference, or other means of communication that enable the shareholders to be identified. These means of communication must satisfy technical criteria guaranteeing effective participation in the General Meeting, and the General Meeting's deliberations must be transmitted without interruption. Any General Meeting held exclusively or partially by such remote means of communication is deemed to have been held at the Company's registered office.

Shareholders are entitled to vote by post using a form available from the Company's registered office. Forms which do not specify a vote in favour or against, or an abstention, are void. For the calculation of a quorum, only forms received by 4 p.m. on the banking day in Luxembourg proceeding the day of the General Meeting shall be taken into account.

The board of directors may determine all other conditions to be fulfilled by the shareholders for participation in General Meetings.

Art. 27. Quorum and majority

The General Meeting shall conduct its proceedings in accordance with the terms of the Law of 10 August 1915, as amended, relating to Commercial Companies.

Unless otherwise provided by law or by these articles of association, the decisions of the General Meeting of Shareholders shall be adopted by a simple majority of votes of the shareholders present and voting. Votes that are blank or not valid are not taken into account for the calculation of the majority required.

The nationality of the Company may be changed only with the unanimous consent of all shareholders.

SECTION V. – FINANCIAL YEAR – APPROPRIATION OF PROFIT

Art. 28. Financial year and currency of accounts

The financial year shall commence on January 1 each year and end on December 31 of the same year. The accounts of the Company will be established in EUR.

Pursuant to the provisions of the Law of 13 February 2007, the annual accounts of the Company shall be audited by an Independent Auditor appointed by the Company.

Art. 29. Distribution policy

The General Meeting of shareholders, on the recommendation of the board of directors, shall determine the amount of dividends to be distributed for dividend shares, within the limits specified in the Law of 13 February 2007.

In accordance with legal provisions, the board of directors may decide interim dividends.

The proportion of income and capital gains attributable to capitalisation shares shall be capitalised.

For share classes coming under the scope of application of Art. 6 §1d) of the Law of 21 June 2005 transposing into Luxembourg law the European Union Directive 2003/48/EC of 3 June 2003 regarding taxation of savings income in the form of interest payments, all interest income collected will be distributed to shareholders, after deduction of the due proportion of remuneration, fees, and expenses applicable to them, subject to compliance with the requirements of accounting law.

For distribution share classes, interim dividends may be declared and paid by the board of directors in respect of dividend shares, subject to compliance with the applicable statutory terms and conditions.

Dividends may be paid in the currency chosen by the board of directors, at the time and place specified by it and at the exchange rate applicable on the payment date. Any dividend declared which has not been claimed by its beneficiary within five years with effect from its allocation may no longer be claimed and shall revert to the Company. No interest shall be paid on a dividend declared by the Company and retained by it for collection by the beneficiary.

In exceptional circumstances, the board of directors may, at its discretion, decide to distribute one or more securities held in the portfolio, provided that such a distribution in kind applies to all shareholders, notwithstanding the class of share held by that shareholder. In such circumstances, shareholders will receive a portion of the assets assigned to the share class pro rata to the number of shares held by the shareholders of the appropriate share class.

Art. 30. Costs to be borne by the company

The Company shall bear all of its operating costs, in particular the following:

- The fees and reimbursement of costs of the board of directors;
- Remuneration of the investment managers, the custodian bank, the central administration, the domiciliary agent, agents entrusted with financial services, paying agents, the independent auditor, legal advisers of the Company and other advisers or agents whose services the Company may call upon;
- Brokerage fees;
- The costs of preparing, printing and distributing the offering document and annual audited interim reports;
- The printing of share certificates;
- The costs and expenses incurred in connection with the formation of the Company;
- The taxes, levies and government duties relating to its operations, including the Luxembourg "taxe d'abonnement";
- The fees and expenses linked to registration and maintenance of registration of the Company with government bodies and stock exchanges in Luxembourg and abroad;
- The costs of publication of the net asset value and subscription, redemption or conversion prices and of any other document including the preparation and printing in each language considered useful to shareholders;
- Costs for marketing the shares of the Company including marketing and publicity determined in good faith by the Company's board of directors;
- Legal costs incurred by the Company or, upon approval by the board of directors, legal costs incurred by the investment managers, the custodian bank, the central administration, the domiciliary agent, agents entrusted with financial services, paying agents, or other agents in the exercise of their respect duties towards the Company ;
- All extraordinary fees, including but not exclusively, legal costs, interest and the total amount of any tax, duty or similar charge imposed on the Company or its assets.

SECTION VI. – LIQUIDATION OF THE COMPANY

Art. 31. Winding up – Liquidation

The Company may be dissolved and put into liquidation by a decision of the General Meeting deciding pursuant to the provisions of Article 27 of the articles of association.

CIGOGNE CLO ARBITRAGE
An investment company with variable share capital (SICAV-SIF)
subject to the Luxembourg Law of 13 February 2007

In the event that the share capital of the Company is less than two thirds of the minimum capital, the directors must submit the question to dissolve and put into liquidation the Company to the General Meeting, which shall decide without any conditions of quorum and decide by a simple majority of the shares represented at the Meeting. Votes that are blank or not valid are not taken into account for the calculation of the majority required.

If the share capital of the Company is less than one quarter of the minimum capital, the directors must submit the question to dissolve and put into liquidation the Company to the General Meeting, which shall decide without any conditions of quorum and the resolution to dissolve and put into liquidation the Company may be declared by shareholders holding one quarter of the shares represented at the Meeting. Votes that are blank or not valid are not taken into account for the calculation of the majority required.

Invitations to attend shall be issued such that the Meeting is held within a period of forty days from the date on which the net assets are found to be lower than either two thirds or one quarter of the minimum capital.

Decisions of the General Meeting or of the court declaring dissolution and liquidation of the Company shall be published in the *Mémorial* and in two newspapers with appropriate circulation, of which at least one shall be a Luxembourg newspaper. The liquidator(s) shall be responsible for such notices.

In the event of dissolution of the Company, liquidation shall be effected by one or more liquidators appointed pursuant to the Law of 13 February 2007 and the articles of association of the Company. The net proceeds of liquidation of the SICAV shall be distributed to the holders of shares of the class in question in proportion to the number of shares they hold in that class. Any amounts not claimed by the shareholders upon closure of the liquidation shall be deposited with the *Trésorerie de l'Etat, Caisse de Consignation* in Luxembourg. If they are not claimed within the statutory period, the amounts deposited may no longer be collected.

Subscriptions, redemptions, and conversions of shares and the calculation of the net asset value of the shares are suspended on the day of publication of the invitation to attend the General Meeting called to decide on the liquidation of the Company and, if only registered shares have been issued, from the date of sending the invitation letter to individual shareholders by registered post.

I. Compulsory redemption of a share class

The board of directors may decide a compulsory redemption of one or more share classes if, in the opinion of the board of directors, significant changes in the political or economic situation render such a decision necessary.

Amounts not claimed by shareholders or beneficiaries within nine months after the end of the redemption procedure for shall be held be deposited with the *Trésorerie de l'Etat, Caisse des Consignation* in Luxembourg for the benefit of the shareholders or beneficiaries.

The decision to proceed to a compulsory redemption of shares of a given share class may also be taken at a General Meeting of shareholders of the share class to be redeemed, with no quorum required. Such a decision shall be taken by a simple majority vote of shareholders of the share class to be redeemed present or represented. Votes that are blank or not valid are not taken into account for the calculation of the majority required.

II. Compulsory conversion of a share class

The board of directors may decide a compulsory conversion of one or more share classes into another share class if, in the opinion of the board of directors, significant changes in the political or economic situation render such a decision necessary.

For a minimum period of one month with effect from the date of publication of the compulsory conversion decision, the shareholders of the share classes concerned may request redemption of their shares free of charge except for those charges, if any, that revert to the Company as specified

in the issuing document of the Company. At the end of this period, the compulsory conversion decision shall commit all shareholders who have not made use of this option to redeem.

The decision to proceed to a compulsory conversion of shares of a given share class into another class of shares may also be taken at a General Meeting of shareholders of the share class to be converted, with no quorum required. Such a decision shall be taken by a simple majority vote of shareholders of the share class to be converted present or represented. Votes that are blank or not valid are not taken into account for the calculation of the majority required.

SECTION VII. – AMENDMENT TO THE ARTICLES OF ASSOCIATION – APPLICABLE LAW

Art. 32. Amendment to the articles of association

These articles of association may be amended by a General Meeting subject to the conditions of quorum and majority required under Luxembourg law. Any amendment to the articles of association affecting the rights attached to the shares in one class of share in relation to the rights attached to the shares of another class of share, shall be subject to the conditions of quorum and majority laid down in Article 68 of the Law of 10 August 1915, as amended, relating to Commercial Companies.

Art. 33. Applicable law

For any points not specified in these articles of association, the parties shall refer and submit to the provisions of the Luxembourg Law of 10 August 1915, as amended, relating to Commercial Companies, and to the Law of 13 February 2007.