

PROVING TO BE
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Stephen Lake | CEO, GBST.

FINANCIAL MARKET SOLUTIONS THAT GIVE YOUR FIRM THE EDGE

As a leading provider of financial solutions in the Asia Pacific Region, GBST has established a proven record for lowering cost and risk as well as increasing revenues for a wide range of market participants.

These include stockbrokers, global investment banks, clearers, custodians, lenders, cash management providers and stock exchanges.

Specialising in the provision of robust trading and settlement systems, GBST changed the face of the industry in 1993 when it released GBST Shares™, the first system fully integrated with CHES, the ASX's electronic settlement system. Shares™ built

GBST to its position today, where the company processes and settles the daily trading volumes for more than 50% of Australian stockbrokers and investment banks.

Australia's clearing and settlement infrastructure is widely recognised as one of the world's most advanced. Over the last ten years GBST's real time transaction, messaging, and clearing solutions have

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allowed our clients to maximise the benefits and efficiencies this market provides.

Working with our clients, GBST has facilitated a number of market firsts including: automated clearing and settlement, third party clearing, agency clearing, real time margin lending and cash management

processing, plus cross border trading and settlement. Shares™ is also currently being deployed as the first regional processing solution.

“GBST is the standout provider of clearing software”.

Craig Mason, Head of Pac Rim Prime Brokerage and Third Party Clearing, Berndale Securities.

Case Study | Berndale Securities

Making Money By Settling For Less

When Berndale Securities, a wholly owned subsidiary of Merrill Lynch, identified the potential of the emerging third party clearing market, they approached GBST for a cost-effective solution. GBST researched their requirements and developed a tailor-made solution that also gave Berndale the competitive edge they were seeking. Today, Berndale dominates third party clearing in Australia and is gearing up to expand their clearing and custody operations across the Asia Pacific Region.



REGIONAL PROCESSING SOLUTIONS



REALISE GLOBAL TRADING OPPORTUNITIES

Real time cross border trading and settlement capability provided by GBST Shares™ enables your business to provide a full service to your clients in any market they wish to trade, domestic or foreign.

Manage your clients' global financial needs

Shares™ will process securities listed on offshore markets, or dual listed securities on domestic and off shore markets, settle the cash for these trades in any nominated currency and maintain records of foreign scrip holdings: i.e. buy in one currency, sell in another and settle in a third. A single entry automatically generates and posts the client contract and the trade with the offshore

counterparty. The system dynamically maintains client positions in multiple currencies and multiple markets (supporting the rules and coding schemes applicable to each local market) and manages foreign currency conversions, accounting for profit and loss and commissions. Custody arrangements with off shore custodians are also supported on behalf of clients.

Solution	Product	Market Participants
Cross border trading, clearing and settlement.	GBST Shares™	+ Global Investment Banks + Regional Clearers + Stock Exchanges

“GBST’s solution is proven, stable, efficient and cost effective, allowing ITG to efficiently self clear in Australia, Hong Kong and other regional markets”.

Alasdair Thomson, COO Asia Pacific Region, ITG.



Case Study | ITG

The Future of Regional Trading

With offices in US, Canada, Europe, Australia, Hong Kong, and Israel, ITG is a listed broker-dealer on the NYSE and a leader in advanced equity trading technologies. ITG’s mission is to help clients improve their portfolio performance through the management and reduction of total transaction costs, so when it came to selecting trading systems for Australian and Hong Kong markets, ITG chose Shares™.

International clearing – reduce regional processing costs

Shares™ supports processing on a regional basis (i.e. a system integrated with multiple exchanges and clearing houses). The capability will support a single broker operating in multiple markets but clearing

through a central system, and service providers offering offshore trading, clearing and settlement services to local brokers. Consolidated processing via a central “hub” reduces costs and allows you to manage exposure and risk across a number of markets in real time.

Manage local and cross border risks

Risk Exposure	GBST Risk Mitigation Feature
Credit Risk	Real time posting of transactions provides accurate measurement of exposures and positions.
Liquidity Risk	Consolidate positions or exposure to any security and view at account and group level in every market.
Operational Risk	Business Continuity services ensure maximum reliability and recoverability of systems. 24/7 support ensures system availability in all time zones.
Custody Risk	Comprehensive data structures, audit trails, order pre-validation, and reconciliation processes support all custody holding types and balances.
Legal Risk	Audit and security controls support client fund management and trust accounting rules, which are configurable to each market. Pre-order validation includes local market compliance.

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WHY MOST STOCKBROKERS PREFER GBST SHARES™

Shares™ automates trading, clearing, and settlement. Instruments supported include equities, fixed interest, bank bills, managed funds, term deposits, money management accounts, and cash held directly or in custody.

Solution	Product	Market Participants
Real time, fully automated processing for trading, clearing and settlement.	GBST Shares™	+ Retail & Institutional Stockbrokers + Global Investment Banks + Third Party Clearers + Agency Clearers + Prime Brokers + White Label Providers

Integrate client management with trading and settlement

Shares™ integrates client management with trading and settlement functions to standardise business processes, streamline the entire transaction cycle and deliver powerful client service capabilities. Shares™ supports multiple settlement environments and numerous methods of stock delivery and payment. Preset client types allow you to specify the way default methods of trading and settlement occur reducing manual processing. Automated order processing, accounting, and reporting boost productivity and support in-house trading, institutional trading, IPOs, and custodial functions.

Scale to high volumes from a fixed cost base

Providing you with the ability to settle 95% of all transactions without manual intervention, Shares Automation™ supports exception based processing. Reducing manual intervention significantly reduces costs and enables you to scale your business to very high volumes without a linear increase in costs.

Integrate cash and margin transactions

Direct interfaces with lenders, cash management providers and banks facilitate automatic cash processing and allocation to better manage liquidity and speed settlement. Shares™ also provides all client holdings and positions to the adviser and margin lender in real time, reducing settlement risk.

"Shares™ forms the cornerstone of the operating system of Wilson HTM Investment Group's stockbroking business. The product's strengths are undoubtedly its reliability and durability".

Alex Ihlenfeldt,
General Manager, Wilson HTM.



Case Study | Wilson HTM

Leading the Industry with Shares™

Today, over 50% of all stockbrokers in Australia use GBST Shares™ as their back office trading and settlement software platform. But it hasn't always been this way. In fact, Shares™ was tailor-made to solve the specific challenges of one firm, Wilson HTM. When the Australian Stock Exchange changed from paper-based to electronic trading and settlement, Wilson HTM approached GBST to develop a system that met both their specific needs and the new

standards of the ASX. Wilson HTM and GBST jointly funded the development and the result was an efficient settlement system that fitted seamlessly into Wilson HTM's operations and fully complied with the ASX requirements. Ten years later, Shares™ has evolved into one of the most advanced securities transaction systems of its kind in the world and the preferred option of the majority of Australian brokers.



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BUILD A PROFITABLE LOAN BOOK

Bringing a new perspective to a traditionally time consuming and manually intensive process, GBST Margin Lending™ enables a wide range of industry participants to create and manage profitable lending services.

Powerful ways to build your lending business

Margin Lending™ offers you unique capabilities you won't find in other systems. Automated processing functions facilitate client management, loan management, loan valuation and gearing, scrip and cash settlement, margin call and risk management, in real time.

Automate processing with stockbrokers and advisers

Fully integrated with Shares™, Margin Lending™ seamlessly integrates transaction and information messaging flows between the broker and the lender providing access to clients' holdings in real time, and reducing settlement risk. Contract note processing is fully automated, eliminating faxes, reducing errors, data re-keying, overheads and risk for both the broker and the lender.

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Solution	Product	Market Participants
Fully automated lending.	GBST Margin Lending™	+ Margin Lenders + Stockbrokers + Financial Planners + Remisiers + Fund Managers

Automate the lending process

Margin Lending™ eliminates manual intervention and delivers a measurable reduction in back office administration costs. Research conducted by GBST shows that the system can reduce the back office administration costs of a \$AUD1 billion loan book by up to 50%. Margin Lending™ also provides real time connectivity with internal systems and external providers including CMT providers, the Internet, fund managers, exchanges, and central depositories.

Manage exposure and risk

Comprehensive risk management processes and controls enable your business to run as efficiently as possible. Margin valuations and the raising of margin calls are carried out automatically or initiated on an ad hoc basis. Automated processing ensures the movement of holdings between different gearing types, while degradation rules and other risk measures minimise manual intervention. Risk control measures can be set by security, product, facility group, facility or client level, reported on and audited. Real time valuations ensure each client's position is monitored using the most current price information.



MARKET ACCESS SOLUTIONS

ACCESS NEW RETAIL MARKETS

GBST's substantial client base in Australia and New Zealand, supported by an industry wide virtual private network, has created a significant opportunity for financial service providers. A single connection gives you access to 50% of stockbrokers and more than one million investors. From their desktops, the GBST Advisor™ workstation enables advisers to offer your financial products and services to their clients.

Build your cash management book with less cost

Shares™ cash management interface automates cash processing and streamlines receipts and payments between stockbrokers, cash management providers, and banks. Automating account management and transaction flows for cash management providers, it allows them to connect with GBST's large client base of stockbrokers, offer their products via advisers and grow their deposit books cost effectively.

Solution	Product	Market Participants
Distribute financial products and services to a large market in a highly automated fashion via a secure network.	GBST Connect™ Margin Lending Business Interface™ Cash Management Interface™ GBST Advisor™	+ Margin Lenders + Fund Managers + Cash Management Trusts + Master Trusts + Wrap, Market Data, News and Research Providers

Grow your loan book and reduce risk

Providing industry standard connectivity between external margin lending systems and Shares™, the GBST Margin Lending Business Interface™ allows any lending institution to distribute products across GBST's network of retail stockbrokers, automate the lending process with those firms, and conduct real time transactions. Eliminating manual processing between the lender and broker reduces the lender's cost and risk.

Master Trusts and Wrap Providers

Managed funds are supported by Shares™ and the Advisor™ workstation giving platform providers the ability to distribute their products via brokers to their clients.

"Financial service providers can access more than a million new clients".

Tracey Fishlock, Business Development Manager, GBST.



Case Study | Adelaide Bank

Turning Real Time into Real Money

Providing brokers like ABN AMRO Morgan with real time access to Cash Management Trusts, has helped Adelaide Bank grow its CMT deposit book from zero to more than one billion dollars in just four years. Brokers and investors are seeing returns too, because real time access and integration not only allows for better portfolio management, but also means funds can be secured instantly and settlement risks reduced. The successful CMT interface model was the result of collaboration between Adelaide Bank and GBST.



Nick Green,
Manager Client Services.



BUSINESS GROWTH SOLUTIONS



FOCUS ON YOUR CLIENTS WITH GBST ADVISOR™

The complete front office workstation, Advisor™ enables your advisers to focus on their clients and deliver more personalised services in less time. It provides powerful ways of aligning client needs with market opportunities, manages transactions more efficiently and is easy to use.

Target your clients and personalise your response

Sophisticated data mining functions and client information tools allow advisers to identify, profile, and target specific clients or groups of clients. A centralised source of all client information, the workstation provides point and click access to everything an adviser needs to personalise their responses and advise clients with confidence. With access to real time market and client information, and "what-if" analysis tools, advisers can better manage their clients' total positions and reduce settlement risk.

Solution	Product	Market Participants
Front office retail adviser/wealth management/workstation.	GBST Advisor™	+ Retail Stockbrokers

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Integrated Desktop Tools

- + Extensive Client Profiling
- + Real Time Margin Lending
- + Easy Order Processing/Management
- + Automated Cash Management
- + Portfolio Management
- + Market Data
- + Compliance - Statements of Advice
- + Ratings, News and Research
- + Online Managed Funds
- + Electronic Documentation
- + "What-if" Analyses
- + Open Interface
- + Powerful Email Capabilities
- + Daily Task Reminders

Enter orders from your desktop

Orders can be created with straight through processing into Shares™. Vetting rules reduce errors, costs, and lower business risks.

Create and email contract notes automatically.

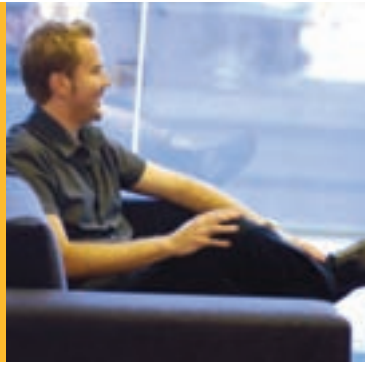
Online managed funds

Enabling you to offer a wide range of funds from the adviser's desktop, Advisor™ allows you to build new revenue streams from your existing client base. This means your advisers can offer a comprehensive range of new investment options to their clients at a competitive cost, with daily unit pricing at their fingertips and prospectuses online. You retain full control and ownership of your clients.

Record and issue statements of advice

Advisers can document their recommendations and the basis upon which they were made. Advice is captured whether an order is placed or not, and can be searched by text, stock, date or client specific entries. Powerful profiling tools plus the ability to record all types of advice as a permanent record will ensure your advisers are fully compliant.

BUSINESS INTEGRATION SOLUTIONS



MAXIMISE BUSINESS PRODUCTIVITY

GBST's suite of business integration tools provides real time connectivity between business systems with seamless integration to external communications. Products include SWIFT compliant settlement interfaces to clearing counterparties and more.

Solution	Product	Market Participants
Provides real time interfaces between Shares™ and other business applications.	GBST Business Interface™	Retail and institutional stockbrokers
Electronic Trade Confirmation.	GBST ETC™	Retail and institutional stockbrokers
Connects Shares™ seamlessly to the internet for retail investors or re-branded execution services.	GBST Online™	Retail and institutional stockbrokers
Electronic creation and delivery of contract notes.	GBST E-POST™	Retail and institutional stockbrokers
Real time generic local market settlement interface.	GBST CHESSTLink™	Margin lenders, custodians, fund managers, banks, registries and stockbrokers

CHESSTLink™ – Real time market settlement interface

Facilitating realtime connectivity with CHESST since 1993, CHESSTLink™ is a robust, flexible, and high performance CHESST messaging interface originally developed for Shares™ and now available as a stand-alone product

as a generic local interface for any market. CHESSTLink™ allows you to cost-effectively upgrade your settlement messaging capability, lower settlement fail rates, and reduce back office processing costs. A fully integrated solution, CHESSTLink™ delivers high performance messaging capability.

PROFIT FROM OUR EXPERIENCE

Solution	Services	Market Participants
Process Management and Product Support.	Business Analysis Process Audits Industry Benchmarking Business Continuity Training Implementation Support	All financial market sectors

Maximise benefits, lower your costs

A key metric of GBST's performance as a business is the results we deliver to our clients and the industry. To that end GBST has built a significant professional services capability covering business consulting, training, implementation and support. Working in a process of continuing improvement these teams ensure our clients derive the most benefit from our solutions while incurring the lowest cost.

Our team of senior business analysts can assist with the design and development of new financial services using industry standard procedures for business modelling, requirements gathering, and business case development. They bring a broad range of knowledge and expertise from across the industry including stockbroking, wealth management, investment banking, lending and funds management.

GBST also offers a Business Process Audit which provides the metrics and analysis to measure how efficiently transactions flow across your business, measured against industry best practice.

Business Continuity – Managing risk

GBST's business continuity service can assist in protecting your core business systems from an outage or disruptive event. The service includes risk assessment, planning, and implementation to provide the level of redundancy your business requires, from data back up to full off-site replication.



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