



---

**TRUST DEED AND RULES OF THE  
PROVIDENT FINANCIAL SHARE INCENTIVE PLAN (SIP)**

---

Approved by the shareholders of the Company in general meeting on 9 May 2013 and adopted by the Company

Approved by HM Revenue & Customs on 31 May 2013 under reference A110542

Amended by the Board on 22 July 2013 following enactment of Finance Act 2013 and on 23 May 2018 and on [ ] June 2022

Rules re-approved by the shareholders of the Company in general meeting on [ ] June 2022

## CONTENTS

CLAUSE	PAGE
Part A - Definitions.....	2
1    Meaning of words used .....	2
Part B - Operation of the Plan and Joining the Plan .....	5
2    Operation of the Plan .....	5
3    Joining the Plan .....	5
Part C - Free Shares .....	7
4    Free Shares .....	7
Part D - Partnership Shares .....	9
5    Partnership Shares.....	9
Part E - Matching Shares .....	12
6    Matching Shares.....	12
Part F- Dividends.....	14
7    Dividends .....	14
Part G - General Rules .....	16
8    General rules about Shares .....	16
9    Leaving Employment .....	18
10   General rules relating to the Plan.....	19
11   Employment Rights .....	20
12   Assets of the Plan.....	21
13   Trustees.....	22
14   Constituent Companies .....	24
15   Changing the Rules .....	25
16   Termination.....	26
17   Counterparts.....	26
18   Governing Law .....	27

## **Trust Deed and Rules of the Provident Financial Share Incentive Plan**

This Trust Deed and Rules of the Provident Financial Share Incentive Plan are made as a deed on 28 May 2013 between:

- (1) **Provident Financial plc** (No. 00668987) whose registered office is at No.1 Godwin Street, Bradford, West Yorkshire, BD1 2SU; and
- (2) **Yorkshire Building Society** whose registered office is at Yorkshire House, Yorkshire Drive, Bradford, BD5 8LJ

to set up the Plan with effect from the date of formal approval of the Plan by HMRC.

## Part A - Definitions

### 1 Meaning of words used

**Acquisition Day** means the day determined by the Trustees in accordance with Rule 5.13

**Acquisition Period** has the meaning given to it in paragraph 97(3) of Schedule 2

**Associated Company** has the meaning given to it in paragraph 94 of Schedule 2

**Award Day** means the date on which Free Shares or Matching Shares are awarded under the Plan

**Award System** means the system of calculating the number of Free Shares to be awarded from time to time, adopted by the Board and which satisfies paragraph 9 of Schedule 2

**Board** means the board of directors of the Company or a duly authorised committee of the board or a duly authorised person, or any successor entity

**Connected or connected** has the meaning given in Paragraph 18(3) of Schedule 2

**Company** means Provident Financial plc (registered in England with number 00668987)

**Constituent Company** means an employer company participating in the Plan, being the Company or any Subsidiary

**Contributions** means deductions from a Participant's Salary pursuant to a Partnership Share Agreement and held by the Trustees pending the acquisition of Partnership Shares or its repayment to the Participant

**Control** has the meaning in section 719 of ITEPA

**Date of Approval** means the date the Plan is approved, or re-approved, by shareholders of the Company in general meeting

**Dealing Day** means a day on which the London Stock Exchange is open for the transaction of business

**Dividend Shares** means Shares which the Trustees acquire by reinvesting Participants' cash dividends from their Plan Shares in accordance with Part F of this Trust Deed and Rules

**Eligible Employee** means an Employee who is eligible to participate in accordance with Rule 3

**Employee** means, except for the purposes of Rule 11, an Eligible Employee of a Constituent Company

**Employees' Share Scheme** means a scheme for encouraging or facilitating the holding of shares or debentures in a company by or for the benefit of:

- (i) the bona fide employees or former employees of the company, the company's Subsidiary or holding company or a Subsidiary of the company's holding company; or
- (ii) the spouses, civil partners, surviving spouses, surviving civil partners or children or step-children under the age of 18 of such employees or former employees;

**Employment** means employment by the Company or any associated company within the meaning of paragraph 94 of Schedule 2

**Free Shares** means Shares awarded to Participants without payment in accordance with Part C of this Trust Deed and Rules

**Free Share Agreement** means an agreement by the Participant substantially in the form set out in Appendix A

**Group Company** means the Company and any of its Subsidiaries

**HMRC** means HM Revenue & Customs

**Holding Period** means the period for holding Free Shares, Matching Shares and Dividend Shares in the Plan

**Initial Market Value** means the Market Value of Free Shares on the relevant Award Day and the Market Value of Shares subject to restrictions or risk of forfeiture shall be determined as if there were no restriction or risk

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

**ITTOIA** means the Income Tax (Trading and Other Income) Act 2005

**London Stock Exchange** means London Stock Exchange plc or any successor to that company

**Market Value** means on any day

- (a) if and so long as Shares are admitted to the Official List of the UKLA and traded on the London Stock Exchange, or are traded on any other Recognised Stock Exchange, the mid-market closing price derived from the Official List of the London Stock Exchange (or other Recognised Stock Exchange as the case may be) on the preceding day provided that if all the Shares comprised in an Award are purchased on the market on the day that such Award is made, "Market Value" shall mean the average of the purchase prices of such Shares on that day (excluding any dealing costs)
- (b) if the Shares are not so admitted, the meaning it has by virtue of Part VIII of the Taxation of Chargeable Gains Act 1992 and as agreed in advance with HMRC Shares Valuation

**Matching Shares** means Shares awarded without payment in proportion to any Partnership Shares allocated to Participants in accordance with Part E of this Trust Deed and Rules

**Method 1** means the method described in paragraph 41 of Schedule 2

**Method 2** means the method described in paragraph 42 of Schedule 2

**Participant** means any Employee who has joined the Plan

**Partnership Share Agreement** means a contract between the Company and a Participant which is substantially in the form set out in Appendix B and which meets the requirements of Rule 5.1

**Partnership Shares** means Shares which the Trustees allocate to Participants in respect of their Contributions in accordance with Part D of this Trust Deed and Rules

**Performance Measures** means targets set by the Board from time to time, which meet the requirements of paragraph 39 of Schedule 2 and govern the availability, number or value of Free Shares to be awarded

**Plan** means the Provident Financial Share Incentive Plan 2022, as changed from time to time

**Plan Shares** mean the Shares awarded or allocated to Participants under the Plan

**Qualifying Company** means a "qualifying company" as that expression is defined in Paragraph 17 of Schedule 2

**Recognised Stock Exchange** has the meaning in section 1005 of the Taxes Act

**Reconstruction or Takeover** means a transaction affecting any Shares as described in paragraphs 37 and 86 of Schedule 2

**Salary** has the meaning in paragraph 43(4) of Schedule 2

**Schedule 2** means Schedule 2 to ITEPA

**Share** means a share in the capital of the Company which meets the requirements of part 4 of Schedule 2 and any security which forms part of any new holding referred to in paragraph 86 of Schedule 2

**Share Incentive Plan** means a share incentive plan for the purposes of Schedule 2 which has been established by the Company or a Connected company

**Subsidiary** means a body corporate which is a subsidiary of the Company (within the meaning of section 1159 of the Companies Act 2006) and of which the Company has Control

**Surplus Assets** means assets other than Shares which are held on the trusts of the Trust Deed and Rules by the Trustees and which are not allocated to a Participant of the Plan

**Taxes Act** means the Income Tax Act 2007

**Tax Year** means a year beginning on 6 April and ending on the following 5 April

**Trustees** means Yorkshire Building Society whose registered office is at Yorkshire House, Yorkshire Drive, Bradford, BD5 8LJ or the trustee for the time being of the Plan

**UKLA** means the Financial Conduct Authority in its capacity as the competent authority for the purposes of the Financial Services and Markets Act 2000 or any successor body

**Unawarded Shares** means Shares which are held on the trusts of the Trust Deed and Rules by the Trustees but which are not Plan Shares

## **Part B - Operation of the Plan and Joining the Plan**

### **2 Operation of the Plan**

#### **2.1 Purpose of the Plan**

The purpose of the Plan is to help and encourage the holding of Shares by Participants or for their benefit through a share incentive plan.

The Trustees may achieve the purpose of the Plan by applying the capital and income of the Plan assets to or for the benefit of Participants as described in the Rules.

#### **2.2 Time of Operation**

Shares can only be awarded under the Plan between the Date of Approval and the 10th anniversary of the Date of Approval.

Free Shares will only be awarded within 42 days commencing on any of the following:

- (a) the Date of Approval;
- (b) the Dealing Day after the day on which the Company makes an announcement of its results for the preceding financial year, half-year or other period;
- (c) any day on which the Board resolves that exceptional circumstances exist which justify an award of Free Shares; and
- (d) any day on which changes to the legislation or regulations affecting share incentive plans under Schedule 2 are announced, effected or made.

If the Trustees cannot award Free Shares due to restrictions imposed by statute, order, regulation or directive, or by any share dealing code adopted by the Company, the Trustees may award Free Shares within 42 days after the lifting of such restrictions.

### **3 Joining the Plan**

#### **3.1 Employees to be invited**

Subject to Rules 3.2 and 3.3, whenever the Board decide to operate the Plan, they must invite all Employees who:

- (a) are UK resident taxpayers (within the meaning of paragraph 8(2) of Schedule 2); and
- (b) meet the requirements of Part 3 of Schedule 2 in relation to an award of Shares under the Plan, in particular that they are employees of a Qualifying Company throughout any qualifying period of service set under Rule 3.5.

They may also invite other Employees, provided that if there is a qualifying period of service, set under Rule 3.5, such other Employees meet that period of service.

#### **3.2 Prohibited invitations**

However, the Board must not invite or permit to participate any Employee if they participate in another Share Incentive Plan or would have so participated but for their failure to meet a performance target.

For the purposes of this Rule 3.2 and paragraph 71A of Schedule 2, the Trustees will maintain records of Participants who have participated in one or more other share incentive plans established by the Company or a connected company.

### **3.3 Free share invitations - Employees under notice**

The Board may decide not to invite Employees to participate in an award of Free Shares if they are under notice of termination of employment given or received.

### **3.4 Form of invitation and application**

The invitation and applications to join the Plan must be made in the form determined by the Board. This may include invitations and applications by writing or by email, internet (or other electronic means) or interactive voice response.

The invitation and the application form will, if applicable, specify:

- (a) whether for that operation of the Plan, Free Shares and/or Partnership Shares and Matching Shares (and where relevant, Dividend Shares) may be acquired;
- (b) whether any Performance Measures will apply in respect of any Free Shares;
- (c) the applicable Holding Period;
- (d) whether Free Shares and/or Matching Shares may be subject to forfeiture in accordance with Rules 4.4 or 6.4; and
- (d) if Free Shares are available, Participants can opt-out of receiving Free Shares.

If Partnership Shares are available, the application form will comply with Rule 5.1.

### **3.5 Qualifying period of service**

The Board may set a qualifying period of service for any operation of the Plan, and if they do it must apply in relation to, and be the same for, all Employees.

If Free Shares are offered, the qualifying period of service must not be more than 18 months, ending with the Award Day of those Free Shares.

If Partnership Shares are offered, the qualifying period of service must not be more than 18 months ending with the start of Contributions.

### **3.6 Submission of Application Forms**

Employees invited to participate in the Plan and who wish to do so, must submit the relevant application form within such period as may be specified by the Board in the invitation.

### **3.7 Participation on the Same Terms**

Every Eligible Employee shall be invited to participate on the same terms. All who do participate shall do so on the same terms.

The Company may make an award of Free Shares to a Qualifying Employee by reference to their remuneration, length of service or hours worked. The basis upon which any award of Free Shares is so made will be explained in the invitation to participate in such award.

## Part C - Free Shares

### 4 Free Shares

#### 4.1 Limit

If the Plan is operated to provide Free Shares, Free Shares awarded to each Employee participating in the Plan must not have an Initial Market Value of more than £3,600 in any tax year, or any greater or lesser amount specified for the purposes of paragraph 35(1) of Schedule 2. If an Employee participates in any other Share Incentive Plan, this limit shall apply as if the Plan and the other Share Incentive Plan(s) were one plan.

#### 4.2 Terms relating to Free Shares

The Board will set the following:

- (a) the Award System for the operation of the Plan including any Performance Measures which apply, using either Method 1 or Method 2;
- (b) the Holding Period, which must be at least three years but not more than five years beginning with the Award Day, must be the same for all Free Shares in an award and cannot be increased once that award has been made; and
- (c) any forfeiture provisions under Rule 4.4.

During the Holding Period set under this Rule 4.2, Rule 8.4 applies in relation to the Free Shares.

The Free Share Agreement shall include the above terms set by the Board and details of any forfeiture under Rule 4.4.

#### 4.3 Notifying Participants of Performance Measures

If Performance Measures apply to the availability, number or value of Free Shares, the Board will as soon as reasonably practicable, write and tell:

- (a) all Employees in general terms of the Performance Measures to be used to calculate the number of Free Shares awarded to each Participant. The Board may exclude from such notice any information if they reasonably consider that to disclose it would prejudice commercial confidentiality; and
- (b) each Participant about the Performance Measures which will be used to calculate the number or value of Free Shares awarded to them.

#### 4.4 Forfeiture of Free Shares

The Board may decide that an award of Free Shares will be made on the basis that, if Participants leave Employment for a specified reason within a specified period (not exceeding three years from the Award Day), they will lose any right to receive Free Shares. The Trustee must inform the Participant of any decision made by the Board under this Rule 4.4 in accordance with Rule 4.6(b) and must set out the specified reasons and the specified period applicable.

#### **4.5 Payments by Constituent Companies and acquiring Shares**

The Board will notify each Constituent Company of the amount it is required to contribute in respect of an award of Free Shares. Each Constituent Company will pay this amount to the Trustees in accordance with the relevant notice and the Trustees will use the funds to purchase or subscribe for Shares, as agreed with the Board.

#### **4.6 Awards of Free Shares**

- (a) The Trustees shall award Free Shares to each Eligible Employee who has duly executed a Free Share Agreement on the basis set out in the Award System and any Performance Measures.
- (b) As soon as practicable after the award of Free Shares, the Trustees will write and tell each Participant of the award. The Trustees will include in the notification the number and description of the Free Shares, details of any restrictions attaching to the Free Shares (including any restrictions imposed under Rule 4.4), the Holding Period applying to the Free Shares and their Market Value on the Award Day.

#### **4.7 Additional Award Eligibility Requirement**

- (a) The Trustees shall not award Free Shares to an individual who is not an Employee on the Award Day. Free Shares will also not be awarded to Employees on the Award Day who are under notice of termination of employment either given or received.
- (b) Any award made in breach of Rule 4.7(a) will be void.

#### **4.8 Transfer of legal title**

After the end of the Holding Period, the Participant may at any time direct the Trustees to transfer legal title of Free Shares to them or as they may direct.

## **Part D - Partnership Shares**

### **5 Partnership Shares**

#### **5.1 Application for Partnership Shares**

If the Plan is operated to provide Partnership Shares, the Company shall invite all Eligible Employees to participate. These Eligible Employees who have been invited to participate must complete the relevant section of the Partnership Share Agreement in order to become a Participant.

The Partnership Share Agreement must satisfy the requirements of Part 6 of Schedule 2 and will include the notice required under paragraph 48 of Schedule 2.

#### **5.2 Amount of Contributions**

The Board shall determine the maximum Contribution which will apply in relation to that operation of the Plan which, including any Contributions to any other Share Incentive Plan, will not be more than the lower of:

- (a) 10% of the Salary from which the deduction is made; or
- (b) £1,800 in any Tax Year; or
- (c) any other percentage or amount specified for the purposes of paragraph 46 of Schedule 2 from time to time.

If Contributions exceed these limits, the excess amount will be repaid to the relevant Employees as soon as practicable, after deducting any income tax and national insurance contributions due.

#### **5.3 Minimum Contribution**

The Board may set from time to time a minimum amount (being not more than £10) for Contributions in any month. If there is such a minimum amount, it will be set out in the Partnership Share Agreement.

#### **5.4 Limit on Partnership Shares**

The Board may set from time to time a limit on the number of Shares which may be acquired as Partnership Shares. If there is such a limit, it will be set out in the Partnership Share Agreement.

#### **5.5 Scaling down**

If there is a limit on the number of Shares which may be acquired as Partnership Shares and the Contributions set out in the application forms exceed that number, the Board will scale down applications by taking any one or more of the following steps in turn:

- (a) reduce the excess of Contributions over any set minimum amount for Contributions proportionately; then
- (b) reduce all monthly Contributions to any set minimum amount for Contributions; then
- (c) select applications to contribute the minimum amount for Contributions by lot.

The Board will notify the relevant Participants of the scaling down and their application forms will be deemed changed or withdrawn as the case may be.

#### **5.6 Holding Contributions**

The Participants' Contributions will be transferred to the Trustees as soon as practicable. The Trustees will hold the Contributions in an account with:

- (a) a person falling within section 991(2)(b) Income Tax Act 2007; or
- (b) a building society.

The account may, but need not, pay interest on the Contributions held. If it does, the Trustees must account to each Participant for the interest earned on their Contributions.

Any Trustee which is a bank or building society shall, notwithstanding any benefit which may accrue to it as a result, itself be entitled to hold Participants' Contributions in a designated account in its capacity as a bank or building society and not be obliged to account for any resultant profit.

#### **5.7 Repayment of Contributions**

The Trustees must pay to a Participant any Contributions it holds on trust for that Participant under these Rules (after deducting any income tax and national insurance contributions due) together with any interest if before acquiring Partnership Shares on behalf of the Participant they receive a termination notice under Rule 16.1.

#### **5.8 Excess Contributions**

If the Participant has agreed when completing the Partnership Share Agreement, the Trustees may carry forward and add to the amount of the next Contribution any Contributions not used to acquire Partnership Shares. If there is no such agreement, the Trustees must pay the excess to the Participant as soon as practicable after deducting any income tax and national insurance contributions due.

5.9

#### **5.10 Stopping and re-starting Contributions**

A Participant may give written notice to the Company to stop making Contributions. They may also give written notice to the Company at any time that they wish Contributions to re-start, but they may not make up any missed Contributions.

The Company will arrange for Contributions to stop within 30 days of receiving the notice unless the notice specifies a later date. The Company will arrange for Contributions to restart by the next due date for Contributions which is more than 30 days after receipt of the notice to re-start.

#### **5.11 Varying Contributions**

A Participant may vary their Contributions with the agreement of the Company.

#### **5.12 Withdrawal from agreement to make Contributions**

A Participant may at any time withdraw from the agreement to make Contributions made at the time of joining the Plan and ask for the return of any Contributions which have not been used to acquire Partnership Shares by giving written notice to the Company. The Participant will be treated as having stopped Contributions 30 days after the receipt of the notice, unless a later date is specified in the notice. The Trustees must pay to the Participant any Contributions they hold as soon as practicable (after deducting any income tax and national insurance contributions due) together with any interest if payable. Any Partnership Shares already allocated will not cease to be subject to the Plan as a result of such a withdrawal.

#### **5.13 Allocating shares**

- (a) The Trustees must allocate Partnership Shares to the Participants on an Acquisition Day set by the Trustees. This date must be not later than 30 days after the last day on which the relevant deduction of Contributions takes place.
- (b) The number of Shares allocated to each Participant shall be that number equal to the relevant Contributions of that Participant divided by the Market Value of the Shares on the Acquisition Day.
- (c) All Shares must be allocated on the same date.

#### **5.14 Additional Allocation Eligibility Requirement**

The Trustees will not allocate Partnership Shares to an individual who is not an Employee at the time the related Contributions are deducted.

Rule 9.1 applies if an Employee leaves Employment before the Acquisition Day for an award of Partnership Shares.

#### **5.15 Notification by Trustees**

As soon as reasonably practicable after the Trustees have allocated Partnership Shares to a Participant, the Trustees will notify that Participant in writing. The Trustees will set out the number and description of the Partnership Shares, the amount of Contributions used to acquire the Shares and the Market Value which was used to calculate the number of Partnership Shares allocated in accordance with Rule 5.13.

#### **5.16 Access to Partnership Shares**

A Participant may, at any time, take out of the Plan any Partnership Shares allocated to them. This is subject to any income tax and national insurance due and Rule 6.4.

Partnership Shares must not be subject to any provision for forfeiture.

A Participant may at any time direct the Trustees to transfer the legal title of the Partnership Shares to them or as they may direct.

## **Part E - Matching Shares**

### **6 Matching Shares**

#### **6.1 Ratio of Matching Shares to Partnership Shares**

If the Plan is operated to provide Matching Shares, a Participant who is allocated Partnership Shares is entitled to an award of Matching Shares. The Board will set the ratio of Matching Shares to Partnership Shares from time to time and the ratio which applies will be set out in the Partnership Share Agreement. The same ratio must apply to all those who participate in the related allocation of Partnership Shares.

The ratio cannot exceed the ratio specified in paragraph 60 of Schedule 2, which is currently two Matching Shares to one Partnership Share.

The ratio may change in the circumstances set out in the Partnership Share Agreement. The Board will write and tell Participants if the ratio changes, before the allocation of the related Partnership Shares.

#### **6.2 Rights and restrictions**

Matching Shares must be shares of the same class and carry the same rights as the Partnership Shares to which they relate.

Rules 4.2(b) and 8.4 apply to the award of Matching Shares.

#### **6.3 Payments by Constituent Companies and acquiring Shares**

The Board will notify each Constituent Company of the amount it is required to contribute in relation to Matching Shares. Each Constituent Company will pay this amount to the Trustees and the Trustees will immediately use the funds to purchase or subscribe for Shares as agreed with the Board.

#### **6.4 Forfeiture of Matching Shares**

(a) The Board may decide that an award of Matching Shares will be made on the basis that if a Participant leaves Employment for a specified reason or takes the Matching Shares out of the Plan (other than in specified circumstances) within a specified period (not exceeding three years from the Award Day) they will lose any right to receive Matching Shares. The Trustee must inform the Participant of any decision made by the Board under this Rule 6.4(a) in accordance with Rule 6.6 and must set out the specified reasons, the specified circumstances and the specified period applicable.

(b) The Board may also decide that an award of Matching Shares will be made on the basis that a Participant who takes out of the Plan the Partnership Shares in respect of which the Matching Shares were awarded (other than in specified circumstances) within a specified period (not exceeding three years from the Award Day) will not be entitled to any Matching Shares in respect of those Partnership Shares. The Trustee must inform the Participant of any decision made by the Board under this Rule 6.4(b) in accordance with Rule 6.6 and must set out the specified reasons, the specified circumstances and the specified period applicable.

#### **6.5 Awards of Matching Shares**

The Trustees will award Matching Shares to each Participant on the same basis and as set out in the Partnership Share Agreement. The Trustees will award Matching Shares on the same day as they allocate the related Partnership Shares to the Participant.

However, the Board may decide to operate the Plan on the basis that if any Partnership Shares allocated are not sufficient to result in the award of a Matching Share on the same day, the match will be made when sufficient Partnership Shares have been allocated.

#### **6.6 Notification of Awards**

As soon as practicable after the award of Matching Shares, the Trustees will write and tell each Participant of the award. The Trustees will include in the notification the number and description of the Matching Shares, details of any restrictions attaching to the Matching Shares (including any restrictions imposed under Rule 6.4), the Holding Period applying to the Matching Shares and their Market Value on the Award Day.

#### **6.7 Transfer of legal title**

After the end of the Holding Period, the Participant may at any time direct the Trustees to transfer legal title of Matching Shares to them or as they may direct.

## Part F- Dividends

### 7 Dividends

#### 7.1 Dividend Shares

The Board may, from time to time, direct that instead of Participants receiving cash dividends:

- (a) the Trustees must re-invest some or all of the cash dividends they receive in respect of Plan Shares in additional Shares to be held on behalf of Participants; or
- (b) the Trustees must re-invest some or all of the cash dividends as set out in Rule 7.1(a) but only in respect of Plan Shares of Participants who have chosen this by completing the relevant section on the application form.

Any such direction from the Board must set out the amount of the cash dividends to be applied or how that amount is to be determined. If the Board has not made such decisions, or to the extent that the cash dividends exceed the limit set, the Trustees must pay over cash dividends to the relevant Participant as soon as practicable.

In calculating the limit, the Trustees must take into account any dividends reinvested under any other Share Incentive Plan.

#### 7.2 Allocating Dividend Shares

- (a) If all the Dividend Shares to be allocated to Employees on any occasion are purchased by the Trustees on the date of allocation to the Employees and provided the company whose shares are being allocated is quoted on the Daily Official List of the London Stock Exchange or any other Recognised Stock Exchange, then the number of Dividend Shares allocated to each Participant will be calculated using the average price actually paid by the Trustees for the Shares.
- (b) If all the Dividend Shares to be allocated to Employees on any occasion are not purchased by the Trustees on the date of allocation then the number of Dividend Shares allocated to each Participant will be calculated using the Market Value on the date of allocation.
- (c) Dividend Shares must be allocated on or before a date set by the Trustees. This date must be no later than 30 days after the date they receive the cash dividend.

All the Dividend Shares must be allocated on the same date. In allocating Shares, the Trustees must treat Participants fairly and equally.

#### 7.3 Cash dividends carried forward and paid

The Trustees may retain, carry forward and add to the amount of the next cash dividend to be reinvested the amount of any cash dividend which is not sufficient for the allocation of one or more Dividend Shares. The Trustees must keep these amounts separately identifiable and amounts derived from an earlier cash dividend are treated as reinvested before an amount derived from a later cash dividend.

The Trustees must pay to the Participant, as soon as practicable, any cash amounts referred to above:

- (a) if the Participant ceases to be in Employment; or

(b) if the Trustees receive a termination notice under Rule 16.1.

When making the payment, the Trustees will supply to the Participant the information referred to in paragraph 80(4) of Schedule 2.

#### 7.4 **Notification**

As soon as practicable after the Trustees have allocated any Dividend Shares to a Participant the Trustees will notify the Participant in writing. The Trustees will set out the number and description of those Dividend Shares, the Market Value which was used to calculate the number of Dividend Shares allocated in accordance with Rule 7.2(a) or 7.2(b), the Holding Period and any cash dividends carried forward as described in Rule 7.3.

#### 7.5 **Rights and restrictions**

Dividend Shares must be shares of the same class and carry the same rights as the Shares in respect of which the dividend is paid. They must not be subject to any forfeiture.

Rule 4.2(b) applies to Dividend Shares but the Holding Period must be 3 years starting on the date the Trustees allocated the Dividend Shares as described in Rule 7.2. Rule 8.4 also applies to Dividend Shares.

#### 7.6 **Transfer of legal title**

After the end of the Holding Period the Participant may at any time direct the Trustees to transfer the legal title of Dividend Shares to them or as they may direct.

#### 7.7 **Other dividends**

Cash dividends payable in respect of Plan Shares and not reinvested in Dividend Shares (because they exceed any limit set out in Rule 7.1 or for any other reason) will belong to the relevant Participant. The Trustees will pay those dividends to the Participant as soon as practicable after receipt.

The Trustees are not required to pay a Participant any interest earned on any dividend to which the Participant is entitled.

#### 7.8 **Scrip dividends**

The Trustees may receive, following a direction from the Participant, Shares credited as fully paid in whole or in part instead of a cash dividend (a **scrip dividend**). These Shares will not form part of the Participant's Plan Shares. The Trustees will take all reasonable steps to transfer such Shares to the Participant.

#### 7.9 **Notice of any foreign tax deducted after dividend paid**

Where any foreign cash dividend is received in respect of Plan Shares held on behalf of a Participant, the Trustees shall give the Participant notice of the amount of any foreign tax deducted from the dividend before it was paid.

## **Part G - General Rules**

### **8 General rules about Shares**

#### **8.1 Listing**

If and so long as Shares are admitted to listing on the Official List of the UKLA and to dealing on the London Stock Exchange or any other Recognised Stock Exchange, the Company will, where relevant, apply for listing of any Shares subscribed under the Plan as soon as practicable after their allotment.

#### **8.2 Rights**

Shares issued on subscription, will rank equally in all respects with the Shares in issue. However, the Board may determine that they will not rank equally in all respects for any dividends or other distributions payable or made in respect of a period beginning before their date of issue. Where Shares are transferred, they will have the benefit of all rights attaching to the Shares by reference to a record date on or after the date on which they are allocated or awarded.

The Trustees may award Shares, a proportion of which will rank for dividend or other right by reference to a record date preceding the relevant Award Day and a proportion of which will not. If this happens, the Trustees will award the Shares to each Participant, as far as practicable, in those same proportions.

#### **8.3 Acquisition of Shares**

The Company may, from time to time, ask the Trustees to acquire any number of Shares specified by it for award or allocation to Participants on a later operation of the Plan. If the Trustees agree to acquire Shares, the Company will ensure that the Trustees have sufficient funds to do so. The Trustees may also acquire Shares at any other time if they have sufficient funds to do so. These Shares must satisfy the conditions specified in part 4 of Schedule 2. Before any such Shares are awarded or allocated under the Plan, they will be held on general trust for the purposes of the Plan provided that the Trustees shall have power at their absolute discretion (but having regard to the rules against perpetuities) to transfer any such Shares to the trustee of another trust, even if persons who are not Participants may thereby be benefited, so long as the other trust is a trust for the benefit of employees to which section 86 of the Inheritance Tax Act 1984 applies and its beneficial class is defined by reference to Employment.

#### **8.4 Restrictions on disposals of Shares**

The Participant must permit the Trustees to retain their Free Shares, Matching Shares and Dividend Shares throughout the Holding Period. They cannot assign, charge or otherwise dispose of their beneficial interests in the Shares in any way during this period, except in the circumstances in paragraph 36(4) of Schedule 2.

#### **8.5 The 10% in 10 years limit**

The number of Shares which may be allocated, as defined in Rule 8.7 under the Plan on any day shall not, when added to the aggregate of the number of Shares which have been allocated in the previous 10 years under the Plan and any other Employees' Share Scheme adopted by the Company, exceed that number of Shares that represents 10% of the ordinary share capital of the Company in issue immediately prior to that day.

## 8.6 Exclusions from the limits

In calculating the limit in Rule 8.5, any Shares where the right to acquire them was released or lapsed without being exercised will be disregarded. Partnership shares awarded under any share incentive plan operated by the Company under Schedule 2 of ITEPA will also be disregarded.

## 8.7 Meaning of allocated

References to "allocated" Shares mean, in the case of any share option plan, the placing of unissued shares under option and, in relation to other types of Employees' Share Scheme, means the issue and allotment of Shares or transfer of Shares out of treasury (including any issue and allotment of Shares, or transfer of Shares out of treasury, to any trustees to satisfy the exercise of any option, award or contractual right granted under any Employees' Share Scheme unless such Shares are already treated as allocated under this Rule 8.7).

## 8.8 Voting

If required to do so by the Company the Trustees, on receipt of reasonable notice from the Company of any relevant meeting and of full details of the resolutions proposed, will invite Participants to direct the Trustees on the exercise of any voting rights attaching to Plan Shares held by the Trustees on their behalf. The Trustee will not be obliged to attend any particular meeting and may exercise the voting rights either personally or by proxy. The Trustees will only be entitled to vote on a show of hands if all directions received from Participants who have given directions in respect of a particular resolution are identical. The Trustees will not be under any obligation to call for a poll. In the event of a poll, the Trustees will follow the directions of Participants.

However, the Trustees will not vote in respect of:

- (a) Plan Shares where no directions have been received;
- (b) Unallocated or unappropriated shares; or
- (c) Any shares held under the Plan which are not registered in their name.

Where Shares held under the Plan are registered in the name of a nominee for the Trustees, the Trustees will arrange for the directions of Participants received by them to be carried out by the nominee.

## 8.9 Offers

The Participant (or anyone properly authorised) may direct the Trustees on the appropriate action to take in relation to any right relating to a Participant's Plan Shares to receive other shares, securities or rights of any description, and in relation to a Reconstruction or Takeover. The Trustees may not take any action without such a direction.

On a Reconstruction or a Takeover, the Trustees will hold any new shares (as described in paragraph 87 of Schedule 2) as Shares subject to the Plan, as if they were the original Shares.

The Participant (or anyone properly authorised) may direct the Trustees to dispose of some of the rights under a rights issue in order to be able to obtain sufficient funds to exercise other such rights. The Trustees may not take any action without such a direction.

Where the Trustees exercise rights under a rights issue in respect of a Participant's Plan Shares, any shares, securities or rights allotted as a result shall be treated as if they were Plan Shares identical to the Shares in respect of which the rights were conferred and as if they were awarded to the Participant under the Plan in the same way and at the same time as those Shares, subject to paragraphs 88(3) to (5) of Schedule 2 except any shares, securities or rights 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.

#### **8.10 Fractional entitlements**

Where, following any offer described in Rule 8.9, the Trustees receive rights or securities, they will allocate them among the Participants concerned on a proportionate basis, rounding down if necessary. The Trustees will then add the fractions not allocated and sell the unallocated rights and securities. The Trustees will deduct all expenses of sale and applicable tax from the proceeds of sale and distribute the net proceeds of sale proportionately among the Participants whose allocation was rounded down. However, if a Participant's entitlement is under £3 the Trustees may retain that sum and hold it on trust for the purposes of the Plan.

#### **8.11 Capital Receipts and other amounts**

When the Trustees receive money which is a capital receipt (within the meaning of Section 502 of ITEPA) or the proceeds of any disposal, they will transfer the sum to the Participant after complying with their PAYE obligations. The Trustees may, however, retain any capital receipt under £3 due to any Participant and hold it on trust for the purposes of the Plan.

The Trustees must also pay over to each Participant any money or money's worth relating to any of their Plan Shares, apart from money's worth consisting of new shares as described in Rule 8.9. The Trustees are entitled to retain any amounts needed to discharge their PAYE obligations, and cash dividends reinvested or carried forward under Rule 7.3.

#### **8.12 Tax liabilities**

The Trustees will maintain the necessary records to comply with their PAYE obligations and those of the Constituent Companies, so far as they relate to the Plan. The Trustees will pay to the relevant employing companies sufficient sums to enable the employing companies to discharge any obligations to make PAYE deductions for income tax or national insurance contributions which arise in the circumstances in Section 510(1) of ITEPA.

The Trustees may dispose of a Participant's Plan Shares in order to raise sufficient sums in order to meet any obligation under this Rule 8.12 unless the Participant makes a payment in advance to the Trustees of a sum equal to the amount required to discharge the obligation.

When a Participant becomes liable to tax under ITEPA or Chapter 3 or 4 of Part 4 of ITTOIA of the Taxes Act in relation to their Plan Shares, the Trustees must give the Participant any information relevant to determining that liability.

### **9 Leaving Employment**

#### **9.1 Leaving Employment**

When a Participant leaves Employment, their Plan Shares will cease to be subject to the Plan.

Unless the Board decide otherwise, the Plan will operate on the basis that, if a Participant leaves Employment for any reason, the Trustees will transfer the Participant's Plan Shares to the Participant or as they may direct (or, if the Participant has died, to the personal representatives) as soon as reasonably practicable.

If, relating to an allocation of Partnership Shares, a Participant leaves Employment during the Acquisition Period, they shall for the purpose of awards of Partnership Shares and Matching Shares be treated as ceasing to be in Employment immediately after the allocation of Partnership Shares, and for the purposes of determining when their Plan Shares cease to be subject to the Plan, be treated as ceasing to be in Employment immediately after the allocation of Partnership Shares.

## **10 General rules relating to the Plan**

### **10.1 Notice by the Company**

Save as provided for by law, any notice, document or other communication given by, or on behalf of, the Company or to any person in connection with the Plan shall be deemed to have been duly given if delivered to them at their place of work, if they are in employment with any Group Company, if sent by e-mail to such e-mail address as may be specified by them from time to time or, in the case of a Participant who remains in employment with any Group Company, to such e-mail address as is allocated to them by any Group Company, or sent through the post in a pre-paid envelope to the postal address last known to the Company to be their address and, if so sent, shall be deemed to have been duly given on the date of posting.

### **10.2 Deceased Participants**

Save as provided for by law, any notice, document or other communication so sent to a Participant shall be deemed to have been duly given notwithstanding that such Participant is then deceased (and whether or not the Company has notice of their death) except where their personal representatives have established title to the satisfaction of the Company and supplied to the Company an e-mail or postal address to which notices, documents and other communications are to be sent.

### **10.3 Notice to the Company**

Save as provided for by law any notice, document or other communication given to the Company (or any relevant person appointed by the Company) in connection with the Plan shall be delivered by hand or sent by email, fax or post to the Company Secretary (or any relevant person appointed by the Company) at the Company's registered office (or such other e-mail or postal address as may from time to time be notified to Participants) but shall not in any event be duly given unless it is actually received at the registered office or such e-mail or postal address.

### **10.4 Documents sent to Shareholders**

The Company may send to Participants copies of any documents or notices normally sent to the holders of Shares at the same time as it issues them to the holders of Shares.

### **10.5 Board and Trustees' decisions**

The decision of the Board (or of the Trustees, if the Board so decide) in any dispute or question affecting any Employee or Participant will be final and binding on the parties concerned.

## 10.6 **Regulations**

The Board and the Trustees will have the power from time to time to make or vary regulations for the administration and operation of the Plan, but these must be consistent with this Deed.

## 10.7 **Beneficiary who is incapable**

If, the Trustees consider that a person cannot look after their affairs (because of illness, mental disorder, age or other reason) they may use any amounts or Shares due to that person for their benefit, or may pay or transfer them to some other person to do so. The receipt of the person to whom the Trustees make payments or transfer Shares will discharge the Trustees from any obligation in respect of the amounts or Shares concerned.

## 10.8 **Setting up costs**

The Company will pay the costs and expenses of the preparation and execution of these Plan rules.

## 10.9 **Errors and omissions**

If as a result of an error or omission Free Shares, Partnership Shares, Matching Shares or Dividend Shares are not awarded to a Participant in accordance with the Plan rules, the Trustee may, but without any obligation to do so, do all such acts or things as are necessary 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.

## 10.10 **Data Protection**

If a Participant is employed outside the European Economic Area or the United Kingdom and consent is needed for the collection, processing or transfer of their personal data under applicable local law, by participating in the Plan, the Participant gives their consent for the purposes of the Plan.

For the purposes of compliance with the General Data Protection Regulation (EU) 2016/679, and any UK or other legal or regulatory equivalent, the Company will separately provide a Participant with information on the collection, processing and transfer of their personal data, including the grounds for processing.

If UK law diverges from EU law, then any references in the Plan documentation to EU legislation will be interpreted as to the UK equivalent legislation, as in force from time to time.

## 11 **Employment Rights**

### 11.1 **Employment**

The rights and obligations of any Participant under the terms of their office or employment with the Company (or any Group Company or former Group Company) shall not be affected by being a Participant. Nothing in this Plan confers upon the Participant any right to continue in the employment of the Company (or any Group Company or former Group Company) or will affect the right the Company (or any Group Company or former Group Company) to terminate the employment of the Participant.

## 11.2 **Benefits not pensionable**

The value of any benefit realised under the Plan by Participants shall not be taken into account in determining any pension or similar entitlements.

## 11.3 **No consequential losses on termination**

Participants shall have no rights to compensation or damages from the Company, any Group Company or any former Group Company on account of any loss in respect of Plan Shares where such loss arises (or is claimed to arise), in whole or in part, from:

- (a) termination of office or employment with; or
- (b) notice to terminate office or employment given by or to,

the Company, any Group Company or any former Group Company (and regardless of whether such termination is lawful or unlawful). This exclusion of liability shall apply however termination of office or employment, or the giving of notice, is caused and however compensation or damages may be claimed.

## 11.4 **No consequential losses on transfer of employer**

Participants shall have no rights to compensation or damages from the Company, any Group Company or any former Group Company on account of any loss in respect of Plan Shares where such loss arises (or is claimed to arise), in whole or in part, from:

- (a) any company ceasing to be a Group Company; or
- (b) the transfer of any business from a Group Company to any person that is not a Group Company.

This exclusion of liability shall apply however the change of status of the relevant Group Company, or the transfer of the relevant business, is caused, and however compensation or damages may be claimed.

## 11.5 **No expectation of grant**

The award of any Plan Shares on a particular basis or to a particular Participant in any year does not create any right or expectation of the award of Plan Shares on the same basis, or at all, or to any particular individual in that or any subsequent year.

## **12 Assets of the Plan**

### **12.1 Assets held on trust**

The Trustees will hold all the payments they receive and the assets representing them from time to time and all income on trust for the purposes of the Plan. The Trustee may also accept gifts of cash and Shares which will be held on trust for the purposes of the Plan.

### **12.2 Use of assets**

The Trustees may invest any moneys (other than Contributions) held by them and not immediately required for the purpose of the Plan in such manner as they may choose. The Trustees are not under a duty to invest trust property.

The Trustees may borrow in order to acquire Shares for the purposes of the Plan or, but only after getting the written consent of the Company, for any other purpose.

### **12.3 Plan expenses**

The Trustees will pay the expenses of the Plan (including their own expenses incurred in attending to Plan business) from the Plan's assets (other than Plan Shares) if the assets are sufficient and the Company decides in writing. If there is no such direction, the expenses of the Plan will be met by the Constituent Companies in proportion to the amounts paid by them under the Plan or (if the Board decide) in proportion to the number of Shares awarded to their Participants under the Plan in the related year, or in proportion to both.

### **12.4 Trustees' duties relating to Shares**

During the Holding Period, the Trustees may only sell or transfer any Free Shares, Matching Shares or Dividend Shares in the following circumstances:

- (a) if a Participant instructs this, in accordance with Rule 8.9; or
- (b) to obtain sufficient funds to secure rights arising under a rights issue affecting Plan Shares in accordance with Rule 8.9; or
- (c) to discharge PAYE obligations under Rule 8.12; or
- (d) if they receive a termination notice in accordance with Rule 16.1.

## **13 Trustees**

### **13.1 Appointment and removal**

The Company may appoint new or additional trustees or a body corporate as a sole trustee. The Company may also remove trustees. These powers will be exercised by resolution of the Board. These powers may be exercised without giving a reason.

There must be at least two trustees, except when there is a sole corporate trustee.

All the trustees must be resident in the United Kingdom for United Kingdom tax purposes at all times.

### **13.2 Retirement**

A trustee may retire by giving to the Company written notice of their wish to retire. The notice will take effect at the expiry of 6 months after the date of the notice, or on any other date agreed with the Company. The retiring trustee need not give a reason for retiring and will not be responsible for any costs arising from their retirement. The retiring trustee will take the necessary action, as directed by the Company, to give effect to their retirement including delivering all documents which they have relating to the Plan. Any continuing trustee is authorised to effect the transfer of Plan assets on behalf of a retiring trustee.

If the retiring trustee is a sole corporate trustee the trustee, may appoint a successor as a trustee if the Company does not itself do so before the date of such retirement. The trustee shall not be responsible for any costs arising as a result of their retirement but will do all things necessary to give proper effect to their retirement.

### **13.3 Exercise of powers**

If there is more than one trustee, the Trustees may act by majority vote. The Trustees may, in the performance of their duties under the Plan, employ and pay any appropriate person, appoint any person as their agent to transact business, and act on the advice of any professional or business person and shall not be responsible for anything done or omitted to be done in good faith in reliance on such advice.

The Trustees may allow any Shares to be registered in the name of an appointed nominee but these Shares must be registered in a designated account.

Trustees who delegate powers or use a nominee are not divested of any responsibility under the Rules or under Schedule 2.

The Trustees may at any time, and must if the Company so directs, revoke any delegation made under this Rule, or require any Plan assets held by another person to be returned to the Trustees, or both.

### **13.4 Trustees' charges**

A trustee who carries on a profession or business may charge for services provided on a basis agreed with the Company, as also may a company or firm in which a trustee is interested. These charges will also be paid from the Plan assets, if available, unless the Board decides otherwise.

### **13.5 Limit of Liability**

A trustee will not be liable for any breach of trust except wilful wrongdoing or default (but a paid trustee will also be liable for negligence).

### **13.6 Indemnity**

The Constituent Companies will jointly and severally indemnify each of the trustees against any expenses and liabilities which are incurred through acting as a trustee of the Plan but which cannot, for any reason, be met from the Plan's assets. This does not apply to expenses and liabilities which are incurred through wilful wrongdoing or default (or negligence of a paid trustee) or covered by insurance under Rule 13.7. The indemnity in this Rule 13.6 is in addition to and without prejudice to the right which the Trustees have under general law and the Trustee Act 2000 to be indemnified out of the Plan's assets.

### **13.7 Insurance**

The Trustees may insure the Plan against any loss caused by it or any of its employees, officers, agents or delegates. They may also insure themselves and any of these persons against liability for breach of trust not involving wilful wrongdoing. Except in the case of a paid trustee, the premiums may be paid from the Plan assets.

### 13.8 **Personal interest**

The Trustees, and any director, officer or employee of a corporation acting as trustee, may be interested in any securities of a Constituent Company or any company in which a Constituent Company may be interested. Such person may enter into a contract with any such companies and will not be liable to account for any profits obtained.

### 13.9 **Investment and dealing with Trust Assets**

- (a) The Trustees shall obey any directions given by a Participant in accordance with the Rules in relation to their Plan Shares and any rights and income to those Shares. In the absence of any such direction, or provision by the Plan, the Trustees shall take no action.
- (b) The Trustees may either retain or sell Unawarded Shares at their absolute discretion. The proceeds of any sale of Unawarded Shares shall form part of Surplus Assets.
- (c) The Trustees shall have all the powers of investment of a beneficial owner in relation to Surplus Assets.
- (d) The Trustees shall be under no duty to invest Surplus Assets

13.10 The Trustees shall be entitled to rely without further enquiry on information supplied by any Constituent Company for the purposes of the Plan and on any direction, notice or document purporting to be given or executed by or with the authority of any Constituent Company or any Participant.

13.11 The Trustees shall maintain records of Participants who have participated in one or more share incentive plans approved under the Schedule established by the Company or a Connected Company.

## 14 **Constituent Companies**

### 14.1 **Inclusion in the Plan**

An employer wishing to participate in the Plan and be a Constituent Company must enter into a deed of adherence with the Company and the Trustees agreeing to comply with the Rules.

### 14.2 **Ceasing to participate**

Any Constituent Company will cease to participate in the Plan:

- (a) when it ceases to be a Subsidiary; or
- (b) if, and during any times when the Board decides that the Plan will not apply to it. In making this decision the Board must ensure that the conditions in paragraph 10 of Schedule 2 are still satisfied. These conditions are that the Plan must not have any features which may discourage certain employees from participating and that the Plan cannot benefit mainly directors or higher paid employees.

## **15 Changing the Rules**

### **15.1 General**

The Board and the Trustees may, together by deed at any time, change the Plan rules. If a key feature of the Plan is to be changed and the Plan is to continue to meet the requirements of Schedule 2, the change will not have effect unless it meets the requirements of Schedule 2.

A "key feature" is any provision needed to comply with the requirements of Schedule 2.

The power to change the Rules in this Rule 15.2 is also subject to the restrictions in Rule 15.2.

The Board must not make any changes to the Plan which would breach the rule against perpetuities (see Rule 16.4).

### **15.2 Shareholders' approval**

(a) Subject to Rule 15.2(b), the members of the Company in general meeting must approve in advance by ordinary resolution any proposed change to the advantage of present or future Participants which relates to the following:

- (i) the persons to or for whom Shares may be issued under the Plan;
- (ii) the limitations on the number of Shares which may be issued under the Plan;
- (iii) the maximum entitlement for each Participant under the Plan;
- (iv) the basis for determining each Participant's entitlement to Shares;
- (v) any rights attaching to the Shares;
- (vi) the rights of Participants in the event of a capitalisation issue, rights issue, sub-division or consolidation of shares or reduction or any other variation of capital of the Company; or
- (vii) the terms of this Rule 15.2(a).

(b) The Board need not obtain the approval of the members of the Company in general meeting for any minor changes:

- (i) to benefit the administration of the Plan;
- (ii) which are necessary or desirable under Schedule 2 or any other enactment;
- (iii) to comply with or take account of the provisions of any proposed or existing legislation; or
- (iv) to obtain or maintain favourable taxation, exchange control or regulatory treatment for the Company, a Subsidiary of the Company or a Constituent Company or any Participant.

## **16 Termination**

### **16.1 Termination notice**

The members of the Company in general meeting or the Board may at any time resolve to terminate the Plan. If they so resolve, they must issue a termination notice and give it without delay to:

- (a) the Trustees;
- (b) all individuals who have Plan Shares; and
- (c) all Employees who have returned valid application forms but have not been awarded or allocated any Shares.

### **16.2 Effect of termination notice**

Once the Trustees receive the termination notice they must not award or acquire any more Shares on behalf of Participants.

The Trustees must remove each Participant's Plan Shares from the Plan by either transferring them or the proceeds of their sale to the Participant or as they may direct. (If the Participant has died, their personal representatives may give these instructions.) This should be done as soon as practicable once three months have passed from the date the termination notice was given under Rule 16 and when this can be done without any liabilities to income tax under sections 501 to 507 of ITEPA. The Trustees may also remove Plan Shares at an earlier time if the Participant agrees after receiving the termination notice.

The Trustees must also pay to Participants, as soon as they receive the termination notice, any cash dividends they are holding (Rule 7.3) or any Contributions they are holding (Rule 5.7).

### **16.3 Surplus Assets**

Any surplus assets left after the Trustees have decided when Plan Shares will be removed under Rule 16.2, will be paid to Constituent Companies so far as practicable in proportion to the total amounts paid by each of them to the Plan, but the Trustees may decide on payments in different proportions.

### **16.4 Perpetuity Period**

The perpetuity period relating to the Plan is one hundred and twenty five years. The Trustees may not award Shares more than one hundred and twenty one years after the date of these Plan rules.

The end of the "perpetuity period" is the time by which Participants or other persons must have an interest in Shares, without risk of loss of any rights.

## **17 Counterparts**

This Deed may be executed by the parties to it as separate counterparts, each of which, when executed shall be as original. The counterparts shall together constitute one and the same instrument.

**18 Governing Law**

English law governs the Plan and its administration and the Courts of England and Wales have exclusive jurisdiction to hear any dispute.

**In witness** of which this Deed has been executed and delivered on the date first above written.

Executed as a deed by )  
**Provident Financial plc** ) .....  
acting by a director in the presence of ) Director

.....  
Signature of witness

Name .....

Address .....

.....

The common seal of **Yorkshire Building** )  
**Society** was hereto affixed in the presence of )  
)

.....  
By authority of the Board of Directors