Computershare

31st March 2006
Mr Fabrice Demarigny
Secretary General
CESR

Investor Services

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Dear Mr Demarigny,

CESR's Consultation Paper on Possible Implementing Measures Concerning the Transparency Directive

Computershare Investor Services PLC welcomes the opportunity to respond to CESR's consultation paper on possible implementing measures concerning the Transparency Directive.

Computershare is a global leader in transfer agency, employee equity plans, proxy solicitation and other specialized financial and communication services. Our operations span the Asia Pacific, American, European and Middle Eastern time zones, serving 14,000 corporations and 90 million shareholders and employee accounts in 21 countries. In Europe, we are Registrars and receiving agents for approximately 800 companies, with more than 18 million shareholder records. We maintain details of shareholders' names, addresses and share entitlements and in the past year registered over 14 million transfers of shares, 2.7 million changes of address and bank mandates and calculated and paid 2,000 dividend and interest payments totalling over £16,000 million for our corporate clients. During the second half of 2005, we made £9.5billion in interest payments on government issued bonds and £4.5 billion in stock redemptions on behalf of the Bank of England.

As a Registrar we are committed to improving issuer- investor communication, which we believe forms the foundation of good corporate governance. We support and applaud proposals aimed at fully enfranchising both national and extra-national shareholders within the EU with Issuer information. As a Registar we receive large volumes of information from client Issuers, in cases where information is sensitive Issuers supply Computershare with information prior to the market. It is in our interests and those of our clients that the most robust mechanisms available are employed in the storage and filing of regulated information, our response is based on this premise.

Questions:

The Officially Appointed Mechanism for the Central Storage of Regulated Information

1) Do you agree that, taking into consideration the main purposes of the Directive in relation to the OAM, end users of the OAM will be investors seeking information on issuers and that the specific needs of particular investors should be tackled by the OAM itself and not require further and more burdensome requirements on issuers or on the OAM itself? Please provide reasons for your answer.

We agree that the end users of the systems will include anyone with an interest in having access to the stored information including retail investors, institutional investors or professional users. Specific need of particular investors should not be defined at EU level further than access to the information produced by Issuers. Should end users require enhanced services these should be tailored to their specific needs by the domestic OAM or affiliate which are best placed to understand and adapt to their needs. Attempting to introduce EU level standards would result in end users not being able to request information in line with the particular nuances of their market and prevent the OAMs in creating services that fulfil specialist end-user requirements.

2) Do you agree that, taking into consideration the main purposes of the Directive in relation to the OAM, what needs to be stored and accessed in the OAM is just the regulated information as produced and disseminated by the issuer or more than that? If so, please provide reasons for your answer and indicate what kind of facilities you would expect and indicate how to cover the costs of such value added facilities.

Computershare agrees that the Transparency Directive should oblige OAMs to store the regulated information produced by Issuers under regulatory or legislative obligations; OAMs should be able to develop chargeable data enrichment or aggregation services for those recipients of the information with specific requirements.

3) Do you agree with the views above or do you envisage a more ambitious approach to “easy access”? If so, please indicate what facilities you would like to see in place and detail the additional estimated costs of implementing them, how to cover these costs and explain the advantages of such an approach.

Agree.

4) Do you agree with the views above or do you envisage a more developed approach for the network? If so, please detail what additional functionalities you would like to see and if possible, provide your opinion on the implications, namely in terms of costs, of setting up such a network. In considering the above, please take into account the alternative funding implications.

We share these views.

5) Do you see alternative technical solutions to those envisaged in the consultative document and permitting to reach the same goal, both for designing of OAMs and for creating an EU “one stop shop”? If yes, please describe those solutions and provide estimates of costs and indications on the best ways to cover them.

No, we believe that Model B (paragraph 173) provides the best possible solution.

6) Do you agree with the above? If not, please provide reasons for your answer.

Agreed that:

- OAMs should have a system accessible through the internet to end users and Issuers
- OAMs should be able to receive electronic filings
- OAMs should store the information in electronic format.

7) Do you agree with the above? If not, please provide reasons for your answer.

CIS strongly advocates that where possible information submitted is done so in structured prescribed templates and formats. This would assist in fast processing and assure parity across member states in how information is published. This approach has the advantage of presenting a common look and feel for information which has value for investors in understanding the material when looking across domestic borders.

8) Do you agree with the above minimum standard of security?

We agree with the minimum standards for security and would add that in cases where corrections are required, these corrections should be the responsibility of the Issuer and not the OAM. Any mechanism for an evaluation process for reviewing or denying waivers for late filings should be the responsibility of the relevant authority.

9) Are there any additional standards on security CESR should consider?

OAMs should employ comprehensive back-up systems and disaster recovery plans for the safe maintenance of data.

10) Do you agree that there is no need for special or additional security standards if an electronic network of national OAMs at EU level is created?

Agreed.

11) Do you agree with the above? Please provide reasons if you do not agree.

CIS agrees with the minimum standards for certainty as to the information source.

12) Do you agree with the above? Please provide reasons if you do not agree. & 13) Are there any additional standards on time recording CESR should consider?

CIS agrees that the filing process should employ specific standards and templates and time stamp information on entry into the OAM.

14) Do you agree with the above? Please provide reasons for your answer.

CIS agrees that one minimum standard should be applied for accessing all information supplied by Issuers under statutory or regulatory obligation. We agree with the approach that 'naked' information and value-added services should be treated as distinct services in this context. Allowing access to the statutory information in a structured format, which organises and classifies the information, will assist in ease of use for investors across borders. Treatment of value added services as separate from regulatory information will allow OAMs to tailor information provision to particular clients and promotes a 'user pays' model. This would assist in keeping statutory filing costs to Issuers to a minimum.

15) Would you require searching capabilities in the language of international finance to be able to have "easy access" to the information stored?

Yes. Databases should be searchable in the home language and English.

16) Do you agree with the above standards in relation to technical accessibility? Please provide reasons for your answer if you do not agree.

Agree.

17) Do you agree with the above in relation to the format of information to be accessed by end users? Please provide reasons for your answer.

Agreed, for the reasons state above.

18) Do you agree with the above? Please provide reasons if you do not agree.

We agree with the high-level overview of funding options and that the type of funding available will be dependent on the structure of the OAMs.

Preliminary Issues (I) Agreement on Interoperability and (II) Costs and Funding

19) What are your views in relation to the issues being discussed above?

Enaction of Model (A) would involve the creation of a centralised common reference data access layer, linking the OAMs to a central database, presumably run by CESR or an EU sponsored body. Whist we agree that this would work, such a structure would not have the benefits available from commercial operation; due to the complexity of the structure itself it would be slow to react to change, the decision making process would become laborious or extended and it is recommended that the regulators do not become part of the process. In order of preference we would recommend B, C or D.

Role of the competent authority

20) Do you agree with the above? Please provide reasons for your answer if you do not agree.

Agree.

21) Do you agree with the above? Please provide reasons for your answer if you do not agree.

Agree.

22) Do you consider that a competent authority can, within the limits set above, change the standards over time in case new technological evolutions occur?

Yes.

23) Do you agree with the above? Please provide reasons for your answer if you do not agree.

Agree.

The filing of regulated information by electronic means with the competent authorities

24) Do you agree with the above interpretation of the purpose of filing and the conclusions made on the basis of the interpretation? Please provide reasons for your answer.

Agree.

25) Do you agree with the above conclusion? Please provide reasons for your answer.

The filing system employed by OAMs and domestic issuers should be completely automated and should not include any facility for receipt or processing of paper filings whether received by fax or mail. Introducing paper filing mechanisms introduces additional cost, potential human error and is environmentally unsound. In the interests of efficiency, all filings should be submitted and stored by the OAMs in electronic format.

26) Do you agree with the above approach? Please provide reasons for your answer.

The preferred approach, and the approach currently employed in the UK, is that outlined in (a) compulsory electronic filing for all listed companies. We contest the assumption that significant additional cost will be incurred by Issuers in adopting electronic forms of filing; most forms are downloaded from the competent authority website, printed off, completed then submitted to the competent authority or RNS service. A switch to filling in forms on a PC and filing them electronically should not represent a dramatic shift in procedure. We understand however that competent-authorities' systems may require development. The network would operate significantly more efficiently and cost effectively if electronic filing was the single method of submission and storage from inception.

27) Do you agree with the above? & 28) Is there a need for an additional level of detail? Please provide reasons for your answer.

We agree with the approach outlined.

29) Do you agree with the above or do you envisage particular issues that need to be dealt with in relation to the validation procedure and time stamping of regulated information? Please provide reasons for your answer.

Agree.

30) Do you consider that CESR should require specific forms to be used to file regulated information with the competent authority? Please provide reasons for your answer.

CIS agrees with paragraph 298 in that using harmonised input standards and file formats throughout the members states would foster interconnectivity of the filing systems and would better serve the objective of 'easy accessibility' and user friendliness across border for those interested in Issuer reports.

31) Do you consider that CESR should require specific input standards to be used to file regulated information with competent authorities? Please provide reasons for your answer.

Definitely. Input standards and formats should be the same across the EU for all type of regulatory Issuer information.

32) Do you agree with the above concepts of "alignment"? & 33) Are there additional ways of alignment CESR should consider?

We agree with the concepts of alignment expressed.

34) Do you consider that CESR needs to expand this idea to properly address the mandate?

No.

CIS looks forward to future developments from CESR on the Transparency Directive requirements. Please feel free to contact me should you have queries regarding any elements of our response.

Yours Sincerely,

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