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| 1. **POLLEN STREET GROUP LIMITED**
 |
| **Rules of the Pollen Street Share Incentive Plan** |
| Shareholders’ approval:[●]Directors’ adoption:[●]Certified to HMRC on:[●]Expiry date: [●] |
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1. **RULES**
2. of the
3. **POLLEN STREET SHARE INCENTIVE PLAN**
4. INTERPRETATION

In these Rules:

* 1. the following expressions have the following meanings unless inconsistent with the context:

|  |  |
| --- | --- |
| 1. **“Accumulation Period”**
 | 1. in relation to an Award of Partnership Shares, a period (if any), not exceeding 12 months in duration, determined by the Board and stated in the relevant Partnership Share Agreement during which the Trustee shall accumulate an Eligible Employee’s Partnership Share Money before acquiring Partnership Shares or repaying it to the employee
 |
| 1. **“Acquisition Date”**
 | * 1. in relation to an Award of Partnership Shares where there is no Accumulation Period, the date which the Trustee determines to be the date on which Partnership Shares are to be acquired on behalf of Eligible Employees in accordance with the Plan (being not later than 30 days after the last date on which the Partnership Share Money to be applied in acquiring such Partnership Shares was deducted);
	2. in relation to an Award of Partnership Shares where there is an Accumulation Period, the date which the Trustee determines to be the date on which Partnership Shares are to be acquired on behalf of Eligible Employees in accordance with the Plan (being not later than 30 days after the end of the Accumulation Period which applies in relation to the Award of such Partnership Shares); and
	3. in relation to Dividend Shares, the date which the Trustee determines to be the date on which Dividend Shares are to be acquired on behalf of Eligible Employees in accordance with the Plan (being not later than 30 days after the date on which the relevant dividend was received by the Trustee)
 |
| 1. **“Acquisition Period”**
 | in relation to an Award of Partnership Shares: * 1. where there is no Accumulation Period, the period beginning with the deduction of the Partnership Share Money which relates to that Award and ending on the Acquisition Date; and
	2. where there is an Accumulation Period, the period beginning with the end of the Accumulation Period and ending immediately before the Acquisition Date
 |
| 1. **“Adoption Date”**
 | 1. the date on which the Plan is adopted by a resolution of the Board
 |
| 1. **“Announcement Date”**
 | 1. the date of the preliminary announcement of the annual results of the Company in any year or the date of the announcement of the half-year results of the Company in any year
 |
| 1. **“Appropriate Time”**
 | * 1. in relation to an Award of Partnership Shares where there is no Accumulation Period, the time of the deduction of the Partnership Share Money relating to the Award;
	2. in relation to an Award of Partnership Shares where there is an Accumulation Period, the time of the first deduction of Partnership Share Money relating to the Award; and
	3. in relation to an Award of Matching Shares, the time which is the Appropriate Time for the Award of the Partnership Shares to which the Matching Shares relate
 |
| 1. **“Associated Company”**
 | 1. an associated company of the Company within the meaning given to that term in paragraph 94 of the SIP Schedule
 |
| 1. **“Award”**
 | * 1. in relation to Matching Shares, the acquisition by the Participant of the conditional beneficial interest in those Shares in accordance with the Plan; and
	2. in relation to Partnership Shares and Dividend Shares, the acquisition of those Shares on behalf of the Participant in accordance with the Plan,

and, where the context so requires, includes such an appropriation or acquisition proposed to be made (and “**Awards**” and “**Awarded**” shall be construed accordingly) |
| 1. **“Award Date”**
 | 1. in relation to Matching Shares, the date on which such Shares are awarded to employees
 |
| 1. **“Board”**
 | 1. the board of directors of the Company, or any sub-committee or person duly authorised by it
 |
| 1. **“Company”**
 | 1. means Pollen Street Group Limited, a non-cellular company limited by shares incorporated under the laws of the island of Guernsey with registered number 70165
 |
| 1. **“Company Reconstruction”**
 | 1. a transaction to which the provisions of **Rule 9** apply (pursuant to **Rule 9.1**)
 |
| 1. **“Connected Company”**
 | * 1. a company which Controls or is Controlled by the Company or which is Controlled by a company which also Controls the Company; or
	2. a company which is a member of a Consortium owning the Company or which is owned in part by the Company as a member of a Consortium
 |
| 1. **“Consortium”**
 | 1. the meaning given to that term in paragraph 99(3) of the SIP Schedule
 |
| 1. **“Control”**
 | 1. the meaning given to that term by section 995 of the Income Tax Act 2007 and “**Controlled**” shall be construed accordingly
 |
| 1. **“CTA”**
 | 1. the Corporation Tax Act 2010
 |
| 1. **“Dividend Shares”**
 | 1. the Shares acquired on behalf of a Participant from reinvestment of dividends (pursuant to **Rule 8** and **Schedule 3**) and which are subject to the Plan and, where the context so admits, any New Shares attributable to those Shares
 |
| 1. **“Eligible Employee”**
 | in relation to any Award: * 1. an employee who must be invited to participate in such Award in accordance with **Rule 6.1**; and
	2. any employee whom the Board has invited to participate in such Award in accordance with **Rule 6.2**
 |
| 1. **“Employer Company”**
 | 1. the company by reference to which an Eligible Employee meets the requirements of **Rule 6**
 |
| 1. **“Employment”**
 | 1. employment (including being an executive director) by the Company or by a Participating Company and for the purposes of these Rules, a person holding Employment shall include a person who is absent from work by reason of confinement or pregnancy where such person has a right to return to work under Part VIII of the Employment Rights Act 1996 or other similar contractual right
 |
| 1. **“Excluded Issue of Shares”**
2.
 | 1. an issue of shares of any of the following descriptions (in respect of which a charge to income tax arises):
	1. redeemable shares or securities issued as mentioned in paragraphs C and D of section 1000(1) of the CTA;
	2. share capital issued in circumstances such that section 1022 of the CTA applies; or
	3. share capital to which section 1049 of the CTA applies that is issued in a case where section 410(2) or (3) of the Income Tax (Trading and Other Income) Act 2005 applies
 |
| 1. **“Fair Processing Notice”**
 | 1. the notice referring to this Plan, made available through the Company’s intranet and/or the Company Secretary or any other officer of the Company, which sets out how personal data relating to Eligible Employees and Participants will be processed in connection with the Plan
 |
| 1. **“HMRC”**
 | HM Revenue & Customs |
| 1. **“Holding Period”**
 | * 1. in relation to Matching Shares, the period determined by the Board in accordance with **paragraph 4** of **Schedule 2**; and
	2. in relation to Dividend Shares, the period of three years commencing on the Acquisition Date;
 |
| 1. **“ITEPA”**
 | 1. the Income Tax (Earnings and Pensions) Act 2003
 |
| 1. **“Law”**
 | 1. the Companies (Guernsey) Law, 2008
 |
| 1. **“London Stock Exchange”**
 | 1. London Stock Exchange plc or any successor body thereto
 |
| 1. **“Market Value”**
 | 1. subject to any other agreement made between the Trustee (with the consent of the Company) and HMRC in accordance with paragraph 92 of the SIP Schedule, means
	1. if, and only if, all the Shares acquired for an Award are purchased on the London Stock Exchange on a single Business Day, or over five or fewer consecutive Business Days ending on the day before the Acquisition Date or Award Date and awarded to all Participants on the same day, the average of the prices paid by the Trustee for those Shares; or
	2. in any other case, the closing middle-market quotation (taken from the Daily Official List of the London Stock Exchange) of a Share on the Business Day before that day or, if the Board so determines, the average of the closing middle-market quotations for the three Business Days before that day; or
	3. if the Shares have not been admitted to the Daily Official List of the London Stock Exchange, the market value of a Share as determined in accordance with the provisions of Part VIII of the Taxation of Chargeable Gains Act 1992 for the day in question as agreed for the purposes of the Plan with HMRC Shares and Assets Valuation on or before that day,

provided always that in the event that the Shares are subject to any Restriction, the market value of a Share shall be determined as though they were not subject to the Restriction |
| 1. **“Matching Shares”**
 | 1. Shares which have been Awarded pursuant to the terms of **Schedule 2** and which are subject to the Plan and, where the context so admits, any New Shares attributable to those Shares
 |
| 1. **“New Shares”**
 | 1. the meaning given to that term in paragraph 87 of the SIP Schedule
 |
| 1. **“Ordinary Share Capital”**
 | 1. the meaning given to that term in section 989 of the Income Tax Act 2007
 |
| 1. **“Other Employees’ Scheme”**
 | 1. any employees’ share scheme (within the meaning of section 532 of the Law) adopted by the Company enabling directors or employees of any company in the Group, or trustees on behalf of such directors or employees, to acquire Shares other than the Plan
 |
| 1. **“Participant”**
 | 1. an individual who has received or is to receive under the Plan an Award of Matching Shares or Partnership Shares, or on whose behalf Dividend Shares have been acquired
 |
| 1. **“Participating Company”**
 | means:* 1. the Company; and
	2. each Subsidiary which has executed either the Trust Deed or a deed of adherence to the Plan under clause 15.1 of the Trust Deed
 |
| 1. **“Partnership Shares”**
 | 1. Shares which have been Awarded pursuant to the terms of **Schedule 1** and which are subject to the Plan and, where the context so admits, any New Shares attributable to those Shares
 |
| 1. **“Partnership Share Agreement”**
 | 1. an agreement, in such form as would not cause any of the provisions of Parts 2 to 9 (inclusive) of the SIP Schedule to cease to be satisfied in relation to such agreement, setting out the terms of an Award of Partnership Shares and, if relevant, an Award of Matching Shares
 |
| 1. **“Partnership Share Money”**
 | 1. money deducted from an Eligible Employee’s Salary pursuant to a Partnership Share Agreement and held by the Trustee for the purpose of acquiring Partnership Shares or to be returned to that person
 |
| 1. **“PAYE Obligations”**
 | 1. the meaning given to that term in paragraph 99(1) of the SIP Schedule (and shall include any obligations under section 510 to 514 of ITEPA)
 |
| 1. **“Plan”**
 | 1. the Pollen Street Share Incentive Plan as established by these Rules and the Trust Deed as from time to time amended in accordance with their respective terms
 |
| 1. **“Plan Shares”**
 | * 1. Matching Shares or Partnership Shares Awarded to Participants;
	2. Dividend Shares acquired on behalf of Participants; and
	3. following a Company Reconstruction, New Shares (within the meaning given to that term in **Rule 9.3.1**),

which, in each case, remain subject to the Plan |
| 1. **“Plan Termination Notice”**
 | 1. a notice issued in accordance with **Rule 16**
 |
| 1. **“Qualifying Company”**
 | 1. the meaning given to that term in paragraph 17 of the SIP Schedule
 |
| 1. **“Qualifying Corporate Bond”**
 | 1. the meaning given to that term in section 117 of the Taxation of Chargeable Gains Act 1992
 |
| 1. **“Qualifying Period”**
 | * 1. in relation to an Award of Partnership Shares and Matching Shares where there is an Accumulation Period, such period as shall be determined by the Board in relation to that Award, being a period of not more than 6 months before the start of the Accumulation Period in relation to that Award;
	2. in relation to an Award of Partnership Shares and Matching Shares where there is no Accumulation Period, such period as shall be determined by the Board in relation to that Award, being a period of not more than 18 months before the deduction of Partnership Share Money relating to that Award
 |
| 1. **“Relevant Day”**
 | either:* 1. if the Plan is not to be a Schedule 2 SIP by virtue of paragraph 81H of the SIP Schedule:
		1. the last day of the period in which notice of an appeal under paragraph 81K(2)(a) of the SIP Schedule may be given; or
		2. if notice of such an appeal is given, the day on which the appeal is determined or withdrawn; or
	2. if the Plan is not to be a Schedule 2 SIP by virtue of paragraph 81I of the SIP Schedule:
		1. the last day of the period in which notice of an appeal under paragraph 81K(3) of the SIP Schedule may be given; or
		2. if notice of such an appeal is given, the day on which the appeal is determined or withdrawn
 |
| 1. **“Relevant Employment”**
 | 1. employment by the Company or any Associated Company (and a person shall not be treated for the purposes of the Rules as ceasing to be in Relevant Employment if he remains in the employment of the Company or any Associated Company)
 |
| 1. **“Restriction”**
 | 1. in respect of any Share, any provision which applies to such Share pursuant to any contract, agreement, arrangement or condition, to which any of subsections (2) to (4) of section 423 of ITEPA would apply if the references in those subsections to “the employment related securities” were references to the Share in question
 |
| 1. **“Rights Arising Under A Rights Issue”**
 | 1. rights, conferred in respect of a Participant’s Plan Shares, to be allotted (on payment), other shares or securities or rights of any description in the same company
 |
| 1. **“Salary”**
 | 1. the meaning given to that term in paragraph 43(4) of the SIP Schedule
 |
| 1. **“Schedule 2 SIP”**
 | 1. a share incentive plan which meets the requirements of Parts 2 to 9 (inclusive) of the SIP Schedule
 |
| 1. **“Shares”**
 | 1. ordinary shares in the capital of the Company which comply with the conditions set out in Part 4 of the SIP Schedule
 |
| 1. **“SIP Schedule”**
 | 1. Schedule 2 to ITEPA
 |
| 1. **“Specified Percentage”**
 | 1. in relation to any Dividend Shares (acquired or to be acquired pursuant to **Schedule 3** for a Participant), such percentage (between zero per cent and one hundred per cent) as is determined at the discretion of the Board for the purpose of **paragraph 1.1** of **Schedule 3**, as modified from time to time by the Board
 |
| 1. **“Subsidiary”**
 | 1. any company which is for the time being both:
	1. Controlled by the Company; and
	2. a subsidiary of the Company within the meaning of section 531 of the Law (which definition shall be interpreted as it is in the definition of "employees' share scheme" in section 53 of the Law, so as to include body corporates which are overseas companies)
 |
| 1. **“Tax Year”**
 | 1. any year commencing on 6 April and ending on the next 5 April (inclusive) or such other period of time as may be formally recognised as a tax year by HMRC from time to time
 |
| 1. **“Treasury Shares”**
 | 1. Shares which are governed by sections 326 to 328 (inclusive) of the Law
 |
| 1. **“Trust Deed”**
 | 1. the deed (as amended from time to time in accordance with its terms) to be entered into, as soon as reasonably practicable following the adoption by the Company of this Plan and substantially in the form set out in **Appendix 1**, between (1) the Company, (2) the companies listed in the schedule to such deed as Initial Participating Companies and (3) SIP Provider
 |
| 1. **“Trustee”**
 | 1. the trustee or trustees for the time being of the Plan (as appointed pursuant to the terms of the Trust Deed)
 |
| 1. **“UK Listing Authority”**
 | 1. the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 and in the exercise of its functions in respect of the admission to the Official List in accordance with Part VI of the Financial Services and Markets Act 2000
 |
| 1. **“UK Resident Taxpayer”**
 | 1. an employee whose earnings from the Employment are (or would be if there were any) general earnings to which section 15 of ITEPA applies
 |

* 1. other words and expressions, so far as not inconsistent with the context, have the same meanings as in the SIP Schedule;
	2. references to any statutory provisions shall, where the context so admits or requires, be construed as including references to the corresponding provisions of any earlier statute (whether repealed or not) directly or indirectly amended, consolidated, extended or replaced by those provisions, (or re-enacted in those provisions), and of any subsequent statute in force at any relevant time directly or indirectly amending, consolidating, extending, replacing or re-enacting the same, and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute;
	3. any reference to a Rule is a reference to one of these Rules;
	4. any reference to a Schedule (other than to the SIP Schedule) is a reference to one of the Schedules of these Rules and, unless stated otherwise, references to paragraphs are to paragraphs in the Schedule in which such references appear;
	5. any reference to an Appendix is a reference to one of the Appendices to these Rules;
	6. unless the context requires otherwise, words importing the singular shall also include the plural and vice versa, any reference to the masculine shall include the feminine as the context shall admit or require and any reference to a person shall include incorporated and unincorporated bodies; and
	7. the descriptive headings to Rules are inserted for convenience only, have no legal effect and shall be ignored in the interpretation of these Rules.
1. PURPOSE OF THE PLAN

The purpose of the Plan is to provide, in accordance with the SIP Schedule, benefits to employees of Participating Companies in the form of Shares which give them a continuing stake in the Company. The Plan does not provide benefits to individuals who are eligible to participate otherwise than in accordance with the SIP Schedule and for example does not provide cash to such employees as an alternative to Shares.

1. MAKING OF AWARDS
	1. Subject to **Rules 4** and **17**, the Board may at any time recommend the making of Awards to Eligible Employees.
	2. If, pursuant to **Rule 3.1**, the Board recommends the making of Awards of Partnership Shares, the provisions of **Schedule 1** shall apply in respect of such Awards.
	3. If, pursuant to **Rule 3.1**, the Board recommends the making of Awards of Matching Shares, the provisions of **Schedule 2** shall apply in respect of such Awards.
2. RESTRICTIONS ON THE GRANTING OF AWARDS
	1. No Award shall be made to an Eligible Employee at a time when the making of such an Award to such Eligible Employee would be in breach of any statute, regulation, governmental directive or any share dealing code adopted by the Company.
	2. Notwithstanding any other provision of the Rules, the Trust Deed or any Partnership Share Agreement, the Trustee shall not be obliged to make an Award of any Shares and the Board shall not be obliged to arrange for the Trustee to make an Award of any Shares at a time when the Shares have ceased to be eligible shares (as defined in and satisfying the requirements of Part 4 of the SIP Schedule).
	3. Subject to Rules 4.4 and 4.5, no Award shall be granted if immediately following the making of that Award the aggregate nominal value of ordinary shares in the Company:
		1. issued pursuant to Awards made pursuant to this Plan within the immediately preceding period of ten years; and
		2. issued or then capable of being issued pursuant to options granted or rights obtained in that ten year period under any Other Employees’ Scheme

would exceed 10 per cent of the nominal value of the ordinary share capital of the Company at that time in issue.

* 1. For the purposes of Rule 4.3, ordinary shares which have been acquired (or may be acquired) pursuant to:
		1. an Award made pursuant to this Plan;
		2. an option or other right granted by a person (other than the Company) under any Other Employees’ Scheme,

shall only count as “issued or then capable of being issued” to the extent that the ordinary shares that were (or are) subject to any such award, option or other right were issued (or there is an intention for them to be issued) by the Company to the Trustee for the purposes of the Plan or to any other person for the purposes of any Other Employees’ Scheme, or, subject to **Rule 4.6**, were Treasury Shares transferred (or there is an intention for them to be transferred) by the Company to the Trustee or other person for the purposes of the Plan or any Other Employees’ Scheme. For the avoidance of doubt, any Treasury Shares transferred (or where there is an intention for them to be transferred) to satisfy an Award made pursuant to Plan or any option or other right granted under any Other Employees’ Share Scheme shall, subject to **Rule 4.6**, count as “issued or then capable of being issued” for the purpose of **Rule 4.3**.

* 1. For the purposes of **Rule 4.3**:
		1. Shares which were the subject of an award, option or other right (whether granted pursuant to the Plan or otherwise) which has lapsed or been surrendered; and
		2. any option or other right to subscribe for Shares that will be satisfied by a transfer of Shares from a person other than the Company, where the Shares were acquired by such person by way of market purchase,

shall not count towards the limits set out in Rule 4.3.

* 1. In the event that Treasury Shares are no longer required to be included for the purpose of operating anti-dilution limits in employees’ share schemes by the Investment Association (or any replacement body thereof), then **Rule 4.4** shall be applied by ignoring all references to Treasury Shares therein, to the effect that Treasury Shares shall not be counted as falling within the term, “issued or then capable of being issued” for the purpose of **Rule 4.3**.
1. ROLE OF THE TRUSTEE
	1. The Plan shall be administered by the Trustee pursuant to the terms of the Trust Deed.
	2. The Trustee shall be responsible for making Awards (pursuant to any recommendations of the Board).
2. ELIGIBILITY
	1. Subject to the provisions of **Rules 6.3** to **6.5** (inclusive), any individual who:
		1. holds Employment at the Appropriate Time; and
		2. is a UK Resident Tax Payer,

is eligible to participate in an Award and must be invited to do so.

* 1. Subject to the provisions of **Rules 6.3** to **6.5** (inclusive), any individual who:
		1. holds Employment at the Appropriate Time; but
		2. is not a UK Resident Tax Payer,

is eligible to participate in an Award and may, in the absolute discretion of the Board (provided that, for the avoidance of doubt, the Board shall not be obliged in any circumstances to exercise its discretion in favour of an individual), be invited to do so.

* 1. If, in relation to any Award, there is a Qualifying Period, an individual shall not be eligible to participate in the Award unless he has been an employee of a Qualifying Company at all times during the Qualifying Period.
	2. An individual is not eligible to participate in an Award of Partnership Shares or Matching Shares under the Plan Awarded in any Tax Year if in that Tax Year he is to be awarded at the same time shares under another Schedule 2 SIP established by the Company or a Connected Company.
	3. If an individual participates in an Award of Shares under the Plan (or if the Trustee acquires Dividend Shares on behalf of the individual) in a Tax Year in which he has already participated in an award of shares (or had acquired on his behalf any dividend shares within the meaning of paragraph 62(3)(b) of the SIP Schedule) under any other Schedule 2 SIP or Schedule 2 SIPs established by the Company or a Connected Company, **paragraph 3** of **Schedule 1** shall apply as if the Plan and such other Schedule 2 SIP or Schedule 2 SIPs were a single plan.
1. PARTICIPATION ON THE SAME TERMS
	1. Every Eligible Employee in relation to an Award shall be invited to participate in that Award on the same terms.
	2. All Eligible Employees in relation to an Award who do participate in that Award shall do so on the same terms.
2. DIVIDENDS
	1. The Board may direct that:
		1. all dividends payable to Participants in relation to any Plan Shares must be applied in acquiring Dividend Shares (subject to the provisions of **Schedule 3**);
		2. all dividends payable to Participants in relation to any Plan Shares shall be paid in cash to all Participants as soon as reasonably practicable;
		3. some dividends payable to Participants in relation to Plan Shares must be applied in acquiring Dividend Shares (subject to the provisions of **Schedule 3**) and the balance will be paid in cash to all Participants as soon as reasonably practicable; or
		4. Participants may elect, in relation to dividends payable in relation to any Plan Shares, to have such dividends applied in accordance with **Rule 8.1.1**, **Rule 8.1.2** or **Rule 8.1.3**.
	2. The Partnership Share Agreement shall set out the rights and obligations of Participants receiving Dividend Shares under the Plan.
	3. The Board may revoke any direction for reinvestment of cash dividends made in accordance with **Rule 8.1.1**, **Rule 8.1.3** or **Rule 8.1.4**.
	4. If, pursuant to **Rule 8.1**, any Dividend Shares are to be acquired, the provisions of **Schedule 4** shall apply in respect of such acquisition.
3. COMPANY RECONSTRUCTIONS
	1. Subject to **Rule 9.2**, the provisions of this Rule 9 apply where there occurs in relation to any of a Participant’s Plan Shares (referred to in this **R**ule 9 as the “Original Holding”) a transaction:
		1. which results in a new holding (referred to in this **R**ule 9 as the “New Holding”) being equated with the Original Holding for the purposes of capital gains tax; or
		2. that would have that result but for the fact that what would be the New Holding consists of or includes a Qualifying Corporate Bond.
	2. Where an Excluded Issue of Shares is made:
		1. that issue of shares does not by itself count as a transaction to which **Rule 9.1** applies; and
		2. the shares issued, if made as part of a Company Reconstruction, shall be treated for the purposes of this **Rule 9** as not forming part of the New Holding.
	3. In this Rule 9:
		1. “New Shares” means shares comprised in the New Holding which were issued in respect of, or otherwise represent, Plan Shares comprised in the Original Holding; and
		2. “Corresponding Shares” means, in relation to any New Shares, those Plan Shares in respect of which the New Shares are issued or which the New Shares otherwise represent.
	4. Subject to the following provisions of this **Rule 9**, after the occurrence of a Company Reconstruction:
		1. references in the Plan to a Participant’s Plan Shares, Partnership Shares, Matching Shares or Dividend Shares shall be construed as being or, as the case may be, as including references to any New Shares; and
		2. references in **Rule 10.2**, **paragraph 4.5** of **Schedule 2** and **paragraph 4.1** of **Schedule 3** to “the Company” shall be construed as being or, as the case may be, as including references to any company whose shares are comprised in the New Holding.
	5. For the purposes of the Plan:
		1. a Company Reconstruction shall be treated as not involving a disposal of Plan Shares comprised in the Original Holding;
		2. the date on which any New Shares are to be treated as having been Awarded to the Participant shall be the date on which the Corresponding Shares were (or were treated as) Awarded; and
		3. the conditions in Part 4 of the SIP Schedule shall be treated as being fulfilled with respect to any New Shares if they were (or were treated as being) fulfilled with respect to the Corresponding Shares.
	6. In the context of a New Holding any reference in this Rule 9 to shares includes securities or rights of any description which form part of the New Holding for the purposes of Chapter II of Part IV of the Taxation of Chargeable Gains Act 1992.
4. RIGHTS ISSUES
	1. Subject to **Rule 10.2**, where, in relation to a Participant’s Plan Shares, the Trustee exercises Rights Arising Under A Rights Issue, any shares or securities allotted as a result shall be treated for the purposes of the Plan as if they were Plan Shares:
		1. identical to the shares in respect of which the rights were conferred; and
		2. appropriated to, or acquired on behalf of, the Participant under the Plan in the same way and at the same time as those shares.
	2. **Rule 10.1** does not apply:
		1. to shares and securities allotted as the result of the Trustee exercising Rights Arising Under A Rights Issue where the funds to exercise those rights were provided otherwise than by virtue of the Trustee exercising its powers pursuant to the Trust Deed to dispose of some of such rights to obtain sufficient funds to exercise all or part of the remainder of such rights in accordance with paragraph 77 of the SIP Schedule; or
		2. in relation to Rights Arising Under A Rights Issue unless similar rights are conferred in respect of all ordinary shares in the Company,

and any shares or securities allotted as mentioned in **Rule 10.2.1** or pursuant to rights referred to in **Rule 10.2.2** are not Plan Shares.

1. MEANING OF SHARES CEASING TO BE SUBJECT TO THE PLAN
	1. For the purposes of the Rules, the Trust Deed and any Partnership Share Agreement, a Participant’s Shares shall be taken to cease to be subject to the Plan:
		1. if the Participant withdraws them from the Plan;
		2. at the date that the Participant ceases to be in Relevant Employment at a time when the Shares are subject to the Plan (except that, in relation to an Award of Partnership Shares, if the Participant ceases to be in Relevant Employment at any time during the Acquisition Period, he shall be treated as ceasing to be in Relevant Employment for these purposes immediately after the Award of Partnership Shares); or
		3. if the Trustee disposes of the Shares under provision made in accordance with **Rule 12** or paragraph 79 of the SIP Schedule to meet any PAYE Obligations,

and a Participant’s Shares shall be treated as ceasing to be subject to the Plan in the order in which they were appropriated to or acquired on behalf of that Participant.

* 1. For the purposes referred to in **Rule 11.1**, a Participant shall be taken to withdraw his Shares from the Plan (or, as the case may be, his Shares shall be treated as having been withdrawn from the Plan) when:
		1. they are **transferred** by the Trustee to the Participant or to another person at the Participant’s direction; or
		2. they are transferred, following the Participant’s death, to the Participant’s **personal** representatives or to another person at the direction of the Participant’s personal representatives; or
		3. the Participant or, following his death, his personal representatives, assigns, charges or **otherwise** disposes of his beneficial interest in the Shares; or
		4. the Shares are disposed of by the Trustee at the direction of the Participant or, **following** his death, at the direction of his personal representatives in circumstances where the Trustee accounts (or holds itself ready to account) for the proceeds to the Participant or, following his death, to his personal representatives or to another person; or
		5. the Shares are transferred by the Trustee to another person pursuant to:
			1. a transaction resulting from a compromise, arrangement or scheme falling within section 498(9) of ITEPA; or
			2. an offer forming part of a general offer falling within section 498(10) of ITEPA; or
			3. the application of section 337 of the Law in the case of a takeover bid (as defined in section 340Y of the Law) falling within section 498(12) of ITEPA.
1. ARRANGEMENTS FOR THE TRUSTEE TO MEET PAYE OBLIGATIONS

The Board and/or the Trustee may make such provisions or arrangements as they consider appropriate to ensure that, where PAYE Obligations are imposed as a result of any of a Participant’s Plan Shares ceasing to be subject to the Plan, the Trustee is able to meet that obligation:

* 1. by disposing (including a disposal to the Trustee for the purposes of the Plan) of:
		1. any of those Plan Shares; or
		2. any of that Participant’s remaining Plan Shares (if any); or
	2. by virtue of the Participant paying to the Trustee a sum equal to the amount required to discharge the PAYE Obligations.
1. NOTICES
	1. Any notice given by an Eligible Employee or a Participant to the Company or the Trustee in pursuance of the Plan must be given in writing by email sent to the relevant email address notified to the Eligible Employee or Participant for this purpose or by a letter signed by him or his personal representatives and shall be acted upon by the Company or the Trustee (as the case may be) as soon as practicable after receipt. Any such notice to be given to the Company or the Trustee by letter shall be delivered or sent to the Company at its registered office or in the case of the Trustee to such other address (if any) as shall from time to time be notified to all Eligible Employees and Participants and in each case shall be effective upon receipt.
	2. Any notice which the Trustee, the Company or any Subsidiary is required to give or wishes to give to any Eligible Employee or Participant in pursuance of the Plan shall be sufficiently given if sent by email to the Participant’s email address last known to such party, delivered by hand, if forwarded to him with his earnings or if sent through the post in a prepaid cover addressed to such Eligible Employee or Participant at his address last known to such party including any address supplied to the Trustee by any Participating Company as being his address.
2. ADMINISTRATION
	1. The Board shall have power from time to time to make and vary such regulations (not being inconsistent with these Rules and the Trust Deed) for the implementation and administration of the Plan as it thinks fit).
	2. Participants may give such general directions to the Trustee, to such effect and in such terms, as are specified in these Rules and the Trust Deed.
	3. The decision of the Board shall be final and binding in all matters, questions or disputes arising in relation to the Plan including, but not limited to any ambiguity in the Rules and/or the Trust Deed.
	4. The Board may at any time resolve to discontinue the making of Awards of Partnership Shares and/or Matching Shares or discontinue the right to acquire Dividend Shares.
3. LIFE OF THE PLAN

Unless the life of the Plan has been previously extended by resolution of the shareholders of the Company in general meeting, no Award may be made and no invitation may be issued in relation to any Award under the Plan more than 10 years after the Adoption Date.

1. TERMINATION OF THE PLAN
	1. The Board may at any time resolve to terminate the Plan and issue a Plan Termination Notice in accordance with this **Rule 16**.
	2. Where the Board has resolved to issue a Plan Termination Notice, a copy of the Plan Termination Notice shall be given without delay to:
		1. the Trustee; and
		2. each individual who:
			1. has Plan Shares; or
			2. who has entered a Partnership Share Agreement which was in force immediately before the Plan Termination Notice was issued.
	3. If a Plan Termination Notice has been issued, then:
		1. no further Shares may be appropriated to, or acquired on behalf of, individuals under the Plan;
		2. the Trustee must remove the Plan Shares from the Plan (in accordance with paragraph 90(8) of the SIP Schedule) as soon as practicable after the later of:
			1. the end of the 3 month period beginning with the date on which the Plan Termination Notice has been given in accordance with **Rule 16.2** (or such other period as may for the time being be specified in paragraph 90(4) of the SIP Schedule); or
			2. the first date on which the shares may be removed from the Plan without giving rise to a charge to income tax under Chapter 6 Part 7 of ITEPA on the Participant on whose behalf they are held,

but the Trustee may, with the consent of the relevant Participant, remove the Plan Shares from the Plan at an earlier date; and

* + 1. the Trustee shall as soon as practicable after the Plan Termination Notice is served pay to an individual any money held on his behalf.
1. GENERAL
	1. The formation, existence, construction, performance, validity and all aspects whatsoever of the Plan, any term of the Plan and any Award granted under it shall be governed by English law. The English courts shall have jurisdiction to settle any disputes which may arise out of or in connection with the Plan. The jurisdiction provisions contained in this **Rule 17.1** are made for the benefit of the Company, which accordingly retains the right to bring proceedings in any other court of competent jurisdiction.
	2. Notwithstanding any other provision of these Rules:
		1. the Plan shall not form any part of any contract of employment between any Participating Company and any employee of any such company, and it shall not confer on any such employee any legal or equitable rights (other than those rights acquired through the Award of Plan Shares) against any Participating Company, directly or indirectly, or give rise to any cause of action in law or in equity against any Participating Company;
		2. the benefits to Eligible Employees under the Plan shall not form any part of their wages or remuneration or count as pay or remuneration for pension fund or other purposes (except that any Partnership Share Money deducted from salary shall not be disregarded and shall continue to count as pay or remuneration for such purposes); and
		3. in no circumstances shall any Eligible Employee, on ceasing to hold the employment by virtue of which he is or may be eligible to participate in the Plan, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise.
2. AMENDMENTS TO THESE RULES
	1. Subject to the remaining provisions of this **Rule 18**, these Rules may be amended in any manner by resolution of the Board from time to time.
	2. No amendment may be made in any Tax Year to a “key feature” of the Plan (being a provision of the Plan which is necessary in order for the requirements of Parts 2 to 9 inclusive of the SIP Schedule to be met in relation to the Plan) which would have the effect of preventing the return for the Tax Year in question in relation to the Plan from containing a declaration that the amendment has not caused the requirements of Parts 2 to 9 inclusive of the SIP Schedule not to be met in relation to the Plan.
	3. Save as provided in Rule 18.4, no amendment shall be made to the following provisions of this Plan which is to the advantage of the Participants (present or future) without the prior approval of shareholders of the Company in general meeting:
		1. the persons to or for whom Shares may be provided under the Plan;
		2. the limitations on the number or amount of Shares which may be used under the Plan;
		3. the maximum entitlement for any one Participant;
		4. the basis for determining a Participant’s entitlement to Shares;
		5. the basis for determining a Participant’s entitlement to, and the terms of, securities, cash or other benefit to be provided and for the adjustment thereof (if any) in the event of a capitalisation issue, rights issue or open offer, sub-division or consolidation of shares or reduction of capital or any other variation of capital of the Company; or
		6. **Rules** 18.3 and **18.4**.
	4. Notwithstanding the provision of Rules 18.3 and 18.5, the Board may make any minor amendments to benefit the administration of the Plan, to comply with or take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for any present or future Participant or for the Company or any of the Subsidiaries.
	5. Save as provided in **Rule 18.4**, no amendment to these Rules shall adversely affect any rights then subsisting of Participants except with the written consent of three-quarters of such Participants (by number) or, if in the reasonable opinion of the Board the proposed amendments do not adversely affect all rights then subsisting of Participants under the Plan, with the written consent of three-quarters of the Participants (by number) as hold subsisting rights that are affected).
3. COSTS

Any costs relating to the introduction and administration of the Plan shall be payable by the Company.

1. OVERSEAS SUBSIDIARIES
	1. The Board may adopt rules as schedules to these Rules permitting the Company to make Awards on the terms contained in those rules to individuals who would be Eligible Employees but for them not being chargeable to tax in respect of his office or employment under section 15 of ITEPA who are employed by Participant Companies in locations outside the United Kingdom subject to **Rule 20.2**. Rules adopted under this **Rule 20.1** will so far as the Board in its discretion considers reasonably practicable follow the Rules pursuant to which Awards may be made under the Plan.
	2. Any rules adopted under **Rule 20.1** will contain provisions in the same terms as the following Rules:

**Rule 4.4**, **paragraph 3.1.1** of **Schedule 1**, **Rule 15** and **Rules 18.2** to **Rule 18.4** (inclusive).

1. DATA PROTECTION

Any personal data relating to an Eligible Employee and/or a Participant that is used in connection with the Plan shall be processed in accordance with the Fair Processing Notice as from time to time amended. A copy of the current Fair Processing Notice will be available on the Company’s intranet or on request by contacting the Company Secretary or any other officer of the Company.

1. Schedule 1

Partnership Shares

1. Application of Schedule 1

If, pursuant to **Rule 3.1**, the Board recommends Awards of Partnership Shares and if the Trustee agrees to make such Awards, the provisions of this **Schedule 1** shall apply to such Awards.

1. Making Awards
	1. If at any time it is determined that Awards of Partnership Shares are to be made, the Board shall allow (and continue to allow) each Eligible Employee to enter into a Partnership Share Agreement with the Company.
	2. Pursuant to the Partnership Share Agreement, each Participant shall authorise his Employer Company to deduct Partnership Share Money for the purposes of making Awards of Partnership Shares.
	3. Partnership Shares shall, subject to **paragraph 13.1**, not be subject to any forfeiture provisions and may be withdrawn from the Plan by the Participant at any time.
	4. In relation to an Award of Partnership Shares, the Board shall determine whether an Accumulation Period is to apply and, if the Board determines that an Accumulation Period is to apply to an Award of Partnership Shares, the Accumulation Period which applies must be the same for all Eligible Employees participating in that Award.
	5. Subject to **paragraph 2.4**, the Partnership Share Agreement may provide that the Accumulation Period in relation to any Award shall come to an end on the occurrence of any other event specified in the Partnership Share Agreement.
	6. If a transaction occurs during an Accumulation Period which results in a new holding of Shares being equated for the purposes of capital gains tax with any of the Shares to be acquired under the Partnership Share Agreement, the employee may agree that the Partnership Share Agreement shall have effect after the time of that transaction as if it were an agreement for the purchase of shares comprised in the new holding.
	7. In relation to any Partnership Share Agreement the Board may (in its absolute discretion) determine that deductions of Partnership Share Money shall cease and the Partnership Share Agreement shall terminate:
		1. on a date set out in the Partnership Share Agreement; or
		2. on the date falling three months following the date on which the Board notifies each Participant in writing that deductions of Partnership Share Money shall cease (or, if later, at the end of any Accumulation Period current at the date of such notice),

provided that in no circumstances may the Board exercise its discretion in a manner which is contrary to **Rule 7.1**.

1. Maximum amount of deductions
	1. Subject to **Rule 6.6**, the amount of Partnership Share Money deducted from an employee’s Salary in any Tax Year shall not exceed:
		1. £1,800 (or such other amount as may for the time being, specified in paragraph 46 of the SIP Schedule); or
		2. such lower amount as the Board may determine (and notify to the Participants).
	2. Subject to **Rule** **6.6**, the amount of Partnership Share Money deducted from an employee’s Salary in any Tax Year shall not exceed:
		1. 10 per cent of his Salary for the Tax Year in question; or
		2. such lower limit as the Board may determine (and notify to the Participants) pursuant to **paragraph 3.3**.
	3. A lower limit determined by the Board pursuant to **paragraph 3.2.2** shall be framed either:
		1. as a proposition substituting a lower percentage than 10 per cent of a Participant’s Salary; or
		2. as a proposition that a particular description of earnings is not to be regarded as forming part of a Participant’s Salary for the purposes of applying the limit in **paragraph 3.2.1**.
	4. Any amount deducted in excess of that allowed by **paragraph 3.1** or **paragraph 3.2** shall be paid over to the employee (subject to deduction of both PAYE income tax and national insurance contributions) as soon as practicable.
	5. The Board shall arrange for the Employer Company to calculate amounts of deductions from the employee’s Salary and the intervals at which such deductions are made having regard to the foregoing provisions of this **paragraph 3**.
2. Minimum amount of deductions

The Board may (in its absolute discretion) determine (and notify to the Participants) a minimum amount to be deducted under the Partnership Share Agreement on any occasion in relation to any Award and, if it does so, such minimum:

* + 1. shall be the same in relation to all Partnership Share Agreements relating to that Award; and
		2. shall not be greater than £10 (or such other amount as may for the time being be specified in paragraph 47(2) of the SIP Schedule).
1. Notice of possible effect of deductions on benefit entitlement

Every Partnership Share Agreement shall contain a notice under paragraph 48 of the SIP Schedule.

1. Restriction imposed on number of Shares Awarded
	1. In relation to any Award of Partnership Shares, the Board may (in its absolute discretion) determine the maximum number of Shares to be included in such an Award. For the avoidance of doubt, a different maximum number may be determined (pursuant to this **paragraph 6.1**) in relation to different Awards of Partnership Shares.
	2. If the Board exercises its discretion under **paragraph 6.1** in relation to any Award of Partnership Shares, the Board shall notify the Participants of the maximum number of Shares to be included in such an Award:
		1. if there is no Accumulation Period, before the deduction of the Partnership Share Money relating to the Award; or
		2. if there is an Accumulation Period, before the beginning of the Accumulation Period relating to the Award.

Each Partnership Share Agreement shall contain an undertaking from the Company that the provisions of this **paragraph 6.2** will be complied with.

1. Scaling down
	1. If in relation to any Award of Partnership Shares, the total number of Shares to be Awarded (ignoring, for these purposes, the application of this **paragraph 7**) exceeds the maximum number of Shares (if any) to be included in such Award as determined by **paragraph 6.1**, the amount of money to be deducted from each Participant’s Salary for the purposes of the Award in question shall, to the extent to which it exceeds:
		1. where there is no Accumulation Period, the minimum amount (if any) of a deduction fixed pursuant to **paragraph 4**; or
		2. where there is an Accumulation Period, the minimum amount (if any) of a deduction fixed pursuant to **paragraph 4** multiplied by the total number of deductions to be made during the Accumulation Period,

be reduced pro rata.

* 1. If, after the application of **paragraph 7.1**, the total number of Partnership Shares to be Awarded still exceeds the maximum number of Shares (if any) to be included in such Award as determined by **paragraph 6.1**, the Board shall scale down the amount of money to be deducted from each Participant’s Salary for the purposes of the Award in question on such fair and proportionate basis as the Board (in its absolute discretion) thinks fit until the total number of Partnership Shares to be Awarded equals (so far as possible) the maximum number of Shares to be included in such Award as determined by **paragraph 6.1**.
	2. If the provisions of this **paragraph 7** apply in relation to any Award, the Board shall notify each Participant as soon as reasonably practicable and explain how the provisions have been applied in relation to such Participant’s Award.
1. Partnership Share Money
	1. Any Partnership Share Money deducted from an employee’s Salary shall be paid as soon as practicable to the Trustee and shall be held by the Trustee on behalf of the relevant employee until (subject as provided in the Plan) such time as it is applied by the Trustee in acquiring Partnership Shares on the employee’s behalf or for his benefit.
	2. The Trustee shall keep any Partnership Share Money held by it in an account (interest bearing or otherwise) with:
		1. a person falling within section 991(2)(b) of the Income Tax Act 2007;
		2. a building society; or
		3. a firm falling within section 991(2)(c) of the Income Tax Act 2007.

Any interest received by the Trustee in relation to any such account shall be paid over to the relevant Participant as soon as reasonably practicable.

1. Acquisition of Partnership Shares by the Trustee
	1. If there is no Accumulation Period, the Trustee shall acquire Partnership Shares on behalf of the Eligible Employee, on the Acquisition Date, using the Partnership Share Money. The number of Partnership Shares Awarded to each employee shall be determined in accordance with the Market Value of the Shares on the Acquisition Date.
	2. If there is an Accumulation Period, the Trustee shall acquire Partnership Shares on behalf of the Eligible Employee, on the Acquisition Date, using the Partnership Share Money. The number of Partnership Shares Awarded to each Eligible Employee shall be determined in accordance with one of **paragraphs 9.3**, **9.4** or **9.5** and the Partnership Share Agreement shall specify which one of those paragraphs is to apply for the purposes of that Partnership Share Agreement.
	3. If the Partnership Share Agreement specifies that this **paragraph 9.3** is to apply, the number of Partnership Shares to be awarded to each Eligible Employee shall be determined by reference to the lower of:
		1. the Market Value of the Shares at the beginning of the Accumulation Period; and
		2. the Market Value of the Shares on the Acquisition Date.
	4. If the Partnership Share Agreement specifies that this **paragraph 9.4** is to apply, the number of Partnership Shares to be awarded to each Eligible Employee shall be determined by reference to the Market Value of the Shares at the beginning of the Accumulation Period.
	5. If the Partnership Share Agreement specifies that this **paragraph 9.5** is to apply, the number of Partnership Shares to be awarded to each Eligible Employee shall be determined by reference to the Market Value of the Shares on the Acquisition Date.
2. Surplus Partnership Share Money
	1. Any surplus Partnership Share Money remaining after the acquisition of Partnership Shares by the Trustee:
		1. may, with the agreement of the Participant, be carried forward:
			1. where there is no Accumulation Period, to be added to the next deduction; or
			2. where there is an Accumulation Period, to the next Accumulation Period; or
		2. in any other case, shall be paid over to the Participant (subject to deduction of both PAYE income tax and national insurance contributions) as soon as practicable.
	2. If at any time during an Accumulation Period, a Participant ceases to be in Relevant Employment, any Partnership Share Money deducted during that period shall be paid over to the Participant (subject to deduction of both PAYE income tax and national insurance contributions) as soon as practicable.
3. Withdrawal from Partnership Share Agreement
	1. An employee may at any time by notice in writing to the Company:
		1. withdraw from a Partnership Share Agreement; or
		2. stop deductions pursuant to a Partnership Share Agreement; or
		3. re-start deductions in pursuance of a Partnership Share Agreement (provided that, where an Accumulation Period applies and unless otherwise provided in the Partnership Share Agreement, a Participant shall not be entitled to give notice under this **paragraph 11.1.3** more than once during any one Accumulation Period).
	2. A notice given pursuant to **paragraph 11.1.1** shall take effect 30 days after the Company receives it (unless a later date is specified in the notice) and any Partnership Share Money then held on behalf of the employee shall be paid over to the employee (subject to deduction of both PAYE income tax and national insurance contributions) as soon as practicable.
	3. If notice is given under **paragraph 11.1.2**, the Company must ensure that no further deductions are made under the Partnership Agreement not later than 30 days after the receipt of such notice (unless a later date is specified in the notice).
	4. If notice is given under **paragraph 11.1.3**, the Company must ensure that deductions are re-started not later than the date of the first deduction due under the Partnership Share Agreement which falls more than 30 days after receipt of the notice (unless a later date for the re-starting of deductions is specified in the notice).
	5. Notwithstanding any other provisions of this **paragraph 11**, any deductions missed between the stopping of deductions (pursuant to a notice given under **paragraph 11.1.2**) and the re-starting of deductions (pursuant to a notice given under **paragraph 11.1.3**) cannot be made up.
4. Plan termination or Plan ceasing to be a Schedule 2 SIP
	1. If a Plan Termination Notice is issued by the Company in respect of the Plan, any Partnership Share Money held on behalf of employees shall be repaid to them as soon as practicable after the Trustee is given notice of the Plan Termination Notice, subject to deduction of PAYE income tax and national insurance contributions.
	2. If the Plan is not to be a Schedule 2 SIP by virtue of paragraph 81H or 81I of the SIP Schedule any Partnership Share Money held on behalf of employees shall be paid to them as soon as practicable after the Relevant Day, subject to the deduction of both PAYE income tax and national insurance contributions.
5. Partnership Shares may be required to be offered for sale
	1. Partnership Shares may, notwithstanding **paragraph 2.3**, be subject to provision requiring Partnership Shares acquired on behalf of a Participant to be offered for sale but only if the consideration at which such Partnership Shares are required to be offered for sale is at least equal to:
		1. the amount of Partnership Share Money applied in acquiring the Partnership Shares on behalf of the Participant; or
		2. if lower, the Market Value of such Partnership Shares at the time that they are offered for sale.
6. SCHEDULE 2

Matching Shares

1. Application of Schedule 2

If, pursuant to **Rule 3.1**, the Board recommends an Award of Matching Shares and if the Trustee agrees to make such an Award, the provisions of this **Schedule 2** shall apply to such an Award.

1. General requirements for Matching Shares
	1. The Partnership Share Agreement shall set out the basis on which a Participant may be entitled to Matching Shares.
	2. Matching Shares shall be:
		1. Shares of the same class and carrying the same rights as the Partnership Shares to which they relate;
		2. Awarded, subject to **paragraph 3.5**, on the same date as the Acquisition Date of the Partnership Shares to which they relate; and
		3. Awarded to all Participants on exactly the same basis.
2. Ratio of Matching Shares to Partnership Shares
	1. In relation to any Award of Matching Shares, the Board shall determine the ratio of Matching Shares to Partnership Shares to be Awarded pursuant to the terms of this **Schedule 2**. The ratio cannot exceed 2:1 (or such other maximum ratio as may for the time being be specified in paragraph 60 of the SIP Schedule).
	2. The Partnership Share Agreement shall specify the ratio of Matching Shares to Partnership Shares for the time being offered by the Company (as at the date on which the Partnership Share Agreement is entered into).
	3. If, pursuant to **paragraph 3.1**, the Board determines to vary the ratio of Matching Shares to Partnership Shares:
		1. from that originally stated in the Partnership Share Agreement; or
		2. if applicable, from that previously notified under this **paragraph 3.3**,

the Company shall notify all Participants of the variation before the relevant Award of Partnership Shares.

* 1. The Trustee shall, if necessary, round down (to the nearest whole number of Shares) the number of Matching Shares to be Awarded to any Participant pursuant to the application of any ratio determined in accordance with this **paragraph 3**.
	2. If Partnership Shares on the day mentioned in **paragraph 2.2.2** are not sufficient to produce a Matching Share, the match shall be made if and when sufficient Partnership Shares have been acquired by the Participant concerned to allow at least one Matching Share to be Awarded to that Participant.
1. Holding Period for Matching Shares
	1. In relation to each Award of Matching Shares, but subject to the remaining provisions of this **paragraph 4**, the Board must determine a Holding Period throughout which a Participant shall be bound (for the purposes of these Rules and the Partnership Share Agreement):
		1. to permit the Matching Shares awarded to the Participant to remain in the hands of the Trustee; and
		2. not to assign charge or otherwise dispose of the beneficial interest in the Matching Shares.
	2. The Holding Period must be a period of not less than three years, nor more than five years, beginning with the Award Date and shall be the same for all Participants who receive the Award of Matching Shares in question.
	3. The Board may determine different Holding Periods in respect of different Awards of Matching Shares but a Holding Period shall not be increased in respect of Matching Shares already Awarded under the Plan.
	4. The Holding Period which relates to an Award of Matching Shares shall be set out in the Partnership Share Agreement or shall otherwise be notified to the Participants.
	5. A Participant may during the Holding Period direct the Trustee:
		1. to accept an offer for any of his Matching Shares if the acceptance or agreement shall result in a new holding being equated with those shares for the purposes of capital gains tax; or
		2. to accept an offer of cash (with or without other assets) for his Matching Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Matching Shares, or to holders of shares in the Company, and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of the Company within the meaning of sections 450 and 451 of the CTA; or
		3. to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for his Matching Shares if the offer forms part of such a general offer as is mentioned in **paragraph 4.5.2**; or
		4. to agree to a transaction affecting his Matching Shares, or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
			1. all of the Ordinary Share Capital of the Company or, as the case may be, all the shares of the class in question; or
			2. all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in a Schedule 2 SIP;
		5. if in the case of a takeover bid (as defined in section 340Y of the Law) there arises a right under section 337 of the Law to require the offeror to acquire the Participant’s Matching Shares, or such of them as are of a particular class, to exercise such right.
2. Restrictions applying to Matching Shares
	1. Subject to **paragraph 5.2**, in relation to each Award of Matching Shares made pursuant to a Partnership Share Agreement entered into by the parties thereto, the Board may determine prior to the making of such Award of Matching Shares whether such Shares shall be subject to any Restriction or not. In the event that the Board determines that the Shares shall be subject to a Restriction, the terms of any such Restriction shall be set out in the relevant Partnership Share Agreement.
	2. The same Restrictions must apply in relation to all Matching Shares included in all Awards made at the same time.
3. SCHEDULE 3

Dividend Shares

1. Application of Schedule 3

If, pursuant to **Rule 8.1.1**, dividends on Plan Shares are to be applied in acquiring Dividend Shares, the provisions of this **Schedule 3** shall apply.

1. Acquisition of Dividend Shares
	1. Subject to the remaining provisions of this **Schedule 3**, the Trustee shall apply the Specified Percentage of all cash dividends received in respect of a Participant’s Plan Shares in acquiring Dividend Shares on behalf of the Participant on the Acquisition Date.
	2. The number of Dividend Shares acquired on behalf of each Participant shall be determined by the Market Value of the Shares on the Acquisition Date.
	3. Dividend Shares shall be:
		1. Shares of the same class and carrying the same rights as the Plan Shares in respect of which the dividend is paid; and
		2. Shares which, subject to **paragraph 5**, are not subject to any provision for forfeiture.
	4. In exercising its powers in relation to the acquisition of Dividend Shares, the Trustee must treat Participants fairly and equally.
2. Surplus cash dividends
	1. Subject to **paragraph 3.2**, any amount of a cash dividend that is not used in the acquisition of Dividend Shares because the amount of the cash dividend to which a Participant is entitled is insufficient to acquire a Share may be retained by the Trustee and carried forward to be added to the amount of the next cash dividend to be reinvested on that Participant’s behalf in the acquisition of Dividend Shares and, pending such reinvestment, shall be held by the Trustee so as to be separately identifiable for the purposes of determining amounts required to be paid to that Participant under **paragraph 3.2**.
	2. In the event that:
		1. the Participant ceases to be in Relevant Employment; or
		2. a Plan Termination Notice is issued by the Company,

the amount of any cash dividend retained by and held by the Trustee pursuant to **paragraph 3.1**, to the extent not used in the acquisition of Dividend Shares for and on behalf of the Participant, shall be repaid to the Participant as soon as practicable. On making such a payment, the Participant shall be provided with the information specified in paragraph 80(4) of the SIP Schedule.

1. Holding Period for Dividend Shares
	1. A Participant may during the Holding Period direct the Trustee:
		1. to accept an offer for any of his Dividend Shares if the acceptance or agreement shall result in a new holding being equated with those shares for the purposes of capital gains tax; or
		2. to accept an offer of cash (with or without other assets) for his Dividend Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Dividend Shares, or to holders of shares in the Company, and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of the Company within the meaning of sections 450 and 451 of the CTA; or
		3. to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for his Dividend Shares if the offer forms part of such a general offer as is mentioned in **paragraph 4.1.2**; or
		4. to agree to a transaction affecting his Dividend Shares, or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
			1. all of the Ordinary Share Capital of the Company or, as the case may be, all the shares of the class in question; or
			2. all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in a Schedule 2 SIP.
		5. if in the case of a takeover bid (as defined in section 340Y of the Law) there arises a right under section 337 of the Law to require the offeror to acquire the Participant’s Dividend Shares, or such of them as are of a particular class, to exercise such right.
	2. Where a Participant is charged to tax in the event of his Dividend Shares ceasing to be subject to the Plan, he shall be provided with the information specified in paragraph 80(4) of the SIP Schedule.
2. Dividend Shares may be required to be offered for sale
	1. Dividend Shares may, notwithstanding **paragraph 2.3.2**, be subject to provision requiring Dividend Shares acquired on behalf of a Participant to be offered for sale but only if the consideration at which such Dividend Shares are required to be offered for sale is at least equal to:
		1. the amount of cash dividends applied in acquiring the Dividend Shares on behalf of the Participant; or
		2. if lower, the Market Value of such Dividend Shares at the time that they are offered for sale.
3. APPENDIX 1

Trust Deed