

Thomas J. Mazzarisi

From: BMcCormack@cds.ca
Sent: Thursday, April 17, 2003 7:40 AM
To: dividend@jagmedia.biz
Subject: Distribution (URGENT RESPONSE)

Follow Up Flag: Follow up
Flag Status: Flagged

To whom it may concern:

I am from the Canadian Depository for Securities Limited in Canada. We are a Depository and Clearing house in Canada.

We require to know what we have to do to claim the New Ser II Class B shares of Jag Media as of Record Date April 14, 2003 from brokers who owe us shares and who we owe shares resulting from outstanding trades. If these trades resulted from trades which cannot be settled how do we claim the new shares.

Please respond ASAP.

Thanks Bernie McCormack
Supervisor, Corporate Changes Department
TEL (416) 365-8647
FAX (416) 365-8710

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*Spoke w/ McCormack
on 4/17 & 4/21.
He acknowledged fails
on both calls.*

*Acknowledged
fails*



JAG MEDIA HOLDINGS, INC.
6865 S.W. 18TH STREET, SUITE B13
BOCA RATON, FL 33433
TEL: (561) 393-0605 • FAX: (561) 393-6018

*Thomas J. Mazzarisi
Executive Vice President
& General Counsel*

Fax

To: Bernard McCormack	From: Thomas J. Mazzarisi
Co.: Canadian Depository for Securities Limited	Pages: 1 (incl. cover)
Fax: (416) 365-8710	Date: April 22, 2003
Re: JAG Media Dividend – Fails by CDS & Canadian Brokers	CC: Theresa Henshaw (303) 262-0606 Stephen J. Schoepfer (888) 828-4174

Urgent
 For Review
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• **Comments:**

Dear Mr. McCormack:

As per our recent telephone conversations, you indicated that The Canadian Depository for Securities Limited ("CDS") currently has a large number of "fails to deliver" and "fails to receive" on its books with respect to our Company's Class A common stock. In light of these "fails" you have inquired as to whether the Company plans to issue the new Series 2 Class B dividend shares to parties you claim to be beneficial owners of our Class A common stock but who are not reflected as registered stockholders of the Company on our transfer agent's records or as beneficial owners on the beneficial owner lists submitted by each DTC participant for its position in DTC.

Please be advised that the stock dividend is payable only on the Company's Class A common stock outstanding as of April 14, 2003, the dividend record date, to record and beneficial owners of such Class A common stock as of such date. Accordingly, any party who thought they bought our Class A common stock from a seller who has failed to deliver those shares is not a lawful record owner (or a beneficial owner for whom a lawful record owner indicates it holds shares) of our Class A common stock and is not entitled to the stock dividend. Therefore, the Company can only issue the new Series 2 Class B dividend certificates to (a) its registered and beneficial stockholders as of the record date, as reflected on our transfer agent's records and (b) to those beneficial owners listed in the beneficial owner lists submitted by each DTC participant, not to exceed, however, each participant's position with DTC as of the record date.

I trust you will find the above responsive to your inquiry.

Thank you.

Hi Steve,

Have a quick question for you regarding the stock dividend record date 04APR03. If we have short sale positions obviously we are not entitled to the Class B to be distributed, but I am concerned that we will be held liable for this stock. How do we find out whether this will be the case? Are we going to be shorted the stock owing? We are not a DTC participant, but are of CDS. CDS nor Computershare have been able to answer these questions for me. Please advise or least direct me in the proper direction.

Regards,

GLOBAL SECURITIES CORPORATION

Susan Kanciar
Securities Manager
Global Securities Corporation
Direct: 604 443 0845
Email: skanciar@globalsec.com
Vancouver, BC, Canada

*Acknowledged
fails*

*I also spoke w/ her on 4/22/03
@ 4:20 pm and she acknowledged
that Global is fail to deliver
260,000 shares.*

Thomas J. Mazzarisi

From: Heather Beasley [HBeasley@PENSON.COM]
Sent: Tuesday, April 15, 2003 12:14 PM
To: DIVIDEND@JAGMEDIA.BIZ
Subject: Record date positions

Importance: High

Follow Up Flag: Follow up
Flag Status: Flagged

~~How do we report Broker dealers who owe shares to us, and vice versa. I am trying to submit the beneficial owners list today. Your immediate attention to this matter is greatly appreciated.~~

Heather Beasley
Corporate Actions Department
Penson Financial Services, INC.
Phone: 214-765-1014
Fax: 214-217-5038
hbeasley@penson.com

*Acknowledged
Fails*

Thomas J. Mazzarisi

From: Saunders, Michelle [Michelle.Saunders@fmr.com]
Sent: Thursday, April 17, 2003 1:08 PM
To: 'dividend@jagmedia.biz'
Cc: Oligati, Roberta
Subject: Jag Media

Importance: High

Hello Steve

I am inquiring about the dividend payment for Jag Media
The list of our beneficial holders holdings, total shares we hold at DTC and shares we are due from a corresponding broker.
Computershare will be issuing these shares to our beneficial customers based on the information we provide and the entitlement information from DTC. Our DTC position does not include the shares we are due from Spear Leeds. We need to issue shares for all of our customers.

~~What courses of action can we take to insure all of our customer's will be issue shares according to our list? Will we be able to get the shares owed to us from our corresponding broker registered to our customers? Spear Leeds agrees they owe us the shares.~~

Please advise
Thank you

Regards
Michelle Saunders
Stock Dividend Department
212-335-5240

*Acknowledged
Pauls*

Thomas J. Mazzarisi

From: Elliott, Becky [Elliottbj@AGEDWARDS.com]
Sent: Thursday, April 17, 2003 12:15 PM
To: 'dividend@jagmedia.biz'; 'tjmazzarisi@jagmedia.biz'
Cc: Richter, Bryan; Anderson, Sherry
Subject: Beneficial Holders of Stock Dividend
Importance: High
Follow Up Flag: Follow up
Flag Status: Flagged

We are trying to confirm some information regarding our beneficial holders. We held shares on record date for our beneficial holders in 3 distinct situations:

- 775,191 shares @ DTC
- 292,457 shares registered in the name of A.G. Edwards & Sons Inc as nominee for our clients
- 103,215 shares due from other firms on trades

As a brokerage firm we aggregate our street name holders and do not identify a specific offset position for each individual account. Therefore, we need to supply one complete beneficial owner list to the agent that offsets the aforementioned total shares.

We understand the DTC positions but need some clarification on the processing our other street name positions.

For shares registered in the name of A.G. Edwards & Sons Inc can we include the beneficial owner of the shares in the list and have the agent issue certificates to the beneficial owners instead of issuing the shares to A.G. Edward's & Sons, Inc?

Acknowledged fails

X (National Financial Services and Canadian Dep Secs Ltd (CDS Ltd) were failing to deliver us shares over the record date for trades for a total of 103,215 shares, 7900 and 95,315 shares, respectively. Can each of these firms list A.G. Edwards & Sons Inc as beneficial owners and in turn A.G. Edwards include the beneficial owners of the shares in the list and have the agent issue certificates to the beneficial owners instead of issuing the shares to A.G. Edwards & Sons, Inc?

Basically, we have a total of 520,372 shares that we have street name beneficial owners entitled to this dividend but cannot confirm with the agent how to supply the beneficial owner list to them due to the shares not being totally held in the DTC position. According to the agent they have strict instructions to only issue the number of shares for beneficial holders that match the number of shares to which DTC provides them.

Others have problems also

I have spoken to other firms and they are having the same problems that we have due to other firms also owing them shares. Due to the deadline of supplying the beneficial owners to the agent we need these issues addressed as quickly as possible.

We would appreciate your help so that we can provide the best service to your shareholders and our mutual customers. Please feel free to contact me at 314-955-2478 to discuss resolution of these issues.

Thank you.

Beneficial Holders of Stock Dividend

A.G. Edwards & Sons, Inc

Becky Elliott

Dividend Department

becky.elliott@AGEDWARDS.COM

314-955-2478

 WARNING: All e-mail sent to and from this address will be received
 or
 otherwise recorded by the A.G. Edwards corporate e-mail system and
 is
 subject to archival, monitoring or review by, and/or disclosure to,
 someone other than the recipient.
