

**INDUSTRIALS REIT LIMITED**

**INDUSTRIALS REIT LIMITED SAYE SHARE OPTION PLAN**

Adopted by the board of directors of Industrials REIT Limited on 13 December 2021

Approved by shareholders on [9] February 2022

Registered with H.M. Revenue & Customs on [●] 2022



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## INDUSTRIALS REIT LIMITED SAYE SHARE OPTION PLAN

### 1 INTERPRETATION

#### 1.1 In the Plan:

“**Approval Date**” means the date of the approval of the Plan by shareholders.

“**Associated Company**” means any company which, in relation to the Company, is an associated company as that term is defined in paragraph 47 of Schedule 3.

“**Board**” means the board of directors of the Company or a committee of directors appointed by that board to carry out any of its functions under the Plan.

“**Bonus Date**” means in relation to an Option:

- (a) where the Option is linked to a three-year Savings Contract, the earliest date on which that Savings Contract matures (that is, after making 36 monthly contributions); or
- (b) where the Option is linked to a five-year Savings Contract, the earliest date on which that Savings Contract matures (that is, after making 60 monthly contributions).

“**Company**” means Industrials REIT Limited registered in Guernsey with number 64865.

“**Constituent Company**” means any of the following:

- (a) the Company; and
- (b) any Subsidiary nominated by the Board to be a Constituent Company at the relevant time.

“**Continuous Service**” means the period of continuous service of an employee or director with:

- (a) any Constituent Company (including service with that company before it became a Constituent Company); and
- (b) any other company that is or was a Subsidiary (including service with that company before it became a Subsidiary).

“**Control**” has the meaning given in section 719 of ITEPA.

“**Date of Grant**” means the date on which an Option is granted under the Plan.

“**Dealing Day**” means a day on which the investment exchange on which Shares are listed or traded is open for the transaction of business.

“**Eligible Employee**” means:

- (a) any employee or director of a Constituent Company at the Invitation Date who:

- (i) if a director of a Constituent Company, is required to devote at least 25 hours per week (excluding meal breaks) to his duties;
  - (ii) on the relevant Date of Grant, will have Continuous Service equal to or greater than the period (if any) that may be specified by the Board under rule 3.1(e) (not exceeding five years);
  - (iii) whose earnings from employment (and/or office, if any), with the relevant Constituent Company are (or would be if there were any) general earnings subject to section 15 of ITEPA (earnings for year when employee UK resident);
- (b) any other individual who, at the Invitation Date, is an employee or director of one or more Constituent Companies and who is nominated by the Board (or falls within a category of individuals nominated by the Board) as eligible to participate in the Plan in respect of any one or more grants of Options.

**"Exercise Price"** means the price (which shall be in pounds sterling) at which each Share subject to an Option may be acquired on the exercise of that Option, which (subject to rule 16 (*Variation of share capital*)):

- (a) if Shares are to be newly issued to satisfy the exercise of the Option, may not be less than the nominal value (if any) of a Share; and
- (b) may not be manifestly less than 80 per cent (or such other percentage is from time to time specified for the purposes of Schedule 3) of the Market Value of a Share on the relevant Invitation Date.

**"Expected Repayment"** means whichever of the following applies:

- (a) in relation to any Option for which the Repaid Amount under the linked Savings Contract will be taken as including a bonus, the aggregate of:
  - (i) the maximum amount of contributions repayable under the Savings Contract; and
  - (ii) the amount of any bonus and/or interest payable under the Savings Contract at the Bonus Date; and
- (b) in relation to any Option for which the Repaid Amount under the linked Savings Contract will be taken not to include any bonus, the maximum amount of contributions repayable under the Savings Contract.

**"HMRC"** means HM Revenue & Customs.

**"Invitation Date"** means a date on which invitations to apply for Options are, were, or are to be issued under the Plan.

**"ITEPA"** means the Income Tax (Earnings and Pensions) Act 2003.

**"Key Feature"** has the meaning given in paragraph 40B(8) of Schedule 3.

**"Market Value"** means whichever of the following applies:

- (a) on any day while the Shares are listed on the main market of the London Stock Exchange, at the discretion of the Board, either:

- (i) the middle market quotation for a Share on the main market of the London Stock Exchange on the last Dealing Day before that day; or
  - (ii) the average of the middle market quotations on the main market of the London Stock Exchange for a Share for the three immediately preceding Dealing Days;
- (b) on any day when paragraph (a) of this definition does not apply, the market value of a Share, determined under the applicable provisions of Part VIII of the Taxation of Chargeable Gains Act 1992, as agreed with HMRC Shares and Assets Valuation Division.

If Shares are subject to a Restriction, Market Value shall be determined as if they were not subject to a Restriction.

The determination of Market Value when setting an Exercise Price must use only market prices for days that fall within the relevant invitation period specified under rule 2 (*Timing of invitations*).

**"Option"** means a right to acquire Shares granted under the Plan.

**"Option Holder"** means an individual who holds an Option or, where applicable, the Option Holder's personal representatives.

**"Plan"** means the Industrials REIT Limited SAYE Share Option Plan constituted and governed by these rules, as amended from time to time.

**"Redundancy"** has the meaning given by the Employment Rights Act 1996.

**"Related Company"** means a company which in relation to the Company is an "associated company" as that term is defined in paragraph 35(4) of Schedule 3.

**"Repaid Amount"** means the amount received by way of repayments of contributions and payments of bonus or interest (if any) under the Savings Contract linked to the relevant Option. The Repaid Amount will be taken to exclude the amount of any bonus, if, for the relevant Option, the Repaid Amount is not to be taken to include a bonus under rule 3.1(a).

**"Restriction"** means any provision included in any contract, agreement, arrangement or condition to which any of sections 423(2), 423(3) and 423(4) of ITEPA would apply if references in those sections to employment-related securities were references to Shares.

**"Savings Contract"** means a certified SAYE savings arrangement within the meaning of paragraph 24 of Schedule 3 that is nominated by the Board.

**"SAYE Code"** has the meaning given in section 516(3) of ITEPA.

**"Schedule 3"** means Schedule 3 to ITEPA.

**"Schedule 3 SAYE option scheme"** has the meaning given by paragraph 1 of Schedule 3.

**"Scheme-related Employment"** means the office or employment by virtue of which any person is or was eligible to become an Option Holder.

**"Shares"** means fully paid irredeemable ordinary shares in the capital of the Company (subject to rule 16 (*Variation of share capital*)) that meet the requirements of paragraphs 18 to 20 and paragraph 22 of Schedule 3.

**"Subsidiary"** means any subsidiary of the Company within the meaning of section 1159 of the Companies Act 2006 over which the Company has Control.

**"Trustee"** means the trustee or trustees for the time being of any employee benefit trust, the beneficiaries of which include Eligible Employees.

**"TUPE"** means the Transfer of Undertakings (Protection of Employment) Regulations 2006.

- 1.2 Rule headings shall not affect the interpretation of the Plan.
- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.7 A reference to writing or written includes fax and e-mail.
- 1.8 A reference to the Plan or to any other agreement or document referred to in the Plan is a reference to the Plan or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of the Plan) from time to time.
- 1.9 References to rules are to the rules of the Plan.
- 1.10 Words and expressions used in the Plan which are not defined in rule 1.1 have the meanings they bear for the purposes of the SAYE Code.
- 1.11 The Plan is intended to be a Schedule 3 SAYE option scheme for the purposes of ITEPA and the Plan and Option granted under it shall be interpreted, operated and administered in a manner that is consistent with that intention and in case of any conflict between the rules of the Plan and the SAYE Code the provisions of the SAYE Code shall prevail.

## 2 **TIMING OF INVITATIONS**

- 2.1 The Board may only issue invitations to apply for Options during:
  - (a) the period of 42 days after the Approval Date;
  - (b) any period of 42 days after the announcement by the Company of its results for the last preceding financial year, half year or other period; and
  - (c) any other period in which the Board has decided to issue invitations if there are exceptional circumstances that justify such a decision.

### 3 **DECISIONS REGARDING INVITATIONS**

3.1 On each occasion that the Board decides to issue invitations to apply for Options, the Board must decide:

- (a) whether or not Repaid Amounts will be taken to include a bonus;
- (b) whether to invite applications for three-year Options or five-year Options or to offer those receiving invitations a choice between those Option periods;
- (c) the minimum monthly contribution to be made to a Savings Contract that must be neither:
  - (i) less than £5 (or any other minimum specified in the HM Treasury specifications for certified savings arrangements in force at the relevant time); nor
  - (ii) more than £10 (or any other amount specified in paragraph 25(3)(b) of Schedule 3 at the relevant time);
- (d) the maximum number (if any) of Shares over which Options may be granted on this occasion; and
- (e) the minimum period of Continuous Service (if any).

### 4 **INVITATIONS MUST BE ISSUED TO ALL ELIGIBLE EMPLOYEES**

On each occasion that the Board decides to issue invitations to apply for Option, those invitations must be sent to all Eligible Employees.

### 5 **CONTENT OF INVITATIONS**

5.1 Invitations must be in a form approved by the Board and must:

- (a) comply with rule 5.2;
- (b) include or be accompanied by invitations to apply to enter into appropriate Savings Contracts; and
- (c) include a statement that each invitation is subject to the rules of the Plan, the relevant Savings Contract prospectus and the SAYE Code and those provisions will prevail over any conflicting statement.

5.2 Each invitation must set out (without limitation):

- (a) the minimum monthly contribution determined by the Board under rule 3.1(c);
- (b) the Exercise Price, or the method by which that Exercise Price will be notified to Eligible Employees;
- (c) whether Repaid Amounts will be taken to include a bonus;
- (d) any limit on the number of Shares that may be placed under Option determined under rule 3.1(d), and, if there is such a limit, that applications

will be scaled down in accordance with rule 8 if applications are received in excess of the limit;

- (e) whether applications may be made for three-year Options or five-year Options or any specified combination of Option periods;
- (f) that, to be considered for the grant of Options, completed applications should be received by the Board, or any person nominated to receive applications on behalf of the Board, by a date falling not less than 14 days after the Invitation Date (unless otherwise agreed in advance with HMRC, if required); and
- (g) any minimum period of Continuous Service which applies for the purpose of determining who is an Eligible Employee; and
- (h) whether or not the Shares may be subject to any Restriction and if so the details of any such Restriction.

5.3 Any accidental failure or omission to deliver an invitation to any Eligible Employee will not invalidate the grant of Options.

## 6 **APPLICATIONS**

6.1 Each application for an Option must be in a form approved by the Board and must:

- (a) state the period of the Option applied for;
- (b) incorporate or be accompanied by a duly completed application form to enter into a Savings Contract, in which the applicant agrees to make a monthly contribution of a specified amount;
- (c) state that, when aggregated with contributions made by the applicant under any other Savings Contracts linked to Schedule 3 SAYE option schemes, the proposed contribution will not exceed the maximum then permitted by paragraph 25(3)(a) of Schedule 3;
- (d) if a limit has been specified under rule 3.1(d), state that, if applications are scaled down, the applicant agrees to the amendment or withdrawal of his application in accordance with rule 8 (*Scaling down*);
- (e) authorise and instruct the Board or any person authorised by the Board to deduct from the applicant's pay the appropriate monthly contributions; and pay those deductions to the relevant Savings Contract provider;
- (f) include the applicant's agreement to be bound by the terms of the Plan; and
- (g) state that the application is subject to these rules, the relevant Savings Contract prospectus and the SAYE Code and those provisions will prevail over any conflicting statement.

## 7 **EXPECTED REPAYMENT TO EQUAL AGGREGATE EXERCISE PRICE**

7.1 The Expected Repayment under a Savings Contract must, as nearly as possible, equal the amount required to be paid to exercise the linked Option in full.

7.2 Therefore, each application will be treated as being for an Option over the largest whole number of Shares that can be acquired at the relevant Exercise Price with the Expected Repayment under the linked Savings Contract.

## 8 **SCALING DOWN**

8.1 If valid applications are received for Options over a number of Shares in excess of that which the Board has determined to make available on a particular occasion or in excess of any limitation under rule 11 (*Plan limit*), the Board shall, subject to complying with HMRC practice) scale down applications using one or more of the following methods (or such other method as may be permitted by HMRC at any time prior to the date of invitation) to the extent necessary to eliminate the excess:

- (a) by reducing the amount of the monthly savings contribution chosen by each applicant pro rata (or, if the Board so determines on a basis which reduces larger monthly savings contributions by a greater amount than smaller monthly contributions) to the extent necessary provided that the reduced amount shall not be less than the minimum amount permitted under rule 3.1(c)
- (b) the amount of any monthly savings contribution chosen by an applicant which exceeds such amount as the Board shall determine (not being less than the minimum amount specified under rule 3.1(c)) shall be taken as reduced to such amount;
- (c) if the Expected Repayment under the Savings Contract would otherwise be taken as including a bonus, it should be taken as not including a bonus; and
- (d) by deeming each choice of a five year Option as a three year Option.

8.2 If scaling back under rule 8.1 does not make available sufficient Shares to allow all Eligible Employees who have made a valid application to be granted Options, the Board may either select applications by lot or decide not to accept any applications on that occasion.

8.3 If applications are scaled down, the monthly contributions under Savings Contracts which Eligible Employees have chosen shall, where necessary, be scaled down as appropriate.

## 9 **GRANT OF OPTIONS**

9.1 The Board must, on a single date which shall not be later than:

- (a) where there has been no scaling down under rule 8 (*Scaling down*), the 30th day; or
- (b) where there has been scaling down under rule 8 (*Scaling down*), the 42nd day,

after the earliest date by reference to which the Exercise Price was calculated, grant all (but not some of) the Options for which valid application has been made by Eligible Employees (provided that they remain Eligible Employees on the Date of Grant).

- 9.2 Upon grant of the Options, the Board shall procure that each Option Holder is informed of whether any Restrictions apply to the Shares that are subject to an Option and, if any such Restrictions apply, of the details of any such Restrictions.
- 9.3 The Board must notify Option Holders whether or not the Repaid Amounts will be taken to include any bonus. This will be determined at the time of grant of each Option in accordance with rule 3.1(a) and rule 8 (*Scaling down*)
- 9.4 As soon as practicable after the Date of Grant, the Board shall procure the issue of an Option certificate to each Option Holder.
- 9.5 Options shall be granted by the Company in a manner approved by the Board. The Company may grant any number of Options by way of a single deed poll. No cash payment shall be made for the grant of an Option.
- 9.6 No Option shall be granted under the Plan more than ten years after the Approval Date.
- 9.7 Every Option granted hereunder shall be personal to the Option Holder and, except to the extent necessary to enable a personal representative to exercise the Option following the death of an Option Holder, neither the Option nor the benefit thereof may be transferred, assigned, charged or otherwise alienated. Any transfer of an Option otherwise than as permitted under this rule 9.7 shall cause the Option to lapse.

10 **INDIVIDUAL LIMIT**

No individual shall be granted an Option if the entry into the related Savings Contract would result in the monthly contributions under that Savings Contract, when added to the sum of his monthly contributions under any other subsisting Savings Contracts (and, if the Board so determines from time to time, under any Savings Contract previously entered into by the Option Holder and subsequently cancelled without the related Option being exercised and which, but for the cancellation, would otherwise have remained outstanding at the Invitation Date) exceeding £500 (or such other amount as is for the time being permitted under paragraph 25(3) of Schedule 3 and approved by the Board). No individual shall be permitted to make a monthly contribution of less than the minimum amount specified under rule 3.1(c).

11 **PLAN LIMIT**

11.1 Subject to rule 11.2, at the proposed Date of Grant, the aggregate number of Shares which may be utilised for the purposes of the Plan shall not exceed such number of Shares which, when added to the total number of Shares utilised under the Plan and any other arrangement established by the Company to provide employees and or directors with Shares during the previous ten years, does not exceed 10% of the ordinary share capital of the Company in issue at the time.

11.2 In determining the above limit:

- (a) Shares are treated as utilised if they have been issued or may be issued for the purposes of satisfying an award;
- (b) the number of Shares utilised includes:
  - (i) Shares which have been issued or may be issued to the Trustee to satisfy awards; and

- (ii) treasury shares which have been or may be transferred out of treasury to satisfy awards (unless the Board determines that it is no longer best practice to include these);
- (c) the number of Shares utilised does not include:
  - (i) any Shares purchased through any stock exchange or off-market; or
  - (ii) any Shares where the right to acquire such Shares is released or lapses in part or in whole.

## 12 EXERCISE AND LAPSE OF OPTIONS

12.1 Save as otherwise permitted under the rules of the Plan, an Option may only be exercised:

- (a) during the six months following the Bonus Date relating to it; and
- (b) by an Option Holder who is, at the date of exercise, a director or employee of a Constituent Company,

and, if not exercised, shall lapse at the end of the six month period following the Bonus Date.

12.2 Where an Option Holder ceases to hold Scheme-related Employment before the expiry of six months after the Bonus Date:

- (a) on retirement; or
- (b) by reason of Redundancy; or
- (c) by reason of injury or disability; or
- (d) because of a relevant transfer within the meaning of TUPE; or
- (e) where the Option Holder is a director or employee of a Related Company that company ceasing to be a Related Company by reason of a change of control (as determined in accordance with sections 450 and 451 of the Corporation Tax Act 2010); or
- (f) because the business (or part of a business) in which the Option Holder is employed is transferred to a person which is not an Associated Company where the transfer is not a relevant transfer within the meaning of TUPE,

he may exercise any outstanding Options within six months of the date on which his Scheme-related Employment ceased, failing which exercise the Options shall lapse automatically provided that the Options may not be exercised more than six months following the relevant Bonus Date.

12.3 Where an Option Holder ceases to hold Scheme-related Employment before the expiry of six months after the Bonus Date for any other reason other than dismissal for gross misconduct, breach of contract or serious shortfall in performance, he may exercise any outstanding Options which were granted more than three years before the date he ceased to hold Scheme-related Employment within six months of the date on which his Scheme-related Employment ceased, failing which exercise

the Options shall lapse automatically, provided that the Options may not be exercised more than six months following the relevant Bonus Date.

12.4 Where an Option Holder ceases to be a director or employee of a Constituent Company before the expiry of six months after the Bonus Date in any circumstances other than those set out in rule 12.2, rule 12.3 and rule 12.5, his Options shall lapse automatically.

12.5 Subject to rule 15.5 but regardless of any other rule, an Option Holder dies while in service or at any time after leaving service when he holds an Option, such Option may be exercised by his personal representatives at any time within the twelve month period following:

- (a) the date of death, if such death occurred before the relevant Bonus Date; and
- (b) the Bonus Date, in the event of his death within six months after the relevant Bonus Date.

12.6 For the purposes of rule 12.2 to rule 12.4, an Option Holder shall not be treated as ceasing to hold Scheme-related Employment until:

- (a) he ceases to hold any office or employment in the Company or any Related Company;
- (b) being a director or employee who is absent from work wholly or partly because of maternity, paternity leave or shared parental leave (as appropriate), ceases to be entitled to exercise any statutory or contractual right to return to work.

12.7 Notwithstanding rule 12.1(b) if, at the Bonus Date, an Option Holder holds an office or employment in a company which is not a Constituent Company but is an Associated Company, Options may be exercised within (but no later than) six months following the Bonus Date.

12.8 If, before the Option has become exercisable, the Option Holder:

- (a) gives notice, or is deemed to have given notice, under the terms of the related Savings Contract that he intends to stop paying contributions to that Savings Contract; or
- (b) makes an application for repayment of the related Savings Contract,

the Option shall automatically lapse.

12.9 If an Option Holder is declared bankrupt, his Options shall automatically lapse.

### 13 **MANNER OF EXERCISE OF OPTIONS**

13.1 An Option may only be exercised with monies as nearly as possible equal to but not exceeding the Repaid Amount under the related Savings Contract. No account shall be taken of any repayment of any contribution the due date of which arises after the date of repayment, or any bonus or interest in respect of that contribution.

13.2 An Option Holder may exercise his Option on one occasion only, in whole or in part, by giving notice in writing to the Company or to such other person, as the

Company may direct in the prescribed form specifying the number of Shares in respect of which the Option is being exercised and enclosing payment in full of the aggregate Exercise Price of those Shares or authority to the Company to withdraw and apply monies equal to the Exercise Price from the related Savings Contract, or in such other manner including through an online facility as the Board may determine, together with evidence of closure of the related Savings Contract. If the Option is exercised in respect of some only of the Shares comprised in the Option, the Option in respect of the balance shall thereupon lapse automatically.

- 13.3 Shares must be allotted and issued (or transferred, as appropriate) within 30 days after a valid Option exercise, subject to the other rules of the Plan.
- 13.4 Except for any rights determined by reference to a date before the date of allotment, Shares allotted and issued in satisfaction of the exercise of an Option will rank equally in all respects with the other shares of the same class in issue at the date of allotment.
- 13.5 Shares transferred in satisfaction of the exercise of an Option must be transferred free of any lien, charge or other security interest, and with all rights attaching to them, other than any rights determined by reference to a date before the date of transfer.
- 13.6 If the Shares are listed or traded on any stock exchange, the Company must apply to the appropriate body for any newly issued Shares allotted on exercise of an Option to be listed or admitted to trading on that exchange.

#### 14 **RELATIONSHIP WITH EMPLOYMENT CONTRACT**

- 14.1 The rights and obligations of any Option Holder under the terms of his office or employment with any company will not be affected by being an Option Holder.
- 14.2 The value of any benefit realised under the Plan by Option Holders will not be taken into account in determining any pension or similar entitlements.
- 14.3 Option Holders and the directors and employees of Constituent Companies and Associated Companies of the Company (past and present) have no rights (and an individual who participates in the Plan waives all and any rights) to compensation or damages on account of any loss in respect of Options or the Plan where such loss arises (or is claimed to arise), in whole or in part, from termination of office or employment with any company. This exclusion of liability applies however termination of office or employment is caused and however compensation or damages may be claimed.
- 14.4 Option Holders and the directors and employees of Constituent Companies and Associated Companies of the Company (past and present) have no rights to compensation or damages on account of any loss in respect of Options or the Plan where such loss arises (or is claimed to arise), in whole or in part, from:
- (a) any company ceasing to be a Constituent Company;
  - (b) any company ceasing to be an Associated Company of the Company;
  - (c) the transfer of any business from a Constituent Company to any person which is neither a Constituent Company nor an Associated Company of the Company;

- (d) the transfer of any business from a Constituent Company to an Associated Company of the Company which is not a Constituent Company;
- (e) any change to invitations made under the Plan, including any variation of their terms or timing, or their complete suspension or termination;
- (f) the lapse of any Option;
- (g) any failure by the Board to nominate a Subsidiary to be a Constituent Company; or
- (h) any failure by the Board to make an invitation to apply for an Option to any person who is not at the relevant time an Eligible Employee, where it is in the Board's discretion to do so.

This exclusion of liability applies however the relevant circumstances are caused, and however compensation or damages may be claimed.

## 15 CORPORATE EVENTS

15.1 If any person (either alone or together with any person acting in concert with him) makes:

- (a) a general offer to acquire the whole of the issued ordinary share capital of the Company (other than those shares already owned by the offeror and/or any person connected with the offeror) which is made on a condition such that if it is satisfied the person making the offer will have Control of the Company; or
- (b) a general offer to acquire all the shares in the Company which are of the same class as the Shares (other than those shares already owned by the offeror and/or any person connected with the offeror),

the Company shall, as soon as reasonably practicable thereafter give notice to each Option Holder of such general offer and each Option Holder may subject to rule 12 (*Exercise and Lapse of Options*) exercise his Options within the period of six months following the date on which the offer becomes or is declared unconditional in all respects provided that an Option may not be exercised more than six months after the relevant Bonus Date. If not exercised, the Options shall, subject to rule 15.6 and without prejudice to the operation of rule 15.9 lapse automatically upon the expiry of such six month period provided that if an event as described in rule 15.2 occurs during such six month period, the period during which the Options may be exercised shall be the shorter of the periods specified under this rule 15.1 and rule 15.2.

For the purposes of rule 15.1 the general offer referred to in rule 15.1(a) and rule 15.1(b) may be made to different shareholders by different means.

15.2 If any person becomes bound or entitled to give a notice under sections 979 to 982 (inclusive) or sections 983 to 985 (inclusive) of the Companies Act 2006 to acquire Shares, each Option Holder may subject to rule 12 (*Exercise and Lapse of Options*) exercise his Options at any time when that person remains so entitled or bound, provided that an Option may not be exercised more than six months after the relevant Bonus Date. If not exercised, the Options shall, subject to rule 15.6 and without prejudice to the operation of rule 15.9 lapse automatically upon the expiry of such period.

15.3 If under section 899 or section 901F of the Companies Act 2006 the court sanctions a compromise or arrangement applicable to or affecting:

- (a) all the ordinary share capital of the Company or all the Shares; or
- (b) all the shares, or all the shares of that same class, which are held by a class of shareholders identified otherwise than by reference to their employment or directorships or their participation in a Schedule 3 SAYE option scheme

any outstanding Options may subject to rule 12 (*Exercise and Lapse of Options*) be exercised within six months following the date on which the court sanctions the compromise or arrangement provided that an Option may not be exercised more than six months after the relevant Bonus Date. If not exercised, the Options shall, subject to rule 15.6 and without prejudice to the operation of rule 15.9, lapse automatically upon the expiry of such six month period.

15.4 If shareholders become bound by a non-UK reorganisation (as defined in paragraph 47A of Schedule 3) that is applicable to or affecting:

- (a) all the ordinary share capital of the Company or all the Shares; or
- (b) all the shares, or all the shares of that same class, which are held by a class of shareholders identified otherwise than by reference to their employment or directorships or their participation in a Schedule 3 SAYE option scheme

any outstanding Options may subject to rule 12 (*Exercise and Lapse of Options*) be exercised within six months following the date on which shareholders become so bound provided that an Option may not be exercised more than six months after the relevant Bonus Date. If not exercised, the Options shall, subject to rule 15.6 and without prejudice to the operation of rule 15.9, lapse automatically upon the expiry of such six month period.

15.5 If notice is duly given of a resolution for a voluntary winding up of the Company then an Option Holder may subject to rule 12 (*Exercise and Lapse of Options*) exercise his Options within the period of six months following the date on which the resolution is passed, failing which exercise the Options shall lapse automatically upon the expiry of such six month period provided that an Option may not be exercised more than six months after the relevant Bonus Date.

15.6 Notwithstanding any provision of rule 15.1 to rule 15.5 to the contrary, if any Option has become exercisable under rule 12.5 and time is running under one of the 12 month periods specified in rule 12.5, such Option shall lapse only on the expiry of the relevant 12 month period under rule 12.5 and not under any period specified in rule 15.1 to rule 15.5.

15.7 If as a result of a relevant event (as defined in paragraph 37(6C) of Schedule 3), the Shares under Option no longer meet the requirements of Part 4 of Schedule 3, each Option Holder may subject to rule 12 (*Exercise and Lapse of Options*) exercise his Options for the period of 20 days following the date on which the relevant event occurs, notwithstanding that the Shares no longer meet the relevant requirements provided that an Option may not be exercised more than six months after the relevant Bonus Date. Failing any permitted exercise, the Options shall, subject to rule 15.6 and without prejudice to the operation of rule 15.9, lapse automatically upon the expiry of such 20 day period.

15.8 An Option which is exercised no earlier than 20 days before the date of an event occurring under rule 15.1 to rule 15.4 is to be treated as if it had been exercised in accordance with rule 15.1 to rule 15.4 (as the case may be) provided that any such exercise in anticipation of such event shall be treated as having had no effect if such event does not occur during the period of 20 days beginning when the Option is exercised.

15.9 If any company (the "**acquiring company**"):

- (a) obtains Control of the Company as a result of making:
  - (i) a general offer to acquire the whole of the issued ordinary share capital of the Company (other than those shares which are already owned by him and/or any person connected with him) which is made on a condition such that if it is satisfied the acquiring company will have Control of the Company; or
  - (ii) a general offer to acquire all the shares of the same class as those subject to the Options (other than those shares which are already owned by him and/or any person connected with him);

(For the purposes of rule 15.9(a) the general offer referred to in rule 15.9(a)(i) and rule 15.9(a)(ii)) may be made to different shareholders by different means.); or

- (b) obtains Control of the Company in pursuance of a compromise or arrangement sanctioned by the Court under section 899 or 901F of the Companies Act 2006; or
- (c) obtains Control of the Company as a result of a non-UK company reorganisation (as defined in paragraph 47A of Schedule 3) which has become binding on the shareholders covered by it; or
- (d) becomes bound or entitled to acquire shares in the Company under sections 979 to 982 (inclusive) or sections 983 to 985 (inclusive) of the Companies Act 2006,

(each a "**Rollover Event**")

each Option Holder may at any time within:

- (A) in the case of a Rollover Event falling within rule 15.9(a) the period of 6 months beginning with the date on which Control is obtained and all conditions to which the offer is made subject are satisfied;
- (B) in the case of a Rollover Event falling within rule 15.9(b), the period of 6 months beginning with the date on which the court sanctions the compromise or arrangement;
- (C) in the case of a Rollover Event falling within rule 15.9(c), the period of 6 months beginning with the date on which the non-UK company reorganisation becomes binding on the shareholders covered by it; and

- (D) in the case of a Rollover Event falling within rule 15.9(d), the period during which the acquiring company remains bound or entitled as mentioned in that rule,

by agreement with the acquiring company release any Option which has not lapsed (the "**old option**") in consideration of the grant to him of an option (the "**new option**") which is equivalent to the old option but relates to shares in a different company (whether the acquiring company itself or another company falling within paragraph 18(b) or (c) of Schedule 3).

15.10 The new option shall not be regarded for the purposes of rule 15.9 as equivalent to the old option unless the conditions set out in paragraph 39(4) of Schedule 3 are satisfied and, in relation to the new option, the provisions of the Plan shall be construed as if:

- (a) the new option was an option granted under the Plan at the same time as the old option;
- (b) references to the Company were references to the acquiring company (or to any other company whose shares are subject to the new options as the context may require) provided that references to Constituent Company and Subsidiary shall continue to be construed as if references to the Company within these definitions were to Stenham Limited;
- (c) references to Shares were references to the shares subject to the new options;
- (d) the Savings Contract made in connection with the old option had been made in connection with the new option; and
- (e) the Bonus Date in relation to the new option was the same as that in relation to the old option.

The Company shall remain the scheme organiser of the Plan (as defined in paragraph 2(2) of Schedule 3) following the release of the old options and the grant of the new options.

## 16 **VARIATION OF SHARE CAPITAL**

If there is any variation of the share capital of the Company (whether that variation is a capitalisation issue (other than a scrip dividend), rights issue, consolidation, subdivision or reduction of capital or otherwise), which affects (or may affect) the value of Options, the Board may adjust the number and description of Shares subject to each Option and/or the Exercise Price of each Option in a manner that the Board, in its reasonable opinion, considers to be fair and appropriate. However:

- (a) if it is intended that the Plan shall continue as a Schedule 3 SAYE option scheme, no adjustment shall take effect if it would result in the requirements of the SAYE Code not being met in relation to any Option;
- (b) the total Market Value of Shares subject to the Option must be substantially the same immediately after the variation of share capital as immediately before the variation of share capital;
- (c) the total amount payable on the exercise of any Option immediately after the variation of share capital must be substantially the same as immediately before the variation in share capital; and

- (d) the Exercise Price for a Share to be newly issued on the exercise of any Option must not be reduced below that Share's nominal value (if any) (unless the Board resolves to capitalise, from reserves, an amount equal to the amount by which the total nominal value of the relevant Shares exceeds the total adjusted Exercise Price, and to apply such amount to pay-up the relevant Shares in full).

17 **NOTICES**

Any notice or other document required to be given under or in connection with the Plan may be delivered to an Option Holder or sent by post to him at his home address according to the records of his employing company or such other address as may appear to the Company to be appropriate including any electronic address. Notices sent by post shall be deemed to have been given on the day following the date of posting and notices sent by electronic means shall be deemed to have been given twelve hours after the time of despatch or at such earlier time as receipt is acknowledged. Any notice or other document required to be given to the Company or other duly appointed agent under or in connection with the Plan may be delivered or sent by post to it at its registered office (or such other place or places as the Board or duly appointed agent may from time to time determine and notify to Option Holders).

18 **ADMINISTRATION AND AMENDMENT**

18.1 The Plan will be administered under the direction of the Board.

18.2 The Board may amend the Plan, but:

- (a) if it is intended that the Plan shall continue as Schedule 3, no amendment to a Key Feature may be made if amending that Key Feature would result in the Plan no longer being a Schedule 3 SAYE option scheme;
- (b) no amendment may be made to the advantage of existing or new Option Holders without the prior approval of the Company in general meeting to the provisions relating to:
  - (i) eligibility to participate;
  - (ii) the individual and overall limitations on the grant of Options;
  - (iii) the basis for determining Option Holders' entitlements to, and the terms of the Shares comprised in the Options; or
  - (iv) the adjustment of rights in the event of a variation of the Company's share capital,

unless it is a minor amendment to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Option Holders or for the Company or any Subsidiary.

18.3 The cost of establishing and operating the Plan will be borne by the Constituent Companies in proportions determined by the Board.

18.4 The Company must ensure that at all times:

- (a) the Company has sufficient unissued or treasury Shares available, taking into account any other obligations of the Company to issue Shares and to transfer Shares from treasury; and/or
  - (b) arrangements are in place for any third party to transfer issued Shares,
- to satisfy the exercise of all Options.

18.5 Unless specified to the contrary by the Board at the time of grant of an Option, an Option may be satisfied:

- (a) by the issue of new Shares; and/or
- (b) by the transfer of treasury Shares; and/or
- (c) by the transfer of Shares other than treasury Shares.

The Board may decide to change the way in which it is intended that an Option may be satisfied after it has been granted having regard to the provisions of rule 11 (*Plan limit*).

18.6 The Board will determine any question of interpretation and settle any dispute arising under the Plan (other than any dispute involving the Company). In doing so, the Board must act fairly and reasonably. In such matters, the Board's decision will be final.

18.7 The Company has no obligation to notify any Option Holder that an Option is due to lapse.

18.8 The Company has no obligation to provide Option Holders with copies of any materials sent to the holders of Shares.

## 19 **GOVERNING LAW**

The Plan and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

## 20 **JURISDICTION**

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Plan or its subject matter or formation (including non-contractual disputes or claims).

## 21 **THIRD PARTY RIGHTS**

21.1 A person who is not a party to the Option shall not have any rights under or in connection with it as a result of the Contracts (Rights of Third Parties) Act 1999 except where such rights arise under any provision of the Plan for any employer or former employer of the Option Holder which is not a party.

21.2 Rule 21.1 does not affect any right or remedy of a third party which exists, or is available, apart from that Act.