

**BROADRIDGE STATEMENT**  
**June 17, 2010**

“Unlike mutual funds, the underlying shares in managed accounts are owned by the beneficial account holder who, for all practical purposes, is treated the same as someone who buys an individual stock position. The client owns the shares directly and has rights to sell, receive dividends and proxy communications, and vote. There is substantial proprietary technology involved in processing managed accounts. The processing occurs on a daily basis, not simply at the front end, and is not driven alone by a meeting event. It is dynamic, with substantial customization necessary to reflect the contractual arrangements between investors, investment advisors, and broker-dealers. For example, some account holders want to directly vote certain issues, proposals, companies, or industries, and delegate voting on other items. Without the technology and processing in use today, issuers would incur the costs of distributing materials to each individual account holder, fewer shares would be voted, and issuers would likely incur additional solicitation expense.”

“Broadridge is proud of its technological leadership. While the STA has long called for a new system to be created, Broadridge alone has demonstrated its deep commitment to making the substantial investments in technology and the intellectual capital necessary to deliver the increasing efficiencies and participation demanded by issuers, shareholders, and financial intermediaries. And the proof is in the pudding – during the past year, nearly 2,000 corporate issuers chose Broadridge over other alternatives to manage communications and voting for their registered shareholders.”

Chuck Callan  
Executive vice president of regulatory affairs  
Broadridge Financial Solutions