

Appendix 1

Rules of the MJ Gleeson Group Share Purchase Plan

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Rules of the MJ Gleeson Group Share Purchase Plan

1. Definitions

1.1 In these Rules the following words and expressions shall have the following meanings:

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| “Accumulation Period” | in relation to Partnership Shares, the period during which the Trustees accumulate a Qualifying Employee’s Partnership Share Money before acquiring Partnership Shares or repaying it to the Qualifying Employee; |
| “Acquisition Date” | <ul style="list-style-type: none">a) in relation to Partnership Shares where there is no Accumulation Period, the meaning given by paragraph 50(4) of the Schedule;b) in relation to Partnership Shares where there is an Accumulation Period, the meaning given by paragraph 52(5) of the Schedule; andc) in relation to Dividend Shares, the meaning given by paragraph 66(4) of the Schedule; |
| “Act” | the Income Tax (Earnings and Pensions) Act 2003; |
| “Associated Company” | shall have the same meaning as in paragraph 94 of the Schedule; |
| “Award Date” | in relation to Free Shares or Matching Shares, the date on which such Shares are awarded; |
| “Award” | <ul style="list-style-type: none">a) in relation to Free Shares and Matching Shares, the appropriation of Free Shares and Matching Shares in accordance with the Plan; andb) in relation to Partnership Shares, the acquisition of Partnership Shares on behalf of Qualifying Employees in accordance with the |

Plan;

“Capital Receipt”	shall have the same meaning as in section 502 of the Act;
“Company”	MJ Gleeson PLC registered number 09268016;
“Connected Company”	shall have the same meaning as in paragraph 18(3) of the Schedule;
“Control”	shall have the same meaning as in section 719 of the Act;
“CTA”	means the Corporation Tax Act 2010;
“Dealing Day”	a day on which the Stock Exchange is open for the transaction of business;
“Deed”	the trust deed constituting the Plan with any subsequent amendments thereto;
“Directors”	the board of directors of the Company (or a duly authorised committee);
“Dividend Shares”	Shares acquired on behalf of a Participant from reinvestment of dividends under Part D of the Plan and which are subject to the Plan;
“Employing Company”	means the Company or Subsidiary by which a Participant is employed at any time when the Trustees receive an amount of money on his behalf, which is or may be subject to income tax. If the participant is no longer in employment with the Company or a Subsidiary at such time, the Employing Company shall be the Company or Subsidiary by which he was last employed;
“Free Share Agreement”	an agreement to acquire Free Shares;
“Free Shares”	Shares awarded under Part C of the Plan which are subject to the Plan;

“Group Plan”	the Plan as established by the Company and extending to its Subsidiaries which are Participating Companies;
“HMRC”	Her Majesty’s Revenue & Customs;
“Holding Period”	a) in relation to Free Shares, the period specified by the Directors as mentioned in Rule 7.8; b) in relation to Matching Shares, the period specified by the Directors as mentioned in Rule 7.6; and c) in relation to Dividend Shares, the period of three years from the Acquisition Date;
“Initial Market Value”	the Market Value of a Share on an Award Date. Where the Share is subject to a restriction or risk of forfeiture, the Market Value shall be determined without reference to that restriction or risk;
“Market Value”	a) Where the Shares are listed on the Stock Exchange; (i) if, and only if all the Shares acquired for Award on an Acquisition Date or an Award Date are purchased and awarded to all Participants on the same day, the average of the prices paid by the Trustees for those Shares or (ii) if the Trustees subscribe for shares or all the Shares acquired for Award are not purchased and awarded on the same day, the closing price of a Share on the day immediately preceding the Dealing Day as derived from the Stock Exchange Daily Official List; or b) on any day where (a) above does not apply, the market value of a Share determined in

accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed for the purposes of the Plan with HMRC on or before that day;

“Matching Shares”	Shares awarded under Part B of the Plan and which are subject to the Plan;
“NICs”	Employees’ National Insurance Contributions;
“Participant”	an individual who has received under the Plan an Award of Free Shares, Matching Shares or Partnership Shares or on whose behalf Dividend Shares have been acquired;
“Participating Company”	the Company and such of its Subsidiaries as are parties to the Deed or have executed deeds of adherence to the Plan under clause 17 of the Deed;
“Partnership Shares”	Shares awarded under Part A of Plan and which are subject to the Plan;
“Partnership Share Agreement”	an agreement to acquire Partnership Shares which shall, inter alia, contain a notice under paragraph 48 of the Schedule;
“Partnership Share Money”	money deducted from a Qualifying Employee’s Salary pursuant to a Partnership Share Agreement and held by the Trustees to acquire Partnership Shares or to be returned to such person;
“Performance Allowances”	the criteria for an Award of Free Shares where: a) whether Shares are awarded; or b) the number or value of Shares awarded is conditional on performance targets being met;
“Performance Allowance Method One”	means a method of making the award of Free Shares conditional upon performance targets being met which satisfies the requirements of paragraph 41 of Schedule

	of the Act;
“Performance Allowance Method Two”	means a method of making the award of Free Shares conditional upon performance targets being met which satisfies the requirements of paragraph 42 of Schedule of the Act;
“Performance Period”	shall have the same meaning as in Rule 7.6(a);
“Plan”	this Plan, being the MJ Gleeson Group Share Purchase Plan;
“Plan Shares”	a) Free Shares, Matching Shares or Partnership Shares awarded to Participants; b) Dividend Shares acquired on behalf of Participants; and c) shares in relation to which paragraph 87 (company reconstructions: new shares) of the Schedule applies that remain subject to the Plan;
“Plan Termination Notice”	a notice issued under paragraph 89 of the Schedule;
“Qualifying Company”	the same meaning as in paragraph 17 of the Schedule;
“Qualifying Corporate Bond”	Shall have the same meaning as in section 117 of the Taxation of Chargeable Gains Act 1992;
“Qualifying Employee”	an employee who must be invited to participate in an Award in accordance with Rule 3.5 and any employee who the Directors have invited in accordance with Rule 3.6;
“Qualifying Period”	a period as the Directors shall in their absolute discretion so decide being: a) in the case of Free Shares a period not exceeding 18 months before the Award is made;

- b) in the case of Partnership Shares and Matching Shares where there is an Accumulation Period a period not exceeding 6 months and before the start of the Accumulation Period; and
- c) in the case of Partnership Shares and Matching Shares where there is no Accumulation Period a period not exceeding 18 months before the deduction of Partnership Share Money relating to this Award;

“Redundancy”	the same meaning as in the Employment Rights Act 1996;
“Relevant Employment”	employment by the Company or any Associated Company;
“Rules”	these rules together with any amendments thereto effected in accordance with Clause 22 of the Deed;
“Salary”	the same meaning as in paragraph 43(4) of the Schedule;
“Schedule”	Schedule 2 to the Act;
“Shares”	ordinary shares in the capital of the Company which comply with the conditions set out in paragraph 25 of the Schedule and “Shares” shall be construed accordingly;
“Stock Exchange”	London Stock Exchange plc or any successor organisation;
“Subsidiary”	any company which is for the time being under the Control of the Company;
“Tax Year”	a year beginning on 6 April and ending on the following 5 April;
“Trustees”	the trustees or trustee for the time being of the Plan or any subsequent trustee or trustees as provided for

in accordance with Clause 7 of the Deed;

“Trust Fund”	all assets transferred to the Trustees to be held on the terms of the Deed and the assets from time to time representing such assets, including any accumulations of income;
“Trust Period”	the period of 80 years beginning with the date of the Deed; and
“UK Listing Authority”	the Financial Conduct Authority as the competent authority for listing in the United Kingdom under section 74(4) of the Financial Services and Markets Act 2000.

1.2 References to any act, part, chapter, or section shall include any statutory modification, amendment or re-enactment of that act, for the time being in force.

1.3 Words of the feminine gender shall include the masculine and vice versa and words in the singular shall include the plural and vice versa unless, in either case, the context otherwise requires or it is otherwise stated.

2. Purpose of the Plan

2.1 The purpose of the Plan is to enable employees of Participating Companies to acquire shares in the Company which give them a continuing stake in the Company.

3. Eligibility of individuals

3.1 Subject to Rule 3.4, individuals are eligible to participate in an Award only if:

- a) they are employees of a Participating Company;
- b) they have been employees of a Qualifying Company at all times during any Qualifying Period; and
- c) they are eligible to participate on the date(s) set out in paragraph 14 of the Schedule.

3.2 An individual is not eligible to participate in an Award of Free Shares, Partnership Shares or Matching Shares under the Plan in any Tax Year if he is at the same time to participate

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in an award of Shares under another share incentive plan established by the Company or by a Connected Company under the Schedule.

3.3 If an individual participates in an Award of Shares under the Plan in a Tax Year in which he has already participated in an award of shares under one or more other share incentive plans under the Schedule established by the Company or by a Connected Company, Rules 7.4 (maximum annual Award of Free Shares) and 5.3 and 5.4 (maximum amount of Partnership Shares Money) apply as if the Plan and the other plan or plans were a single plan.

3.4 Notwithstanding any provision of any other of these Rules whatsoever:

- a) the Plan shall not form any part of any contract of employment between the Company, a Subsidiary or any Associated Company and any Participant and it shall not confer on any Participant any legal or equitable rights (other than those constituted by the grants of Awards themselves) whatsoever against the Company, a Subsidiary or an Associated Company directly or indirectly or give rise to any cause of action at law or in equity against the Company, a Subsidiary or any Associated Company;
- b) participation in an Award is a matter entirely separate from any pension right or entitlement a Participant may have and from his terms or conditions of employment and participation in the Plan shall in no respect whatever affect his pension rights or entitlements or terms or conditions of employment and in particular (but without limiting the generality of the foregoing) any Participant who ceases to be an employee of any Company, Subsidiary or Associated Company shall not 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 howsoever and notwithstanding that he may have been dismissed wrongfully or unfairly (within the meaning of the Employment Rights Act 1996).

Employees who must be invited to participate in Awards

3.5 All individuals who meet the requirements in Rule 3.1 and are UK resident taxpayers within the meaning of paragraph 8(2) of the Schedule shall be eligible to receive an Award. In this case they shall be invited to participate in any Awards of Free Shares, Partnership Shares or Matching Shares and acquisition of Dividend Shares as set out in the Plan.

Employees who may be invited to participate in Awards

- 3.6 The Company may also invite any employee who meets the requirements in Rule 3.1 but is not a UK resident taxpayer to participate in an Award.

4. Participation on same terms

- 4.1 Every Qualifying Employee shall be invited to participate in an Award on the same terms and all who do participate in an Award shall do so on the same terms.
- 4.2 The Directors may make an Award of Free Shares to Qualifying Employees by reference to their remuneration, length of service or hours worked.
- 4.3 The directors may make an Award of Free Shares to Qualifying Employees by reference to their performance as set out in Rule 7.5
- 4.4 The Participating Companies shall make contributions to the Trustees to finance any purchase by the Trustees of Free and/or Matching Shares for award on an Award Date.

Part A

5. Partnership Shares

5.1 The Directors may at any time invite every Qualifying Employee to enter into a Partnership Share Agreement, should the Directors decide to offer Partnership Shares, in accordance with this Part of the Rules. The Directors shall determine whether there is to be an Accumulation Period. An Accumulation Period may be up to 12 months and shall apply equally to all Qualifying Employees in the Plan.

5.2 Partnership Shares shall not be subject to any provision under which they may be forfeit.

Maximum amount of deductions

5.3 The Partnership Share Agreement shall prescribe, inter alia, the amount of Partnership Share Money that is to be deducted from Qualifying Employee's Salary save that the deduction must not exceed £1,800 in any Tax Year or such other amount as shall be stated in paragraph 46(1) of the Schedule.

5.4 The amount of Partnership Share Money deducted from an employee's Salary over an Accumulation Period shall not exceed 10% of the total of the payments of Salary made to such employee over that Accumulation Period or, if there is no Accumulation Period, 10% of the Salary paid up to the date of the deduction in that Tax Year.

5.5 Any amount of Salary deducted in excess of the limits set out in 5.3 and 5.4 shall be paid over to the Qualifying Employee, subject to both deduction of income tax under PAYE and NICs, as soon as practicable.

Minimum amount of deductions

5.6 The minimum amount to be deducted under the Partnership Share Agreement on any occasion shall be determined by the Board save that this amount shall be the same for all Qualifying Employees and shall not exceed £10.

Notice of possible effect of deductions on benefit entitlement

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

Restriction imposed on number of Shares awarded

5.8 The Company may specify the maximum number of Shares to be included in an Award of

Partnership Shares.

- 5.9 The Partnership Share Agreement shall contain an undertaking by the Company to notify each Qualifying Employee of any restriction on the number of Shares to be included in any Award.
- 5.10 The notification in Rule 5.9 shall be given:
- a) if there is no Accumulation Period relating to the Award, before the deduction of the Partnership Share Money relating to the Award; and
 - b) if there is an Accumulation Period, before the beginning of such Accumulation Period relating to the Award.

Plan with no Accumulation Period

- 5.11 The Trustees shall acquire Shares on behalf of the Qualifying Employee using the Partnership Share Money. They shall acquire the shares on the Acquisition Date. The number of Shares acquired on behalf of each Participant shall be determined by dividing the relevant amount of Partnership Share Money by the Market Value of a Share on the Acquisition Date.

Plan with Accumulation Period

- 5.12 The Trustees shall acquire Shares on behalf of the Qualifying Employee on the Acquisition Date using Partnership Share Money.
- 5.13 The number of Shares acquired on behalf of each Participant must be determined in accordance with one of sub-paragraphs 3, 3A and 3B of paragraph 52 of the Schedule and the Partnership Share Agreement must specify which one of these sub-paragraphs is to apply for the purposes of the Partnership Share Agreement.
- 5.14 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 Qualifying 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.

Surplus Partnership Share Money

- 5.15 Any surplus Partnership Share Money remaining after the acquisition of Shares by the Trustees:

- a) may, with the agreement of the Participant, be carried forward to the next Accumulation Period (if there is an Accumulation Period relating to the next Award), or the next deduction date; and
- b) in any other case, shall be paid over to the Participant, subject to the deduction of both income tax under PAYE and NICs, as soon as practicable.

Scaling Down

- 5.16 If the Company receives applications for Partnership Shares exceeding the Award maximum determined in accordance with Rule 5.8 the following steps shall be taken in sequence until such excess is eliminated:

- Step 1: the excess of the monthly deduction chosen by each applicant over £10 shall be reduced pro rata;
- Step 2: all monthly deductions shall be reduced to £10;
- Step 3: applications shall be selected by lot, each based on a monthly deduction of £10.

- 5.17 Each application shall be deemed to have been modified or withdrawn in accordance with the foregoing provisions and each Qualifying Employee who has applied for Partnership Shares shall be notified of the change.

Stopping and re-starting deductions

- 5.18 An employee may stop and restart deductions under a Partnership Share Agreement at any time by notice in writing to their Employing Company. Unless a later date is specified in the notice, such notice shall take effect 30 days after their Employing Company receives it.

Withdrawal from Partnership Share Agreement

- 5.19 An employee may withdraw from a Partnership Share Agreement at any time by notice in writing to their Employing Company or the Directors. Unless a later date is specified in the notice, such a notice shall take effect as soon as practicable but in any event no later than 30 days after their Employing Company or the Directors receive it. Any Partnership Share Money then held on behalf of an employee shall be paid over to that employee as soon as practicable. This payment shall be subject to income tax under PAYE and NICs.

Repayment of Partnership Share Money on withdrawal of approval or Termination

- 5.20 If HMRC concludes following an enquiry that the Plan does not meet the requirements of the Schedule or a Plan Termination Notice is issued in respect of the Plan, any Partnership Share Money held on behalf of Qualifying Employees shall be repaid to them as soon as practicable, subject to the deduction of income tax under PAYE and NICs.

Part B

6. Matching Shares

- 6.1 The Partnership Share Agreement shall set out the basis on which a Participant is entitled to an Award of Matching Shares, should the Directors decide to offer Matching Shares, in accordance with this Part of the Rules.

General requirements for Matching Shares

- 6.2 Matching Shares shall:
- a) be Shares of the same class and carrying the same rights as the Partnership Shares to which they relate;
 - b) subject to Rule 6.4, be awarded on the same day as the Partnership Shares to which they relate are acquired on behalf of the Participant; and
 - c) be awarded to all Participants on exactly the same basis.

Ratio of Matching Shares to Partnership Shares

- 6.3 The Partnership Share Agreement shall specify the ratio of Matching Shares to Partnership Shares for the time being offered by the Company and that ratio shall not exceed two Matching Shares to one Partnership Share (or such other ratio as may from time to time be permitted under paragraph 60(2) of the Schedule).
- 6.4 The Directors may vary the ratio before Partnership Shares are acquired. The Company may also subject the ratio to a limit either on the number or value of Partnership Shares to be acquired, before the Partnership Shares are acquired. Qualifying Employees shall be notified of the terms of such variation or limitation before the Partnership Shares are awarded under the relevant Partnership Share Agreement.
- 6.5 If the number of Partnership Shares acquired on the relevant Acquisition Date is insufficient to require the Company to make an Award of Matching Shares, such Award of Matching Shares shall be made when sufficient Partnership Shares have been acquired to allow at least one Matching Share to be appropriated.

Holding Period for Matching Shares

- 6.6 The Directors shall, in relation to each Award Date, specify a Holding Period throughout which a Participant shall be bound by the terms of the Partnership Share Agreement.

- 6.7 The Holding Period shall, in relation to each Award, be a specified period of not less than 3 years, nor more than 5 years (or such other periods as may from time to time be specified under paragraph 61 of the Schedule and approved by the Directors), beginning with the Award Date and shall be the same for all Participants who receive an Award at the same time. The Holding Period shall not be increased in respect of Matching Shares awarded under the Plan.
- 6.8 A Participant may during the Holding Period direct the Trustees:
- a) to accept an offer for any of their Matching Shares if the acceptance or agreement shall result in a new holding being equated with those original Shares for the purposes of capital gains tax; or
 - b) to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for their Matching Shares if the offer forms part of such a general offer as is mentioned in paragraph (c) below; or
 - c) to accept an offer of cash, with or without other assets, for their Matching Shares if the offer forms part of a general offer which is made to holders of shares of the same class as their Shares, or to holders of shares in the same 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 that company; or
 - d) to agree to a transaction affecting their 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:
 - i) all of the ordinary share capital of the Company or, as the case may be, all the shares of the class in question; or
 - ii) 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 share ownership incentive established pursuant to the Schedule.

Part C

7. Free Shares

- 7.1 The Directors may at any time invite every Qualifying Employee to enter into a Free Share Agreement, should the Directors decide to offer Free Shares.
- 7.2 The Trustees, acting with the prior consent of the Directors, may from time to time award Free Shares.
- 7.3 The number of Free Shares to be awarded by the Trustees to each Qualifying Employee on an Award Date shall be determined by the Directors in accordance with this Rule.

Maximum annual Award

- 7.4 The initial Market Value of Free Shares awarded to a Qualifying Employee in any Tax Year shall not exceed £3,600 or such other amount as shall be stated in paragraph 35(1) of the Schedule.

Allocation of Free Shares by reference to performance

- 7.5 The Directors may stipulate that the number of Free Shares (if any) to be awarded to each Qualifying Employee on a given Award Date shall be determined by reference to Performance Allowances.
- 7.6 If Performance Allowances are used in connection with a particular Award of Free Shares, Performance Allowances shall apply to that entire Award of Free Shares to all Qualifying Employees and must satisfy the following conditions:
- a) they shall be determined by reference to such fair and objective criteria relating to business results as the Board shall determine over such period as the Board shall specify (the "Performance Period");
 - b) the criteria must be set for performance units consisting of one or more employees;
 - c) a Qualifying Employee must not be a member of more than one performance unit; and
 - d) any other conditions set out in paragraphs 34 to 42 of the Schedule.
- 7.7 Where the Directors determine to use Performance Allowances in connection with an Award of Free Shares they shall, as soon as reasonably practicable:

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- a) notify each Qualifying Employee participating in the Award of the criteria which shall be used to determine the number or value of Free Shares awarded to such Qualifying Employee; and
- b) notify all Qualifying Employees of the Company or, in the case of a Group Plan, of any Participating Company, in general terms, of the criteria to be used to determine the number or value of Free Shares to be awarded to each Qualifying Employee in the Award.

Performance Allowances: method

- 7.8 The Directors shall determine the number of Free Shares (if any) to be awarded to each Qualifying Employee by reference to performance using either Performance Allowance Method One or Performance Allowance Performance Allowance Method Two. The same method shall be used for all Qualifying Employees for each Award of Free Shares.

Holding Period for Free Shares

- 7.9 The Company shall, in relation to each Award of Free Shares, specify the Holding Period throughout which a Participant shall be bound by the terms of the Free Share Agreement.
- 7.10 The Holding Period shall, in relation to each Award, be a specified period of not less than 3 years, nor more than 5 years (or such other periods as may from time to time be specified under paragraph 36(2) of the Schedule and approved by the Directors), beginning with the Award Date and shall be the same for all Participants who receive an Award at the same time. The Holding Period shall not be increased in respect of Free Shares already awarded under the Plan.
- 7.11 A Participant may during the Holding Period direct the Trustees:
- a) to accept an offer for any of their Free 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
 - b) to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for their Free Shares if the offer forms part of such a general offer as is mentioned in paragraph (c); or
 - c) to accept an offer of cash, with or without other assets, for their Free Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his shares, or to holders of shares in the same 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 that company; or

- d) to agree to a transaction affecting their Free 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:
 - i) all of the ordinary share capital of the Parent Company or, as the case may be, all the shares of the class in question; or
 - ii) 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 share incentive plan established pursuant to the Schedule.

Part D

8. Dividend Shares

Reinvestment of cash dividends

- 8.1 The Free Share Agreement or Partnership Share Agreement as appropriate shall set out the rights and obligations of Participants receiving Dividend Shares under the Plan.
- 8.2 The Directors may direct that any cash dividend in respect of Plan Shares held on behalf of Participants may be applied in acquiring further Plan Shares on their behalf.
- 8.3 Dividend Shares shall be Shares:
- a) of the same class and carrying the same rights as the Shares in respect of which the dividend is paid; and
 - b) which are not subject to any provision for forfeiture.
- 8.4 The Directors may direct the Trustees to:
- a) apply all dividends to acquire Dividend Shares;
 - b) pay all dividends in cash to all Participants; or
 - c) offer Participants the choice of either paragraph (a) or (b).
- 8.5 The Company may revoke any direction for reinvestment of cash dividends into Dividend Shares.
- 8.6 If cash dividends are to be reinvested, the Trustees shall apply such cash dividends to acquire Dividend Shares on behalf of the Participant on the Acquisition Date. The number of Dividend Shares acquired on behalf of each Participant shall be determined by dividing the relevant amount of cash dividends by the Market Value of a Share on the Acquisition Date.

Certain amounts not reinvested to be carried forward

- 8.7 Any amount of dividends that would, but for the following reasons:
- a) because the amount of the dividend is insufficient to acquire a Dividend Share;
or
 - b) because there is a portion of the dividend remaining after the acquisition of

Dividend Shares,

be applied pursuant to Rule 8.4(a) may be retained by the Trustees and carried forward to be added to the amount of the next dividend that is to be applied pursuant to Rule 8.4(a).

Holding Period for Dividend Shares

8.8 The Holding Period shall be a period of 3 years (or such other period as may from time to time be specified under paragraph 67 of the Schedule), beginning with the Acquisition Date.

8.9 A Participant may during the Holding Period direct the Trustees:

- a) to accept an offer for any of their 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
- b) to accept an offer of a Qualifying Corporate Bond (whether alone or with other assets or cash or both) for their Dividend Shares if the offer forms part of such a general offer as is mentioned in paragraph (c); or
- c) to accept an offer of cash, with or without other assets, for their Dividend Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his shares, or to holders of shares in the same 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 that company; or
- d) to agree to a transaction affecting their 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:
 - i) all of the ordinary share capital of the Company or, as the case may be, all the shares of the class in question; or
 - ii) 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 share incentive plan established pursuant to the Schedule.

8.10 Where a Participant is charged to tax in the event of their Dividend Shares ceasing to be subject to the Plan, they shall be provided with the information specified in paragraph

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80(4) of the Schedule.

Part E

9. Acquisition of Shares and Subscription Limits

9.1 Awards under the Plan may be satisfied by existing Shares which are purchased by the Trustee on the open market or at arms length from any shareholder. The Trustees shall also have the right to subscribe for newly issued Shares in order to satisfy an Award subject to the limitation in Rule 9.2 below. The Trustees may also offer to purchase the beneficial interest in Shares from a Participant at the best consideration in money that can reasonably be obtained at the time of sale.

9.2 The number of Shares which may be issued under the Plan on any date when aggregated with:

- a) the number of Shares issued during the preceding ten years under the Plan or under any other employee share scheme adopted by the Company in general meeting (other than a share option scheme); and
- b) the number of Shares issued or capable of being issued pursuant to options granted during the preceding ten years under any employee share option scheme adopted by the Company in general meeting

shall not exceed ten per cent of the issued ordinary share capital of the Company at that date.

10. Company reconstructions

10.1 The following provisions of this Rule apply if there occurs in relation to any of a Participant's Plan Shares (referred to in this Rule as the "Original Holding"):

- a) a transaction which results in a new holding (referred to in this Rule as "the New Holding") being equated with the Original Holding for the purposes of capital gains tax; or
- b) a transaction which would have that result but for the fact that what would be the New Holding consists of or includes a Qualifying Corporate Bond.

10.2 If an issue of shares of any of the following descriptions and in respect of which a charge to income tax arises is made as part of a company reconstruction, these shares shall be treated for the purposes of this Rule as not forming part of the New Holding:

- a) redeemable shares or securities issued as mentioned in paragraph C or D in section 1000(1) of CTA (distributions);

- b) share capital issued in circumstances such that section 1022(3) of CTA applies (bonus issues); or
- c) share capital to which section 410 of the Income Tax (Trading and Other Income) Act 2005 applies (stock dividends).

10.3 In this Rule:

“Corresponding Shares” in relation to any New Shares means the Shares in respect of which the New Shares are issued or which the New Shares otherwise represent

“New Shares” means shares comprised in the New Holding which were issued in respect of, or otherwise represent, shares comprised in the Original Holding.

10.4 Subject to the following provisions of this Rule, references in this Plan to a Participant’s Plan Shares shall be respectively construed, after the time of the company reconstruction, as being or, as the case may be, as including references to any New Shares.

10.5 For the purposes of the Plan:

- a) a company reconstruction shall be treated as not involving a disposal of Shares comprised in the Original Holding; and
- b) the date on which any New Shares are to be treated as having been appropriated to or acquired on behalf of the Participant shall be the date on which Corresponding Shares were so appropriated or acquired,

10.6 In the context of a New Holding, any reference in this Rule to shares includes securities and 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.

11. Rights issues

11.1 Any shares or securities allotted under clause 12 of the Deed shall be treated as Plan Shares identical to the Shares in respect of which the rights were conferred and shall be treated as if they were awarded to or acquired on behalf of the Participant under the Plan in the same way and at the same time as those Shares.

11.2 Rule 11.1 does not apply:

- a) to shares and securities allotted as the result of taking up a rights issue where

the funds to exercise those rights were obtained otherwise than by virtue of the Trustees disposing of rights in accordance with this Rule; or

- b) where the rights to a share issue attributed to Plan Shares are different from the rights attributed to other ordinary shares of the Company.

12. Leavers and forfeiture

12.1 Subject to Rule 12.2, if a Qualifying Employee and/or Participant ceases to be in Relevant Employment:

- a) any Plan Shares held on his behalf shall be removed from the Plan; and
- b) subject to paragraph 97(2) of the Schedule, any Partnership Share Money that has been deducted in the Accumulation Period in which a Participant ceases to be so employed shall be paid over to such individual as soon as is practicable after the date of such cessation.

12.2 Notwithstanding Rule 12.1 but without prejudice to Rule 12.3, if a Qualifying Employee and/or Participant ceases to be in Relevant Employment before the expiry of a three year period commencing on the Award Date, any Free Shares and/or Matching Shares held on behalf of such individual shall be forfeited, unless the relevant Partnership Share Agreement and/or Free Share Agreement determine otherwise.

12.3 No Free or Matching Shares shall be forfeited as a consequence of a Qualifying Employee and/or Participant ceasing to be in Relevant Employment if such cessation is as a result of:

- a) injury or disability;
- b) Redundancy;
- c) a transfer to which the Transfer of Undertakings Regulations (Protection of Employment) Regulations 1981 apply;
- d) a change of control or other circumstances ending the Associated Company status of the company by which the individual is employed;
- e) his retirement; or
- f) his death.

12.4 The relevant Partnership Share Agreement may specify that Matching Shares held on

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behalf of a Participant shall be forfeited if the Participant withdraws the associated Partnership Shares from the Plan within a specified period (such period not to exceed three years).

13. Amendments

13.1 The Board shall have the power to make and amend such regulations for the implementation and administration of the Plan in a manner consistent with the Plan as it thinks fit and to make any amendments to these Rules provided that:

- a) No amendment which would be to the advantage of employees may be made without the prior approval of the Company in general meeting to the provisions relating to this Rule 13.1(a), eligibility, individual limits, the overall limits on the number of Shares that may be issued pursuant to the Plan or the rights of Participants on a variation of share capital except for minor amendments in relation to the administration of the Plan or to take account of a change in the law or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment for employees or the Company or its Subsidiaries;
- b) no alteration may be made which would materially adversely affect any subsisting rights of Participants granted prior to the date of the alteration without the prior consent or sanction of the majority of that number of Participants who responded to the notification by the Company of such proposed alteration;
- c) no alteration or any amendment may be made to a “key feature” (as defined in paragraph 84(6) of the Schedule) of the Plan such that the Plan no longer meets the requirements of the Schedule;
- d) no alteration or addition may be made where the alteration or addition would cause the Plan to cease to be a share incentive plan which meets the requirements of the Schedule; and
- e) no alteration or addition may be made where the alteration or addition would offend the rule against perpetuities.

14. Correction of errors or omissions

14.1 If as a result of an error or omission Partnership or Dividend Shares are not awarded to a Participant in accordance with the Plan rules, the Trustees may, but without obligation to do so, do all such acts or things as may be agreed with HMRC to rectify the error or omission notwithstanding that such actions may fall outside the time limits contemplated

by or otherwise conflict with the other provisions of the Plan Rules.

15. Transfer of legal title

- 15.1 The Trustees shall transfer the legal title to any Plan Shares into the name of the relevant Participant or to another person as soon as reasonably practicable after the Company or the Participant gives the Trustees any written direction to that effect in accordance with the Rules.

16. Notices

- 16.1 Any notice or other communication required or made in connection with this Plan must be in writing and be:

- a) delivered personally; or
- b) sent by pre-paid first-class post or an equivalent physical delivery method; or
- c) sent by e-mail (but e-mail communications will only be treated as validly sent if an appropriate report of receipt has been returned to the sender by the e-mail system).

- 16.2 Communications made in accordance with Rule 16.1 must be addressed to the parties interested in the Plan as specified below:

- a) in the case of communications to any Qualifying Employee or Participant, to his work address or his home address, meaning that most recently notified to the sender or his work e-mail address or, if one has been notified to the sender, his private e-mail address;
- b) in the case of communications to a Participant who has died (where the sender has notice of the death), to the Participant's home address, meaning that most recently notified to the sender or any address (marked for the attention of any specified person) or any e-mail address that the Participant's personal representatives have notified to the Company for such communications; and
- c) in the case of communications to the Company, to its registered office or any other address (marked for the attention of any specified person) that may have been notified by the Company to the sender or any e-mail address that may have been notified by the Company to the sender.

- 16.3 Communications made to any Qualifying Employee, Participant or Participant's personal

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representatives will be deemed to have been duly received:

- a) if delivered personally, when left at the relevant address; or
- b) if sent by pre-paid first-class post or an equivalent method, at 12 noon on the second business day after posting; or
- c) if sent by e-mail, at the time specified in the relevant report of receipt returned to the sender.

16.4 Communications sent to the Company will:

- a) be duly made only if actually received in accordance with this Rule 16; and
- b) be treated as made at the time they are received for all purposes of the Plan.

17. Termination

17.1 Subject to Rule 17.2, the Plan shall terminate on the earliest of the following dates:

- a) the date on which a Plan Termination Notice is deemed to have effect;
- b) the date specified in the closure notice issued pursuant to paragraph 81H of the Schedule;
- c) the date on which the Board resolves to terminate the Plan;
- d) on the expiry of the Trust Period.

17.2 If the Company issues a Plan Termination Notice a copy of such notice must be given without delay to:

- a) HMRC;
- b) the Trustees;
- c) each Participant; and
- d) each Qualifying Employee who has entered into a Partnership Share Agreement which was in force immediately before the Plan Termination Notice was issued.

17.3 Following termination of the Plan pursuant to this Rule 17:

- a) no further Awards may be made;

- b) the Trustees must remove all Plan Shares from the Plan as soon as practicable after the later of:
 - i) the end of the period of three months beginning with the date on which the Company complies with its obligations pursuant to Rule 17.3; and
 - ii) the first date on which Plan Shares may be removed from the Plan without giving rise to a tax charge under sections 501-508 of the Act;save that the Trustees may remove a Participant's Plan Shares from the Plan at an earlier date with the Participant's consent; and
- c) the Trustees must pay to every Participant any Partnership Share Money held on his behalf.

18. Miscellaneous

- 18.1 No Award shall be made which shall breach the provisions of the Model Code as contained in the Listing Rules of the Stock Exchange or any such other code relating to share dealings as may be relevant from time to time.
- 18.2 An Award shall be personal to a Participant and neither Awards, nor any rights granted in relation thereto, may be transferred, assigned, pledged, charged or otherwise disposed of by a Participant and if a Participant shall do, suffer or permit any such act or thing whereby he would or might be deprived of any rights received or granted in relation to an Award, the Plan Shares to which his Award relates shall be removed from the Plan.
- 18.3 Awards under the Plan shall not be pensionable.

19. Governing Law

The Rules and the operation of the Plan shall be governed and construed in accordance with English Law.