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Spettabile
Banca Generali S.p.A.
Sede legale: Via Machiavelli, 4
34132 Trieste
Direzione: Corso Cavour, 5/A
34132 Trieste

To the kind attention of Dirigente Preposto
And for acknowledgement the Audit committee

Milan, January 31 2020

Communication, pursuant to paragraph 7. c) of our engagement letter dated January 5 2015 to update our fees

Dear sirs,

During the past years the Bank showed growth rates that caused a significant variation in the balance sheet and income statement balances and another increase in operations is expected for 2020 due to the planned merger of Nextam Group.

These variations in the operations perimeter require more extensive auditing procedures to be performed by the independent auditor with respect to the activities that were planned in the engagement letter.

Pursuant to paragraph 7. c) "Updating criteria for fees" of our engagement letter, we detailed the following:

"if particular circumstances should occur such to require an increase in hours with respect to the hours estimated in this offer as, for example, but not limited to, changes in the structure and size of the Company, the outcome of particular events that change the reliability of financial data, changes in regulation, changes in accounting standards and/or auditing standards, the performance of complex operations by your company, additional auditing procedures in relation to components audited by other auditing firms, these will be discussed with Management of the Company in order to prepare a written integration of this engagement letter."

Based on the above, we consider existing the assumptions related to particular circumstances that could modify hours and fees planned for the auditing services. Consequently, we are describing below the estimated updated of hours and fees.

The table summarised hours and fees regarding the activities beginning from January 1 2020, restated on the basis of the elements described above:

activity	ACTUAL		ADDED		NEXT PERIODS	
	HRS	Euro	HRS	Euro	HRS	Euro
Financial Statements statutory audit and periodic checks for proper accounting	1.480	118.500	444	36.500	1.924	155.000
consolidated financial statements audit	160	13.000	48	4.000	208	17.000
annual reporting package audit	150	12.000	45	4.000	195	16.000
review of the interim consolidated financial report	300	24.000	90	8.000	390	32.000
review of the interim reporting package	100	8.000	30	3.000	130	11.000
audit of the statements for the 3 months and 9 months periods to be included in the Common Equity Tier 1 Capital	180	14.500	54	5.500	234	20.000
	2.370	190.000	711	61.000	3.081	251.000

Furthermore, the original engagement letter dated January 5 2015 does not include the assurance of the consolidated and period result as of December 31 to be included in the Common Equity Tier 1 Capital pursuant to article 26, comma 2 of the EU Regulation no. 575/2013 dated 26 June 2013 that is managed in a separate engagement letter. With this letter, we deem to include this activity in addition to the original engagement letter dated January 5 2015.

This table summarises hours and fees regarding the activity beginning from 2020:

activity	2019		added			
	HRS	Euro	HRS	Euro	HRS	Euro
Assurance of the result as of december 31 to be included in the Common Equity Tier 1 Capital			180	15.000	180	15.000
			180	15.000	180	15.000

Consequently, the total update of this letter refers to the activities that were already included in the engagement letter dated January 5 2015 as well as the activities that were not included in that engagement letter.

This table summarises hours and fees regarding the total update:

activity						
	HRS	Euro	HRS	Euro	HRS	Euro
UPDATED OFFER OF STATUTORY AUDIT					3.081	251.000
FURTHER ASSURANCE NOT PREVIOUSLY CONSIDERED					180	15.000
TOTAL UPDATE					3.261	266.000

The above mentioned engagement letter dated January 5 2015 stays in force for everything not specifically mentioned in this integration letter.

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We kindly ask you to sign this letter for acceptance and to present it at the shareholders meeting of Banca Generali S.p.A. with the opinion of the Audit Committee.

We remain available for any further question you consider necessary regarding its content.

Best regards.

BDO Italia S.p.A.
(signed in the original)
Rosanna Vicari
Partner