

## SCHEDULES

### SCHEDULE 9

#### APPROVED SHARE OPTION SCHEMES AND PROFIT SHARING SCHEMES

##### PART IV

###### REQUIREMENTS APPLICABLE TO OTHER SHARE OPTION SCHEMES

- 27 (1) A person must not be eligible to obtain rights under the scheme at any time unless he is at that time a full-time director or qualifying employee of the grantor or, in the case of a group scheme, of a participating company, but the scheme may provide that a person may exercise rights under it after he has ceased to be a full-time director or qualifying employee.
- (2) The scheme must not permit any person obtaining rights under it to transfer any of them but may provide that, if a person who has obtained rights under it dies before exercising them, they may be exercised after, but not more than one year after, the date of his death.
- (3) Where the scheme contains the provision permitted by sub-paragraph (2) above and any rights are exercised—
- (a) after the death of the person who obtained them; but
  - (b) before the expiry of the period of ten years beginning with his obtaining them;
- subsection (3) of section 185 shall apply with the omission of the reference to subsection (5) of that section.
- (4) In sub-paragraph (1) above “qualifying employee”, in relation to a company, means an employee of the company (other than one who is a director of the company or, in the case of a group scheme, of a participating company) who is required, under the terms of his employment, to work for the company for at least 20 hours a week.
- 28 (1) The scheme must provide that no person shall obtain rights under it which would, at the time they are obtained, cause the aggregate market value of the shares which he may acquire in pursuance of rights obtained under the scheme or under any other share option scheme, not being a savings-related share option scheme, approved under this Schedule and established by the grantor or by any associated company of the grantor (and not exercised) to exceed or further exceed the appropriate limit.
- (2) The appropriate limit is the greater of—
- (a) £100,000; or
  - (b) if there were relevant emoluments for the preceding year of assessment, four times the amount of the relevant emoluments for the current or preceding year of assessment (whichever of those years gives the greater amount); or
  - (c) if there were no relevant emoluments for the preceding year of assessment, four times the amount of the relevant emoluments for the period of 12 months

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

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beginning with the first day during the current year of assessment in respect of which there are relevant emoluments.

- (3) For the purposes of sub-paragraph (1) above, the market value of shares shall be calculated as at the time when the rights in relation to those shares were obtained or, in a case where an agreement relating to them has been made under paragraph 29 below, such earlier time or times as may be provided in the agreement.
- (4) For the purposes of sub-paragraph (2) above, the relevant emoluments are such of the emoluments of the office or employment by virtue of which the person in question is eligible to participate in the scheme as are liable to be paid under deduction of tax pursuant to section 203 after deducting amounts included by virtue of Chapter II of Part V.
- 29 The price at which scheme shares may be acquired by the exercise of a right obtained under the scheme—
- (a) must be stated at the time the right is obtained, and
  - (b) must not be manifestly less than the market value of shares of the same class at that time or, if the Board and the grantor agree in writing, at such earlier time or times as may be provided in the agreement, but the scheme may provide for such variation of the price as may be necessary to take account of any variation in the share capital of which the scheme shares form part.