

March 2010

Dear

**BRANDEAUX EURO FUND**

- **Notification of conversion to “A” class shares**
- **And access for redemptions with 6 months notice**

In a Brandeaux Update published on 05 January 2010, Brandeaux Managers Ltd provided institutional investors with an option to convert their shareholdings in the existing fund into new “A” class shares which would initially be subject to a redemption notice period of six months. (A copy of this letter is enclosed for your information and reference.) The existing share class remained suspended.

The Funds Investment Committee of Generali PanEurope carefully considered this option and decided that the interests of policyholders would be best served by accepting the offer to convert into the new share class.

It was also decided NOT to make this new share class available for new investments at this early point in time, but this option will be kept under review for the future.

We were later informed that the required majority of shareholders had agreed to the conversion proposition and the transfer of units was then progressed on a one for one basis. Each new “A” share is equal in price to one of the old shares. The following is material to policyholders:

- 1. If you are (now) holding units in the Brandeaux Euro Fund “A” Class and are content to continue doing so, you need take no further action.**
- 2. If you are (now) holding units in the Brandeaux Euro Fund “A” Class but wish to switch your units into an alternative fund, you should complete and return a switch request. (See “Alternative Funds” below for further information.)**
- 3. If you are paying regular premiums and, your premiums were re-directed to the HSBC Liquidity Fund as per our last letter, they remain directed thus unless you provided alternative instructions.**

The Funds Investment Committee wish to politely make clear that, as previously advised, any instructions for the sale of units in this particular fund provided prior to the suspension of dealing, have been rescinded. **Investors who wish to redeem units or switch out of the Brandeaux Euro Fund “A” Class must therefore provide fresh instructions.**

## ALTERNATIVE FUNDS

Under a normal switch request Generali PanEurope firstly redeem the units held under your policy in the old fund and the proceeds received are used to purchase units in the new fund. The total time period involved is normally a number of days. However this is not the case here. It may take well in excess of six months to receive the redemption proceeds from Brandeaux. The proceeds' value will not be known in advance and market conditions may change significantly in the intervening period. A normal switch request (from one fund to another) once entered into by you cannot be cancelled (for example if the circumstances of the new fund change before the switch in happens) as Generali PanEurope will have committed to the switch trades.

**Hence, having considered this, we have decided to limit switch requests out of the Brandeaux Euro Fund to the secure HSBC Liquidity Fund C Acc Euro class.** The exchange of units to this fund will be free of any 'bid and offer spread' and no switch fee will be applied. Once this switch completes we will issue you with a switch statement which will show the exact value of your holdings in the HSBC Liquidity Fund. You will then be free, as normal, to switch these holdings onwards to another fund if you so desire.

Full details of the extensive range of funds that we offer together with the latest available performance data may be viewed on our website [www.generali-gpe.com](http://www.generali-gpe.com) under the 'Funds' section. Alternatively, printed copies are available upon request.

**Investors who now wish to switch to the HSBC Liquidity Fund C Acc Euro class should please complete and return, by fax or post, the standard 'Switch & Redirection Form', a copy of which is available on the Generali PanEurope website. Please indicate that you wish to switch into the HSBC Liquidity Fund C Acc Euro class.**

**Regular premium investors may use the form to direct that their future contributions be also directed to the HSBC Liquidity Fund C Acc Euro or to any of the other funds in our range.**

In selecting funds, policyholders are asked to note that all investments involve some degree of risk. For this reason we strongly recommend that you read the Fund Selection and Performance information carefully. Full details of each fund can be found in the relevant Fund Prospectus, copies of which are available on request from Generali PanEurope. You may also wish to consult your financial adviser.

Finally, if you have any questions, please do not hesitate to contact your financial adviser. Alternatively, our own staff will be pleased to help.

Yours sincerely,



Paul Gillett  
Chief Executive Officer  
Generali PanEurope