

**Procedure pursuant to Article 152 – *sexies et. seq.* of the Regulation adopted by Consob through resolution 11971 of 14 May 1999**

**1. PURPOSE**

- 1.1 This document contains the procedure ("**Internal Dealing Procedure**") aimed at governing the information obligations and the communication limitations, methods and times inherent in the purchasing, sale, subscription and exchange Transactions of Banzai S.p.A. shares ("**Banzai**" or the "**Company**") or financial instruments connected to Banzai shares (the "**Transactions**") carried out by so-called "relevant" persons and persons closely connected to them, as defined by Article 114, paragraph seven of Legislative Decree 58 of 24 February 1998, as later amended and supplemented, (the "**TUF**"), and by Article 152-*sexies* of the regulation adopted by Consob through resolution 11971 of 14 May 1999 and its subsequent amendments and supplements (the "**Issuers' Regulation**"). The terms indicated with capital letters and not otherwise defined within this Internal Dealing Procedure shall have the meaning attributed to them in Annex 1 (Guidelines for the application of the Internal Dealing Procedure).
- 1.2 "Financial instruments connected to Banzai shares" refers to:
- (i) financial instruments that make it possible to subscribe, purchase or sell Banzai shares;
  - (ii) debt financial instruments which can be converted into Banzai shares or exchanged with them;
  - (iii) derivative financial instruments from Banzai shares indicated in Article 1, paragraph 3 of the TUF;
  - (iv) other financial instruments, equivalent to Banzai shares, represented by these shares;
  - (v) any shares listed on Italian regulated markets issued by subsidiary companies of Banzai and financial instruments pertaining to the previous letters (i), (ii), (iii) and (iv) connected to them;
  - (vi) unlisted shares (which are also understood to mean shares listed on a market other than Italian regulated markets) issued by subsidiaries, directly or indirectly, by Banzai, when the book value of the investment in the subsidiary represents more than 50% of the Company's capital assets, as recorded in the latest approved financial statements, and the financial instruments in the previous letters (i), (ii), (iii) and (iv) connected to them. For companies indirectly controlled by the Company and, in any event, for all those companies in which the Company's investment is also indirect, the condition of relevance is calculated with regard to the effective weighting that the investment in these companies has on the Company's assets.
- 1.3 For the purpose of this document, the following are excluded from the reporting obligation:

- 1.3.1 Transactions in which the total amount is less than €5000 by the end of the calendar year, taking into account that following every communication transactions in which the total value is less than a further €5000 by the end of the year are not notified and without prejudice to the fact that for derivative associated financial instruments the amount is calculated with regard to the underlying shares. The above-mentioned amount is calculated by adding the Transactions relating to shares and associated financial instruments carried out on behalf of each Relevant Person and those carried out on behalf of Closely Connected Persons;
- 1.3.2 Transactions carried out between Relevant Persons and Closely Connected Persons, as defined in Article 2;
- 1.3.3 Transactions conducted by Banzai and by subsidiaries;
- 1.3.4 Transactions conducted by a bank or by an investment firm which lead to the establishment of the trading portfolio of this organization or firm, as defined in Article 11 of Directive 2006/49/EC, provided that the subject:
  - (a) is kept separate in organization terms from the treasury system and the structures that manage investment strategies and trading and market making arrangements;
  - (b) is capable of identifying the shares held for the purpose of trading and/or market making activities, using methods which can be checked by Consob, or by holding them in a special separate account;
- and, if operating as a market maker:
  - (c) is authorised by the Home Member State pursuant to Directive 2004/39/EC for conducting market making activities;
  - (d) provides Consob with the market making agreement with market management companies and/or with the issuer possibly required by law and by the relevant implementation provisions, in force in the EU Member State where the market maker carries out its activities;
  - (e) notifies Consob that it intends to conduct or is conducting market making activities on the shares of an issuer of listed shares, using the TR-2 model in Annex 4E of the Issuers' Regulation; the market maker should also notify Consob, without delay, of the termination of market making activities involving said shares.
- 1.3.5 Transactions for which there is no financial consideration such as donations and inheritances (while exchanges are included: in such cases the estimated value of the financial instruments that are the subject of the exchange will be considered as the price of the Transaction); and
- 1.3.6 the allocation, free of charge, of shares or purchase or subscription rights and the exercising of these rights when they come about through payment plans set

out in Article 114 bis of the TUF (while, on the other hand, sales of shares from the exercising of these rights or the free granting are communicated).

- 1.4 For the purpose of complying with the communication obligations described below, Banzai is bound to give information to Relevant Persons, and the latter to Closely Connected Persons, about their identification and the associated obligations by signing the declaration in Annex 3 of this document.
- 1.5 Compliance with the provisions contained in this Internal Dealing Procedure does not, in any event, release Relevant Persons or Closely Connected Persons from the obligation to comply with the other applicable laws and regulations in this regard, such as, by way of example but not exhaustively, those relating to the obligations of communication for significant investments and those involving the abuse of privileged information and market manipulation, as well as all other applicable regulations.

## 2. RELEVANT PERSONS AND CLOSELY CONNECTED PERSONS

- 2.1 Pursuant to Articles 114, paragraph 7 of the TUF and 152-sexies, paragraph one, letter c) of the Issuers' Regulation, the following are defined as relevant persons of Banzai ("Relevant Persons"):
  - (i) members of the Company's board of directors and board of auditors;
  - (ii) persons involved in the management of the Company and senior managers who have regular access to privileged information and have the power to take management decisions which could impact on the development and future prospects of the Company;
  - (iii) members of the board of directors and board of auditors, persons involved in management and senior managers who have regular access to privileged information and have the power to take management decisions which could impact on the development and future prospects of a subsidiary controlled directly or indirectly by the Company, if the book value of the investment in that subsidiary represents more than 50% of the Company's capital assets, as recorded in the latest approved financial statements;
  - (iv) whoever else has a Stakeholding, calculated pursuant to Article 118 of the Issuers' Regulation, equal to at least 10% of the share capital of the Company represented by shares with voting rights, as well as any other person who controls the listed issuer ("Relevant Shareholders").
- 2.2 For the purposes indicated in the previous points 2.1(ii) and 2.1(iii), note that privileged information pursuant to Article 118, paragraph one, of the TUF, refers to information of a precise nature, which has not been made public, directly or indirectly concerning the Company and its subsidiaries, which, if disclosed, could have a considerable effect on the prices of these financial instruments.
- 2.3 Pursuant to Article 152-sexies, letter d), of the Issuers' Regulation, the following are defined as persons closely connected to the Relevant Persons ("Closely Connected Persons"):

- (i) a spouse not legally separated, dependent children, including those of the spouse, and, if cohabiting for at least a year, parents, close relatives or relatives by marriage of Relevant Persons;
- (ii) legal entities, partnerships and trusts in which a Relevant Person or one of the parties in the previous Article 2.3 (i) either individually or jointly holds a Management Position;
- (iii) Legal Entities controlled directly or indirectly by a Relevant Person or by one of the parties in the previous Article 2.3 (i);
- (iv) partnerships whose Economic Interests are essentially Equivalent to those of a Relevant Person or one of the persons in the previous Article 2.3(i);
- (v) trusts established for the benefit of a Relevant Person or one of the parties indicated in the previous Article 2.3(i).

### **3. INFORMATION OBLIGATIONS PERTAINING TO RELEVANT PERSONS**

- 3.1 Relevant Persons, with the exception of Relevant Shareholders, should notify the Company and Consob of Transactions conducted by them or by Closely Connected Persons within five days of the market being open from the date they take place. The notification deadline of five days is calculated excluding the day of the transaction.
- 3.2 Relevant Shareholders should notify Consob and the public of Transactions conducted by themselves or by Closely Connected Persons by the end of the fifteenth day of the month following the month in which the Transaction was conducted.
- 3.3 The notifications in this Article should be made in accordance with the methods indicated in Article 5 below using the model in Annex 6 of the Issuers' Regulation.

### **4. INFORMATION OBLIGATIONS PERTAINING TO THE COMPANY**

- 4.1 With reference to the notifications received by Relevant Persons pursuant to the previous Article 3.1, the media company publishes the information contained pursuant to the applicable legal and regulatory provisions by the end of the following day the market is open from when it is received and, at the same time, sends it to the authorised storage system.
- 4.2 Where requested by Relevant Persons after signing the form in Annex 2, the Company can also provide the notifications required by Consob from these parties pursuant to the previous Articles 3.1 and 3.2, in accordance with the methods and terms indicated, provided that the relevant notifications are sent:
  - 4.2.1 by Relevant Persons other than Relevant Shareholders, within three days that the market is open from the effective date of the Transaction;
  - 4.2.2 by Relevant Shareholders, by the end of the fourteenth day of the month following the one in which the Transaction was conducted.
- 4.3 The notifications in this Article should be made in accordance with the methods indicated in Article 5 below using the model in Annex 6 of the Issuers' Regulation.

## 5. COMMUNICATION METHODS

- 5.1 Relevant Persons notify the Company of Transactions conducted by themselves and by Closely Connected Persons by sending a fax or email to the party designated for receiving, managing and disclosing them to the market (the "**Responsible Entity**"), as identified pursuant to Article 7 below. The fax number and email address to use for this purpose are given below:
- (a) Fax: 0295441149
  - (b) Email address: corporate.affairs@banzai.it
- 5.2 Notifications for the public:
- 5.2.1 made by the Company take place by sending the form contained in Annex 6 to the Issuers' Regulation via the SDIR-NIS telematic system managed by Blt Market Services S.p.A. ("**SDIR-NIS**") and through publication of the above form on its website in a dedicated section called "internal dealing", accessible in the section dedicated to investor relations;
  - 5.2.2 made by Relevant Shareholders, on their own account or for Closely Connected Persons, in the absence of an agreement with the Company, are made by sending the form contained in Annex 6 of the Issuers' Regulation to at least two press agencies and Borsa Italiana and by publishing the Annex on the website of the Relevant Shareholder of the Company (if there is an agreement with the latter).
- 5.3 Notifications required from Relevant Persons, on their own account or for Closely Connected Persons, or from the Company to Consob, are made by sending a fax to 06/8477757 or an email to the following address [internaldealing@consob.it](mailto:internaldealing@consob.it) or through the procedure used by the listed issuer pursuant to Article 65-*septies* for the storage and filing of information, where agreed with the Company in the case of notifications made by Relevant Persons.

## 6. LIMITATIONS TO THE COMPLETION OF TRANSACTIONS CARRIED OUT BY RELEVANT PERSONS AND BY CLOSELY CONNECTED PERSONS ("BLACK OUT PERIODS")

In order to prevent situations that are detrimental both to the Company and Relevant Persons, Relevant Persons are prohibited, with the exception of those indicated in Article 2.1 (iv), from directly or by means of an intermediary, carrying out Transactions involving shares or other associated financial instruments in the 15 calendar days prior to the board meeting called to approve the accounting data for the period. The following are not subject to these limitations: activities of exercising any stock options or option rights relating to financial instruments and, limited to shares from stock option plans, the consequent sale transactions, provided they take place at the same time as the exercising. The limitations do not apply in the case of exceptional situations of subjective need, adequately motivated by the interested party with regard to the Company.

6.1 The Company's Board of Directors can establish further prohibitions or limitations to the completion of Transactions by Relevant Persons and by Closely Connected Persons. In such a case, in order to enable compliance with the provisions of this Article:

- (a) the Responsible Entity must promptly notify, by phone followed by a fax message or email, each Relevant Person of the limitation or prohibition periods, for Transactions subject to limitation or prohibition and the starting date of said periods;
- (b) the communication of the information in the previous Article 6.1 (a) to Closely Connected Persons will be the responsibility of the Relevant Person involved.

## 7. **RESPONSIBLE ENTITY**

7.1 The Head of Legal Affairs will carry out the function of Responsible Entity.

7.2 The Responsible Entity will be assigned the following functions:

- 7.2.1 informing Relevant Persons that they have been identified and their associated obligations, including the obligation, pertaining to said Relevant Persons, of providing adequate information about the obligations they are responsible for to Closely Connected Persons;
- 7.2.2 receiving the information sent by Relevant Persons pursuant to the Internal Dealing Procedure;
- 7.2.3 managing the information sent by Relevant Persons: this also includes storing the documentation received or transmitted pursuant to the Internal Dealing Procedure in a dedicated archive, including an electronic one; and
- 7.2.4 publication of information in accordance with the methods and terms of the regulation.

7.3 The Responsible Entity has the right to ask each Relevant Person for any information, clarification and/or supplementation, also with regard to Closely Connected Persons, necessary and/or useful for the purpose of implementing this Internal Dealing Procedure. The Relevant Person receiving the request is bound to reply promptly to the Responsible Entity and, in any event, in good time to guarantee compliance with the Internal Dealing Procedure.

## 8. **AMENDMENTS AND SUPPLEMENTS**

Amendments and/or supplements to this Internal Dealing Procedure that become necessary following legal or regulatory provisions or organisational changes in the Company should be approved by the Chairman and/or the CEO.

## 9. **EFFECTIVENESS AND PENALTIES**

9.1 This document was approved by the Banzai Board of Directors on 10 November 2014 and came into force from the starting date of trading of Banzai ordinary shares on the

Mercato Telematico Azionario - STAR Segment organized and managed by Borsa Italiana.

- 9.2 If the legal and regulatory provisions regarding communications to Consob and to the market described in this Internal Dealing Procedure are not complied with, "an administrative monetary fine of between €5000 and €500,000 for failure to comply with the provisions of said articles and the related implementation provisions" can be applied to companies, entities and insurance firms bound to make the communications required by Article 114 of the TUF, as well as the parties indicated in Article 14, paragraph 7 of the TUF. If the communications are required from a physical person, the fine will be applied to the latter in the case of a violation. (Article 193, paragraph 1 of the TUF).
- 9.3 In addition, the abuse of privileged information and manipulation of the market constitute unlawful acts liable to criminal sanctions (Articles 184 and 187 of the TUF) and administrative sanctions (Articles 187-*bis*, 187-*ter* and 187-*quater* of the TUF) with regard to those who have committed them and can give rise to situations that involve the administrative liability of the company (Articles 187-*quinquies* of the TUF) and 25-*sexies* of Legislative Decree 231/01.
- 9.4 The application of the above sanctions by the designated authorities does not compromise the possibility for the damaged company of obtaining redress with regard to the Relevant Persons.

**ALLEGATO 1**  
**GUIDELINES FOR THE APPLICATION OF THE INTERNAL DEALING  
PROCEDURE**

**"Management:"** management functions are those conducted by general managers and persons who hold an equivalent office.

**"Senior managers":** includes senior managers who, in addition to having access to privileged information, can, as a result of the powers conferred upon them, take strategic decisions which have an effect on the entire Company and not only on the individual business lines, unless they do not represent the major portion of the Company's overall business. It also includes senior managers with independent decision-making powers, i.e. not subject to approval by other decision-making bodies within the Company (this power does not necessarily have to be exercised severally; the senior manager simply has to be a member of a body which has the decision-making power).

**"Investments":** shares which a party owns, even if the voting right pertains to or has been granted to third-parties or is suspended. Shares for which a party has or has been granted voting rights where one of the following cases or a combination of them applies are also considered as investments: a) the voting right is vested in a secured creditor or usufructuary; b) the voting right is vested in a depositary or a named entity on behalf of a third-party, provided that the right can be exercised discretionarily; c) the voting right is vested in a proxy, provided the right can be exercised discretionarily in the absence of specific instructions from the delegating party; d) the voting right is vested according to an agreement which involves the temporary and paid transfer of same.

**"Management Function":** this is the function carried out by the person or the body holding administrative powers (sole director, board of directors or board of management). The Relevant Person with the role of sole director is considered the holder, on their own, of the Management Function. In cases where there are several directors, the Relevant Person is the holder of the Management Function if more than half of the board is composed of the Relevant Person and/or Persons Closely Connected to him/her as indicated in Article 2.3 (i).

**"Legal Entities Controlled by a Relevant Person":** companies in which a Relevant Person or a Closely Connected Person holds a significant share of the ownership. Specifically, a significant share is deemed to exist if the Relevant Person or a Closely Connected Person owns more than 50% of the rights to the earnings. In the case of a chain of subsidiaries, the share of rights to the earnings is calculated by "weighting" the shares to the rights to the earnings held at individual levels.

**"Equivalent Economic Interests":** Equivalent Economic Interests in a partnership are present if the Relevant Person, solely or jointly with Closely Connected Persons, holds more than 50% of the rights to the earnings.

**ALLEGATO 2**  
**REQUEST FORM FOR COMPLIANCE WITH COMMUNICATION OBLIGATIONS**  
**REQUIRED BY THE COMPANY FOR THE INTERNAL DEALING PROCEDURE**

[place], [date]

The undersigned [●], born on [●], resident in [●], Via [●] in his/her capacity as [●]

**REQUESTS**

compliance with the communication obligations required by Article 114, paragraph 7 of Legislative decree 58 of 24 February 1998 and Article 152-*sexies* et. seq. of Consob Regulation 11971 of 14 May 1999, as well as the Internal Dealing Procedure, be implemented by Banzai S.p.A. on his/her behalf.

The Responsible Entity will be notified, under the terms and conditions indicated in the Internal Dealing Procedure, of Transactions that require notification and Banzai S.p.A. will be held harmless from any adverse consequences that may result from the failed, delayed or incorrect compliance with the obligations required by the Internal Dealing Procedure.

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(Signature)

### **ANNEX 3**

#### **Declaration of acceptance of the provisions of this document pursuant to Article 152-sexies et. seq. of the Issuers' Regulation and authorisation for the handling of personal data pursuant to Legislative Decree 196/2003.**

The undersigned \_\_\_\_\_, born on \_\_\_\_\_, resident in \_\_\_\_\_, Via \_\_\_\_\_, in his/her capacity as \_\_\_\_\_, having acknowledged being included in the category of Relevant Persons / Closely Connected Persons and subject to the obligations of communication of this document pursuant to Article 152-sexies, et. seq. of the Issuers' Regulation, declares to have received a copy of the above-mentioned document, to be familiar with it and to accept its contents.

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Pursuant to Legislative Decree 196/2003, the undersigned specifically gives consent for the handling of his/her personal data requested for the implementation of this document pursuant to Article 152-sexies, et. seq. of the Issuers' Regulation.

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