

SCHEDULES

SCHEDULE 2

APPROVED SHARE INCENTIVE PLANS

PART 7

MATCHING SHARES

Matching shares: introduction

- 58 If a SIP provides for matching shares it must meet the plan requirements contained in—
- paragraph 59 (general requirements for matching shares),
 - paragraph 60 (ratio of matching shares to partnership shares), and
 - paragraph 61 (holding period for matching shares).

General requirements for matching shares

- 59 (1) The plan must provide for the matching shares to be—
- (a) shares of the same class and carrying the same rights as the partnership shares to which they relate;
 - (b) awarded on the same day as the partnership shares to which they relate are awarded; and
 - (c) awarded to all employees who participate in the award on exactly the same basis.
- (2) Sub-paragraph (1) is subject to paragraph 32 (permitted restrictions: provision for forfeiture).

Ratio of matching shares to partnership shares

- 60 (1) The partnership share agreement must specify—
- (a) the ratio of matching shares to partnership shares for the time being offered by the company, and
 - (b) the circumstances and manner in which the ratio may be changed by the company.
- (2) The ratio must not exceed 2:1 and must be applied by reference to the number of shares.
- (3) A partnership share agreement must provide for the employee to be informed by the company if the ratio offered by the company changes before partnership shares are awarded to the employee under the agreement.

Status: This is the original version (as it was originally enacted).

Holding period for matching shares

- 61 Paragraphs 36 and 37 (the holding period and related matters) apply in relation to matching shares as they apply in relation to free shares.