

SPC Limited
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29 March, 1999

As per your request for information, we are pleased to report the following on behalf of SPC.

Since 1990 when SPC's employees were granted a profit sharing arrangement, the company has worked steadily towards involving the employees in company activities. This specific purpose is to align the objectives of the employees together with those of other stakeholders in the organisation, namely SPC's shareholders and growers. This has become particularly important since 1993 with SPC's transition from a co-operative to a publicly held company.

In 1998 SPC determined that it would be desirable to have all employees as shareholders in the organisation. As a result, we have developed together an employee stock ownership plan that will be put forth and approved by shareholders at our Annual General Meeting in April 1999.

We would be willing to share specifics of our plan with you, provided that you can give us more information about your intent and how that information would be used.

In general, however, the programme works quite simply. All interested employees will be granted shares to 1 % of their salary. The current programme is structured such that the 1 % grant will occur each year for three years of the current EBA. In addition, to assist employees in building their stake in the company, the company has offered to employees on a voluntary basis, the opportunity to purchase an additional 1 % of their salary in shares, with the company granting 1 free share for each share purchased. This generous programme will enable an employee effectively to accumulate a significant amount of stock on their very favourable terms.

This programme has total support from SPC's Board of Directors since it will further align the interests of the employees with those of our shareholders.

If you need further information, do not hesitate to contact me.

Sincerely,

Peter K Thor, Ph. D.
Managing Director