



WORLD DUTY FREE S.P.A  
REGULATIONS FOR PHANTOM STOCK OPTION PLAN 2014  
APPROVED BY THE BOARD OF DIRECTORS ON 3 APRIL 2014 AND  
SUBMITTED TO THE WORLD DUTY FREE S.P.A ORDINARY SHAREHOLDERS'  
MEETING,  
SUMMONED FOR A SINGLE MEETING ON 14 MAY 2014

**IMPORTANT NOTE**

*This is a courtesy translation with no legal value. In case of discrepancy, the Italian version should prevail*

## 1. OBJECT AND FOREWORD

These regulations, alongside the registration forms issued for each Wave or Sub-plan, define the general terms and conditions for the rolling “Phantom Stock Options 2014” directed at certain, assigned employees and/or managers from particular positions in the Company and its Subsidiary Companies, who have been selected, in accordance with the Regulations, from within the management of the Group in order to increase the value of the Company and the Group and, at the same time, create a retention instrument. The Regulations do not constitute a prospectus or an information document.

The Regulations were approved by the Company shareholders, in their meeting of 14 May 2014 after submission by the Board of Directors and the Company’s Human Resources Committee, within their area of responsibility.

## 2 DEFINITIONS

For the purposes of these Regulations: (i) the terms and expressions listed below, which are underlined and written with a capital letter, have the respective meaning stipulated after them; (ii) the terms and expressions that are not underlined but have a capital letter in one or more paragraphs of this Article 2 are defined in other paragraphs of said Article; (iii) the terms and expressions defined in their plural form have the same definition in their singular form, and vice versa.

“WDF” or “World Duty Free”: World Duty Free S.p.A, with headquarters in Novara, via Greppi, 2 and secondary offices in Palazzo Z, Strada 5, 20089 Rozzano (Milan).

“Shares” or “Stock”: WDF common stock quoted on the Mercato Telematico Azionario (Electronic Stock Exchange), which is organised and managed by the Borsa Italiana (Italian Stock Exchange).

“Bad Leaver” and “Good Leaver”: the different circumstances of the termination of the Relationship, which will be specifically described on each Beneficiary’s Registration Form. Once these have been verified, the provisions of Article 8 shall be applied.

“Beneficiaries”: Assigned employees and/or managers from certain positions in the Company or one of its Subsidiaries, the assignors of the Options, as specified by name more than once – and according to its final judgement – by the Board of Directors, who are one of the individuals in roles that are strategically relevant or those that are part of the management of the Company or one of its Subsidiaries who is deemed to create value.

“Change of Control”: generally, one of the operations provided for in paragraph 9.1.

“Cap”: The maximum amount of the total Award that can be obtained by each Beneficiary for the purpose (even if awarded in several solutions) of the exercise of the Options for each Wave. The applicable Cap for each Beneficiary will be determined – definitively – by the Board of Directors and will be indicated on the corresponding Registration Form and stated in Euros.

“Civil Code”: The Italian Civil Code, passed by Royal Decree 16 March 1942 – XX, no. 262 and its subsequent modifications and amendments.

“Board of Directors”: the pro tempore Board of Directors of the Company, or as delegated by this Board, the Human Resources Committee of the Board of Directors, or the expressly delegated

members of said Board, assigned to carry out each valuation for the Plan, that shall underwrite said valuation, and to execute the provisions of the Regulations.

“Subsidiary Company” or “Subsidiary”: , each company that is directly or indirectly controlled, under Article 2359 of the Civil Code, by the Company that has a Relationship with one or more of the Beneficiaries.

“Date of Approval” or “Approval Date”: 14 May 2014, the date of the definitive approval of the Regulations by World Duty Free S.p.A.’s General Meeting of Shareholders.

“Date of Assignment” or “Assignment Date”: with regard to each Beneficiary, the date on which the Board of Directors determines the number of Assigned Options offered to each individual Beneficiary, and the Value Assigned.

“Date of Termination” or “Termination Date”: the date on which (i) the recipient party of the written, unilateral communication receives said communication regarding the termination of the Relationship (independently of the possible, different date of termination of the Relationship mentioned therein), or (ii) the termination of the Relationship (in the event of a bilateral agreement or the death of the Beneficiary).

“Date of Exercise” or “Exercise Date”: the date, during the Stock Option Exercise Period, in which the Beneficiary delivers the Company Stock Option Exercise Form pursuant to paragraph 7.3 and therefore exercises the Exercisable Options.

“Date of Launch” or “Launch Date”: for each Wave, the date on which the Vesting Period begins, which will be set by the Board of Directors.

“Date of Vesting” or “Vesting Date”: the date of the end of the Vesting Period for each Wave.

“Working Day”: every calendar day, with the exception of Saturday, Sunday and any other day on which, by law, banks on the piazza di Milano do not open to carry out their normal activities.

“WDF Group” or “Group”: collectively, WDF and its Subsidiaries.

“FTSE MIB Index”: The benchmark stock market index for the Italian national stock exchange, as defined by the Borsa Italiana ([www.borsaitaliana.it](http://www.borsaitaliana.it)).

“Options”: all the phantom stock options that are the object of this Plan (free, personal and non-transferable *inter vivos*) that grant each Beneficiary the right to receive a sum of money for each Option, when the Options are exercised and when all conditions provided for in these Regulations and the corresponding Registration Form are verified; the sum shall corresponds to the difference between the Final Value and the Assigned Value, and shall be awarded according to the terms and methods indicated in the Regulations.

“Assigned Options”: The Options for which the Company sent to the Beneficiary, and said Beneficiary subsequently received, a suitable Registration Form by the procedure stipulated in Article 4.

“Exercisable Options”: The Matured Options that may be exercised within the limits, and under the terms and conditions, of Articles 6 and 7.

“Matured Options”: The Options that have matured under the terms of Article 6.

“Blocking Period”: The days on which it is not permitted to exercise the Options, in accordance with the Company’s Internal Dealing process, which is in force from time to time.

“Exercise Period” or “Stock Option Exercise Period”: Without exception, the Working Days included in the period, lasting for three years if not otherwise stated, that comes into effect for each

Wave from the respective Vesting Date and that is indicated on the Registration Form, with the exception of the single days comprising the Blocking Period, or, in the circumstances foreseen by the Regulations, the Working Days comprising the specifically indicated period, during which, once the corresponding exercise conditions are verified, the Exercisable Options may be exercised. At least 30 days prior to the expiry of the Exercise Period, the Company shall remind Beneficiaries who have not yet exercised their Matured Options of the deadline for the Exercise Period.

“Lock-Up Period”: The one-year period from the Vesting Date (whose expiry date is defined as the first Working Day that falls 365 days after the Vesting Date).

“Vesting Period”: the period of maturity of the Options for each Wave that will end on expiry of the third year following the Launch Date, as indicated in the Registration Form, and in which the Matured Options can be exercised, in accordance with the methods and terms indicated in the Regulation and Registration Form

“Plan”: the rolling plan for the Phantom Stock Option 2014 applies to the Beneficiaries governed by this Regulation as well as by the Registration Form issued for each Wave.

“Bonus”: the gross amount in money that will be repaid to each Beneficiary who will have legitimately exercised the Options under the terms and conditions of the Regulation, calculated according to the provisions of paragraph 5.2, fixed by application of the Cap.

“Relationship”: the employment or management relationship in existence between each Beneficiary and the Company or one of the Subsidiaries. In the case of a parallel coexistence with the same Beneficiary of an employment or management relationship, for the purposes of the Regulation (and particularly in application of Article 8) the existence of the employment relationship will be taken into account.

“Regulation”: this regulation, having as its subject the criteria, modalities and terms of the activation of the Plan.

“Registration Form”: the expressly prepared form, a model of which is provided in attachment A, that the Company will send to each Beneficiary, with the Regulation that forms an integral part of it, whose subscription and delivery to the Company by the action of the Beneficiaries constitutes to all intents and purposes full and unconditional acceptance of the Plan on the part of the Beneficiaries of the Wave.

“Option Exercise Form”: the expressly prepared form, a model of which is provided in attachment B, that the Company will send to each Beneficiary in cases provided for in the Regulation, by the returning of which, having duly accomplished to the administrative procedures indicated by the Company, the Beneficiaries will be able to exercise the Exercisable Options.

“Wave”: the successive stages that the Plan is subdivided into. The Beneficiaries can be invited to register for one or more Waves by sending for each Wave the relevant Registration Form. All Waves will have their own Vesting Period and Exercising Period.

“Third Party Buyer”: a third party different (i) from individuals, physical persons or legal persons, who on the Approval Date hold, directly or indirectly, control of the Company in accordance with art. 2359 of the Civil Code, or (ii) individuals, physical persons or legal persons, who on the Approval Date are controlled, directly or indirectly, in accordance with art. 2359 of the Civil Code, by any of the individuals referred to in point (i).

“Allocation Value”: indicates: (i) with reference to the first Wave, an amount equal to the mathematical average of the official price (weighted Stock Market price) of the Shares for each day

of listing with the electronic trading platform organised and managed by Borsa Italiana S.p.A. in the period between 1 October 2013 and 3 April 2014, and (ii), for the next Waves, the normal value of each Share on the Allocation Date, determined according to the provision of art. 9, paragraph 4°, of the D.P.R. of 22 December 1986, no. 917 (an amount equal to the arithmetic mean of the official price of the Shares on each quotation day by the telematic stock market organised and managed by Borsa Italiana S.p.A in the period running from the day before the Allocation Date to the same day in the previous month (both inclusive). The Assignment Value will be indicated in the Registration Form.

“Current Value”: the normal value of each Share on the Vesting Date, determined according to the provision of art. 9, paragraph 4°, of the D.P.R. of 22 December 1986, no. 917 (that is to say: the arithmetic mean of the official price of the Shares on each quotation day by the telematic stock market organised and managed by Borsa Italiana S.p.A in the period running from the day before the Vesting Date to the same day in the previous month (both inclusive).

“Final Value”: the normal value of each Share on the Option Exercise Date, determined according to the provision of art. 9, paragraph 4°, of the D.P.R. of 22 December 1986, no. 917 (that is to say: the arithmetic mean of the official price of the Shares on each quotation day by the telematic stock market organised and managed by Borsa Italiana S.p.A in the period running from the day before the Option Exercise Date to the same day in the previous month (both inclusive), completed with the dividends distributed from the Allocation Date up to the Option Exercise Date.

### 3. CRITERIA AND METHODS FOR DETERMINING THE NUMBER OF OPTIONS

The Beneficiaries for each Wave and the number of Options offered to each of them and the Cap will be determined at the discretion of the Board of Directors and cannot be challenged, with regard to the relevance of the respective position recovered in the scope of the Company or the Subsidiaries in relation to valuation of the Company and the Group. The Beneficiaries can be specified also following the Launch Date of each Wave, on condition that it is within the Vesting Period.

### 4. ATTRIBUTION OF OPTIONS AND REGISTRATION OF THE PLAN

- 4.1 The Plan is linked in three Waves. On the occasion of each Wave, the Company will send by paper and/or electronic means to each Beneficiary, identified using the methods referred to in article 3, the Regulation and the Registration Form of the Wave(s) to which they relate, bearing an indication, among others, of the number of Options Allocated, the Allocation Value and the Vesting Period, the Lock-Up Period, the Cap and the anticipated bonus in the event of a change in control or delisting in accordance with, respectively, paragraphs 9.1 and 11.2.
- 4.2 Each Beneficiary can adhere to each Wave signing and sending to the Company the Registration Form within 10 days of receipt of the same, on penalty of loss of the right of registration to the Plan.
- 4.3 The Options are understood to be Allocated to all intents and purposes on the date on which the Registration Form referred to in paragraph 4.2 duly completed and signed, will arrive at

the Company. It is understood that the determination of the Allocation Value will support the reference to the Allocation Date, as defined in Article 2.

## 5. NATURE AND CHARACTERISTICS OF THE OPTIONS AND BONUS

- 5.1 The attribution of the Options will take place free of charge. The Beneficiaries will consequently not be obliged to pay any amount to the Company for said allocation.
- 5.2 The Beneficiary who will validly have exercised Options according to the terms and conditions established in the Plan and the Regulation, will see identified for each Option exercised a gross amount equal to the Final Value less the Allocation Value (the “Bonus”), as defined in article 6, without prejudice to the checking by the Company of the achievement of the Cap on the Option Exercise Date.
- 5.3 The Options will be Allocated to the Beneficiaries personally, and cannot be transferred by act *inter vivos* nor be subject to obligations or constitute the subject of other acts of disposal of whatever type.
- 5.4 In the event of death, the Beneficiary will be considered as a Good Leaver.
- 5.5 The Premium/Bonus, and more generally any benefit recognised with the Plan:
- a will constitute a payment of an extraordinary nature and cannot be considered under any circumstances as an integral part, according to the cases, of the normal reward or normal payment of the Beneficiary. In particular, any Bonus is to be understood already inclusive of possible related incidence on the direct and indirect compensatory provisions governed by the collective and individual economic agreements in force that may be applicable (which, for example, the thirteenth and fourteenth monthly payments or additional allowance, if owed) and by the law (which, for example, pay in lieu of notice), with the exception of severance pay, this being taken into account in the determination of the number of Options to be allocated to each Beneficiary, and therefore will not have any further effect on the calculation of the same;
  - b will not constitute the premise for the awarding of similar or further benefits, within the scope of the Plan or otherwise.
  - C will not allocate to the Beneficiary the right, on expiry of the Plan, to participate in further possible incentive systems completed, or to remuneration of the kind’
- 5.6 It is expressly understood that the value of the Bonus attainable has been specifically determined, for a value equal to 33% of the same, in consideration of what is referred to in section 8.7.
- 5.7 The allocation of the Options on the occasion of each Wave cannot constitute in any way for the relevant Beneficiaries the premise and/or basis for attribution of further options on the occasion of subsequent Waves and/or subsequent plans.

## 6. MATURING OF OPTIONS ALLOCATED AND RELATED ABILITY TO EXERCISE OPTIONS

- 6.1 The Options Allocated for each Wave will mature – thus becoming Matured Options – only upon joint checking of the following conditions:
- a. the performance of the Shares in the Vesting Period, determined comparing the Allocation Value with the Current Value, is equal to or greater than 85% of the performance of the FTSE MIB Index over a three year period, determined comparing the normal value on the Launch Date (the arithmetic mean of the FTSE MIB entered by Borsa Italiana S.p.A. in the period between the day prior to the Date of Issue of and the same day in the previous month (both included), with the normal value on the Vesting Date (the arithmetic mean of the FTSE MIB index recorded by the Borsa Italiana S.p.A. in the period running from the Vesting Date to the same day of the previous month (both inclusive));
  - b. situations of “default” have not been verified as a consequence of the lack of respect by the Company at any time, during the Vesting Period, of the covenant stipulated with the individuals financing the Company in the time applicable in accordance with what is provided for in the respective financing contracts.

Consequently, in the case of performance of Share less than 85% of the performance of the FTSE MIB index (calculated under the above-indicated terms) upon expiry of the relevant Vesting Period, or in the case of non-respecting of the financial covenants that create an event of “default” at any time in the course of the Vesting Period in the time applicable for each Wave, the Beneficiaries will definitely lose the right to exercise all the Options Allocated, except for a different determination by the Board of Directors.

- 6.2 As far as the Beneficiaries are concerned who were subsequently singled out on the Launch Date according to the preceding Article 3 final paragraph, to the verification of the conditions referred to in the preceding paragraph 6.1, the number of Matured Options will correspond to a percentage of the Options Allocated determined in accordance with pro-rata temporis with regard to the period of effective service offered by the Beneficiary during the Vesting Period with consequent re-proportioning ratione temporis also in the size of the Cap.
- 6.3 The Matured Options with a size of 80% will become Exercisable Options on the Vesting Date while the remaining 20% will be exercisable on expiry of the Lock-Up Period.
- 6.4 Moreover, the Beneficiaries who, on the date of each distribution of the Bonus, are Company directors in accordance with and for the purposes of the self-regulation Code of the company quoted, as identified by the Board of Directors, will be obliged to acquire on the telematic stock market organised and administered by the Borsa Italiana S.p.A. a number of Shares corresponding to a total investment equal to 20% of the net Bonus paid (i.e the

Minimum Holding commitment). Said Shares must be retained – unless prior written authorisation is given by the Board of Directors – until the date of cessation of the task.

- 6.5 Furthermore it is understood that in no case the amount of the bonus determined according to the following formula:

$$\text{Bonus} = [(\text{Final Value} - \text{Allocation Value}) * \text{Number of Matured Options}]$$

Can exceed the Cap.

Furthermore, up to the expiry of the Lock-Up Period, the Beneficiaries can exercise a maximum number of Matured Options equal to the smallest between:

- a. 80% of the Matured Options;
- b. a number of Options calculated in application of the following formula:

$$\text{Exercisable Options} = [(80\% \times \text{Cap}) / \text{Final Value} - \text{Allocation Value}]$$

It remains understood that, in the case of exercise in several segments, the aforementioned formula must be updated to take into account the Premium already received for the previous financial years. Therefore, the formula should be read as follows:

$$\text{Exercisable Options} = [(80\% \times \text{Cap}) - \text{BONUS}_{\text{received}} / \text{Value} - \text{Allocation Value}]$$

- 6.6 Following the Lock-Up Period, the Beneficiaries can exercise a maximum number of Matured Options and not yet exercised so that the total Bonus received is not greater than the Cap.
- 6.7 Finally, it remains understood that where the number of Exercisable Options determined pursuant to the preceding paragraphs is a decimal number, that number shall be rounded down to the nearest whole number. In order to avoid any doubt, it is understood that the expression “BONUS<sub>received</sub>” refers to the overall bonus received by the Beneficiary for exercise of the Matured Options.

## 7. EXERCISE OF THE OPTIONS

- 7.1 The company shall send the Beneficiaries, as soon as possible after the expiry of the Vesting period of each Wave, the Stock Option Exercise Form indicating the number of Vested Options and the number of Exercisable Options.
- 7.2 The Beneficiaries may exercise the Exercisable Options for each Wave as follows: i) each Beneficiary can decide to exercise the Exercisable Options in one or more segments with a maximum of four segments during the Period; ii) the number of Options Exercisable for each segment cannot be less than 25% of the Matured Options, despite what is set out above in Article 6.3 and without prejudice for the prohibition on exercising the Options Matured during the blocked period. The Company shall offer the Beneficiaries the Stock Option Exercise Form (in hard copy and/or electronically) by which to express their wish to exercise.
- 7.3 Each Stock Option Exercise Form can be delivered to the Beneficiaries only during the Exercise Period.



- 7.4 The payment of the Premium owed at the end of the year will be made with a payment in the month following the Exercise Date. In the case of Beneficiaries whose remuneration is paid in a currency other than the Euro, the Premium and any other cash allocation provided for in this Regulation (including the premium provided under paragraphs 9.1 and 11.2) will be paid in the reference currency by applying the exchange rate in force on the Allotment Date and shown on the Registration Form.
- 7.5 Each Subsidiary can join the Plan by approving this Regulation and by assuming, thusly, all the related payment and cost obligations towards the Beneficiaries who have an existing Relationship with each Subsidiary.
8. USE OF THE OPTIONS IN THE EVENT OF CESSATION OF THE RELATIONSHIP
- 8.1 Since the right to exercise the Options is by its nature functionally linked to the enduring Relationship between the Beneficiaries and the Company or the Subsidiaries, in the event of the Relationship ceasing, the provisions referenced in this Article 8 will apply, unless otherwise determined by the Board of Directors in a sense more favourable to the Beneficiaries and without prejudice to the right of the Board to reach agreements with different content with each Beneficiary.
- 8.2 In the event that the Relationship cessation relates to a case of a Bad Leaver, the Beneficiary shall lose the right to exercise the Options not yet exercised.
- 8.3 In the event that the Relationship cessation relates to a case of a Good Leaver, whose Cessation Date is earlier than the expiry of the Vesting Period, the Beneficiary (or his heirs or legal successors) will retain the right to exercise a number of the Vested Options within the expiry of the Exercise Period - as resulting in the application of the parameters referenced in Article 6 - re-proportioning depending on the actual service period performed during the Vesting Period, resulting in re-proportioning *ratione temporis* the Cap amount also.
- 8.4. In the event that the Relationship cessation relates to a case of a Good Leaver, whose Cessation Date occurs during the Exercise Period, the Beneficiary (or his heirs or legal successors) will retain the right to exercise the Exercisable Options still in their possession as of the Cessation Date within the expiry of the Exercise Period.
- 8.5 It remains understood that (i) the natural expiry of the office of the director followed by immediate renewal without any discontinuity will not be deemed a Cessation of the Relationship; and (ii) the right of the Beneficiaries to exercise their Exercisable Options remains howsoever suspended starting at the time of any disciplinary complaint letter being dispatched (pursuant to and by the effects of Article 7 of Law 300/70, if the relationship is governed by Italian law, or otherwise as required by the applicable laws), and until the conclusion of the disciplinary proceedings.
- 8.6 Finally, it remains understood that that in the event of a transfer of the Company relationship or the Subsidiary to another company in the Group and/or in case of a cessation and the simultaneous introduction of a new relationship within the Group, the Beneficiary will retain, *mutatis mutandis* , all rights provided to him by the Regulations.
- 8.7 The right of each beneficiary to receive the Premium is finally conditioned by the fact that the Beneficiary, whose relationship with the Company or a Subsidiary has ceased, may not undertake personally, or through an intermediary, either an individual or an entity, any

activity, even only occasional or free of charge, for any of the Company's competitors, as identified on the Registration Form, during a period of 12 months from the Cessation Date. In case any such condition occurs, the Beneficiary shall lose the right to receive the Premium, if not yet disbursed, or, in the case where it has already been provided, he will be required to return to the related company an amount equal to the Premium paid to him.

## 9. CHANGE OF CONTROL AND IPO

9.1 If one of the following circumstances occurs during the Vesting Period:

- a. acquisition of a number of Company shares by one or more Third-party Buyers, such to involve the acquisition of control over the Company according to the meaning of art. 2359, first paragraph, points 1) and 2) of the Civil Code. To this end, it is specified that it is not considered a change of control the case in which the parties, natural or legal persons, which at the Approval Date control the Company, either directly or indirectly, maintain their participation in a percentage equal to or greater than 30.1% or maintain joint control of the Company;
- b. acquisition by one or more Third-party Buyers of a number of shares or a share of a Subsidiary, or parent companies thereof, either directly or indirectly, provided that they are different than the Company, whose total is higher than 50% of its share capital, unless the Company continues to hold control pursuant to article 2359 of the Italian Civil Code;
- c. permanent transfer, on any grounds, to one or more Third-party Buyers of the company or business unit to which the Beneficiary's Relationship reports to;  
in the event that the Change of Control relates to the Company, all Beneficiaries, or even just the Beneficiaries whose relationship reports to the Subsidiary or the company or unit subject to the Change of Control, at the Date of Vesting will be issued every Wave they subscribed to, whose premium amount is indicated in the Registration Form, unless otherwise determined by the Board of Directors, in a way more favourable to the Beneficiaries and without prejudice to the provisions of the foregoing Article 8. This premium will be paid, as applicable, by the Company or the Subsidiary subject to the Change of Control in lieu of any other rights or premiums under this Regulation, which will lose effectiveness for the Beneficiaries concerned.

9.2 Should an initial public offering, or a public exchange offer concerning Company shares not involving a Change of Control pursuant to the foregoing paragraph 9.1 be promoted, the Beneficiaries will retain the right to exercise the Vested Options pursuant to the parameters set forth in Article 6 and within the time and in the manner set forth in Article 7. It is also understood that the Board of Directors may grant to the Beneficiaries the early exercise (in whole or in part) of the Options Granted and not yet exercised (even if not yet vested): to this end and at the same time, the Beneficiaries shall be delivered a special Stock Option Exercise Form, with indication of the Exercise Period, with a deadline for the exercise not earlier than the expiration of the period for the acceptance of the initial public offering or public exchange offer.

## 10. TAX REGIME

Participation in the Plan may result in taxation of income, application of taxes and / or social security contributions to be paid by the Beneficiaries in the cases and in the manner prescribed by the relevant regulations from time to time in force and applicable to each Beneficiary.

## 11. AMENDMENTS TO THE REGULATIONS

11.1 In the event of extraordinary equity transactions of the Company not expressly provided for in the Regulations, such as, as a way of example but not limited to, mergers, demergers, capital reductions due to losses through the cancellation of shares, increases in the capital of the Company, free or paid, grouping or splitting of shares or of legislative or regulatory changes or other events that might affect the Options, the Shares or the Plan, the Board of Directors will bring to the Regulations, at its sole and final discretion, the amendments and additions deemed necessary or appropriate to maintain unchanged, within the limits permitted by the law from time to time in force, the substantive and financial contents of the Plan.

11.2 In case of delisting of Company shares during the Vesting Period, the Plan shall cease to have effect and the Board of Directors shall have full power to adopt the resolutions deemed most appropriate, regarding the future of the Options, despite the Beneficiaries are entitled, for each Wave to which they have subscribed and at the time of delisting, to a premium whose amount is indicated in the Registration Form, based on the Vesting period already elapsed.

## 12. LENGTH OF PLAN

The Plan will last from the Date of Approval until 30 June 2021.

12.1 Every Option and every other right set out in the Regulation and not exercised by the date set out in paragraph 12.1, will definitively expire and cannot be exercised, unless the Regulation allows a shorter term for the relative financial year.

## 13. CONFIDENTIALITY

The Plan, the Regulation and its exhibits, as well as any notification or information relative to the same or contained therein, are strictly confidential, with the exception of the obligations for market notification and communication incumbent on the Company. In any event, the Beneficiaries commit not to divulge the Plan, the Regulation and its exhibits to third parties and to maintain the strictest confidentiality regarding any news or information relative to the same or contained therein.

## 14. APPLICABLE LAW AND JURISDICTION

The Plan, the Regulation and its exhibits are regulated by Italian law. Any dispute which might arise, originate, depend or in any event be related to the Plan, the Regulation and its exhibits, shall fall under the exclusive jurisdiction of the legal authorities in Milan.

## 15. OPERATIONAL MANAGEMENT

The operational management and practical implementation of the Plan shall be entrusted to the Group Chief HR & Organization Director who can delegate them to a specifically

designated third party, who can be fully or partially entrusted with every aspect of such management.

## Exhibit A

REGISTRATION FORM  
 PHANTOM STOCK OPTIONS PLAN 2014 FOR WORLD DUTY FREE  
 S.P.A.  
 WAVE[ \_\_\_\_ ]

World Duty Free S.p.A.,  
 Via Greppi, 2,  
 28100 Novara

The undersigned \_\_\_\_\_ (henceforth the "Beneficiary")

Date of birth \_\_\_\_\_ Place of birth \_\_\_\_\_

Address \_\_\_\_\_

Telephone number \_\_\_\_\_ tax code \_\_\_\_\_

Declares	receipt, viewing and full understanding of the Regulation for the Company's "Phantom Stock Options 2014" Plan, which constitutes an integral and substantial part of this Registration Form and is understood to be fully recalled (also in agreed definitions of terms and expressions) and full acceptance, by signing this Registration Form and a copy of the Regulation itself, with terms, methods and conditions.
Declares	notification that this Registration Form must be presented to the Company, on penalty of expiry of the Option Attribution right, within ten days from receipt of this document
Confirms	with full effect and under their own exclusive responsibility, that the civil statistics above are correct.
Confirms	notification of and acceptance that, if this Registration Form is incomplete due to not being correctly completed or fully signed, it shall not be effective pursuant to article 1326, 4° paragraph, of the Civil Code.
Acknowledges	receipt from the Company of a maximum number of Options equal to
Declares	awareness and acknowledgement that the number of Options Matured and then Exercisable will be determined by the Company pursuant to article 6 of Regulation.
Declares	awareness and acknowledgement that, in fulfilment of the applicable provisions of the Regulation, the Cap - which is to say the maximum amount of Premium allowed, even if paid in multiple instalments - will be equal to EUR [•]
Declares	awareness and acknowledgement that the Assignment Value determined by the Company on the Date of Assignment, is equal to Euro _____.
Declares	awareness and acknowledgement that the exchange rate applicable on the Date of

	Assignment is
Declares	awareness and acknowledgement that, according to the terms of the Regulation and with reference to the Options Assigned with this Registration Form, the Vesting Period is from _____ to _____, the Exercise Period is from _____ to _____, and the Lock Up Period is from _____ to _____.
Declares	awareness and acknowledgement that, in fulfilment of paragraphs 9.1 and 11.2, the maximum premium allowed for each Wave is _____.
Declares	awareness and acknowledgement that, in fulfilment of paragraph 8.7, The territory where _____ competition is not allowed for the purposes of the maturation and maintenance of the Premium rights, is _____ and that the competitor parties identified are (not a complete list): [ _____ ]
Acknowledges	that the definition of Bad Leaver is <sup>1</sup> : a) termination for just cause in accordance with article 2119 of the Italian Civil Code; b) justified termination for subjective reasons in accordance with articles 29 and 33 of the collective labour agreement for tertiary, distribution and service sector directors; c) revocation or non-renewal of a directorship for just cause in accordance with article 2383, 3° paragraph, of the Italian Civil Code; d) voluntary termination (with the exception of what is allowed with regard to retirement); e) resignation from directorship in accordance with article 2385, 1° paragraph, of the Italian Civil Code;
Acknowledges	that the definition of Good Leaver is <sup>2</sup> : a) justified termination for objective reasons in accordance with articles 29 and 33 of the collective labour agreement for tertiary, distribution and service sector directors; b) unjustified termination; c) revocation or non-renewal of a directorship without just cause in accordance with article 2383, 3° paragraph, of the Italian Civil Code; d) voluntary termination, only as long as the Beneficiary holds the retirement requisites set out by law, and within 30 days from presentation of request for such processing; e) termination for just cause in accordance with article 2119 of the Italian Civil Code; f) consensual termination of the Relationship; g) death or permanent invalidity; any other cause for termination of the Relationship not expressly governed by what is set out above.

place \_\_\_\_\_, date \_\_\_\_\_

(the Beneficiary)

<sup>1</sup> To be updated on the basis of the applicable law for the Relationship with the Beneficiary.

<sup>2</sup> To be updated on the basis of the applicable law for the Relationship with the Beneficiary.

Pursuant to and in accordance with 1341 and 1342 Civil Code, the Beneficiary declares specific approval in writing for the following articles of the Regulation: 3. (Criteria and methods of determination of the number of Options), 4. (Granting of Options and registration in the Plan), 5. (Nature and features of the Options and Premium), 6. (Maturation of the Options Assigned and relative exercise), 7. (Exercise of the Options), 8. (Dealing with Options in case of termination of the Relationship), 9. (Changes in Control and OPA), 10. (Taxation), 11. (Updates to the Regulation), 12. (Term of the Plan), 13. (Confidentiality) and 14. (Applicable law and jurisdiction).

Place \_\_\_\_\_, date \_\_\_\_\_

\_\_\_\_\_  
(the Beneficiary)

Receipt of this Registration Form, confirmation of registration in the Plan and granting of the Options:

Assigned options	
Assignment value	
Cap	

Place \_\_\_\_\_, date \_\_\_\_\_

(World Duty Free S.p.A.)

Pursuant to and in accordance with article 13 of Legislative Decree n. 196, dated 30 June 2003, we note that the personal data provided upon signing this Registration Form shall be processed, also using electronic and telematics procedures, for objectives directly associated with and instrumental to the Plan. With regard to this processing, the Beneficiary can exercise all the rights set out in article 7 of Legislative Decree n. 196, dated 30 June 2003. The acquisition of personal data is necessary for the purpose of the execution of the Plan; even partial non-confirmation of the data will render this Registration Form invalid. The Company is the holder of all data processing. The Beneficiary grants consent for what is set out above pursuant to Legislative Decree n. 196, dated 30 June 2003.

\_\_\_\_\_  
(the Beneficiary)

Exhibit B
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## STOCK OPTION EXERCISE FORM

PHANTOM STOCK OPTIONS PLAN 2014 of WORLD DUTY FREE S.P.A.

WAVE[ \_\_ ]

World Duty Free S.p.A.,  
via Greppi, 2

28100 Novara

The undersigned \_\_\_\_\_ (henceforth the "Beneficiary")

Date of birth \_\_\_\_\_ Place of birth \_\_\_\_\_

Address \_\_\_\_\_ via \_\_\_\_\_ n. \_\_\_\_\_

Telephone number \_\_\_\_\_ tax code \_\_\_\_\_

whereas he/she has been granted by the Company a maximum number of [number to be indicated in advance by the Company] Options according to the terms and conditions set out in the Registration Form and the Regulation of the "Phantom Stock Options 2014" Plan, the content of which (including the agreed definitions of terms and expressions) is herein fully recalled;

confirms with full effect and under their own exclusive responsibility, that the civil statistics above are correct;

emphasizes that the Premium, and more in general every benefit recognised with the Plan, constitute an extraordinary payment and cannot in any way be considered an integral part of their normal retribution. Therefore, in particular, any higher value indicated above is to be understood as already including any relative incidence on direct and indirect taxation governed by collective and individual labour agreements which may be applicable (such as, for example, thirteenth and fourteenth month payments or supplementary payments if due) and according to the law (such as, for example, the notice indemnity), with the exception of severance indemnity payment, as this is taken into account in the determination of the number of Options Granted and therefore cannot have any further effect on the calculation of the same;

whereas they have the right to exercise n. [number of Matured Options to be inserted by the Company] Matured Options, pursuant to articles 6 and 7 of the Regulation;

whereas awareness and acknowledgement that the Exercise Period of the aforementioned Options is from \_\_\_\_\_ to \_\_\_\_\_ ;

whereas awareness and acknowledgement that the Lock Up Period of the aforementioned Options is from \_\_\_\_\_ to \_\_\_\_\_ ;

emphasizing that the number of exercisable options is determined pursuant to article 6 of the Regulation;

## THEREFORE

declares irrevocable exercise, effective from the date indicated in application of the Regulation, the following number of exercisable options:



<b>Number of Options exercised</b>	_____ (to be completed by the Beneficiary)
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(the Beneficiary)

Place \_\_\_\_\_, date \_\_\_\_\_

Receipt of the Stock Option Exercise Form & confirmation.

(World Duty Free S.p.A.)

Place \_\_\_\_\_, date \_\_\_\_\_