



ASX SETTLEMENT AND TRANSFER
CORPORATION PTY LTD

Direct Line: (02) 9227 0837

17 October 1996

Mr Mark Epper
Partner
KPMG
KPMG Centre
45 Clarence Street
SYDNEY NSW 2000

Dear Mr Epper

Confirmation of CHESS Audit and Consultant Fees

I am writing to confirm that expenses totalling \$383,116.04 in the category "Audit and Consultants Fees" incurred between December 1995 and August 1996, were legitimately charged to the CHESS Project. The fees were paid to the following:

1. Minter Ellison, for legal work in completing contracts with banks in their capacity as payment providers for DvP settlement, Australian Competition & Consumer Commission authorisation of Business Rules, documentation of the legal framework for CHESS Phase 2, and for work in completion the legal framework for CHESS Units of Foreign Securities (CUFS). CUFS are the vehicle through which securities of foreign companies listed on ASX (other than companies domiciled in New Zealand and Papua New Guinea) may be brought into CHESS.
2. Rudd Watts and Stone, for legal work involved in establishing the legal framework for New Zealand companies to come into CHESS.
3. KPMG, for work in development of the external system audit program for CHESS Phase 2, and a pre-implementation review of controls in CHESS Phase 2.
4. Shelston Waters, for work in connection with securing "CHESS" as a trade mark.
5. PA Consulting Group, for continuing independent technology audit services in relation to the CHESS Phase 2 development and implementation projects.

Yours sincerely

Angus Richards
Managing Director