



## NOTICE OF ANNUAL GENERAL MEETING OF DEBENTURE HOLDERS

Foord Compass Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 1987/003591/06)  
JSE code: FCPD  
ISIN: ZAE000054466  
("the Company")

Notice is hereby given that the Annual General Meeting of the debenture holders of Foord Compass Limited will be held at 12h00 on Tuesday, 5 May 2009, at 7 Forest Mews, Forest Drive, Pinelands, 7405.

The following *special resolutions* of debenture holders will be tabled:

### 1 GENERAL AUTHORITY FOR THE COMPANY TO ACQUIRE ITS OWN SECURITIES

"That the mandate be given to the company (and/or one of its wholly owned subsidiaries) providing authorisation, by way of a general approval, to acquire the company's own securities, upon such terms and conditions and in such amounts as the directors may from time to time decide, but subject to the provisions of the Companies Act, 1973 (Act 61 of 1973), as amended, ("the Act") and the Listings Requirements of the JSE Limited ("the JSE"), be extended, subject to the following terms and conditions:

- Any repurchase of securities must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counter-party;
- At any point in time, the company may only appoint one agent to effect any repurchase;
- This general authority be valid until the company's next Annual General Meeting of debenture holders, provided that it shall not extend beyond fifteen months from date of passing of this special resolution (whichever period is shorter);
- An announcement be published as soon as the company has cumulatively repurchased 3% of the initial number (the number of that class of debenture in issue at the time that the general authority is granted) of the relevant class of securities and for each 3% in aggregate of the initial number of that class acquired thereafter, containing full details of such repurchases;
- Repurchases by the company in aggregate in any one financial year may not exceed 20% of the company's issued debenture capital as at the date of passing of this special resolution or 10% of the company's issued debenture capital in the case of an acquisition of debentures in the company by a subsidiary of the company ;
- Repurchases may not be made at a price greater than 10% above the weighted average of the market value of the securities for the five business days immediately preceding the date on which the transaction was effected (should the company's securities have not traded in such five business day period, the JSE will be consulted for a ruling);
- Repurchases may not be undertaken by the company or one of its wholly owned subsidiaries during a prohibited period unless a repurchase programme is put in place with the full details of the programme announced prior to the commencement of the prohibited period and may also not be undertaken if they will impact negatively on debenture holder spread as required by the JSE; and
- The company may not enter the market to proceed with the repurchase of its securities until the company's sponsor has confirmed the adequacy of the company's working capital for the purpose of undertaking a repurchase of securities in writing to the JSE.

The directors are of the opinion that, after considering the effect of the maximum repurchase permitted and for a period of 12 months after the date of this Annual General Meeting:

- The company and the group will be able, in the ordinary course of business, to pay their debts;
- The assets of the company and the group will be in excess of the liabilities of the company and the group, the assets and liabilities being recognised and measured in accordance with the accounting policies used in the latest audited group annual financial statements;
- The working capital of the company and the group will be adequate for ordinary business purposes; and
- The share capital and reserves are adequate for the ordinary business purposes of the company and the group."

## Effect and reason for Special Resolution 1

The effect of the special resolution and the reason therefore is to extend the general authority given to the directors in terms of the Act and the Listings Requirements for the acquisition by the company of its own securities, which authority shall be used at the directors' discretion during the course of the period so authorised.

## 2 AMENDMENTS TO THE FOORD COMPASS LIMITED DEBENTURE TRUST DEED

"That the Foord Compass Limited Debenture Trust Deed be amended as set out below:

The amendment of Clause 1:

The insertion of the definition of "capital profits or losses" as follows:

"capital profits or losses"                    profits or losses that the board of directors, after consideration of the prevailing tax laws, has determined to be of a capital nature;

In the definition of "distributable income," the replacement of the word "trading" with the word "revenue" so that the definition reads:

"distributable income"                    profit or loss before debenture interest and taxation, but excluding realised and unrealised capital profits or losses and excluding unrealised revenue profits or losses;

In the definition of "capitalisation debentures," the addition of the words "or a distribution of net attributable asset value" so that the definition reads:

"capitalisation debentures"                debentures issued to debenture holders in part or full settlement of debenture interest or a distribution of net attributable asset value;

In the definition of "net attributable asset value," the replacement of the words "capital distributions made" with "distributions of net attributable asset value" so at the definition reads:

"net attributable asset value"                net attributable asset value of the debentures means, on a cumulative basis:

- The aggregate proceeds received or receivable on issue of debentures in terms of this deed, in ZAR, net of related debenture issue expenses and net of any distributions of net attributable asset value, plus or minus (as the case may be);
- An annual revaluation adjustment amounting to a 90% (ninety percent) proportionate share of the audited profit or loss before debenture interest and taxation for the year, *less*;
- The annual debenture interest amount, *less*;
- A proportionate share of the SA normal taxation charge applicable to amounts credited to the net attributable asset value of the debentures, but *excluding*;
- Any debenture interest unpaid on the debentures, which will constitute a separate current liability in favour of debenture holders recorded as such in the debenture register on the interest distribution record date;

In the definition of "Trustee," the replacement of "Louis van Zyl" with "John Adrian Levin" in order to reflect the current debenture Trustee.

The amendment of Clause 2.2:

The removal of the words "in respect of debenture issues for cash" from clause 2.2 so that the clause reads:

- 2.2. The issue of debentures to be governed by this deed shall be subject to the consent and approval, respectively, of the Trustee, which consent and approval shall not unreasonably be withheld, provided that in the event that debentures are issued at a price that is equal to or greater than the net attributable asset value per debenture calculated on the last day of the calendar month preceding the proposed debenture issue date, the approval of the trustee shall not be required.

The amendment of Clause 2.3:

The insertion of Clause 2.3.5 so that the clause reads:

- 2.3. Subject to the requirements of the Act and the Listings Requirements of the JSE, all issues of debentures to be governed by this deed, subsequent to the first such issue of such debentures, may only be issued by way of:
- 2.3.1. a rights offer to the debenture holders who may be entitled thereto at the relevant time; or
  - 2.3.2. as direct consideration for the acquisition by the Company of any assets; or
  - 2.3.3. for cash; or
  - 2.3.4. as part or full settlement of interest on debentures due to debenture holders; or
  - 2.3.5. as part or full settlement of a distribution of net attributable asset value to debentures holders; or
  - 2.3.6. by way of an issue of debentures to a wholly owned subsidiary.

The deletion of clauses:

- 6.4 The board of directors may direct that any debenture interest distribution may be settled in part or in whole by means of issuing capitalisation debentures in lieu of cash provided that such settlement is authorised by the Trustee and is applied equally to every registered debenture holder.
- 6.5 The aggregate amount of debentures issued in terms of clause 6.4 will be determined by dividing the amount of debenture interest to be settled by the issue of capitalisation debentures by the net attributable asset value per debenture determined on the distribution date.

And replacement by:

- 6.4 Subject to 2.2, the board of directors may direct that any debenture interest distribution may be settled:
- 6.4.1 in part or in whole by means of issuing capitalisation debentures in lieu of cash; or
  - 6.4.2 by providing debenture holders with an option to receive a combination of cash or capitalisation debentures based on their elections.
- 6.5 Subject to 2.2, the number of capitalisation debentures to be issued in terms of 6.4 will be determined in accordance with the provisions of this deed.

The amendment of clause 7:

The amendment of Clause 7 by replacing the word “capital” with “net attributable asset value” and by the insertion of clauses 7.3 and 7.4 so that the clause reads:

7. PAYMENTS OF NET ATTRIBUTABLE ASSET VALUE TO DEBENTURE HOLDERS

- 7.1. The directors may from time to time declare a distribution of net attributable asset value to debenture holders, which distribution:
- 7.1.1. shall be debited directly to the net attributable asset value of the debentures at the date of the distribution; and
- 7.1.2. shall not form part of the determination of debenture interest in terms of clause 5.1.1.
- 7.2. Payments of net attributable asset value to debenture holders in terms of clause 7.1 above will not constitute a redemption of debentures in terms of clause 8.1 below and will not impact the number of debentures in issue.
- 7.3. Subject to 2.2, the board of directors may direct that any distribution of net attributable asset value may be settled:
- 7.3.1. in part or in whole by means of issuing capitalisation debentures in lieu of cash; or
- 7.3.2. by providing debenture holders with an option to receive a combination of cash or capitalisation debentures based on their elections.
- 7.4. Subject to 2.2, the number of capitalisation debentures to be issued in terms of 7.3 will be determined in accordance with the provisions of this deed.

The amendment of Clause 16.2.6:

The addition of the words” unless otherwise agreed to between the directors and the trustee at the time” so that the clause reads:

- 16.2.6. it, being a natural person, attains the age of 70 years unless otherwise agreed to between the directors and the trustee at the time.”

**Effect and reason for Special Resolution 2**

The effect of the special resolution and the reason therefore is to amend the Foord Compass Limited Debenture Trust Deed to:

- provide better clarity on the interpretation of capital profits and losses in light of the policy adopted by the board in 2008 relating to the classification of profits between revenue and capital;
- authorise the board to offer an election with regard to the settlement of debenture interest distribution and distributions of net attributable asset value as between cash and/or capitalisation debentures;
- remove the requirement that issues of capitalisation debentures be effected at the net attributable asset value so that these issues now form part of the guiding principles set out in clause 2.2 of the Deed; and
- authorise the board and trustee to negotiate extending the contract of the trustee beyond the age of 70 years should the directors and trustee agree thereto.

## **Voting**

Each debenture holder who, being a natural person, is present in person or by proxy or, not being a natural person, is present by representative or proxy at the meeting is entitled to one vote on a show of hands in respect of the special resolution and any ordinary resolutions proposed at the meeting. On a poll, each debenture holder, whether present in person or by proxy, or by representation, is entitled to one vote for each debenture held.

## **Proxies**

All registered debenture holders of the company will be entitled to attend and/or vote in person or by proxy at the meeting of debenture holders. A form of proxy is attached for completion by any debenture holder who is unable to attend in person. Forms of proxy must be completed and forwarded to the company's transfer secretaries Computershare Investor Services (Pty) Ltd so as to be received by no later than 12:00 on Thursday, 30 April 2009.

**BY ORDER OF THE BOARD**  
**PE Cluer | Secretary**

6 April 2009

**ONLY FOR COMPLETION BY DEBENTURE HOLDERS**

**FORM OF PROXY**

Foord Compass Limited  
 Registration Number: 1987/003591/06

For use by debenture holders of Foord Compass Limited ("the company") at the annual general meeting of debenture holders to be held at 12h00 on Tuesday, 5 May 2009 ("the meeting").

To:                   The Transfer Secretaries  
                       Computershare Investor Services (Pty) Ltd  
                       70 Marshall Street  
                       Johannesburg, 2001  
                       (PO Box 61763, Marshalltown, 2107)

Facsimile:       011 688 5238

I/We.....

being the holder(s) of ..... debentures in the company, do hereby appoint

1. .... or failing him/her,

2. .... or failing him/her,

the chairman of the meeting as my/our proxy to act for me/us and on my/our behalf at the meeting which will be held Tuesday, 5 May 2009 for the purpose of considering, and, if deemed fit, passing with modification, any resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against any resolutions and/or abstain from voting in respect of the debentures registered in my/our name/s.

	Number of debentures (One vote per debenture)		
	For	Against	Abstain
Special Resolution 1			
Special Resolution 2			

Signed at ..... on .....2009

Signature/s.....

Assisted by me (where applicable).....

**Note: In order to be valid, this Form of Proxy must be properly completed and lodged with or posted to the transfer secretaries at the applicable address indicated above so as to be received by no later than 12:00 on Thursday, 30 April 2009. No late deliveries will be accepted.**