



# The Australian Finance Podcast Episode Transcript

**Episode:** Share Registry Basics: Computershare, Link & Boardroom

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**Speakers:** Kate Campbell & Owen Rask

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## Episode transcript:

### Owen:

Kate Campbell question for you. When you drink water, do you reuse the pump water bottle or the Mount Franklin or whatever it is that you're drinking out of?

### Kate:

Yeah. I've been reusing this one for months and I've been told it's not good to reuse plastic bottles because you start to digest the bottle but I'm still going with it.

### Owen:

Yeah. I've heard something similar. If you use the bottle too much, it can actually release something. I don't know. Maybe one of our listeners can write in and tell us what actually happens if you continue to use one of those disposable water bottles for too long.

### Kate:

Yeah. I bought a nice aluminium one to help save the environment but it keeps getting smelly.

### Owen:

I'm just going to clean it. So you just need to drink it to the bottom.

**Kate:**

And they only last for like two weeks before I have to clean again and I'm too lazy.

**Owen:**

Come on, save environment. All right. Speaking of environment, we're going to try and eliminate some of that paperwork that people get from their investing. So whether you're investing in ETFs managed funds or you're in shares or who knows what you're investing in, chances are, there's going to be some paperwork that comes with it. Chances are you're going to underestimate how much there is. So we're going to try and help you save the environment and save some headaches along the way. And this episode is all about share registry. So we're going to try and keep it nice and tight, really concise podcast episode on what a share registry is. What are the different things that go into a share registry? Why do you need one? What do you do with it if you want to do DRPs. We're going to share our screen, show you what they look like when you actually go into one. And basically just all the admin stuff, which we just let go until now on the podcast series.

**Kate:**

Yeah.

**Owen:**

So Kate, tell me, what is a share registry?

**Kate:**

Okay. So when a company lists on the Australian stock exchange, there's a lot of administration when you have thousands, if not millions of shareholders. Let's think of like a huge company like BHP or Telstra across their whole investor base, they've got millions of people investing in that company and that involves a lot of work, keeping people's details up to date, paying them dividends, contacting them about annual meetings, if there's an issue to vote on. And so the company wants to focus on what it does best, mining or providing you with some standard of internet. And so they outsource a lot of this administration when it comes to their shareholders to a share registry.

**Kate:**

And so in Australia, there are a number of share registries and the big ones that we'll talk about today include Computershare, Link Market Services and Boardroom. And what the share registry does is look after all of the shareholder administration side of things so the company doesn't have to worry about and the company pays a fee for this service as well. And the share registry, so when you buy a share or an ETF, you'll receive some paperwork in the mail and that'll start the whole process of setting up your account with a share registry which we'll dive into in today's episode.

**Owen:**

Yeah. Okay. So it's all like admin stuff.

**Kate:**

Yeah.

**Owen:**

So if I have a broker, why do I need the share registry? Like if I've got CommSec or SelfWealth, Stake why do I need the share registry?

**Kate:**

Yeah. So when you're paid a dividend, when a company has an annual general meeting, it's not CommSec or [Pearler 00:03:34] or SelfWealth problem to deal with that, it's actually the company and they use the share registry to help with that. So when you're receiving a dividend, you're receiving it from the company that uses the share registry to administer that process. So-

**Owen:**

Okay. Okay.

**Kate:**

Yes. So I had a question the other day and someone was like, "Well, why can't I just use one share registry? Why can't I have all my shares and ETFs in one registry? And do I actually need to use the registry?" And I mean, you can survive without setting up your share registry account, but as you go on through your investing journey, you start to realise that maybe you're missing things or your tax file number hasn't been provided and suddenly you're getting a statement saying, "\$3 of taxes being withheld." And so the company itself actually chooses the share registry. So you don't get to go, "Hey, I'm going to have all of my shares and ETFs in Computershare."

**Kate:**

So Owen's going to, I think screen share shortly, but the company will actually decide, "Hey, we're going to use Computershare as our share registry." And so you'll be able to find these details through a statement. So when you first buy a company or an ETF, you'll probably receive a letter in the mail saying, "Welcome brand new ETF shareholder, please set up your share registry account on computer share or link market services." And you'll have ability to register now. I think it's come a long way in the last few years. It used to be quite complicated, but so putting things like your holder identification number. So if you have an account with CommSec or Pearler, you're going to receive a holder identification number and that's the number that all of your ETFs and shares you purchase through that broker are held under and your postcode. So that's another thing you have to keep your address details up to date. And then you could also put in the VHP or A200 or whatever you own and go through the process of setting up your account.

**Owen:**

But the thing is here. So you have to make sure your tax phone number, your TFN is recorded with your broker, so if you were CommSec or whatever, but it also should be recorded with the share registry because sometimes it doesn't pass across. So you need to be really careful, you

want to have it definitely with the share registry and definitely with the broker. Just one of the things that you will know, if you go into... If you buy a share, you'll get a statement in the mail. Now that statement will either have an X on the statement. So it'll have a big X and then a number that would mean that your shares are held on HIN, holder identification number, keep that number a secret, don't go and give that out. Because as you can see on the screen in front of us here, if you give that out, someone else might be able to get into your shareholding if they know your postcode and all that sort of stuff.

**Owen:**

The other thing is it may have an I. So you may have... Instead of an X, you have an I 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, whatever the number is and that would be a shareholder reference number. So that's when it's issuer sponsored. So it's slightly different. And so you need those numbers to get in here. As you can see on my screen, for those of you who are watching, for those of you who aren't, I'm just on the individual option. So this is to register, to create an account on Computershare. We can do the same here on Link Market Services. So we would share login. One thing I had to do for my father-in-law the day is he had shares that were under the company that he works for is actually on the stock exchange and he got options which turned into shares and he wanted to know how he could stake them.

**Owen:**

He would log in here and on Link Market Services and then from there, he would be actually able to sell the shares, just because it's a single parcel or he could manage his shares from there. So if you are in a business like that, you can actually find out who the share registry is and use the information that you get emailed or sent from your HR team or wherever it comes and pop it in. So here we go. We've got on the link screen, we've got a chance to log in as a single holding. So if you only have one holding, for example, if you have like a BetaShares, ETF, I believe BetaShares so I'm just going to jump onto... Yeah. BetaShares uses Link Market Services. I think Vanguard might use Computershare. You can find out all that stuff by going to the ASX website. So ASX A200, ASX.com.

**Kate:**

And that's a really important starting point because if you're trying to... If you're on the wrong share registry for the ETF or share that you have, it won't come up. And so yes, go to the ASX website, type in the company code and then if you keep scrolling down to the about section, so you've got a whole share registry section and it will say... You can probably just do control F to search for share registry on the ASX website and then it will come up with Link Market Services, Computershare, Boardroom or if it's a smaller company listed, it could be registry direct or Automic. There's a few other smaller players as well.

**Owen:**

Yeah. We've actually... I did put this information on our best ATS website when we built it. So you can find where all of the ETFs have their share registry and then you can click through and you can learn more about that. I don't need to do that right now but back to... Yeah.

**Kate:**

The ASX websites is usually the easiest place to find which share registry, otherwise it might be in the letter you get in the mail, the annual report in the investment centre-

**Owen:**

Definitely in the annual report. Yeah, definitely in the annual report.

**Kate:**

On the company's website. Yeah.

**Owen:**

On the company's website. Some companies in ETFs, if you go to their website, basically all they have is just say, "Go to the share registry or go to the ASX or announcements." They really keep it simple. And here we go with Boardroom as well. You can log in. If you're an investor, you can log in here, you can register and you can log in as an employee. So Kate, what are the types of things that you would want to go online and do with it, with the share registry? What are some of the common examples of things or actions that you'd want to complete?

**Kate:**

The first one and this is the most important is to make sure your tax file number is recorded via the share registry as well. And this will... If you have multiple ETS and shares, you may have to have an account with Computershare and Link Market Services and Boardroom. So keep those logins safe and then actually go and put your tax file number down and make sure there's a certain section where you can see your holdings and you can make sure that your tax phone number is recorded against every... Or they'll say something like quoted, your TFN is being quoted against every single ETF or share. And that means that if they pay a dividend or a distribution to you, they won't have to withhold tax, which you then have to remember to include if you do your tax return, which just adds a bit of administration to things. So you'd rather just get your full dividend or distribution upfront and not have any tax withheld.

**Owen:**

Yeah. So we've got tax withheld make sure you have that TFN handy. You want to make sure that the address that you have in your brokerage account is up to date and it matches all forms of your ID. Just in case there are some things you need to change. The share registry, if you have to call them or your broker will want to know that you have proof of identity and that the address is the correct address. And that's obviously important too when you set up your brokerage account, because you don't want all of your statements going to someone that has your holder identification number on it. So-

**Kate:**

Yeah. It's super important to have the address correct, especially if you ever want to transfer holdings, it's really important that the entity matches the next entity. So like, if you have your address slightly incorrect, it is a bit of a hassle to update it.

**Owen:**

And we started this programme by talking about saving the environment you can... If you don't want to receive all that stuff that you get sent by paper, just select the option to receive it all via email, because it's so much more convenient, it's instant, no paperwork, no delay. Imagine if you have a shareholding and the company is doing a capital raising, you can receive all that documentation online. If you're on AGM, you can vote on things. You can just do it online, you don't have to post back some old school form. Do you even own a printer these days, Kate? Do you have one at home?

**Kate:**

I do. It stopped working the other day and I don't have any ink, but I do need it for study sometimes, but yeah, that's really important. And you'll find that under communication preferences. And so you'll be able to choose what information you get via email or via posts. And I mean, I'd really encourage you to put most of it via email and even have it automatically funnelling to a particular folder in your inbox because some... If you do have a number of holdings, you do get a lot of-

**Owen:**

It could be annoying. Yeah.

**Kate:**

Communication. Yeah, and the other thing that's really important is updating your bank account details because if you are paid a dividend or a distribution, you want to tell them where to actually send that money. You don't want it sent to a bank account that you closed a year ago because it's... They might send you an email or a notification that they weren't able to pay your distribution but after a while, they send it to the government to hold on to and you have to go through the find my lost funds and it's just a whole process. So make sure you're actually getting the money by the simple thing of keeping your bank account details up to date for the registry.

**Owen:**

Yes. And the same thing applies for Dividend Reinvestment Plans. I think if you're in Computershare, you'd go to your profile, click on DRPs or Dividend Reinvestment Plans and not every company offers a DRP but sometimes there are benefits which we've talked about in the past. For some licks, there are particular tax benefits and also for some ETFs and even some shares, there may be other benefits. Like with some shares I know that you can sometimes for example, get a 5% discount on the price. So they say, "Instead of sending you the cash as a dividend, we would like to keep the cash and we'll give you a discount and issue you some new shares." And that can be a benefit to you if you're a long-term holder. You still need to record it on your tax return of course, which we've talked about in the past, but it's a benefit for being a long-term investor just to select that Dividend Reinvestment Plan.

**Owen:**

And I think this is something that we often talk about at the showcase. A lot of people miss that sooner or later, you may actually want to go to an AGM or you may want to vote on something

that's important like ESG or strategy or something or directors, having your info up to date in advance is super helpful for that. So that's great.

**Kate:**

And most of the voting issues you can actually do directly through the share registry now. They've kind of got... You can click, I agree or I disagree or whatever the issue is and you can do it through the registry, which makes it easier. And you can find all your statements for tax time. So they usually email these out as well but when your accountant says, "Hey look, I need all these statements on the various distributions you've had or the sales you've made," you can download them all in one spot from the registry as well.

**Owen:**

Yes. So we've got... Just in summary, we've got your ability to vote. You need to find... We'll start at the top. You need to find which share registry you have that can be ascertained or discovered by the ASX website or by just going to the company's investor page. You can use the share registry to update things like your tax information, your dividend information, receiving documents via email or in the portal rather than from the Australia post. You can... Yeah, as a managed dividends, change your bank details, change your address details. But it's important that what you have in your share registry matches your broker and you may need ID. You will need your tax phone number and you will need either a holder identification number or a shareholder reference number.

**Owen:**

So those two things... The shareholder reference number or the holder identification number will come on your welcome letter from your share that you've bought at company that bought shares in or from your ETF provider or managed fund provider. They typically take a few days to arrive. So just be aware that if you buy shares today, you might not receive that letter for a little while and that's okay. And that's basically share registries. Is there anything else?

**Kate:**

No, I think that the main thing is just make sure that as soon as you start buying shares or ETFs, you set up your account, you keep those details safe. You make sure maybe every half year you go and update that, if you're buying things more regularly than that, then I recommend updating more regularly because your TFN might be missed or you might miss it a dividend. But if you're just buying a couple of ETFs and you're a long-term investor, it's probably something you can check in with once a year, once you've got it all set up and you know what you're doing and it doesn't get too much more complicated. Once you've explored and you know where all the different sections are, I mean, their systems don't change that much year on year. So you'll be a master of it in no time.

**Owen:**

Yes. And I'm just going to add one more little tip here for people. You're going to start receiving a lot of emails. You can set up if you use, for example, Gmail, you can set up a filter. So when you receive that first email from Computershare, you can create a subfolder in your inbox. And you

just say... In your Gmail app you say, filter messages like these. And then they get sent to your... You can go investing admin folder, subfolder and it sends everything directly there. So you don't get that caught up in all the... You might send a new... I don't know, whatever via email or from all your work communications or, yeah, whatever your personal ISOS deliveries have that in a separate subfolder And it will just make your life a lot easier. So we've got calendar reminders just to check in with the shareholder... The share registry, set up that subfolder just to make your life a little bit easier. Cool.

**Kate:**

And just to finally reiterate the communication preferences, I would highly recommend changing it to email because I've seen the sheer amount even in my past life working in investment operations, the sheer amount of paperwork, it's destroying thousands of forests. And the ASX is hopefully changing that in the next year or two.

**Owen:**

Yeah. There's news with that. So that's big. Yeah.

**Kate:**

But yeah. Get it sorted straight away, change your communication preferences to email because it's just too much paperwork and you don't need most of it via paper.

**Owen:**

Love it. Great advice, Kate. As always, thanks for joining me on the show.

**Kate:**

Thanks Owen.