

Bovis Homes PLC Share Incentive Plan (SIP) - Partnership Shares

Partnership Shares give you the chance to buy shares in Bovis Homes PLC by using monthly deductions from your **gross** pay.

How much can I contribute?

You can contribute any amount between £10 and £150 (in multiples of £10, up to the maximum of £150) each month from your gross pay. However, you can't contribute more than 10% of your gross salary for the relevant month.

Buying shares using your gross pay means that you won't have to pay income tax or National Insurance Contributions (NICs) on the amount that you use to buy them.

What price will I pay for my Partnership shares?

Your deductions each month will be used within 30 days to buy Bovis Homes shares. The number of shares acquired on your behalf is determined by dividing the deductions for the month by the share price at the date of acquisition. Any surplus amount would be carried forward towards the purchase of the following months shares.

The money deducted is paid over to the Trustees (Yorkshire Building Society). Yorkshire Building Society will use the money to buy shares. These shares will be held in trust, until such time you request to withdraw them.

What if I can't afford the contributions?

You could decide to change the amount of the contribution that you make each month.

You could also choose to stop and re-start the contributions at any time.

When can I sell my Partnership shares?

Once purchased, you can remove them at any time and sell them if you wish. However, if you remove them from the SIP within 5 years of purchasing the shares you'll pay tax. (see "What about tax?" section below)

What about tax?

If you decide to purchase Partnership Shares, you'll pay for them out of your gross pay (before the deduction of income tax or NICs). Once purchased, you can withdraw these shares at any time but, if you do so within 3 years, you'll pay income tax and NICs on their market value at that time.

If you withdraw them after 3 years, but before 5 years, you'll pay income tax and NICs on the lower of the amount you paid to buy them and the market value when you withdraw them.

If you withdraw them after 5 years, you'll pay no tax or NICs at all.

...But what happens if...?

...I leave through injury or disability?

...I leave as a result of redundancy?

...I retire at retirement age?

...I die*?

You* will receive any Partnership shares held in your SIP account and these shares will be income tax and NIC free.

Any partnership money which has not been used to buy shares will be returned to you* net of income tax and NICs.

(*or your personal representatives)

...I resign?

...I retire early?

You will receive any Partnership shares held in your SIP account and you may be liable to pay income tax and NICs.

Any partnership money which has not been used to buy shares will be returned to you net of income tax and NICs.

...I withdraw my shares from the Trust?

By giving notice in writing you can withdraw your shares from the plan at any time. However, if you do so within 5 years, you may then incur a charge to income tax and NICs. You can re-join the plan at any time after you have withdrawn your shares from the Trust.

...I cannot afford the savings?

You may stop payments at any time, or change the contribution amount once per month.

Any money which has not been used to purchase shares will be returned to you net of income tax and NICs.