

# “INVESTMENT CHALLENGE”

## TERMS AND CONDITIONS

These Challenge T&Cs (with the "waiver" attachment), regulate the “**INVESTMENT CHALLENGE**” run by Reply in collaboration with Banca Generali and apply to all Registered Users as defined in article 1.

For these Challenge T&Cs, the definitions in article 1 retain their value in both singular and plural, both in lowercase and uppercase letters.

The Challenge does not constitute a prize competition in accordance with article 6, paragraph 1, of Presidential Decree 430/2001, consisting of the so-called 'prize' in a consideration in kind for performance of work and relative assignment of the rights on the respective Final Report, in favor of the Registered Users, if resulting in 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> on the Final Leaderboard.

This Challenge's goal is to allow Registered Users to show their skills in investment strategies, as described below.

The Challenge is organized by:

- Reply S.p.A. with registered offices in Torino, Corso Francia, 100 - Tax ID: 9757921001 and VAT number: 08013390011, in collaboration with:
- Banca Generali S.p.A. with registered offices in Trieste, Via Machiavelli, 4 - Tax ID 00833240328 and VAT number: 01333550323

The Reply Platform is managed by Reply.

The Trading Platform is managed by Banca Generali.

Information request regarding the Challenge can be send to: [challenges@reply.com](mailto:challenges@reply.com)

The online publication of these Challenge T&Cs (with the "waiver" attachment) on the Platform, in pdf format, is valid as making information available on a durable medium. Registered Users can also save, on their own durable medium, these documents, in order to be able to consult them once the Challenge is concluded, after their removal from the Reply Platform itself.

### Article 1 – Challenge T&Cs definitions

**Banca Generali:** Banca Generali S.p.A. as above identified.

**Banca Generali Organization:** all employees (with any qualifications or level, including executives) of Banca Generali Group.

**Challenge:** the overall activity of the “INVESTMENT CHALLENGE” that takes place in accordance with these

Challenge T&Cs.

**Challenge T&Cs:** Challenge Terms & Conditions with the "waiver" attachment, as published on the Reply Platform.

**Enrolment:** the enrolment procedure to allow identification of the Registered User that will apply to join the Online Phase.

**Final Leaderboard:** the ranking that lists in descending order the Registered Users, based on Performance obtained at the end of the Final Phase and calculated as per article 6 of the Challenge T&Cs.

**Final Phase:** the final phase of the Challenge that will take in Milan, as per these Challenge T&Cs.

**Final Report:** the written report describing the procedures (e.g. strategies, financial analysis, etc.) used to obtain the Performance and that the Registered Users in 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> position in the Final Leaderboard will have to provide.

**Finalists:** Registered Users that, as per Art. 6, will join the Final Phase.

**Input:** the description of a future financial event on which the Registered User or a Finalist can adopt his investment strategy, using the financial instruments available on the Trading Platform, as per Art. 5 and Art. 6.

**Internet:** the global network, including networks connected to each other according to TCP/IP protocol.

**Investment Portfolio:** the virtual capital to be invested and available for Registered Users who will join the Online Phase and for the Finalists will enter the Final Phase.

**Online Phase:** the first phase of the Challenge that will take place online, as per these Challenge T&Cs.

**Online Phase Leaderboard:** the ranking that lists in descending order the Registered Users, based on Investment Performances obtained at the end of the Online Phase and calculated as per Art. 5 of the Challenge T&Cs.

**Parties:** Reply, Reply Group, Banca Generali and Registered Users.

**Performance:** the result of the investment strategy (that means total profit or loss), obtained by a Registered User during the Challenge.

**Registered Users:** participants resident in EU, aged from 18 to 30 years at April 24, 2020, external to Reply Organization and Banca Generali Organization and who are not professional financial advisors or traders.

**Reply:** Reply S.p.A., as above identified.

**Reply Group:** Reply and any company connected to it and/or controlled by it.

**Reply Organization:** all employees (with any qualifications or level, including executives) and Reply Group Managers.

**Reply Platform:** the site accessible at the URL: [challenges.reply.com](https://challenges.reply.com) and after connection to the internet.

**Rights:** the overall intellectual property rights as provided for by the applicable Italian legislation, including – by way of example and not exhaustively – the Law 22 April 1941 no. 633: protection of copyright and other rights

related to its exercise; the article 2575 and following of the civil code, etc.

**Skills:** the investment strategy skills that Registered Users demonstrate during the Challenge.

**Trading Platform:** the site accessible at the URL: bgsaxo.it and after connection to the internet.

## Article 2 - Applicable laws and disputes

The applicable law is that current in Italy, as Reply and Banca Generali, as organizers of the Challenge, have their headquarters in this territory.

For anything not expressly provided for in these Challenge T&Cs, reference is made to the current laws in the Italian legal system.

For any dispute deriving from the Challenge and the related Challenge T&Cs, the Court of Torino will have exclusive jurisdiction.

## Article 3 - Exclusions

Are expressly excluded from participating in this Challenge:

- all members of the Reply Organization and Banca Generali Organization
- all subjects who are not resident or domiciled in the EU
- all subjects who are not at least 18 years or are older than 35 years, at April 24, 2020
- all subjects who are registered to the "Single Register Of Financial Advisors" or equivalent professional register available in the EU country of residence or, if no professional register is foreseen in the country of residence, who are not professional advisors.

## Article 4 - Enrolment

To join the Online Phase, the subject with the requirement indicated in the definition of "Registered User" and that, consequently, do not fall under Art. 3 exclusions, must:

- 1) if not already registered to the Reply Platform, fill-in the online form and complete the registration that includes the acceptance of the Reply Platform "Terms and Conditions" and the declaration to have read the privacy notice; if already registered to the Reply Platform, make the login filling-in username and password
- 2) when logged-in the Reply Platform, enter in the section dedicated to the Challenge and fill-in the registration online form available on such section that includes the acceptance of these Challenge T&Cs (and attached waiver) and declaration to have read the privacy notice provided by Banca Generali (the privacy notice provided by Reply is already available during registration to the Reply Platform). When the registration will be completed, the Registered User will automatically receive a User ID (published in

the so called 'thank you page' and then inserted in the Registered User Challenge page) and the password (sent by e-mail) to be used for the login to the Trading Platform.

The enrollment will take place between March 4, 2020 (09:00 a.m. CET) and March 27, 2020 (until 11.59:59 p.m. CET).

Enrolment after 11.59:59 p.m. (CET) on March 27, 2020, won't be accepted, except if there's an extension, which would be announced via the Reply Platform.

All the subjects that will complete the Enrollment procedure above described will be able to join the Online Phase.

### **Article 5 – Challenge Online Phase**

The Online Phase will take place from March 30, 2020 (within 09:00 a.m. CEST) to April 9, 2020 (10:00 p.m. CEST).

When the Online Phase will start, each Registered User will have a (virtual) Investment Portfolio of 1 (one) million Euro.

The Investment Portfolio is at disposition of the Registered User that will have to set the best investment strategy, on the base of the Inputs related to a business activity, to obtain the best Performance.

During the Online Phase, every working day (that means from Monday to Friday), on the Reply Platform will be published at least one Input and a maximum of six Inputs, as elaborated by Reply and Banca Generali.

The first Input will be published from 09:00 a.m. CEST on March 30, 2020.

Every Input will describe a virtual event or financial need that will occur at a certain future date.

The trading instruments that the Registered Users will be able to use on the Trading Platform are:

- Forex Spot
- Forex Forward
- Forex Option
- Shares
- ETF
- Bond
- CFD on Stock and ETF
- CFD on Index
- CFD on Futures
- Cfd on bond
- Futures
- Futures Options

- Option on index and Stocks

The markets on which the Registered User will be able to trade are the ones available on the Trading Platform. Since participation to the Challenge is free of charge, the Trading Platform is available in demo version that does not guarantee the entire coverage of services compared to its real offer in full version.

The Trading Platform will always operate during the Online Phase in accordance to the financial markets opening time and the daily trading activities done by Registered Users during the Online Phase will be taken in consideration for the provisional Investment Portfolio ranking.

The provisional Investment Portfolio ranking will show the related value, as increased (in case of positive Performance, that means a profit) or decreased (in case of negative Performance, that means a loss) after the trading activities and specifically:

- The **Daily Ranking** will consider the “Investment Portfolio + Performance” after trading activities done during a working day (Monday to Friday) until 10:00 p.m. (CEST); this means that:
  - all the trades done after 10:00 p.m. (CEST) on Sunday will be part of the Monday trading activities
  - all the trades done after 10:00 p.m. (CEST) from Monday to Thursday will be part of the respected following day.
- The **Global Ranking** will consider the “Investment Portfolio + Performance” value after trading activities done from the beginning of the Online Phase.

*By the way of example:*

*Initial Investment Portfolio (1 million) + Performance profit (+ 100,000.00) = 1.1 million in Daily Ranking*

*Initial Investment Portfolio (1 million) + Performance loss (- 100,000.00) = 0.9 million in Daily Ranking*

Regarding the publishing of the Daily Ranking and Global Ranking on the Reply Platform:

- the Daily Ranking related to every working day from Monday to Thursday will be available the following day from 8:30 a.m. (CEST) and updated at 10:00 p.m. (CEST) of the previous day
- the Daily Ranking related to Friday April 3, 2020 will be available on Monday April 6, 2020 from 8:30 a.m. (CEST) and updated at 10:00 p.m. (CEST) of the previous day
- the Global Ranking related to the trading activities from March 30, 2020 08:00 a.m. (CEST) to April 2, 2020 10:00 p.m. (CEST) and from April 5, 2020 10:00 p.m. to April 9, 2020 10:00 p.m. (CEST) will be available every working day from 8:30 a.m. (CEST) and updated at 10:00 p.m. (CEST) of the previous day
- the Global Ranking including the trading activities from April 2, 2020 10:00 p.m. (CEST) to April 5, 2020 10:00 p.m. (CEST) will be available on Monday April 6, 2020 from 8:30 a.m. (CEST)

The following penalizations described in the tables “Penalization 1” and “Penalization 2” will be applied to the Global Ranking when the Online Phase will be concluded, in order to generate the final Online Phase Leaderboard.

The “Penalization 1” will be applied in order to avoid the partial or total inactivity of the Registered User on the Trading Platform.

The “Penalization 2” is aimed at penalizing the non-use or limited use of the following “Derivatives Asset Classes” on the Trading Platform:

- Forex
- ContractOption
- Future
- CFD | Commodity
- CFD | Forex

The asset names refer to the terminology reported on the “Report” that the Banca Generali sends to Reply in order to generate the Online Phase Leaderboard.

<b>Penalization 1</b>	
No. of trading operations during the Online Phase	Penalization on final Investment Portfolio
$x \geq 30$	0,00%
$20 \leq x < 30$	12,50%
$10 \leq x < 20$	25,00%
$1 \leq x < 10$	50,00%
$x = 0$	100,00%

<b>Penalization 2</b>	
No. of Derivatives Asset Classes traded during the Online Phase	Penalization on final Investment Portfolio
$x \geq 2$	0,00%
$x = 1$	25%
$x = 0$	50%

From April 10, 2020, after 8:30 a.m. (CEST) the Online Phase Leaderboard will be published on the Reply Platform, displaying the Registered Users in descending order and based on the respective Performance obtained and considering the penalization above described, if applicable to the related Registered User.

## Article 6 – Challenge Final Phase

The Registered Users in the first 100 positions of the Online Phase Leaderboard will have the right to join the Final Phase that, except in case of force majeure, will take place, in Milan, on April 24, 2020, from 08:30 a.m. 05:30 p.m. CEST.

All the travel, board and lodging costs to join the Final Phase will be at Registered User own expenses. No reimbursement will be offer by Reply or Banca Generali.

Within April 15, 2020, such Registered Users will be informed by email and, if interested in joining the Final Phase, they will have to send, within 4 days and via email, a copy of his/her own identity document in order to verify the current correspondence with the information provided at the time of registration to the Reply Platform.

If a Registered User:

- a) does not reply to the aforementioned communication within 4 days, or the response would be without the copy of the requested identity document

or

- b) responds in good time, but results in a non-conformity between the identity document and the information previously provided

participation in the Online Phase will be considered non-compliant and the Registered User will be automatically excluded from the possibility to join the Final Phase.

Reply can't be held in any way responsible if the email sent is not received by one or more Registered Users as a result of:

- i. an unreachable or non-existent email address (if disabled after enrollment)
- ii. configuration, on the client or server side, of the email box that erroneously classify the message sent by Reply as spam.

In the event of a response by the Registered User within the prescribed deadlines, completed with the requested documents and compliant with the information previously provided, such Registered User will be able to join the Final Phase, as Finalist.

In case:

- a) not all the Registered Users in the first 100 positions of the Online Phase will accept to join the Final Phase
- b) one or more Registered Users in the first 100 positions of the Online Phase will accept but will not result

eligible for the Final Phase (after the documents verification)

Reply and Banca Generali will have the right to invite one or more Registered Users from the 101 position in the Online Phase Leaderboard and so on. In this case, Reply will send the email to the related Register Users, with the same verification process above described.

When the Final Phase will start, the Finalists will have a (virtual) Investment Portfolio that will be the same for every Finalist.

The Investment Portfolio will be at disposition of the Finalists that will have to set the best investment strategy, on the base of the Inputs provided during the Final Phase, to obtain the best Performance.

Every Input will describe an event or financial need that will occur at a certain future date.

Since the Final Phase will take place during only one day, the number of Inputs, the trading instruments and the markets that the Finalists will be able to use (through the Trading Platform) will be commensured with the duration of the trading activities and disclosed only at the beginning of the Final Phase.

Also the penalizations that will be applied to the Performance obtained during the Final Phase will be commensured with the duration of the trading activities and disclosed only at the beginning of the Final Phase.

On April 24, 2020, after 05:30 p.m. (CEST) the Final Leaderboard will be published on the Reply Platform, displaying the Finalists in descending order and based on the respective Performance obtained and considering the penalization, if applicable to the related Registered User.

The Final Leaderboard will be considered as provisional until the Finalists in the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> will provide, within April 29, 2020, the Final Report.

The Final Report will be verified by Reply and Banca Generali within 10 days from receipt, in order to evaluate its conformity with the requested requirements, that means that the content of the Final Report sent by the Finalist will have to detail all the procedures (e.g. strategies, financial analysis, etc.) used to obtain the Performance during the Final Phase.

If the Final Report is not submitted within the above-mentioned deadline or the Final Report will not be considered compliant to requirement, after the verification made by Reply and Banca Generali, the Finalist will be eliminated. If such case, the request to submit the Final Report will be sent to the Finalist in 4<sup>th</sup> position on the Final Leaderboard and so on, until the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> positions on the Final Leaderboard are definitively confirmed.

If the Final Report is submitted within the deadline and compliant to requirements, each Finalist in the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> position in the Final Leaderboard will have the right to obtain the consideration in kind, as per Art. 8.

In case of force majeure, Reply and Banca Generali will have the right to organize the Final Phase online instead



than in Milan.

In such circumstance, the Finalists will receive new username and password, together with instructions to access the Trading Platform.

All the provisions already foreseen and above mentioned for the Final Phase will remain unchanged.

### **Article 7 - Consideration in kind for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Finalist in the Final Leaderboard**

The consideration in kind for the transfer of the Rights on the Final Report, for the 1<sup>st</sup> Finalist in the Final Leaderboard, consists in Mac book Pro 16" that Reply will send to such Finalist within 90 days.

The consideration in kind for the transfer of the Rights on the Final Report, for the 2<sup>nd</sup> Finalist in the Final Leaderboard, consists in iWatch Series 5 that Reply will send to such Finalist within 90 days.

The consideration in kind for the transfer of the Rights on the Final Report, for the 3<sup>rd</sup> Finalist in the Final Leaderboard, consists in Apple AirPods Pro that Reply will send to such Finalist within 90 days.

Reply will also proceed, within the terms established by law, to pay the withholding tax, based on the gross value of the consideration in kind, if applicable.

The guarantee on the aforementioned good is that offered by the manufacturer (being a purchase made by a professional and not by a consumer) and therefore equal to 12 months.

### **Article 8 – Miscellanea**

The Parties will maintain their managerial and operational autonomy during the activities carried out respectively in the Challenge T&Cs.

The attempted unauthorized access to the platform, regardless of the outcome, for the purpose of damaging it or attempting, by way of example and not exhaustively, to manipulate the system that calculate the Performance, are grounds for eliminating a Registered User from the Challenge.

In addition to extending the deadline for Enrolment, Reply and Banca Generali have the right to postpone publication of Inputs, giving notice, also in this case, via the Reply Platform.

Reply and Banca Generali have the right to anticipate or postpone the starting time of the Final Phase and/or to anticipate or postpone the end, giving notice to the Finalists.

Reply and Banca Generali are not responsible for failure to start or end the Challenge (both Online Phase and Final Phase) for any reason attributable to third parties (by way of example, but not limited to: interruption of

internet connectivity, attempted intrusion or unauthorized access to the Platform or to the Trading Platform or any computer systems connected to it, etc.) or due to force majeure; in such cases, Reply and Banca Generali will have the right to postpone the start or end of the Challenge, or to interrupt temporarily the Challenge, giving notice via the Reply Platform.

Reply and Banca Generali are not responsible for any Registered Users' hardware or software malfunctions, or interruption of the internet connection used by them that prevent them processing or completing a trading activity through the Trading Platform during the Challenge (both Online Phase and Final Phase).

Reply and Banca Generali have the right to modify and/or supplement these Challenge T&Cs, provided any changes and/or additions will not create unequal treatment between Registered Users already enrolled.

In case any provision of these Challenge T&Cs shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

### **"Waiver" attachment**

The Registered User, as identified by the data released during the registration process on the Reply Platform and during the Enrolment that includes the acceptance of the Challenge T&Cs, of which this waiver is an integral and substantial attachment,

#### **GIVEN THAT:**

1. the Registered User has independently decided to join the Challenge that takes place according to the Challenge T&Cs
2. for the purposes of this waiver, the same definitions in the Challenge T&Cs apply.

That said, the registered user, accepting Challenge T&Cs and the waiver:

#### **A) DECLARES AND GUARANTEES**

1. That the information provided during registration on the Reply Platform is truthful and correct.
2. To be a EU resident and to not be a professional advisor.
3. To be aware that, in case he/she will be in the first 100 positions on the Online Phase and will accept to join the Final Phase, all the travel, board and lodging costs will be at his/her own expenses.
4. To be aware that, in case he/she will be in the first 100 positions on the Online Phase and will accept to join the Final Phase as Finalist, video footage will be taken during the event and, from now, he/she:
  - a. irrevocably consents to and authorize Reply and Banca Generali, also within the meaning and for the effects of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (hereinafter "GDPR"):

- i. to capture his/her images during the Final Phase
    - ii. to broadcast the event video through the “Reply U” YouTube Channel Reply’s social media official channels on Facebook and Instagram and through the Reply Platform (hereinafter, collectively the “Channels”)
  - b. understands and agrees that Reply and Banca Generali will be the exclusive owner of all rights, including, but not limited to, all copyrights, in and to the images and the event video in whole or part, in perpetuity, without limits of territory and that the rights include to license others and specifically YouTube, Facebook and Instagram
  - c. understands and agrees that Reply and Banca Generali has the right to use the images and the event video in any manner Reply may decide in its sole discretion, without any obligation to the Finalist, it being understood that is prohibit the use and dissemination of the Images in all cases that prejudice my honor, reputation and decorum, under Article 97 Italian Law 633/41 and Article 10 of the Italian Civil Code
  - d. understands that Reply and Banca Generali cannot control unauthorized use of images once the event video will be broadcasted
  - e. releases and discharges Reply and Banca Generali, including its management and employees, from any and all claims, actions or demands of any nature, related and/or in connection with the use and broadcasting of images and the event video as aforementioned
  - f. understands and agrees that he/she will not receive any payment, or compensation or other remuneration, now or in the future, neither for the performance during the Final Phase, nor for the use of the images and for the broadcasting of the event video.
5. To be aware that, in case he/she will join the Final Phase and will be 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> on the Final Leaderboard, he/she will have to provide the Final Report within the deadline indicated in Art. 7 and that he/she will be the unique author of such Final Report.
  6. That, in case he/she will join the Final Phase and will be 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> on the Final Leaderboard, he/she will be the unique author of such Final Report and, for this reason, no third party will have rights or claims regarding the Final Report provided.
  7. To have nothing to claim if he/she will not 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> on the Final Leaderboard, considering itself already fully satisfied by participation in the Challenge.
  8. To be aware that the Performance is calculated as described in these Challenge T&Cs.
  9. To be aware that, in so far as the object of this waiver is found to be, wholly or in part, untruthful and/or incorrect, Reply and Banca Generali have the right to exclude the registered user from the Challenge.
  10. To be aware that if he/she will be 1<sup>st</sup> 2<sup>nd</sup> or 3<sup>rd</sup> on the Final Leaderboard, only the consideration in kind

referred to in Art. 7 and nothing else will have to claim against the provision of work and the consequent transfer of rights of the Final Report provided.

11. To know that the subject matter of the Challenge T&Cs and of this waiver, is governed by Italian law.

- B) As reasoned above, **THE REGISTERED USER IS COMMITTED TO HOLD HARMLESS AND INDEMNIFY**, Reply and Banca Generali, as well as all subjects involved in any way in the organization and/or management of the Challenge – from any request, claim, action, burden, cost, and/or prejudice of third parties, in any way connected to the Challenge and deriving from the conduct of the Registered User that would make less or prevent Reply and its donors and/or those having the right to carry out the Challenge and exercise, in the sole case he/she will be 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> on the Final Leaderboard, the rights acquired through the Transfer (as defined below).
- C) **THE REGISTERED USER DECLARES TO TRANSFER (hereafter the "Transfer")** only in case he/she will be the in 1st, 2nd or 3rd position in the Final Leaderboard, as in fact it transfers - exclusively and against the consideration referred to in Art. 7 of Challenge T&Cs - to Reply, which accepts and acquires for itself and/or its assignees, all the exclusive rights on the Final Report, including those of use and economic and commercial exploitation, in any form or manner, in whole or in part, without any limitation of time, territory and methods.
- D) **THE REGISTERED USER ALSO DECLARES:**
- a) that there's no impediment to release for the present declaration
  - b) to accept that if he/shell will be 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> on the Final Leaderboard, he/she will not be entitled to receive any compensation, indemnity or reimbursement in addition to the consideration in kind pursuant to Art. 7 of the Challenge T&Cs
  - c) in relation to b) above, to have nothing to claim from Reply and/or its donors and/or assignees, transferees and in general from anyone who uses the Final Report for the purposes envisaged by the Transfer, guaranteeing its peaceful use
  - d) to have been duly informed about the characteristics of the Challenge and to have freely decided to join the same
  - e) to not having in place legal acts that, in any case, may affect the extent and effectiveness of this waiver.