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REPORTS FROM KEY INDUSTRY INSTITUTIONS - COMPUTERSHARE

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CERTAINTY | INGENUITY | ADVANTAGE



Agenda

- ›Objective
- ›Computershare Overview
- ›Industry and Regulatory Issues
 - ›NI 54-101
 - ›Large Value Transfer System (LVTS) payments to CDS
 - ›Electronic Stock Option processing
 - ›Transfer Agent Limited Participant
 - ›Depository Agent Role
 - ›Global Transaction Unit
- ›What's new on the horizon
- ›Questions

Objective

- ›As the world's largest and only global provider of share registration, employee equity plans, proxy solicitation and other specialized financial and communications services, Computershare can provide intermediaries with a unique perspective of our industry
- ›Our purpose today is to share the issues, trends and insights happening within our industry from the Computershare vantage point

Computershare

Computershare Overview

Computershare

- › **Public company - listed on the Australian Stock Exchange under symbol "CPU"**
- › **Over \$3 billion market capitalization**
- › **14,000 clients and 90 million investor accounts maintained**
- › **9,700 staff, 600 dedicated to technology**
- › **Serving 18 of the Dow 30**

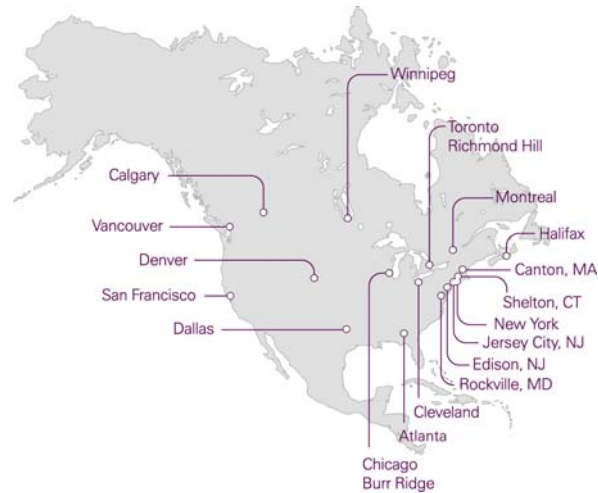


Financial Strength

- › **2006 Fiscal Year revenue over \$1.6 Billion AU**
- › **EBITDA of \$321 million AU**
- › **North America contributes 61% of company's global EBITDA**



North American locations



Computershare

North American Acquisitions

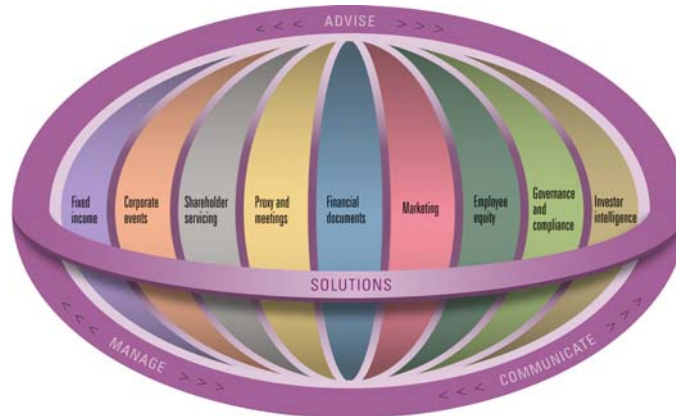
›Recent North American acquisitions include:

- ›National Bank Trust (Quebec)
- ›SunTrust (Georgia)
- ›Pacific Corporate Trust (BC)
- ›Equiserve (Mass)
- ›Alamo Direct (New York)

›This increasing critical mass allows Computershare to continually improve service and lead in North American proxy reform and other industry issues

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Solution based business model



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Services

› Document Services

› Integrated Communication Solutions including: integrated payment, electronic presentment and delivery, print and mail, document design and communication consulting

› Applying global best practices to 14,000 clients who produce 710 million print and electronic images annually

› Plan Managers

› World's largest combined transfer agent and employee services company

› Able to accommodate the total service spectrum, from simple in-house recordkeeping to a full outsourcing solution

Computershare

Services

›Transfer Agency

- ›Over 14,000 issuers and over 90 million shareholders served worldwide
- ›Annual Meeting Services including: proxy design, mailing, tabulation, registration and scrutineer services
- ›Comprehensive Client Services and full selection of reporting packages

›Corporate Trust in Canada

- ›Debt trusteeship, limited partnerships, escrows, warrants and special warrants, asset-backed and mortgage-backed securities, broker registered products, oil and gas royalties
- ›Over \$500 billion debt under administration in Canada

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Industry and Regulatory Issues

NI 54-101 – Statistics

›Statistics from the west coast

- ›335 proxy mailings from January to July
- ›72% included Non Objecting Beneficial Owners (NOBO)
- ›77% NOBO mail in July
- ›Issuers have on average access to 76% of their investors

›Relevant factors

- ›Non-payment for Objecting Beneficial Owners (OBO) delivery
- ›Reduce postage costs
- ›Little to no institutional holdings
- ›Issuers more comfortable with process
- ›Issuers like the TA form of VIF that closely resembles their own proxy

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Large Value Transfer System (LVTS)

›Benefits

- ›Move towards complete finality of payment on all cash disbursements to CDS
- ›Elimination of risk associated with paper payments
- ›Smooth flow of cash to Depository participants

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Large Value Transfer System (LVTS) - Summary of Recent Payments to CDS

September 1, 2005 to August 31, 2006	National Disbursements, MBS & Corporate Actions
Number of Payments via LVTS	4786
Value of Payments via LVTS	\$ 86,113,231,000
Number of Payments via Cheque	172
Value of Payments via Cheque	\$ 233,559,968
Percentage of Dollar Value via LVTS	99.73%
Percentage of Payments via LVTS	95.90%

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Electronic Stock Option

›Goals

- ›All exercises processed electronically
- ›Instant/regular credit to participant account in CDS
- ›Elimination of additional paper
- ›No last minute processing / no failed trades
- ›Centralized processing

›Volumes

- ›5,000-6,000 exercises monthly

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Transfer Agent Limited Participant

› **Depository Agent Role**

› **Benefits**

- › Elimination of last day physical certification issues
- › Ability to do electronic deposit right up to the cut-off for corporate actions
- › Improved processing for corporate action and re-org staff
- › Improved ability to report numbers to offerors and issuers
- › Improved processing environment

› **Electronic interface with participants on most corporate actions**

 **Computershare**

Global Transaction Unit

- › **Helps manage movement of securities represented by Computershare Depository interests or on multiple registers around the globe**
- › **24/7 access to Canadian & UK registers**
- › **Movements to and from all Computershare registers globally**
- › **Next business day to the UK and same business day coming from the UK**
- › **Same day delivery from other registers**
- › **Volume Apr-Aug/06**
 - › 538 movements/transactions
 - › 73,285,080 shares
 - › \$346,785,788.84 value of all deliveries

 **Computershare**

Global Transaction Unit

›Benefits

- ›Timely trade settlement
- ›Electronic processing within CDSX
- ›Improved cash management
- ›Zero wait-time for physical securities
- ›Web-based service available effective November

›Largest movements to-date

- ›1,597,749 shares of SRX from South Africa to Canada, value \$15,753,800. First contact April 28, delivered May 1
- ›6,897,438 shares of Paladin Resources from Canada to Australia, value \$26,624,110. First contact May 29, delivered same day
- ›1,177,223 shares of SRX from South Africa to Canada, value \$10,077,028. Delivered same day

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Global locations



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What's new on the horizon

What's New...

- ›Direct Registration System (DRS) in Canada
- ›More Transfer Agent consolidation in the US
- ›More Transfer Agents in Canada
 - ›Select Fidelity Transfer
 - ›American Heritage Stock Transfer
 - ›Capital Transfer Agency
 - ›Trans Canada Transfer
 - ›West Coast Stock Transfer
- ›Transfer Agents working more closely with CDS and its participants to eliminate paper, improve processing, reduce costs and help achieve STP
- ›Elimination of proxy over-voting ?

Conclusion

›Computershare, as a global provider of services to the financial intermediary community, is committed to and capable of developing solutions to increase cost savings by eliminating paper and improving processing environments and to assist our industry in moving towards an STP environment

›Computershare has the presence globally and in North America to help drive changes to enhance best practices and benefit the interests of all stakeholders

›Computershare's goal is to continue to work closely with the intermediary community and CDS to systematically eliminate money and time wasting processes and to develop and install less costly and more productive methods to enhance our collective businesses

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Questions