

Guaranteed Note Stork

DMS 5Y 75% 03/2026

Objective : Diversify your investment and benefit from a performance weakly correlated with traditional asset classes (equities, bonds).

Key Characteristics :

- Indexed through « CPPI » principles on the performance of the alternative investment fund *Stork Fund - Dynamic Multi-Strategies*, advised by CIC Marchés ;
- Issue Date: 31/03/2021;
- Initial gearing: 100% ;
- Guaranteed amount at maturity date: 75% (by CIC) ;
- Investment maturity: 5 years (maturity date 31/03/2026).

Dealers : CIC and Banque de Luxembourg

This document should be read together with the key information document.



Alternative investments within Crédit Mutuel Alliance Fédérale



CIC Marchés and Cigogne Management S.A. (respectively the capital markets division and the alternative investment company of Crédit Mutuel Alliance Fédérale – head quarter of CIC) are historically important and well-known actors of the alternative investment industry.

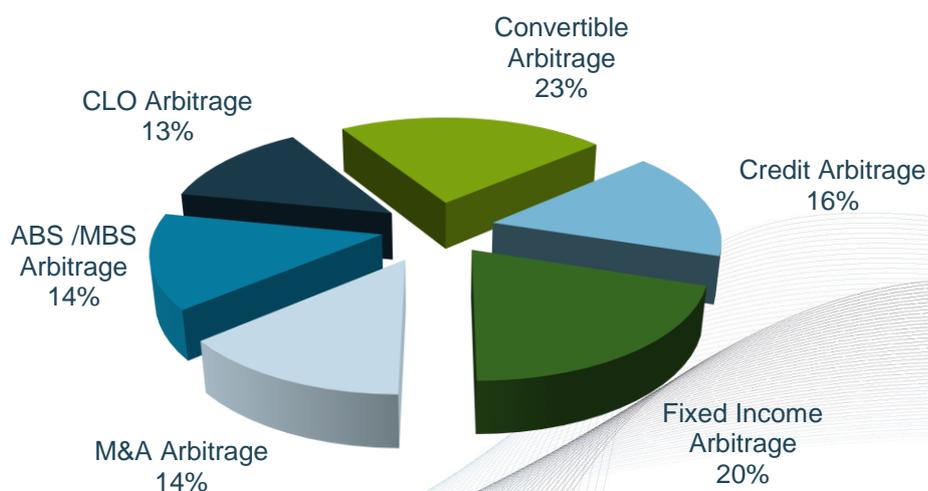
In addition to traditional financial investments, alternative investment allows investors to target a performance de-correlated from traditional asset classes (stocks, bonds). Resorting to arbitrage strategies benefiting from market inefficiencies, alternative investment becomes the natural complement to a traditional asset allocation.

With 30 years of experience in this field, CIC Marchés develops a variety of relative value arbitrage strategies such as :

- Asset Backed Securities and Covered Bonds arbitrage (ABS / MBS, CLO),
- Convertible Bonds arbitrage,
- Corporate Credit arbitrage,
- Fixed Income arbitrage,
- Mergers and Acquisitions (« M&A ») arbitrage,

The aforementioned expertise is replicated in **Guaranteed Note Stork DMS 5Y 75% 03/2026 (the “Note”)**.

Together with a CPPI (Constant Proportion Portfolio Insurance) approach which will in turn allow for the 75% notional guarantee at maturity date, the underlying Stork Fund Dynamic Multi-Strategies (« Stork DMS ») links the expertise gained by CIC Marchés in the alternative investments field to a rigorous portfolio and risk management approach developed by Cigogne Management. Stork DMS' allocation as at 31/12/2020 is outlined here-below:



CPPI principles and underlying's description



Focus on CPPI principles

The CPPI principles consist in a dynamic allocation mechanism, adjusting on a regular basis the Note exposure to the underlying fund (risky asset) and the note's exposure to a monetary placement (riskless asset). The CPPI aims at optimizing the performance of the underlying and guaranteeing the notional amount at maturity. A cushion (being the portion of the Note's assets to be invested in the underlying fund without attempting to the protection of the notional amount at maturity) is first calculated.

A multiplication factor ('Multiple'), based on the volatility of the underlying fund is determined to optimize the exposure to the underlying. At the issue date, the exposure to the Stork DMS fund will be 100%.

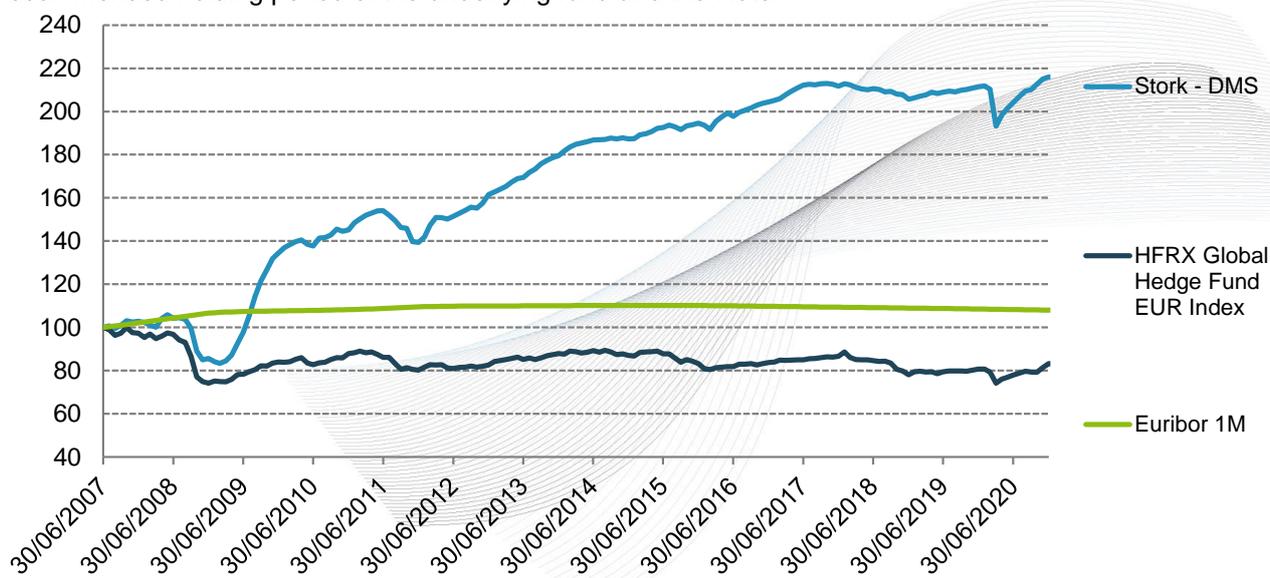
The adjustment of the indexation will then be dynamic, depending on the evolution of the underlying fund: the better the performance of the underlying fund the more the exposure to the fund will grow (the exposure to the Stork DMS fund may therefore reach a maximum of 120%). Conversely, negative performances of the underlying could lead to a reduction of the exposure. The exposure to the underlying could be reduced up to a level where the EMTN would only have a monetary component so as to guarantee the notional amount at maturity date.

Description of the underlying

The note is indexed to the class A-Share of the Stork DMS.

The investment objective of the fund of funds "Stork Fund - Dynamic Multi-Strategies" is to deliver consistent positive performance, regardless of market developments.

To achieve this objective, the fund of funds "Stork Fund - Dynamic Multi-Strategies" sets up arbitrage strategies in different complementary strategies and decorrelated from each other such as ABS / MBS arbitrage, CLO arbitrage, convertible bond arbitrage, credit arbitrage, interest rate arbitrage or even merger / acquisition (M&A) arbitrage. Important diversification, complementary features of developed specialties together with a meticulous risk management process allowed the underlying to behave well during the 2008 and 2011 financial crisis and to exploit market opportunities during these periods. In 2020, the health crisis linked to COVID-19 has led to a dislocation of the markets and temporarily affected the Stork DMS, but it has once again shown its resilience. The quality of the portfolios put in place; the strong diversification and the low duration of the strategies have indeed enabled the Stork DMS to rebound after the drawdown of March, periods of strong movements being proper to find arbitrage opportunity to generate returns for the following months and years. It is therefore important to report the performance objectives' of the underlying to the recommended holding period of the underlying fund and the Note.



Advantages / Drawbacks

Secondary market



Advantages

- **Diversify your investment** and benefit from a **performance weakly correlated to variations in traditional asset classes** ;
- **Benefit from the expertise** of **CIC Marchés** and **Cigogne Management SA** in alternative investment ;
- **Diversify your investment** accross a variety of compartments ;
- Benefit from market inefficiencies ;
- Benefit from the **75% notional guarantee by CIC at maturity date.**

Drawbacks

- The CPPI technique can lead to **different performances between the Note and the underlying fund** ;
- **The Note could be monetized** in case of large decrease of the underlying's value ; **The investor would (should this happen) not be able to benefit from a further increase in the underlying's value** ;
- **Notional is not guaranteed by CIC during the life of the Note.** In case of sale of the Note before maturity date, the **Note's market value could be inferior to the guaranteed amount at maturity.**

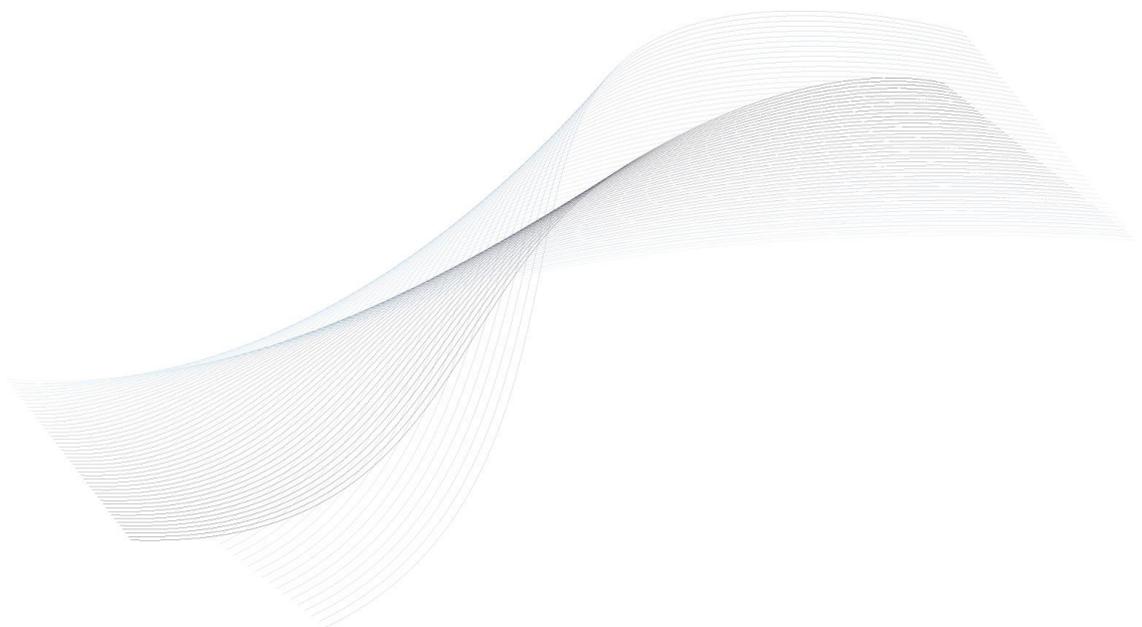
Secondary market

Liquidity is granted by CIC on a monthly basis.

Requests must arrive not later than latest by 5 PM (Paris time) two business days before the Note's monthly valuation date;

Processing will be function of market conditions and settlement will take place the last business day of the month following the valuation date:

- Purchasing requests will be executed at the Note value;
- Selling requests will be executed at the Note value minus a 1% discount.



Terms and Conditions



Product	Guaranteed Note Stork DMS 5Y 75% 03/2026
Issuer	Stork Acceptance S.A.
Dealer	Crédit Industriel et Commercial (CIC), 6 avenue de Provence 75009 Paris, France Banque de Luxembourg (BDL), 14 Boulevard Royal L-2449 Luxembourg
(i) Série / (ii) Tranche	85 / 1
Status of Note	Note in the form of Limited Recourse Notes
Specified Currency	EUR
Notional Amount	EUR 10'000'000
Specified Denomination	EUR 100'000
Issue Price	100% of the aggregate notional amount
Guaranteed Amount	75% of the notional amount at maturity, granted by Crédit Industriel et Commercial (Standard and Poor's: A; Moody's: Aa3; Fitch: A+)
Underlying	Stork Fund - Dynamic Multi-Strategies class A-Share (ISIN:LU1207067726)
Initial gearing	100%
Issue Date	31/03/2021
Maturity Date	31/03/2026
Redemption Payment	30/04/2026
Listing / Quotation	Luxembourg Stock Exchange
Settlement / Delivery	Clearstream
Principal Paying Agent	BNP Paribas Securities Services (Luxembourg Branch)
Management / payment basis	The Note is managed upon the Constant Proportion Portfolio Insurance Technique (CPPI)
Final Payment Amount	Final payment amount will be denominated in EUR, determined by the calculating agent, equal to the maximum amount between : <ul style="list-style-type: none"> ▪ The value of the Note by CPPI indexation, ▪ The notional amount times the notional guarantee at maturity (75%)
Calculating Agent	Crédit Industriel et Commercial, 6 avenue de Provence, 75009 Paris.
Automatic Redemption	The Note could be automatically redeemed should the calculating agent note the occurrence of a fiscal event, a breach of contract or a event of default such as defined in the base prospectus.
Early Redemption Unwind Costs	In respect of each Note, such costs will amount to the Standard Early Redemption Unwind Costs as Defined in the base prospectus and final terms
Applicable Fees	Distribution Fees : 0.40% ; Protection Fees : 0.10% ; Administration and Management Fees : 0.10%.
Selling Restrictions	Such as mentioned in the section 'Subscription and Sales' of the Base Prospectus (approved by Luxembourg Stock Exchange on 30 September 2020 under Part IV of the Luxembourg act dated 16 July 2019 (the "Prospectus Act 2019")). Each of the Dealer and the Issuer hereby represents that the issuing of the Notes, with respect the Specified Denomination per unit as set out above, is not a public offer of
ISIN Code	XS2307751763
Documentation	The Issuer base prospectus and the Final Terms of the Note.

Disclaimer



This document and all the information contained herein are expressly subject to the provisions of the Base Prospectus and the Final Terms and Conditions of the Notes, and must be read and interpreted in the light of these documents. In the event of any inconsistency or contradiction between the terms of this document and those in the Base Prospectus, Final Terms and Conditions, the terms of the Base Prospectus and Final Terms and Conditions shall prevail.

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The investor is informed that: CIC is acting as investment advisor and parent company of Cigogne Management S.A.; Cigogne Management S.A. is investment advisor of Stork Acceptance S.A.; CIC is the calculation agent of the Note and guarantees 75% of the invested notional amount; CIC and Banque de Luxembourg act as distributors for this Note.

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