

SCHEDULES

SCHEDULE 5

ENTERPRISE MANAGEMENT INCENTIVES

PART 5

REQUIREMENTS RELATING TO OPTIONS

Terms of option to be agreed in writing

- 37 (1) The option must take the form of a written agreement between the person granting the option and the employee which meets the following requirements.
- (2) The agreement must state—
- (a) the date on which the option is granted;
 - (b) that it is granted under the provisions of this Schedule;
 - (c) the number, or maximum number, of shares that may be acquired;
 - (d) the price (if any) payable by the employee to acquire them, or the method by which that price is to be determined; and
 - (e) when and how the option may be exercised.
- (3) The agreement must set out any conditions, such as performance conditions, affecting the terms or extent of the employee's entitlement.
- (4) The agreement must contain details of any restrictions attaching to the shares.
- (5) Where the shares that may be acquired by the employee are subject to risk of forfeiture, the agreement must contain details of the conditions.
- (6) For the purposes of sub-paragraph (5) shares are “subject to risk of forfeiture” if the interest that may be acquired is only conditional within the meaning of section 424 (conditional interests in shares).