

**Procedure for compliance
with the code on
*Internal Dealing***

6 February 2013 update

**PROCEDURE FOR COMPLIANCE WITH
THE CODE OF CONDUCT ON
INTERNAL DEALING**

Introduction

This Procedure governs reporting obligations in relation to transactions involving financial instruments made by Key Persons, as identified hereafter in the Procedure itself, to ensure transparent and symmetrical information to the market.

The Procedure has been adopted by YOOX S.p.A. in implementation of the rules laid down in Article 114, paragraph 7, of Legislative Decree no. 58 of February 24, 1998, as subsequently amended, and of the relevant regulatory provisions referred to in Articles 152-*sexies*, 152-*septies* and 152-*octies*, of the regulations approved by Consob in its Decision no. 11971/1999 and subsequent amendments, subject however to the fact that, for the purposes of interpreting the provisions of this Procedure, account should also be taken of the guidance provided by Consob in its Communication no. 6027054 of March 28, 2006, inasmuch as it is still applicable, or in any subsequent communications published on this matter.

1. Definitions

For the purposes of this Procedure, the terms and expressions listed below, where beginning with a capital letter, shall have the meaning attributed to them in this Clause 1 or in the text of this Procedure:

Major Shareholder	the Major Shareholder as defined in Clause 2.1.c);
Borsa Italiana	the stock exchange operator Borsa Italiana S.p.A.;
Subsidiaries	the companies directly and indirectly controlled by YOOX in pursuance of Art. 93 of the Unified Act;
List of Persons Closely Associated with the Key Person	the list of Persons closely associated with the Key Person as appended to the Letter of Acceptance;
Letter of Acceptance	the letter drafted according to the specimen contained in Appendix B of the Procedure, duly completed in full, accompanied by the List of Persons closely associated with the Key Person, signed by the Key Person concerned and submitted to the Person in Charge in accordance with Clauses 10.2. and 10.3. of the Procedure;
Regulated Markets	the regulated markets referred to in arts. 63 and 67 of the Unified Act;
Transactions	the transactions referred to in Clause 5 of the Procedure;
Significant Transactions	the transactions referred to in Clause 7 of the Procedure;
Key Persons	Key Persons together with Persons closely associated with Key Persons;
Persons closely associated with Key Persons	those persons defined in Clause 3.1;
Principal Subsidiary	the Subsidiary in respect of whom the carrying amount of the equity investment owned by YOOX accounts for over 50% of the Company's assets as shown in the latest approved financial statements;
Procedure	this procedure for compliance with internal dealing obligations adopted by the YOOX Board of Directors on September 3, 2009, and subsequently amended on

February 6, 2013, including its Appendices which form an integral part thereof;

Consob Regulations	the regulations approved by Consob in Decision no. 11971/1999, as subsequently amended;
SDIR-NIS	the SDIR-NIS circuit managed by BIt Market Services, which YOOX uses for the transmission of Regulated Information;
Person in Charge	the Corporate Affairs Manager of YOOX who, for the purposes of this Procedure, is vested with the functions, obligations and responsibilities stated herein;
Key Persons	those persons defined in Clause 2.1;
Unified Act	Legislative Decree no. 58 of February 24, 1998, as subsequently amended;
YOOX or Company	YOOX S.p.A. having its registered office in Zola Predosa (BO), Via Nannetti, 1.

2. Key Persons

2.1. Key Persons are regarded for the purposes of this Procedure:

a) within the Company:

- (i)** as the Directors, the Statutory Auditors and the Chief Executive Officers;
- (ii)** managers who have regular access to inside information and are authorised to take management decisions that can influence the development and future prospects of the Company;

b) within the Principal Subsidiary:

- (i)** as the Directors, the Statutory Auditors and the Chief Executive Officers;
- (ii)** managers who have regular access to inside information and are authorised to take management decisions that can influence the development and future prospects of the Company;

c) any other person who owns a participating interest calculated pursuant to Article 118 of Consob Regulations, equal to at least 10% (ten per cent) of the share

capital of YOOX, represented by voting shares, and any other person who controls the Company within the meaning of Article 93 of the Unified Act (the “**Major Shareholder**”).

- 2.2.** The list of Key Persons is produced by the Board of Directors and updated by the Chairman, Deputy Chairman, or Managing Director, with the help of the Person in Charge. The Person in Charge shall arrange for such list to be stored in the archive referred to in Clause 4.2.b) and shall report to the Board of Directors whenever it is deemed necessary or expedient, also with a view to suggesting amendments and/or supplements to the Procedure in accordance with Clause 12.

3. Persons closely associated with Key Persons

- 3.1.** Persons closely associated with Key Persons are regarded for the purposes of this Procedure:

- a)** as the spouse, unless legally separated, dependent children, including those of the spouse, and, if they have cohabited for at least one year, relatives and relatives-in-law of the Key Person;
- b)** legal persons, partnerships and trusts in respect of which a Key Person or one of the persons referred to in letter a) above has sole or joint management responsibility;
- c)** legal persons controlled directly or indirectly by a Key Person or by one of the persons referred to in letter a) above;
- d)** partnerships whose economic interests are substantially equivalent to those of a Key Person or of one of the persons referred to in letter a) above;
- e)** trusts set up in favour of a Key Person or one of the persons referred to in letter a) above.

- 3.2.** Key Persons are required to inform Persons closely associated with Key Persons of the terms and conditions under which they are bound by compliance with the statutory and regulatory obligations relating to and/or arising from the performance of the Transactions, and by compliance with this Procedure. Each Key Person shall

provide the Company with the List of Persons closely associated with the Key Person, as an appendix to the Letter of Acceptance referred to in Clauses 10.2. and 10.3., and shall take steps to notify the Company promptly of any changes to such List, with a suitable declaration signed in original and handed to the Person in Charge, or sent to him by registered letter with advice of receipt.

- 3.3. The Person in Charge shall arrange for such list to be stored in the archive of records referred to in Clause 4.2.b) received by the Company pursuant to Clause 3.2. and shall report to the Board of Directors in accordance with Clause 2.2.
- 3.4. The power and/or responsibility to fulfil each requirement, obligation, duty and/or formality relating or connected to compliance with the Procedure by Persons closely associated with the Key Person, including the responsibilities relating thereto, shall remain solely with each Key Person concerned.

4. Person in Charge

- 4.1. The Corporate Affairs Manager of YOOX shall perform the functions of Person in Charge as indicated in point 4.2. below.
- 4.2. The Person in Charge is allocated the following functions:
 - a) acceptance of information forwarded by Key Persons in accordance with the Procedure;
 - b) management of information sent by Key Persons: such management shall include the performance of storage activities in a suitable document records archive, in electronic format or otherwise, received or forwarded in accordance with the Procedure, and of activities to check and select all Transactions disclosed by Key Persons necessary to ensure proper fulfilment of disclosure obligations towards the public and Consob as referred to in Clause 7;
 - c) forwarding of information to the public and to Consob, and making it available on the Company's website, subject to the terms and conditions set forth in Clause 8;

- d) disclosure to Key Persons of the adoption of the Procedure, of its amendments and supplements, according to the provisions set forth in Clauses 10 and 12;
 - e) performance of additional functions as established in the Procedure.
- 4.3. The Person in Charge has the right to request, by means of registered letter with advice of receipt preceded by fax, from each Key Person any information, clarification and/or supplementation, relating also to Persons closely associated with Key Persons, necessary and/or conducive to the implementation of this Procedure. Key Persons in receipt of such request are required to reply to the Person in Charge, by means of registered letter with advice of receipt preceded by fax, by and no later than 10 days of receipt of such request. In an emergency, duly alerted by the Person in Charge, requests for information, clarifications and/or supplementations may also be forwarded to the Person in Charge by fax or e-mail only, in which case the Key Person in receipt of the request is required to reply promptly and in any event in good time to ensure compliance with the Procedure.
- 4.4. The Person in Charge is required to discharge the obligations laid down herein with the duty of care commensurate with the function performed.
- 4.5. Communications made to the Person in Charge in pursuance of this Procedure shall be addressed for the attention of the Person in Charge as follows:
- by means of registered mail with advice of receipt to the following address:
YOOX S.p.A. Via Nannetti, 1 40069 Zola Predosa (BO)
 - by fax to: 051-6184225
 - by e-mail to: corporate.affairs@yoox.com
 - by telephone to: 051-6184249

5. Transactions subject to disclosure to the Person in Charge

5.1. Key Persons are required to disclose to the Person in Charge, in accordance with the terms and conditions stated in Clause 6, transactions involving the purchase, sale, subscription or exchange of shares and financial instruments linked to the shares referred to in Clause 5.2. (“**Financial instruments**”) of whatever amount (“**Transactions**”), as specified below.

5.2. For the purposes of this Procedure, Financial Instruments are understood to mean:

- a)** with reference to YOOX:
 - (i)** the shares issued by YOOX (“**YOOX Shares**”);
 - (ii)** financial instruments that permit the subscription, acquisition or disposal of YOOX Shares;
 - (iii)** debt financial instruments convertible into YOOX Shares or exchangeable for YOOX Shares;
 - (iv)** derivative financial instruments based on YOOX Shares as referred to Article 1, paragraph 3, of the Unified Act;
 - (v)** other financial instruments, equivalent to YOOX Shares, representing such YOOX Shares;
- b)** with reference to each Subsidiary, notwithstanding the provision made for the Principal Subsidiary in point c) below:
 - (i)** listed shares issued by a Subsidiary (the “**Listed Shares of the Subsidiary**”);
 - (ii)** financial instruments that permit the subscription, acquisition or disposal of the Listed Shares of the Subsidiary;
 - (iii)** debt financial instruments convertible into Listed Shares of the Subsidiary or exchangeable for Listed Shares of the Subsidiary;
 - (iv)** derivative financial instruments based on Listed Shares of the Subsidiary as referred to Article 1, paragraph 3, of the Unified Act;

- (v) other financial instruments, equivalent to Listed Shares of the Subsidiary, representing such Listed Shares of the Subsidiary;
- c) with reference to the Principal Subsidiary, in addition to the provisions made in point b) above, also:
 - (i) unlisted shares issued by the Principal Subsidiary (the “**Unlisted Shares of the Principal Subsidiary**”);
 - (ii) financial instruments that permit the subscription, acquisition or disposal of the Unlisted Shares of the Principal Subsidiary;
 - (iii) debt financial instruments convertible into Unlisted Shares of the Principal Subsidiary or exchangeable for Unlisted Shares of the Principal Subsidiary;
 - (iv) derivative financial instruments based on Unlisted Shares of the Principal Subsidiary as referred to Article 1, paragraph 3, of the Unified Act;
 - (v) other financial instruments, equivalent to Unlisted Shares of the Principal Subsidiary, representing such Unlisted Shares of the Principal Subsidiary;

5.3. It should be noted that for the purposes of this Procedure:

- (i) the transactions listed below are not regarded in all instances as Significant Transactions and accordingly are not subject to disclosure in accordance with Clauses 5 and 6:
 - transactions involving Financial Instruments performed by a Key Person and a Person closely associated with the Key Person;
 - transactions involving Financial Instruments performed YOOX or by Subsidiaries;
 - gratuitous transactions involving Financial Instruments (e.g., donations or legacies);
 - free allotments of Financial Instruments or of rights to purchase or subscribe to Financial Instruments and the exercise of such rights when

derived from remuneration policies as provided for by Article 114-*bis* of the Unified Act;

- securities lending, pledge and usufruct in respect of Financial Instruments;
- transactions made by a credit institution or an investment company, which contribute to the creation of a trading portfolio for said entity or company, as defined in Article 11 of Directive 2006/49/CE, provided that the subject:
 - keeps the trading and market making units organisationally separate from the treasury and the units that manage the strategic investments;
 - is able to identify the shares held for the purposes of trading and/or market making, using methods that can be checked by Consob, or via the holding of said shares in an appropriate separate account;

and, if it operates as a market maker,

- is authorised by the originating Member State, pursuant to Directive 2004/39/CE, to carry out market making activities;
- provides Consob with the market making agreement with the market management company and/or with the issuer, as required by law and the relative implementing provisions in the EU Member State where the market maker carries out its business;
- Notifies Consob that it intends to carry out or carries out market making activities on the shares of an issuer of listed shares using the TR-2 model contained in Attachment 4E of Consob Regulation; the market maker must also notify Consob immediately if market making on the said shares ceases;

(ii) the transactions listed below are regarded in all instances as Significant Transactions and accordingly are subject to disclosure in accordance with Clauses 5 and 6:

- swaps involving Financial Instruments; in such an event, the transaction price is regarded as the estimated value of the Financial Instruments involved in the swap;
- disposal of Financial Instruments arising from the exercise of purchase or subscription rights or from free allotments within the context of remuneration policies as provided for by article 114-*bis* of the Unified Act;

(iii) For transactions involving Financial Instruments performed as part of the individual management of investment portfolios, where they are not based on the instructions of the client, the disclosure obligations laid down in Clauses 5 and 6 shall commence from the day on which the client receives the disclosure by the intermediary of the selfsame transactions.

5.4. Transactions involving Financial Instruments performed by Persons closely associated with the Key Person are reported to the Person in Charge by the Key Person, in accordance with Clauses 5 and 6.

6. Terms and conditions of disclosure to the Person in Charge

6.1. The disclosures referred to in Clause 5 must be made by the Key Person to the Person in Charge within one open trading day following the date on which the Transaction is performed (the “**Transaction Date**”), in accordance with the procedures set forth in article 6.2 below. For the purposes of this Procedure, Transaction Date is understood to mean, with reference to Transactions performed on Regulated Markets, the date on which the order is matched with the opposite offer, irrespective of the settlement date.

6.2. The disclosure referred to in Clause 5.1 is made by sending the Person in Charge the Specimen Disclosure Form contained in Appendix 6 of Consob Regulations (reproduced under Appendix A1 to this Procedure), duly completed by the Key

Person according to the Instructions set out in Appendix 6 itself of Consob Regulations (reproduced under Appendix A2 to this Procedure), according to the following methods:

- by fax to: 051-6184225
- or by e-mail to: corporate.affairs@yoox.com
- in all events, giving prior notice by telephone to: 051-6184249

- 6.3.** The Person in Charge is required to provide the Key Person with confirmation of receipt of the disclosure by telephone, or fax or e-mail to the fax number or e-mail address stated respectively in the Letter of Acceptance.
- 6.4.** If several Transactions relatable to the same Key Person are performed on the same day, the latter shall make a single disclosure by sending the Specimen Disclosure Form referred to in Clause 6.2 containing a summary of all Transactions. If several Transactions of the same type are performed according to the same procedures, the weighted average price of such Transactions must be stated in the disclosure.
- 6.5.** Disclosures relating to Transactions performed by Major Shareholders who have not provided the Person in Charge with the Letter of Acceptance referred to in Clause 10.3 must not be sent to the Company under the Procedure and, if sent, must be regarded as inadmissible by the Person in Charge. In such an event, sole responsibility for each statutory or regulatory requirement, obligation, duty and/or formality relating to and/or resulting from the performance of individual Transactions lies with the Major Shareholder.

7. Significant Transactions subject to disclosure to the public and to Consob

7.1. The Person in Charge shall disclose to the public and to Consob, subject to the terms and conditions set forth in Clause 8 below, all Transactions relating to each Key Person whose total amount is less than Euro 5,000.00 (five thousand/00) by the end of the year (“**Significant Transactions**”); subsequent to each communication, transactions whose total amounts are less than the equivalent value of a further EUR 5,000.00 (five thousand/00) by the end of the year are not communicated. Such disclosure must be deemed to have been made by the Company on behalf and under the responsibility of the Key Person concerned, pursuant to the Letter of Acceptance duly completed and signed in accordance with Clauses 10.2 and 10.3.

7.2. For the purposes of calculating the value referred to in article 7.1 above:

- a)** the value of the Transactions is calculated as an absolute value by totalling the positive and negative Transactions, regardless of the type of Financial Instrument involved in the Transaction;
- b)** the value of Transactions involving derivative financial instruments as referred to in Article 1, paragraph 3, of the Unified Act, should be calculated with reference to the so-called “notional value”, calculated as the product of the number of shares controlled by the instrument and the official price of the underlying asset, as recorded on the Transaction Date;
- c)** the value of the Transactions is calculated by totalling the Transactions performed on behalf of each Key Person and the Transactions performed on behalf of Persons closely associated with each Key Person.

8. Procedures and deadlines for disclosure to the public and to Consob of Significant Transactions

8.1. Disclosures by the Person in Charge to the public and to Consob of the Significant Transactions referred to in Clause 7 above must be made by sending, via SDIR-NIS or some other electronic transmission system implemented by Borsa Italiana and accessible to Consob, of the Specimen Disclosure Form in PDF format referred to in Appendix 6 of Consob regulations (reproduced under Appendix A1 attached hereto)

completed by the Person in Charge in compliance with the disclosure sent by the Key Person pursuant to Clause 6.2.

8.2. The disclosures referred to in Clause 8.1 above must arrive:

- (i) in the case of Significant Transactions performed by Key Persons as referred to in Clauses 2.1.a) and 2.1.b) by the fifth open trading day following the Transaction Date, notwithstanding the obligation of the Person in Charge to make said communication by the end of the next open trading day following that in which he received the communication from the above-mentioned Key Persons;
- (ii) in the case of Significant Transactions performed by Major Shareholders as referred to in Clause 2.1.c), by the end of the fifteenth day of the month following that in which the Significant Transaction was performed, notwithstanding the obligation of the Person in Charge to make said communication by the end of the next open trading day following that in which he received the communication from the above-mentioned Major Shareholders.

8.3. With reference to disclosures sent by Major Shareholders and regarded as inadmissible under Clause 6.5., sole responsibility for each statutory or regulatory requirement, obligation, duty and/or formality relating to and/or resulting from the performance of individual Transactions lies with the Major Shareholder.

8.4 Communications effected in accordance with this Article 8 must be promptly made available to the public on the Company's website in an appropriate section called "Internal Dealing", accessible under Corporate Affairs – Principles and Procedures.

9. Restrictions on the performance of transactions by Key Persons

9.1. Key Persons listed in clauses 2.1.(a) and 2.1.(b) above and Persons closely associated with the foregoing Key Persons pursuant to Clause 3 above shall be barred from effecting Transactions involving Financial Instruments in the fifteen days prior to meetings of the Board of Directors of YOOX called to approve the financial statements for the period.

9.2. The ban referred to in Clause 9.1. does not apply with reference to the following transactions:

- (i)** the exercise of rights to purchase or subscribe to Financial Instruments when derived from remuneration policies provided for by Article 114-*bis* of the Unified Act;
- (ii)** the exercise of option rights in respect of Financial Instruments;
- (iii)** the disposal of Financial Instruments in conjunction with the exercise of the rights referred to in points (i) or (ii) above.

9.3. Exceptions may be made to the ban referred to in Clause 9.1 above only in situations of exceptional need suitably reasoned by the party concerned. An assessment of the basis for the exception referred to in this Clause 9.3, mindful of the interests of the Company, shall be entrusted to the Chairman of the Board of Directors or, if absent or indisposed or if the Transaction relates to him, to the Deputy Chairman or to the Managing Director.

9.4 Without prejudice to the foregoing provision, the Board of Directors has the right to impose additional restrictions on all or some of the Key Persons for however long it deems necessary, with reference to the performance of all or some of the Transactions involving Financial Instruments. In such an event, in order to ensure compliance with the provisions laid down in this Clause 9.3:

- a)** The Person in Charge will promptly inform each Key Person, giving prior notice by telephone followed by a fax or e-mail message, of the periods in which a restriction or ban is placed on restricted or banned Transactions, and of the date of commencement of such periods;
- b)** disclosure of the information referred to in point (a) above to Persons closely associated with the Key Person will be made by each Key Person concerned.

10. Communication of the Procedure to Key Persons

- 10.1.** The Company is required, through the Person in Charge, to inform Key Persons, by means of the procedures laid down in this Clause, to adopt the Procedure and the obligations binding on them as a result.
- 10.2.** The Person in Charge is required to deliver to the Key Persons indicated in Clauses 2.1.a) and 2.1.b), either upon acceptance of the appointment for the Key Persons referred to in Clauses 2.1.a)(i) and 2.1.b)(i), or upon being engaged or appointed as manager for the Key Persons referred to in Clauses 2.1.a)(ii) and 2.1.b)(ii) (collectively the “**Appointment**”), or to send them by registered letter with advice of receipt by and no later than 5 days from the Appointment, two copies of this Procedure. The Key Persons are required, no later than 5 days after delivery or receipt, to deliver to the Person in Charge the Letter of Acceptance (drawn up according to the specimen set out in Appendix B of the Procedure, duly completed in full and accompanied by the List of Persons closely associated with the Key Person) signed by the Key Person concerned, together with a copy of the Procedure initialled on each page. These records will be stored by the Person in Charge in the archive referred to in Clause 4.2.b).
- 10.3.** The Person in Charge is required to inform the Major Shareholders referred to in Clause 2.1.c), by means of registered mail with advice of receipt, of the adoption of the Procedure and of the availability of a copy thereof at the Company's head office, and of their duty to withdraw a copy no later than 10 days of the notice, howsoever acquired by the Company, of ownership of the participating interest referred to in Clause 2.1.c). Upon delivery or withdrawal of the copy, the Key Persons will be invited to deliver to the Person in Charge the Letter of Acceptance (drawn up according to the specimen set out in Appendix B of the Procedure, duly completed in full and accompanied by the List of Persons closely associated with the Key Person) signed by the Key Person concerned, together with a copy of the Procedure initialled on each page. These records will be stored by the Person in Charge in the archive referred to in Clause 4.2.b).

11. Processing of personal data

11.1. For the purposes of this Procedure, the Company may be required to process certain personal data pertaining to Key Persons. Key Persons are therefore required to express their consent to the processing of their respective personal data by the Company or by managers and/or appointees designated by it, within the meaning and terms of Legislative Decree 196/2003, and subsequent amendments, having been informed of the following:

- (a) the purpose and the procedures for the processing of data;
- (b) the mandatory nature of the transfer of data;
- (c) the entities or categories of entities to whom or which the data may be communicated and the dissemination range of the data;
- (d) the rights afforded under art. 7 of Legislative Decree 196/2003;
- (e) the name and surname, title or company name and the domicile, residence or registered office of the data controller and of the supervisor:
 - data controller: YOOX S.p.A., having its registered place of business in Zola Predosa (BO), Via Nannetti, 1;
 - supervisor: Dr Fulvio Villani at YOOX S.p.A. – Via Nannetti, 1 - Zola Predosa (BO).

11.2. Delivery to the Person in Charge of the Letter of Acceptance referred to in Clauses 10.2. and 10.3. by the Key Person shall be validly construed as an expression of consent within the meaning and for the purposes of Legislative Decree 196/2003.

12. Amendments and supplements

12.1. The provisions of this Procedure will be updated and/or supplemented by the Board of Directors of YOOX, mindful of all statutory or regulatory provisions howsoever applicable, and as experience is gained and market practice develops in this area.

12.2. Should it prove necessary to update and/or supplement individual provisions of the Procedure following amendments of applicable statutory or regulatory provisions, or

specific requests from the supervisory authorities, or in instances of proven emergency, this Procedure may be amended and/or supplemented by the Chairman of the Board of Directors or by the Deputy Chairman, followed by the ratification of such amendments and/or supplements by the Board of Directors at the next meeting thereafter.

- 12.3.** Notices of amendments and/or supplements of the provisions of the Procedure pursuant to Clauses 12.1 and 12.2 above will be communicated to Key Persons according to the procedures set forth in Clause 10. Such notices will also state the date on which the new or amended provisions will come into force.

13. Breaches of the Procedure

- 13.1.** In the event of a breach of the provisions of this Procedure which involves non-compliance with the disclosure obligations to the public and to Consob as referred to in Clauses 7 and 8, an administrative pecuniary sanction of between Euro 5,000.00 and Euro 500,000.00 is applicable pursuant to art. 193, paragraph 1-*bis*, of the Unified Act, subject to the terms and conditions established therein.
- 13.2.** Insider trading and market manipulation constitute criminal offences (arts. 184-187 of the Unified Act) and administrative offences (arts. 187-*bis*, 187-*ter*, 187-*quater* and 187-*sexies* of the Unified Act) and may render the Company liable in pursuance of Articles 187-*quinquies* of the Unified Act and 25-*sexies* of Legislative Decree 231/2001.

14. Entry into force

- 14.1.** The provisions of this Procedure entered into binding force with effect from commencement of trading of the ordinary shares of YOOX on the Mercato Telematico Azionario (Electronic Stock Market) – STAR Segment organised and managed by Borsa italiana S.p.A. Any subsequent amendments and/or additions enter into force on the day of publication of the Procedure on the Company's website, or on a different day as stipulated by legislation, regulation or resolution of the Board of Directors.