GENERALI INVEST CEE PLC

<u>Second Addendum to Prospectus</u>

This Second Addendum should be read in conjunction with, and forms part of, the Prospectus for Generali Invest CEE plc (the "Company") dated 31 July, 2015 as amended by the First Addendum dated 1 January, 2016 (hereinafter the "Prospectus"). All capitalised terms herein contained shall have the same meaning in this First Addendum as in the Prospectus unless otherwise indicated.

The Directors of the Company accept responsibility for the information contained in this document and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document and the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Terms and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Second Addendum.

The Directors wish to advise Shareholders of the following amendments to the Prospectus.

1. The section of the Prospectus entitled “Definitions” shall be amended by the insertion of the following definitions:

““SFT”	means securities financing transactions within the meaning of the SFT Regulation.
“SFT Regulation”	means EC Regulation 2015/2365.
Total Return Swap”	an over the counter 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.”

2. The section of the Prospectus entitled “Risk Factors and Special Considerations” shall be amended by the addition of the following paragraphs:

“*Repurchase Agreement Risk*

Repurchase agreements will generally be entered into pursuant to industry standard master agreements such as the ISLA commissioned Global Master Securities Lending Agreement or the SIFMA/ICMA commissioned Global Master Repurchase Agreement. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to equal or exceed the value of the securities transferred. However there is a risk that the value of the collateral may fall below the value of the securities transferred. As with any extensions of credit, there are risks of delay and recovery.

Where a Fund enters into a repurchase agreement under which it sells securities to the counterparty, it will incur a financing cost from engaging in this transaction which will be paid to the relevant counterparty. Cash collateral received by a Fund under a repurchase agreement is typically reinvested in order to generate a return greater than the financing costs incurred by the Fund. In such circumstances, the Fund will be exposed to market risk and to the risk of failure or default of the issuer of the relevant security in which the cash collateral has been invested. Furthermore, the Fund retains the economic risks and rewards of the securities which it has sold to the counterparty and therefore it is exposed to market risk in the event that it repurchases such securities from the counterparty at the pre-determined price which is higher than the value of the securities.

Legal and Operational Risks Linked to Management of Collateral

OTC derivatives are generally entered into pursuant to contracts based on the standards set by the International Securities Dealers Association for derivatives master agreements which are negotiated by the parties. The use of such contracts may expose a Fund to legal risks, such as that the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

The use of OTC derivatives and the management of collateral received are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Where cash collateral is re-invested, in accordance with the conditions imposed by the Central Bank, a Fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested."

3. Appendix III to the Prospectus entitled "*Appendix III - Financial Derivative Instruments and Techniques and Instruments for Efficient Portfolio Management*" shall be amended by the insertion of the following paragraphs under the paragraph entitled "*Counterparties*"

   "In respect of OTC derivatives, SFTs and Total Return Swaps, a Fund can deal with any counterparty, which currently satisfies one of the following criteria;

   (i) a credit institution which falls within any of the categories set down in Regulation 7 of the Central Bank UCITS Regulations (an "Approved Credit Institution"); or
   (ii) an investment firm authorised in accordance with MiFID; or
   (iii) a group company of an entity issued with a bank holding company license from the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by that Federal Reserve.

   The Manager or its delegate selects counterparties on the basis of their ability to supply liquidity and competitive pricing to the relevant Fund. Any counterparty to a OTC derivative contract or a SFT shall be subject to an appropriate internal assessment carried out by the Manager, which shall include amongst other considerations, external credit ratings of the counterparty, the regulatory supervision applied to the relevant counterparty, country of origin of the counterparty and legal status of the counterparty.

Save where the relevant counterparty to the relevant SFT or OTC derivative contract is an Approved Credit Institution, where such counterparty (a) is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) this shall result in a new credit assessment being conducted of the counterparty by the Manager without delay.

The Manager or its delegate approves the counterparties used for dealing, establishes counterparty credit limits for them and monitors them on an on-going basis.

The Manager's counterparty approval process reviews the financial strength, internal controls and general reputation of the counterparty in question, as well as the legal, regulatory and political environment in the relevant markets. Counterparty exposure is monitored and reported to the Manager on a regular basis.

Investors should be aware that when a Fund enters into SFTs and FDI-related agreements, any associated operational costs and/or fees shall be deducted from the revenue delivered to the Fund. Such fees and costs may include financing fees and/or brokerage fees. One of the considerations taken into account by the Investment Manager when selecting brokers and counterparties to such transactions on behalf of a Fund is that any such costs and/or fees that are deducted from the revenue delivered to the Fund shall be at normal commercial rates and shall not include any hidden revenue. Such direct or indirect costs and fees will be paid to the relevant broker or counterparty to the transaction, which, in the case of derivatives used for share class currency hedging purposes, may include the Depositary or entities related to the Depositary. All revenues arising from SFTs, total return swaps and the use of derivatives for efficient portfolio management net of direct and indirect operational costs and fees shall be returned to the relevant Fund. This shall include fees and expenses paid to the counterparties to the relevant transactions/securities lending agents which will be at normal commercial rates plus VAT, if applicable. Information on the revenues generated under such transactions shall be disclosed in the annual and semi-annual reports of the Company, along with entities to whom direct and indirect operational costs and fees relating to such transactions are paid. Such entities may include the Manager, the Depositary or entities related to the Manager or Depositary.

Investors should consult the "Risk Factors" of the Prospectus for information on counterparty risk and credit risk in this regard.

4. Appendix III to the Prospectus entitled "Appendix III - Financial Derivative Instruments and Techniques and Instruments for Efficient Portfolio Management" shall be amended by the replacement of the section entitled "Collateral Policy" with the following:

"*Collateral Policy*

In the context of efficient portfolio management techniques and the use of financial derivative instruments for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund.

Where necessary, the Fund will accept collateral from its counterparties in order to reduce counterparty risk exposure generated through the use of over the counter derivative instruments. The Company may net derivative positions with the same counterparty, provided that the Company on behalf of a Fund is able to legally enforce netting arrangements with the counterparty. Risk exposure to an OTC FDI counterparty may be reduced where the counterparty will provide a Fund with collateral.

Any collateral received by the Fund shall comprise of cash collateral or government backed securities of varying maturity which satisfy the requirements of the Central Bank relating to non-cash collateral which may be received by a UCITS. Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the Company's risk management process.

Any receipt or posting of collateral by a Fund will be conducted in accordance with the requirements of the Central Bank and the provisions below.

Collateral received from a counterparty shall satisfy the following criteria:

I. Liquidity: Collateral received other than cash will be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.

II. Valuation: Collateral received will be valued on at least a daily basis at mark-to-market prices and daily variation margin used if the value of collateral falls below coverage requirements and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place.

III. Issuer credit quality. Collateral received will be of high quality. The Manager shall ensure that:

(i) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and

(ii) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in paragraph (i) above, this shall result in a new credit assessment being conducted of the issuer by the Manager without delay.

IV. Correlation: Collateral received will be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.

V. Diversification (asset concentration): Collateral will be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund's Net Asset Value. When a Fund is exposed to different counterparties, the different baskets of collateral will be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from the above diversification requirement, a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, non-Member State, or public international body of which one or more Member States belong (and which issuers are set out in Appendix I – Permitted Investments of this Prospectus), provided the Fund will receive securities from at least six different issues with securities from any single issue not accounting for more than 30% of the Fund's Net Asset Value.

VI. Immediately available: Collateral received will be capable of being fully enforced by the Company on behalf of a Fund at any time without reference to or approval from the counterparty.

The Manager shall ensure that a Fund receiving collateral for at least 30% of its assets will have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions and which will enable the Manager to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the following:

a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
b) empirical approach to impact assessment, including back-testing of liquidity risk estimates;
c) reporting frequency and limit/loss tolerance threshold/s; and
d) mitigation actions to reduce loss including haircut policy and gap risk protection.

Non-cash collateral cannot be sold, pledged or re-invested.

Cash collateral received by the Company on behalf of a Fund may be reinvested in accordance with the requirements of the Central Bank at the discretion of the Manager. In this regard, any cash collateral received by the Fund may not be invested other than in one or more of the following:

(i) deposits with relevant institutions. For the purposes of this section "relevant institutions" refers to those institutions specified in Regulation 7 of the Central Bank UCITS Regulations;
(ii) high quality government bonds;
(iii) reverse repurchase agreements provided the transactions are with credit institutions referred to in Regulation 7 of the Central Bank UCITS Regulations and the Company, on behalf of the Fund, is able to recall at any time the full amount of cash on an accrued basis;
(iv) short term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral outlined above. Cash collateral may not be placed on deposit with the relevant counterparty or with any entity that is related or connected to the relevant counterparty. In such circumstances, the Fund shall be exposed to the creditworthiness of the relevant credit institution with which cash collateral is placed and re-investment of cash collateral in accordance with the provisions above can still present additional risk for a Fund.

The level of collateral required to be posted may vary by counterparty with which the Fund trades. Collateral posted to a counterparty by or on behalf of the Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the Fund is able to legally enforce netting arrangements with the counterparty.

The Manager will have in place a clear haircut policy adapted for each class of assets received as collateral. The haircut policy applied to posted collateral will be negotiated on a counterparty basis and will vary depending on the class of asset received by the Fund, taking into account the credit standing of the relevant counterparty and price volatility of the relevant class of asset, as well as the outcome of the stress tests performed, as set out above. This policy will be documented and will justify and document each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

Collateral received on a title transfer basis should be held by the Depositary or its agent. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated and unconnected to the provider of the collateral.

The types of financial derivative instruments which may be used by a Fund either for investment purposes or efficient portfolio management include but are not limited to the following:

Foreign Exchange Forwards and Foreign Exchange Swaps (Foreign Currency Forward Contracts and Foreign Currency Swap Contracts)

A Foreign Exchange Forward presents execution of a currency trade (purchase or sale) with delayed settlement. One party, the long, is obliged to buy a certain amount of a currency at a fixed price from the other party, the short, at a specific day in the future. Foreign Exchange Forwards are used to either hedge the currency exposures of equity or fixed income instruments denominated in a currency other than the fund’s Base Currency (this strategy is applied for the funds’ hedged classes) or to directly speculate in the value of two currencies or the interest rate differential between two currencies.

A Foreign Exchange Swap presents an agreement on current foreign currency purchase/sale with spot exchange rate and back sale/purchase of the same amount of the same foreign currency with delayed settlement for the so-called forward exchange rate, which is calculated from the spot exchange rate and short term rates of interest of the two currencies.

A Foreign Exchange Swap allows the effective hedging of foreign currency securities using a single instrument.

A Fund may invest in securities denominated in a currency other than the base currency of the Fund and may purchase currencies to meet settlement requirements. In addition, subject to the restrictions imposed by the UCITS Regulations, a Fund may enter into various currency transactions, i.e. forward foreign currency contracts and forward currency swaps, to protect against uncertainty in future exchange rates. Currency transactions which alter currency exposure characteristics of transferable securities held by a Fund may only be undertaken for the purposes of a reduction in risk, a reduction in costs and/or an increase in capital or income returns to that Fund. Any such currency transactions must be used in accordance with the investment objective of a Fund and must be deemed by the Manager to be economically appropriate.

Where a Share Class of a Fund is denominated in a currency other than the base currency of the Fund, the Company may attempt to minimise the effect of currency fluctuations between that currency and the Fund’s base currency through the use of forward foreign currency contracts.

In the event that a Fund wishes to invest in a derivative that is not mentioned above, the risk management process shall be updated to include references to such derivative and shall be pre-cleared by the Central Bank.

Total Return Swaps

Where specified in the relevant Supplement, a Fund may enter into total return swaps for investment purposes in order to generate income or profits in accordance with the investment objective and policies of the relevant Fund, in order to reduce expenses or hedge against risks faced by the Fund.

5. Supplement 1 to the Prospectus relating to the Generali Premium Conservative Fund, Generali Invest CEE plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management”:

   “*Securities Financing Transactions Regulation*

   The Fund may engage in SFTs, which include repurchase agreements and reverse repurchase agreements, within the meaning of the SFT Regulation.

   The maximum proportion of the Fund’s assets which can be subject to SFTs is 100% of the Net Asset Value of the Fund’s assets.

   The anticipated net exposure of the Fund in respect of SFTs shall be between 0% and 40% of the Net Asset Value of the Fund. The types of assets that will be subject to SFTs will be assets which are of a type which is consistent with the investment policy of the Fund.

   The proportion of the Fund’s assets which are subject to SFTs at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of SFT expressed as an absolute amount and as a proportion of the Fund’s assets, as well as other relevant information relating to the use of SFTs shall be disclosed in the annual report and semi-annual report of the Company.

   Please see the section entitled “Risk Factors” in the Prospectus for details of the risks involved in these practices, including “Counterparty Risk and Absence of Regulation”, “Legal and Operational Risks Linked to Management of Collateral”, and “Repurchase Agreement Risk”.

   Please see the headings “Counterparties”, “Collateral Policy” and “Repurchase/Reverse Repurchase and Stocklending Agreements” under Appendix III to the Prospectus for details of the criteria used for selecting counterparties to SFTs, information in respect of collateral received as a result of SFTs and a description of such techniques.”

6. Supplement 2 to the Prospectus relating to the Corporate Bonds Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management”:

   “*Securities Financing Transactions Regulation*

   The Fund may engage in SFTs, which include repurchase agreements and reverse repurchase agreements, within the meaning of the SFT Regulation.

   The maximum proportion of the Fund’s assets which can be subject to SFTs is 100% of the Net Asset Value of the Fund’s assets.

   The anticipated net exposure of the Fund in respect of SFTs shall be between 0% and 40% of the Net Asset Value of the Fund. The types of assets that will be subject to SFTs will be assets which are of a type which is consistent with the investment policy of the Fund.

   The proportion of the Fund’s assets which are subject to SFTs at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of SFT expressed as an absolute amount and as a proportion of the Fund’s assets, as well as other relevant information relating to the use of SFTs shall be disclosed in the annual report and semi-annual report of the Company.

   Please see the section entitled “Risk Factors” in the Prospectus for details of the risks involved in these practices, including “Counterparty Risk and Absence of Regulation”, “Legal and Operational Risks Linked to Management of Collateral”, and “Repurchase Agreement Risk”.

   Please see the headings “Counterparties”, “Collateral Policy” and “Repurchase/Reverse Repurchase and Stocklending Agreements” under Appendix III to the Prospectus for details of the criteria used for selecting counterparties to SFTs, information in respect of collateral received as a result of SFTs and a description of such techniques.”

7. Supplement 3 to the Prospectus relating to the Global Equity Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management”:

   “Securities Financing Transactions Regulation

   The Fund may engage in SFTs, which include repurchase agreements and reverse repurchase agreements, within the meaning of the SFT Regulation.”

   The maximum proportion of the Fund’s assets which can be subject to SFTs is 100% of the Net Asset Value of the Fund’s assets.

   The anticipated net exposure of the Fund in respect of SFTs shall be between 0% and 40% of the Net Asset Value of the Fund. The types of assets that will be subject to SFTs will be assets which are of a type which is consistent with the investment policy of the Fund.

The proportion of the Fund’s assets which are subject to SFTs at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of SFT expressed as an absolute amount and as a proportion of the Fund’s assets, as well as other relevant information relating to the use of SFTs shall be disclosed in the annual report and semi-annual report of the Company.

Please see the section entitled “Risk Factors” in the Prospectus for details of the risks involved in these practices, including “Counterparty Risk and Absence of Regulation”, “Legal and Operational Risks Linked to Management of Collateral”, and “Repurchase Agreement Risk”.

Please see the headings “Counterparties”, “Collateral Policy” and “Repurchase/Reverse Repurchase and Stocklending Agreements” under Appendix III to the Prospectus for details of the criteria used for selecting counterparties to SFTs, information in respect of collateral received as a result of SFTs and a description of such techniques.”

8. Supplement 4 to the Prospectus relating to the New Economies Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management”:

   “*Securities Financing Transactions*

   It is not currently intended that the Fund will use SFTs or total return swaps, within the meaning of the SFT Regulation. The supplement for the Fund will be updated accordingly if it is intended to use SFTs or total return swaps in the future.”

9. Supplement 5 to the Prospectus relating to the Oil and Energy Industry Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management”:

   “*Securities Financing Transactions*

   It is not currently intended that the Fund will use SFTs or total return swaps, within the meaning of the SFT Regulation. The supplement for the Fund will be updated accordingly if it is intended to use SFTs or total return swaps in the future.”

10. Supplement 6 to the Prospectus relating to the Commodity Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management”:

    “*Securities Financing Transactions*

    It is not currently intended that the Fund will use SFTs or total return swaps, within the meaning of the SFT Regulation. The supplement for the Fund will be updated accordingly if it is intended to use SFTs or total return swaps in the future.”

11. Supplement 7 to the Prospectus relating to the Emerging Europe Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled "Efficient Portfolio Management":

"*Securities Financing Transactions*

It is not currently intended that the Fund will use SFTs or total return swaps, within the meaning of the SFT Regulation. The supplement for the Fund will be updated accordingly if it is intended to use SFTs or total return swaps in the future."

12. Supplement 8 to the Prospectus relating to the Emerging Europe Bond Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled "Efficient Portfolio Management":

"*Securities Financing Transactions Regulation*

The Fund may engage in SFTs, which include repurchase agreements and reverse repurchase agreements, within the meaning of the SFT Regulation.

The maximum proportion of the Fund's assets which can be subject to SFTs is 100% of the Net Asset Value of the Fund's assets.

The anticipated net exposure of the Fund in respect of SFTs shall be between 0% and 40% of the Net Asset Value of the Fund. The types of assets that will be subject to SFTs will be assets which are of a type which is consistent with the investment policy of the Fund.

The proportion of the Fund's assets which are subject to SFTs at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of SFT expressed as an absolute amount and as a proportion of the Fund's assets, as well as other relevant information relating to the use of SFTs shall be disclosed in the annual report and semi-annual report of the Company.

Please see the section entitled "Risk Factors" in the Prospectus for details of the risks involved in these practices, including "Counterparty Risk and Absence of Regulation", "Legal and Operational Risks Linked to Management of Collateral", and "Repurchase Agreement Risk".

Please see the headings "Counterparties", "Collateral Policy" and "Repurchase/Reverse Repurchase and Stocklending Agreements" under Appendix III to the Prospectus for details of the criteria used for selecting counterparties to SFTs, information in respect of collateral received as a result of SFTs and a description of such techniques."

13. Supplement 9 to the Prospectus relating to the Balanced Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled "Efficient Portfolio Management":

"Securities Financing Transactions Regulations

The Fund may engage in SFTs, which include repurchase agreements and reverse repurchase agreements, within the meaning of the SFT Regulation.

The maximum proportion of the Fund’s assets which can be subject to SFTs is 100% of the Net Asset Value of the Fund’s assets.

The anticipated net exposure of the Fund in respect of SFTs shall be between 0% and 40% of the Net Asset Value of the Fund. The types of assets that will be subject to SFTs will be assets which are of a type which is consistent with the investment policy of the Fund.

The proportion of the Fund’s assets which are subject to SFTs at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of SFT expressed as an absolute amount and as a proportion of the Fund’s assets, as well as other relevant information relating to the use of SFTs shall be disclosed in the annual report and semi-annual report of the Company.

Please see the section entitled “Risk Factors” in the Prospectus for details of the risks involved in these practices, including “Counterparty Risk and Absence of Regulation”, “Legal and Operational Risks Linked to Management of Collateral”, and “Repurchase Agreement Risk”.

Please see the headings “Counterparties”, “Collateral Policy” and “Repurchase/Reverse Repurchase and Stocklending Agreements” under Appendix III to the Prospectus for details of the criteria used for selecting counterparties to SFTs, information in respect of collateral received as a result of SFTs and a description of such techniques.”

14. Supplement 10 to the Prospectus relating to the Dynamic Balanced Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management”:

“Securities Financing Transactions Regulation

The Fund may engage in SFTs, which include repurchase agreements and reverse repurchase agreements, within the meaning of the SFT Regulation.

The maximum proportion of the Fund’s assets which can be subject to SFTs is 100% of the Net Asset Value of the Fund’s assets.

The anticipated net exposure of the Fund in respect of SFTs shall be between 0% and 40% of the Net Asset Value of the Fund. The types of assets that will be subject to SFTs will be assets which are of a type which is consistent with the investment policy of the Fund.

The proportion of the Fund’s assets which are subject to SFTs at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of SFT expressed as an absolute amount and as a proportion of the Fund’s assets, as well as other relevant information relating to the use of SFTs shall be disclosed in the annual report and semi-annual report of the Company.

Please see the section entitled “Risk Factors” in the Prospectus for details of the risks involved in these practices, including “Counterparty Risk and Absence of Regulation”, “Legal and Operational Risks Linked to Management of Collateral”, and “Repurchase Agreement Risk”.

Please see the headings “Counterparties”, “Collateral Policy” and “Repurchase/Reverse Repurchase and Stocklending Agreements” under Appendix III to the Prospectus for details of the criteria used for selecting counterparties to SFTs, information in respect of collateral received as a result of SFTs and a description of such techniques.”

15. Supplement 11 to the Prospectus relating to the Premium Dynamic Fund, Generali Invest CEE Plc shall be amended by the addition of the following paragraphs to the section of the supplement entitled “Efficient Portfolio Management:

“Securities Financing Transactions Regulation

The Fund may engage in Total Return Swaps and SFTs, which include repurchase agreements and reverse repurchase agreements, within the meaning of the SFT Regulation.

The maximum proportion of the Fund’s assets which can be subject to Total Return Swaps is 100% and to SFTs is 100% of the Net Asset Value of the Fund’s assets.

The anticipated net exposure of the Fund in respect of Total Return Swaps shall be between 0% and 40% of the Net Asset Value of the Fund and in respect of SFTs shall be between 0% and 40% of the Net Asset Value of the Fund. The types of assets that will be subject to Total Return Swaps and SFTs will be assets which are of a type which is consistent with the investment policy of the Fund.

The proportion of the Fund’s assets which are subject to SFTs or Total Return Swaps at any given time will depend on prevailing market conditions and the value of the relevant investments. The amount of assets engaged in each type of SFTs and in Total Return Swaps, expressed as an absolute amount and as a proportion of the Fund’s assets, as well as other relevant information relating to the use of SFTs and Total Return Swaps shall be disclosed in the annual report and semi-annual report of the Company.

Please see the section entitled “Risk Factors” in the Prospectus for details of the risks involved in these practices, including “Counterparty Risk and Absence of Regulation”, “Legal and Operational Risks Linked to Management of Collateral”, and “Repurchase Agreement Risk”.

Please see the headings “Counterparties”, “Collateral Policy” and “Repurchase/Reverse Repurchase and Stocklending Agreements” under Appendix III to the Prospectus for details of the criteria used for selecting counterparties to SFTs and Total Return Swaps, information in respect of collateral received as a result of SFTs and Total Return Swaps and a description of such techniques.”

Dated: 1 September 2017