

# ASX Release

4 July 2011

Company Announcements Office  
ASX Limited  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY, NSW 2000

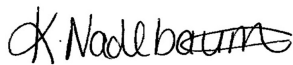
Dear Sir,

## **Notice of 2011 Annual General Meeting**

The Annual General Meeting of Programmed Maintenance Services Limited will be held at the offices of Deloitte Touche Tohmatsu, 550 Bourke Street, Melbourne, Victoria on Friday 5 August 2011 at 11.00am A.E.S.T.

The Notice of Meeting, Explanatory Notes on the Resolutions and Proxy Form have been mailed today to shareholders. Copies of these documents follow this announcement and are available on the Company's website at [www.programmed.com.au](http://www.programmed.com.au)

Yours faithfully,



**Katina Nadebaum**  
**Company Secretary**

## **NOTICE OF 2011 ANNUAL GENERAL MEETING**

**Notice is hereby given that the Annual General Meeting of shareholders of Programmed Maintenance Services Limited will be held at the offices of Deloitte Touche Tohmatsu, 550 Bourke Street, Melbourne, Victoria on Friday 5 August 2011 at 11.00am A.E.S.T.**

### **Ordinary Business**

#### **1. Financial Statements and Reports**

To receive and consider the annual financial report and the reports of the directors and of the auditors for the year ended 31 March 2011.

#### **2. Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

To adopt the Remuneration Report for the year ended 31 March 2011, as set out in the 2011 Annual Report.

*Note: the vote on this resolution is advisory only and does not bind the Directors or the Company.*

#### **Voting Prohibition Statement**

A vote on Item 2 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a closely related party of such a member.

However, a person described above may cast a vote on Item 2 if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (d) the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above.

#### **3. Re-election of Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

To re-elect Mr Jonathan Whittle who retires by rotation in accordance with the company's Constitution and, being eligible, offers himself for re-election.

#### **4. Grant of performance rights to the Managing Director**

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That for the purposes of ASX Listing Rules 10.14 and 7.1, and for all other purposes, the grant to Mr Christopher Sutherland as the Company's Managing Director of 450,000 Performance Rights on the terms and conditions set out in the Explanatory Notes forming part of this Notice of Meeting, be approved.

## Voting Prohibition and Exclusion Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on Item 4 if:

- (a) the proxy is either:
  - (i) a member of the key management personnel for the Company; or
  - (ii) a closely related party of a member of the key management personnel for the Company; and
- (b) the appointment does not specify the way the proxy is to vote on Item 4.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

In accordance with the ASX Listing Rules, the company will disregard any votes cast on Item 4 by any director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy for to vote as the proxy decides.

By order of the Board



**Stephen Leach**  
**Company Secretary**  
4 July 2011

## VOTING ENTITLEMENTS

For the purpose of the Corporations Act 2001, the Company has determined that all securities of the Company that are quoted securities at 7.00pm A.E.S.T. on Wednesday 3<sup>rd</sup> August 2011 will be taken, for the purpose of the meeting, to be held by the persons who held them at the time.

## PROXIES

A shareholder has the right to appoint a proxy who need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes, they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

New sections 250BB and 250BC of the Corporations Act will take effect on 1 August 2011 and apply to voting by proxy on or after 1 August 2011 (whether or not the proxy was appointed before, on or after that date). Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

More detail on these changes is provided below.

***Proxy vote if appointment specifies way to vote***

Section 250BB will provide that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC will provide that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting;
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The Proxy Form must be deposited at the share registry of the Company, Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne Victoria, 3001 (or, if delivered by hand, to Computershare Investor Services Pty Ltd, 452 Johnston Street, Abbotsford, Victoria 3067), or by facsimile to Computershare on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) or to the Company on (03) 9543 3760 at least 48 hours before the meeting (that is, by 11.00am A.E.S.T. on Wednesday 3<sup>rd</sup> August 2011).

A proxy can be appointed electronically by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and following the instructions provided. A proxy can be appointed online if they are appointed under Power of Attorney or similar authority.

For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting instructions.

## **EXPLANATORY NOTES ON THE RESOLUTIONS**

Items 2, 3 and 4 are ordinary resolutions. Ordinary resolutions require a simple majority of votes cast by shareholders entitled to vote on the resolution.

### **Item 1: Financial Statements and Reports**

The Corporations Act 2011 (Cth) (Corporations Act) requires the Company to lay its Financial Report and the reports of the directors and auditor for the last financial year before the Annual General Meeting.

No resolution is required for this item, but shareholders will be given the opportunity to ask questions and to make comments on the reports and the management and performance of the Company.

The Company's auditor will be present at the meeting and shareholders will be given the opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

The 2011 Annual Report is available on the Company's website at [www.programmed.com.au](http://www.programmed.com.au)

### **Item 2: Remuneration Report**

Directors of listed public companies are required to provide detailed disclosure of director and senior executive remuneration in the Directors' Report. These disclosures are set out in the Remuneration Report on pages 18 to 28 of the 2011 Annual Report.

Currently, section 250R(3) of the Corporations Act provides that the vote on this resolution is advisory only, and does not bind the Directors or the Company. However, on 21 June 2011 the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011 (Bill)* passed the Senate and will become law as soon as it receives Royal Assent. Under the Bill, and with effect from 1 July 2011, the Corporations Act will be amended so that, if a company's remuneration report receives a 'no' vote of 25 per cent or more at two consecutive annual general meetings, a resolution must then be put to shareholders at the second annual general meeting as to whether another meeting should be held (within 90 days) at which all directors (other than the managing director) who were in office at the date of approval of the applicable directors' report must stand for re-election. So, in summary, Shareholders will be entitled to vote in favour of holding a general meeting to re-elect the board if the Remuneration Report receives "2 strikes".

### **Item 3: Re-election of Director**

Shareholder approval is sought for the re-election of Mr Jonathan Whittle.

Having been re-elected at the 2010 Annual General Meeting, Mr Whittle would not, ordinarily, be due to retire and seek re-election by rotation pursuant to rule 69 of the Company's Constitution until 2013.

However, the Company's Constitution also requires that one third of Directors, other than the Managing Director, retire and seek re-election at each Annual General Meeting. Mr Whittle has agreed to retire by rotation at the 2011 Annual General Meeting, and being eligible, offers himself for re-election.

In accordance with this same requirement in the Company's Constitution, Mr Geoff Tomlinson also retires by rotation and has advised that he is not seeking re-election. Mr Tomlinson's retirement will become effective following the conclusion of the Annual General Meeting and the role of Company Chairman will then pass to Mr Bruce Brook.

#### ***Jonathan Whittle***

A non-executive director since July 2007, Mr Whittle was the Managing Director of Integrated from the time of Integrated's formation in November 1992 until February 2006 when he retired from his executive role and became a non-executive director of Integrated. He has extensive experience in the recruitment industry, having worked for and then managed the West Australian operations of a multinational recruitment agency prior to establishing Integrated Workforce.

The Board (excluding Mr Whittle) recommends the re-election of Mr Whittle as a director of the Company.

#### **Item 4: Grant of Performance Rights to the Managing Director**

As announced to ASX on 7 January 2008, and as disclosed in the Remuneration Report set out on pages 18 to 28 of the 2011 Annual Report, the remuneration of the Company's Managing Director, Christopher Sutherland (in accordance with his Executive Services Agreement) comprises:

- fixed annual remuneration (being a base salary, superannuation contribution, and benefits in accordance with Company's policies);
- a short term incentive bonus ("STI") of up to 50 per cent of fixed remuneration payable in the Company's shares or cash upon the achievement of key performance indicators (to be agreed between Mr Sutherland and the Board); and
- a long term incentive plan ("LTI") which takes the form of an issue of performance rights.

In relation to the LTI component, it is proposed that, subject to Shareholder approval of Item 4, Mr Sutherland be granted 450,000 Performance Rights, which will vest in the following three equal tranches (dependent on the criteria detailed below):

- Tranche 1: 150,000 Performance Rights vesting on 1 July 2014
- Tranche 2: 150,000 Performance Rights vesting on 1 July 2015
- Tranche 3: 150,000 Performance Rights vesting on 1 July 2016

Each Performance Right will, if exercised, convert into one fully paid ordinary share in the Company. No amount is payable by Mr Sutherland on either the grant or the exercise of a Performance Right.

The Directors (excluding Mr Sutherland) believe that the continued success of the Company will depend in large measure on the skills, motivation and leadership of Mr Sutherland in overseeing the management of the Company's operations and strategy. The Directors (excluding Mr Sutherland) took into account the nature of Mr Sutherland's position, the function and purpose of the long term

incentive component of the Company's remuneration strategy, benchmarking against the practices of its Australian peer companies and other relevant information provided by external remuneration consultants. The Directors (excluding Mr Sutherland) consider that the grant of these performance rights is an appropriate form of remuneration and is part of a reasonable remuneration package (taking into account the Company's and Mr Sutherland's circumstances).

The ability of Mr Sutherland to exercise the Performance Rights referred to above is subject to satisfaction of the performance criteria that is based on the Company's performance ranking over the relevant period (the "Performance Period" being the period from 1 July 2011 to the vesting date) and determined by reference to the Total Shareholder Return ("TSR") of the Company over the Performance Period when compared with the TSR for each company in a group of peer companies. The peer group of companies comprises the companies listed in the S&P/ASX 300 (ranked by market capitalisation) after excluding resource companies, banks and listed property trusts. A peer company continues to be included in the comparator group for the entire Performance Period, except where the company is delisted due to takeover or merger. New entrants into the ASX300 during the performance period are included.

The Company's performance ranking within that group of peer companies at the end of the relevant Performance Period determines the number of Performance Rights in each tranche that may be exercised by Mr Sutherland, as follows:

<b>Performance Criteria</b>	<b>Performance Rights exercisable</b>
Below 50th percentile	None exercisable
At 50th percentile	50% of Performance Rights or Performance Options (as applicable) exercisable
Between 50th and 75th percentile (inclusive)	Exercisable Performance Rights or Performance Options (as applicable) to be determined on a pro-rata basis between 50% and 100% depending upon Company's percentile ranking
Above 76th percentile	100% of Performance Rights or Performance Options (as applicable) exercisable

Any Performance Right that becomes capable of exercise may be exercised from the day following the last day of the relevant Performance Period, and will remain capable of exercise for 12 months. Any Performance Rights in a tranche that do not become capable of exercise, or that are not exercised within this 12 month window, will lapse.

If there is a change of control event, then unvested Performance Rights will vest, with the implied price of the Company's shares (on completion of any takeover or scheme of arrangement) being used to determine the Company's percentile performance ranking. In such an event, the greater of 50% of the unvested rights or the amount calculated in accordance with the performance criteria calculation will vest.

In the event of any capital reconstruction (such as a bonus issue or rights issue) the number of Performance Rights will be adjusted, at the discretion of the Board, in proportion to the impact of the capital reconstruction.

Shareholder approval for the grant of the Performance Rights (the subject of Item 4) is sought for the purposes of ASX Listing Rule 10.14 which provides that a Company must not permit a director to acquire securities under an employee incentive scheme without the approval of shareholders, where that acquisition of securities is by way of an issue of new securities. Approval under Listing Rule 10.14 is an exception to the prohibition on a Company issuing shares to related parties under Listing Rule 10.11. Approval is also being sought pursuant to Listing Rule 7.1 to ensure that these Performance Rights do not otherwise count towards the Company's 15 per cent capacity to issue securities within any 12 month period (thus preserving flexibility for the Company).

Subject to Shareholder approval, the Performance Rights (the subject of Item 4) will be granted on the terms and conditions set out in these Explanatory Notes.

### **Requirements of the ASX Listing Rules**

In accordance with the requirements of ASX Listing Rules 10.15 and 7.3, the following information is provided to Shareholders to allow them to assess the proposed grant of Performance Rights:

- The only participant in these arrangements is Mr Sutherland, the Company's Managing Director.
- The maximum number of securities that may be issued pursuant to this arrangement is 450,000 Performance Rights. If all of the performance criteria are satisfied, and Mr Sutherland seeks to exercise each of these rights, he would receive a maximum of 450,000 fully paid ordinary shares in the Company.
- No amount is payable by Mr Sutherland to acquire the Performance Rights (other than the provision of his services to the Company) or upon the exercise of a Performance Right (but the relevant performance criteria must first be satisfied before Performance Rights can be exercised).
- Approval was sought (and obtained) at the Company's 2008 AGM to issue Mr Sutherland 180,000 performance rights and 450,000 performance options pursuant to Mr Sutherland's LTI arrangement. No other persons have received securities or interests under this LTI scheme.
- Mr Sutherland is the only person eligible to participate in this LTI arrangement.
- A voting exclusion statement is included in the Notice of Meeting (of which these notes form part).
- No loan is being made available to Mr Sutherland in connection with this LTI arrangement.
- The Performance Rights will be issued to Mr Sutherland as soon as practicable following shareholder approval (and in any event within 1 month of the date of the meeting).

In the non-executive Directors' view, it is in the best interests of shareholders to approve the share based LTI arrangement for the Company's Managing Director, Christopher Sutherland, because it appropriately aligns his remuneration with shareholder returns due to the significant performance criteria the Company must achieve for the LTI components to become exercisable. The non-executive Directors therefore recommend that shareholders approve this resolution.



## GLOSSARY

**Bill** means the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Bill 2011*.

**closely related party** of a member of the key management personnel means:

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependant of the member or of the member's spouse; or
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company; or
- a company that the member controls; or
- a person prescribed by the *Corporations Regulations 2001* (Cth).

**key management personnel** has the same meaning as in the accounting standards. So the term broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any director of the Company.



# PROGRAMMED Group

Programmed Maintenance Services Limited  
ABN 61 054 742 264

## Lodge your vote:



**Online:**  
www.investorvote.com.au



**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

000001 000 PRG  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

**www.investorvote.com.au**

- Cast your proxy vote**
- Access the annual report**
- Review and update your securityholding**

### Your secure access information is:

**Control Number: 999999**

**SRN/HIN: 1999999999**

**PIN: 99999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 11.00am A.E.S.T. Wednesday, 3 August 2011**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

## Proxy Form

Please mark  to indicate your directions

### STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Programmed Maintenance Services Limited hereby appoint

the Chair of the meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chair of the meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Programmed Maintenance Services Limited to be held at the offices of Deloitte Touche Tohmatsu, 550 Bourke Street, Melbourne, Victoria on Friday, 5 August 2011 at 11.00am A.E.S.T. and at any adjournment of that meeting.

#### Important for Items 2 and 4:

**Item 2:** If you appoint the Chair of the meeting, or another member of key management personnel for the Company or a closely related party of a member of the key management personnel for the Company, as your proxy, and you do not direct your proxy how to vote as your proxy in respect of item 2, your proxy will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution. You must direct your proxy how to vote on item 2 if you are appointing the Chair of the meeting, or another member of key management personnel for the Company or a closely related party of a member of the key management personnel for the Company, as your proxy and wish your votes to be counted.

**Item 4:** If the Chair of the meeting is appointed as your proxy, or may be appointed by default, and you do not wish to direct your proxy how to vote as your proxy in respect of item 4, please be aware that by signing this form you are taken to expressly authorise the Chair of the meeting to exercise your proxy even if the resolution is connected directly or indirectly with remuneration of a member of the key management personnel of the Company.

### STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

#### ORDINARY BUSINESS

	For	Against	Abstain
Item 2. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3. Re-election of Mr Jonathan Whittle as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4. Grant of performance rights to the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Appointing a second Proxy

I/We wish to appoint a second proxy



Mark with an 'X' if you wish to appoint a second proxy.

AND

 %

OR

State the percentage of your voting rights or the number of securities for this Proxy Form.

The Chair of the meeting intends to vote undirected proxies in favour of each items 3 and 4 of business and will not cast undirected votes on item 2.

SIGN

### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / / \_\_\_\_\_

PRG

1 3 2 5 9 2 A

Computershare +