RULES ON INCREASED VOTES
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1. Definitions

**Shares:** means ordinary shares in Reply.

**Shareholders:** means the holders of Shares issued by Reply.

**Reply or the Company:** means Reply S.p.A.

**Communication:** means the communication sent to the issuer certifying entitlement to be registered in the List referred to in article 23-bis, paragraph 2, of the Joint Rules adopted by the Bank of Italy and Consob (the National Commission for Companies and the Stock Exchange) with the provision dated 22 February 2008, as subsequently amended and supplemented.

**Real Right establishing entitlement** means full ownership to the Share with the attached right to vote, bare ownership to the Share with attached right to vote or beneficial interest over the Share with attached right to vote.

**List:** means the specifically drawn-up list, set up pursuant to article 127-quinquies of the TUF (Consolidated Law on Financial Intermediation) and article 143-quater of the Issuers’ Rules, in which the holders of the Real Right establishing entitlement, who have applied for the increased vote, are entered, at their request.

**Person Responsible:** means the subject indicated by the Board of Directors to manage the List.

**Intermediary:** means a subject eligible to hold accounts in which the Shares and related transfers are recorded, as defined in article 1, letter m) of the Joint Rules.

**Record Date:** means the date on which entitlement arises to attend general meetings and exercise the right to vote envisaged by legislation, including regulations, currently in force, which, on the date of these Rules, coincides with the seventh market business day prior to the date established for the meeting, as provided for in article 83-sexies, paragraph 2, of the TUF.

**Joint Rules:** means the Rules governing central depositories, settlement services, guarantee systems and related management companies (adopted by the Bank of Italy and Consob with the provision dated 22 February 2008, as subsequently amended and supplemented).

**Issuers’ Rules:** means the Rules adopted with the resolution passed by Consob no. 11971 dated 14 May 1999, concerning regulation of issuers (as subsequently amended and supplemented).

**Second Communication:** means the communication to the Issuer certifying ownership of the Real Right establishing entitlement for the purpose of attaining the increase in voting rights, pursuant to article 23-bis, paragraph 3, of the Joint Rules.

**Articles of Association:** means the articles of association of Reply applying on the date of these rules.

**TUF (Consolidated Law on Financial Intermediation):** means Legislative Decree no. 58 dated 24 February 1998 (as subsequently amended and supplemented).
2. Preambles

Pursuant to article 127-quinquies, paragraph 1, of the TUF, the Articles of Association of listed companies may specify that increased voting rights can be attributed, up to a maximum of two votes, for each share in the possession of the same subject for an uninterrupted period of no less than twenty-four months starting on the date of registration in the relevant list. Consob established, in the Issuers’ Rules, the provisions implementing the article referred to (more precisely, for the purposes of these Rules, reference is made to articles 85-bis and 143-quater of the Issuers’ Rules and article 23-bis of the Joint Rules).

In accordance with article 12 of the Articles of Association, two votes are attributed for each ordinary share when both the following conditions are met:

(a) the right to vote is vested in the same subject by operation of a Real Right establishing entitlement for an uninterrupted period of at least twenty-four months;

(b) the fact that the prerequisite stated in paragraph (a) has been met is certified by uninterrupted inclusion in the List set up specifically by the Company, for a period of at least twenty-four months, and by a communication from the Intermediary with whom the share certificates are deposited in keeping with current legislation (the “Second Communication”) certifying possession of the shares, with reference to the date on which the uninterrupted period expired.

With regard to any matter relating to the introduction of the increased vote which is not dealt with in these Rules, reference is made to the provisions of the TUF, the Issuers’ Rules, the Joint Rules and of the Articles of Association applicable.
3. Registration in the List and attainment of the increased vote

a. Submitting the application for registration

The subject holding the Real Right establishing entitlement intending to benefit from the increased vote referred to in art. 12 of the Articles of Association (the “Applicant”) must submit to the Company, via the Intermediary with whom the share certificates are deposited, a specific application for registration in the List, stating the number of Shares he wishes to register in the List.

If the Applicant is not an individual, it must specify in the application whether it is subject to external direct or indirect control, together with details identifying the subject having final control.

Together with the application for registration, the Intermediary transmits, by certified e-mail to the addresses emittenti@pec.spafid.it and societario@pec.reply.it, the Communication pursuant to article 23-bis, paragraph 2, of the Joint Rules, certifying ownership of the Real Right establishing entitlement in relation to the Shares for which registration in the List is requested. The application form for registration in the List is published on the Company’s website www.reply.com, Investors Section.

Applications for registration in the List which are received directly by the holder of the Real Right establishing entitlement or, in any event, adopting methods differing from that indicated in these Rules, will not be taken into consideration.

b. Registration in the List

Once the application for registration in the List has been received and it has been verified that the documentation provided is complete and that the applicant is entitled to make the application, the Company proceeds with the registration in the List within five market business days after the end of each calendar month or, if earlier, by the Record Date.

Registration may be made conditional upon receipt of further information or documentation, which the Company requests from the Applicant, also via the Intermediary.

The Company notifies the Intermediary, without delay and, in any event, by the accounting day on which the List is up-dated: i) that the Applicant has been registered, returning a copy of the Communication, incorporating the date on which the applicant was registered in the List, to the Intermediary’s certified e-mail address, or ii) that the application for registration has been refused, returning a copy of the Communication, explaining the grounds for the denied registration, to the Intermediary’s certified e-mail address.

c. Attaining the increased vote

In accordance with art. 12 of the Articles of Association, the acquisition of the increase in voting rights will take effect on the first of the following dates:

(i) the fifth market business day after the end of each calendar month during which the conditions laid down in the Articles of Association for the increase in voting rights were met; or

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1 The definition of control according to article 93 of the TUF (Consolidated Law on Financial Intermediation) is as follows: “1. In this part, in addition to the companies indicated in paragraphs 1 and 2 of the first subsection of Article 2359 of the Civil Code, the following shall also be considered subsidiaries: a) Italian and foreign companies over which a person has the right, by virtue of a contract or a clause in the instrument of incorporation, to exercise a dominant influence, where the applicable law permits such contracts or clauses; b) Italian and foreign companies where a shareholder controls alone, on the basis of agreements with other shareholders, enough votes to exercise a dominant influence in the ordinary shareholders’ meeting. 2. For the purposes of subsection 1, rights held by subsidiaries or exercised through trustees or nominees shall be considered, those held on behalf of third parties shall not be considered.”
(ii) the Record Date of any general meeting, established in accordance with current legislation, held after the date on which the conditions laid down in the Articles of Association for the increase in voting rights were met.

Attaining the increased vote will, in any event, be conditional upon receipt, by the Company, of the Second Communication from the Intermediary with whom the share certificates are deposited, certifying possession of the shares, with reference to the date on which the uninterrupted period expired.

The Intermediary transmits the Second Communication to the Company, by certified e-mail, to the addresses emittenti@pec.spafid.it and societario@pec.reply.it.

Once the Second Communication has been received, the Company verifies entitlement to attain the increase in voting rights and: i) if entitlement exists, confirms to the Intermediary – without delay and, in any event, by the accounting day on which the List is up-dated - that the increase has been conferred, returning a copy of the Second Communication, incorporating the date on which the increased vote was attained, to the Intermediary’s certified e-mail address, or ii) if no entitlement exists, communicates to the Intermediary, without delay, that the increase has not been conferred, returning a copy of the Second Communication, explaining the grounds for the denial, to the Intermediary’s certified e-mail address.
4. Cancellation from the List

The Company will proceed with cancellation (either total or partial, depending on the circumstances) from the List in the following circumstances:

a. waiver by the party concerned;
b. communication from the party concerned or from the Intermediary demonstrating that the prerequisites for the increase in voting rights are no longer satisfied or that ownership of the Real Right establishing entitlement and/or the relevant right to vote has been lost or interrupted;
c. ex officio, when the Company is informed that the prerequisites for the increase in voting rights are no longer satisfied or that ownership of the Real Right establishing entitlement and/or the relevant right to vote has been lost or interrupted.

The increase in voting rights may be re-acquired in relation to Shares for which the right was waived or otherwise lost, by making a new entry in the List once the full uninterrupted period of ownership of the Real Right establishing entitlement (namely twenty-four months) provided for in the Articles of Association has elapsed.

a. Communicating waiver

The subject registered in the List is entitled to request at any time – by means of a communication sent to the Company – the cancellation (either total or partial) from the List and ensuing automatic loss of the entitlement to benefit from the increased vote, if acquired, or the right to acquire it, with reference to the Shares for which cancellation from the List has been requested.

The request must be submitted via the Intermediary with whom the share certificates are deposited. The Intermediary transmits, by certified e-mail, to the addresses emittenti@pec.spaufid.it and societario@pec.reply.it, the communication of total or partial revocation within the meaning envisaged in article 23-bis, paragraph 6, of the Joint Rules, giving, if available, references to the original registration Communication/s.

Once the application has been received, the Company proceeds to update the List. If the original registration Communication/s cannot be identified, the Company, when more than one registration has been made one after the other, cancels from the List the Shares registered on the most recent date (on a “last in, first out” basis), pursuant to the said article 23-bis, paragraph 6, of the Joint Rules.

b. Communicating loss of right

A holder of the Real Right establishing entitlement registered in the List must inform the Company without delay of any situation or event that may prevent the prerequisites for the increase in voting rights from being met or may result in the loss or interruption of ownership of the Real Right establishing entitlement and/or the relevant right to vote, including the direct or indirect transfer of controlling shares in the circumstances envisaged in paragraph 5 below.

If the Shares referred to in the Communication are transferred, either wholly or partially, or restrictions on the aforementioned Shares are created/modified/extinguished, the Intermediary must notify the Company, by means of a communication pursuant to article 23-bis, paragraphs 6 and 9, of the Joint Rules, that also indicates the specific cause and, if available, the number of the original Communication/s.

In other circumstances, the communication to the Company, stating the relevant grounds, must be sent without delay by the party concerned.

The communication must be transmitted to the Company by certified e-mail to the addresses emittenti@pec.spaufid.it and societario@pec.reply.it.
Once the communication has been received, the Company will proceed to up-date the List. If the original registration Communication/s cannot be identified, the Company, when more than one registration has been made one after the other, cancels from the List the Shares registered on the most recent date (on a “last in, first out” basis), pursuant to the said article 23-bis, paragraph 6, of the Joint Rules.

The Company must notify – without delay and in any event not beyond the accounting day on which the List was up-dated - the competent Intermediary that the entry has been cancelled from the List or, depending on the circumstances, that the increase in voting rights has been lost, on grounds other than the transfer of the Shares, by certified e-mail, explaining the relevant grounds.

c. Cancellation ex officio

If the Company learns that facts have arisen that prevent the prerequisites for the increase in voting rights from being met or may result in the loss or interruption of ownership of the Real Right establishing entitlement and/or the relevant right to vote, it will notify – without delay and in any event not beyond the accounting day on which the List was up-dated – the competent Intermediary, by certified e-mail, explaining the relevant grounds.
5. Circumstances in which the right is lost

Subject to the provisions set out in paragraph 6, the increase in voting rights is lost and the subject is cancelled from the List:

a. when the share is transferred for consideration or gratuitously, it being understood that the term "transfer" also covers pledging and creating a beneficial interest or other charge on the share when this results in the loss of the shareholder’s right to vote;
b. when controlling shares in companies or bodies that possess increased voting Shares in a number exceeding the ceiling envisaged in art. 120, paragraph 2 of Legislative Decree no. 58 dated 24 February 1998, are transferred either directly or indirectly, it being pointed out that the situations described under the next heading, letters a) and b) do not constitute a transfer causing the loss of the increase in voting rights; for the foregoing purposes, it is pointed out that a transfer that does not bring about a change in the subject having final control does not determine a direct or indirect transfer of controlling shares in the aforementioned companies or bodies, and the said companies or bodies will therefore be entitled to remain registered in the List, retaining the same date for order of registration purposes and therefore to maintain the benefit of the increased vote if already acquired.
6. Maintaining or extending the increase

Registration in the List (and subsequent maintenance of the benefit of the increased vote if already acquired):

a. is maintained in the event of succession upon death in favour of the heir and/or legatee or similar circumstances such as (i) a gratuitous transfer under a family agreement (agreement on the transfer of equity interests between family members) or (ii) a gratuitous transfer following the setting-up of and/or endowment to a trust, a trust fund or a foundation whose beneficiaries are the transferor or his legitimate heirs;

b. is maintained in the event of a merger or demerger of the holder of the shares in favour of the Company surviving the merger or benefitting from the demerger;

c. extends proportionately to the newly issued shares in the event of an increase in share capital pursuant to art. 2442 of the Italian Civil Code and an increase in share capital through new contributions made by exercising the option right;

d. may also apply to shares assigned in exchange for those conferring the right to the increased vote, in the event of a merger or demerger, provided that this is envisaged in the relevant plan.

In the cases described under letters (c) and (d) above, the new Shares acquire the increase in voting rights (i) for the newly issued Shares to which the holder is entitled in relation to Shares for which the increase in voting rights has already been acquired, as soon as the registration is made in the List, without the need for the Shares to be possessed for a further uninterrupted period; (ii) for the newly issued Shares to which the holder is entitled in relation to Shares for which the increase in voting rights has not yet been acquired (but is in the process of being acquired), as soon as the period of possession, calculated from the date of the original registration in the List, has elapsed.

In the cases of succession upon death or similar circumstances such as (i) a gratuitous transfer under a family agreement (agreement on the transfer of equity interests between family members) or (ii) a gratuitous transfer following the setting-up of and/or endowment to a trust, a trust fund or a foundation whose beneficiaries are the transferor or his legitimate heirs, or in the case of a merger or demerger of the holder of the account in which the share certificates are deposited, when the Intermediary is notified of such circumstances, the said Intermediary will inform the Company of the events in question for measures to be taken accordingly. In the last cases described above, the beneficiaries of the holder of the Real Right establishing entitlement must submit a specific application for registration in the List; reference is made, in so far as applicable, to the foregoing paragraph 3. In all the cases described above, the beneficiaries of the holder of the Real Right establishing entitlement are entitled to apply for registration in the List, benefitting from the same date for order of registration purposes as that of the principal (thereby retaining the benefit of the increased vote if already acquired).
7. Communications to the public

a. Publication of holders of the Real Right establishing entitlement who have been registered in the List

The Company publishes details identifying the subjects entitled, who have applied for registration in the List, on its website www.reply.com, Investors Section, indicating the relevant shareholdings (in any event exceeding the ceiling indicated in article 120, paragraph 2, del the TUF) and the registration date, within five market business days after the end of each calendar month and, in any event, by the Record Date.

b. Changes in share capital and voting rights

The Company makes known to the public, through publication on its website www.reply.com, Investors Section, and to Consob, the total number of rights to vote, indicating the number of Shares making up the share capital, adopting the procedures indicated in article 85-bis, paragraph 1, of the Issuers’ Rules within five market business days after the end of each calendar month during which the amount in question was found to increase or decrease, and by the day following the Record Date.
8. List

The Company has set up, at its registered office, the List in which the holders of the Real Right establishing entitlement, who intend to benefit from the increase in voting rights, must be registered.

The provisions relating to the Register of Members and all other relevant provisions apply to the List, in so far as they are compatible, also with regard to the publication of information and the right to inspect on the part of the Members. The Members may ask for a copy of the entries made in the List, at their expense.

Pursuant to article 143-quater of the Issuers’ Rules, the List must contain the following information:

- details identifying the Applicant, indicating, in the case of those that are not individuals, whether they are subject to external direct or indirect control, together with details identifying any subject having control in the manner envisaged in article 93 of the TUF;
- the number of the Shares for which the application for registration is made, indicating transfers and restrictions relating to them;
- the registration date.

The following information must also be given in the appropriate section of the List:

- details identifying the subjects who have attained the increase in voting rights, indicating, in the case of those that are not individuals, whether they are subject to external direct or indirect control, together with details identifying any subject having control in the manner envisaged in article 93 of the TUF;
- the number of Shares conferring the increased voting right, indicating transfers and restrictions relating to them, as well as any waivers;
- the date on which the increase in voting rights was attained.
9. Tasks assigned to the Person Responsible

The Person Responsible is assigned the following tasks:

- to monitor the certified e-mail address for the communication of applications for registration in/cancellation from the List;
- to reply to any requests received from the Intermediaries and/or the Shareholders or the holders of the Real Right establishing entitlement;
- to up-date the List in the manner laid down by the law and the Articles of Association;
- to keep records of correspondence and documents relating to the List.
10. Amendments and supplements to Rules

Any amendments and/or supplements to these Rules must be approved by the Board of Directors, apart from amendments giving rise to variations in legislative provisions or regulations, that may be made by the Chairperson of the Board of Directors, who must inform the Board of Directors during the next meeting to be held.

The Rules, whenever amended or supplemented, must be published on the Company’s website www.reply.com, in the Investors Section.
Every ordinary share confers the right to vote.

Departing from the provisions set out in the previous paragraph, two votes are attributed for each ordinary share provided the following conditions are met:

a. the shares have been in the possession, by virtue of a Real Right establishing entitlement (full ownership with attached right to vote, bare ownership with attached right to vote or beneficial interest with attached right to vote), of the same subject for an uninterrupted period of at least twenty-four months;

b. the fact that the prerequisite stated in paragraph (a) has been met is certified by uninterrupted inclusion in the List set up specifically by the Company (the "List") for a period of at least twenty-four months, and by a communication from the Intermediary, with whom the share certificates are deposited in keeping with current legislation, certifying possession of the shares, with reference to the date on which the uninterrupted period expired.

The acquisition of the increase in voting rights will take effect on the earlier of the following dates:

- the fifth market business day after the end of each calendar month during which the conditions laid down in the Articles of Association for the increase in voting rights were met;

- the Record Date, as defined, of any general meeting, established in accordance with current legislation, held after the date on which the conditions laid down in the Articles of Association for the increase in voting rights were met.

The Company sets up and keeps the List, in which shareholders intending to benefit from the increase in voting rights must be registered, at its registered office, adopting the procedures laid down by legislation, including regulations, applicable. In order to be registered in the List, the subject entitled in the manner envisaged in this article must submit a specific application, attaching a communication certifying that he is in possession of the shares in question — that may relate to only part of the shares in the holder’s possession — sent by the Intermediary with whom the share certificates are deposited, in accordance with current legislation.

The increased vote may also be applied for in relation to only part of the shares in the holder’s possession. Applicants that are not individuals must indicate in their application, whether they are subject to external direct or indirect control, together with details identifying any subject having control.

The List is up-dated by the Company within five market business days after the end of each calendar month and, in any event, by the Record Date defined by current legislation regulating the right to attend and vote at general meetings.

A Member registered in the List is obliged to communicate — and to permit the Intermediary to communicate to the Company — promptly and in any event by the end of the month in which the relevant circumstance occurs and in any event by the Record Date defined by current legislation regulating the right to attend and vote at general meetings — any situation or event that may prevent the prerequisites for the increase in voting rights from being met or may result in the loss of ownership of the Real Right establishing entitlement and/or the relevant right to vote.
A shareholder may waive the increase in voting rights, either wholly or partially, at any time after the increased vote has been attributed.

The Company will proceed with cancellation from the List in the following circumstances:

a. waiver by the party concerned;

b. communication from the party concerned or from the Intermediary demonstrating that the prerequisites for the increase in voting rights are no longer satisfied or that ownership of the Real Right establishing entitlement and/or the relevant right to vote has been lost or interrupted;

c. ex officio, when the Company is informed that the prerequisites for the increase in voting rights are no longer satisfied or that ownership of the Real Right establishing entitlement and/or the relevant right to vote has been lost or interrupted

The increase in voting rights is lost

a. when the share is transferred for consideration or gratuitously, it being understood that the term “transfer” also covers pledging and creating a beneficial interest or other charge on the share when this results in the loss of the shareholder’s right to vote;

b. when controlling shares in companies or bodies that possess increased voting Shares in a number exceeding the ceiling envisaged in art. 120, paragraph 2 of Legislative Decree no. 58 dated 24 February 1998, are transferred either directly or indirectly, it being pointed out that the situations described in the next paragraph, letters a) and b) do not constitute a transfer causing the loss of the increase in voting rights.

The increase in voting rights:

a. is maintained in the event of succession upon death in favour of the heir and/or legatee or similar circumstances such as (i) a gratuitous transfer under a family agreement (agreement on the transfer of equity interests between family members) or (ii) a gratuitous transfer following the setting-up of and/or endowment to a trust, a trust fund or a foundation whose beneficiaries are the transferor or his legitimate heirs.

b. is maintained in the event of a merger or demerger of the holder of the shares in favour of the Company surviving the merger or benefitting from the demerger;

c. extends proportionately to the newly issued shares in the event of an increase in share capital pursuant to art. 2442 of the Italian Civil Code and an increase in share capital through new contributions made by exercising the option right;

d. may also apply to shares assigned in exchange for those conferring the right to the increased vote, in the event of a merger or demerger, provided that this is envisaged in the relevant plan.

In the cases described under letters (c) and (d) above, the increase in voting rights is attributed (i) to the newly issued Shares to which the holder is entitled in relation to Shares for which the increase in voting rights has already been acquired, as soon as the registration is made in the List, without the need for the Shares to be possessed for a further uninterrupted period; (ii) to the newly issued Shares to which the holder is entitled in relation to Shares for which the increase in voting rights has not yet been acquired (put is in the process of being acquired), as soon as the period of possession, calculated from the date of the original registration in the List, has elapsed.
A subject with the right to the increased vote is always entitled to waive irrevocably (either wholly or partially) the increase in voting rights, by sending a written communication to the Company, it being understood that increase in voting rights may be re-acquired in relation to Shares for which the right was waived, by making a new entry in the List once the full uninterrupted period of possession of no less than twenty-four months (full ownership with attached right to vote, bare ownership with attached right to vote or beneficial interest with attached right to vote) has elapsed.

The increase in voting rights is also determined in order to establish the quorum for a general meeting to be validly held and for resolutions to be validly passed which refer to a percentage of the share capital. The increased vote does not affect the rights, other than the right to vote, vested in any subject in possession of the specified percentage of the share capital.

For purposes connected with this article, the concept of control is that envisaged by legislation regulating listed issuers.

All those having the right to vote, and whose communication issued in accordance with the law by an authorised Intermediary has been received by the Company, are entitled to take part in a general meeting.

Those entitled to take part in the general meeting may be represented, in accordance with the law, by means of a proxy instrument in written form or conferred on-line. In the latter case, notification of the appointment of the proxy may be given online by using the section set up for this purpose on the Company's website, adopting the procedure indicated in the notice convening the meeting. The Chairperson at the meeting is responsible for verifying entitlement to attend the meeting and the validity of proxy instruments.

Resolutions passed at general meetings in accordance with the law and with these Articles of Association will also be binding on anyone entitled to vote who has dissented.

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