



COMPUTER CORPORATION LIMITED

**NOTICE AND MANAGEMENT PROXY CIRCULAR
FOR THE 2001 ANNUAL AND SPECIAL
MEETING OF SHAREHOLDERS**

TO BE HELD AT

The Design Exchange, Trading Floor
234 Bay Street, Toronto-Dominion Centre
Toronto, Ontario

October 19, 2001
10:00 a.m. (Toronto Time)

COMPENSATION OF DIRECTORS

The board of directors has the following compensation arrangements. Each director who is not a salaried employee of the Corporation or any of its subsidiaries (an "Outside Director") receives an annual retainer of US\$20,000 for his services as a director. The Chairman of the Audit Committee, the Human Resources and Compensation Committee and the Corporate Governance Committee each receive an additional retainer of US\$5,000 per annum. In addition to the annual retainer, each Outside Director receives US\$1,000 for each meeting attended in person. Each Outside Director receives an additional US\$1,000 fee per trip if the director is required to travel "out of town" to attend one or more meetings in person on such trip. An Outside Director receives US\$1,000 for each meeting in which such director participates via telephone of more than 15 minutes in duration and US\$500 for each telephone meeting of less than 15 minutes in duration. As well, the Corporation pays the out-of-pocket expenses incurred by each director for every meeting attended.

Further, if an Outside Director, at the request of management or of the board, attends a meeting (other than a board meeting or a committee meeting) or performs services related to directors' responsibilities for the overall stewardship of the Corporation, he or she will be compensated based on the same rates for attending board or committee meetings as set out above.

Mr. Charles S. Jones has received no compensation other than the retainers referred to above and other than fees for attending board and committee meetings. He has declined other forms of compensation, including salary and any additional retainer for being Chairman customarily paid by the Corporation.

If an Outside Director is requested to perform other consulting and professional services, fees for such services are paid at a rate mutually agreed by the director and the Chairman provided that such fees do not exceed US\$50,000 in any fiscal year unless agreed to by the board of directors.

When an Outside Director is first elected, 40,000 options are granted to such director and one-quarter of such options vest on each of the date of the grant and on the first, second, and third anniversary of the date of grant. On the fourth anniversary of such initial grant an additional 40,000 options will be granted vesting in the same manner as the initial grant. Current Outside Directors will be granted such number of options as may be necessary so that on each anniversary of their initial grant of options, the current Outside Directors will have at least the same amount of vested options (i.e., 10,000) as any new Outside Director. If an Outside Director is appointed after an annual meeting of shareholders in any year, the vesting of such options will be pro-rated for that year.

On August 15, 2000, Mr. William G. Nelson was granted 40,000 options to purchase Common Shares at an exercise price of \$8.58. On September 25, 2000, each of Messrs. Thomas I. A. Allen, Paul D. Birch and Pierre MacDonald was granted 40,000 options to purchase Common Shares at an exercise price of \$9.32. All options referred to in this paragraph vest in four equal tranches beginning on the date of grant and on each of the three successive anniversaries of the grant and expire ten years after the grant. Mr. Jones declined the 40,000 options offered to him in September 2000.

DIRECTORS' AND OFFICERS' INSURANCE

The Corporation has purchased and maintains a policy of insurance for the benefit of the directors and officers of the Corporation. Such policy insures directors, officers and the Corporation (in circumstances where the Corporation indemnifies its directors and officers against certain liabilities incurred by directors or officers in their capacity as such). Directors and officers are indemnified by the Corporation except where such liability relates to the failure by a director or officer to act honestly, in good faith and with a view to the best interests of the Corporation.

An aggregate annual premium of US\$104,000 was paid by the Corporation for Directors' and Officers' Liability insurance for the period ending August 1, 2001. No part of this premium was paid by the directors or the officers of the Corporation. The aggregate insurance coverage under the policy is limited to US\$50 million and a deductible is not payable by any director or officer making a claim under the policy. A deductible of US\$250,000 per incident is payable by the Corporation with respect to any claim for which the Corporation's indemnification is required. This coverage is in addition to the Corporation's general third party liability risk insurance.