JOHN H. HARLAND COMPANY
CORPORATE GOVERNANCE PRINCIPLES AND PRACTICES

Revised August 2, 2005

A. THE ROLE OF THE BOARD OF DIRECTORS

1. Direct the Affairs of the Company for the Benefit of Shareholders

The Board believes that the primary responsibility of directors is to oversee the affairs of the Company for the benefit of shareholders.

The Board agrees that day-to-day management of the Company is the responsibility of management and that the role of the Board is to oversee management's performance of that function.

The responsibility of directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that obligation, directors are entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities with due care. Directors should review in advance any information and data that are distributed in writing to directors before meetings.

2. Long-Range Strategy Development

The Board believes that long-range strategic development should be based on (multi-year) financial goals and direction approved by the Board.

3. Review of Financial Goals and Performance

The Board approves the annual operating plan consistent with the goals and strategies at the start of the fiscal year and financial performance periodically during the year (actual and in comparison to plan). The Board also believes it is important to establish and evaluate longer-term objectives and not to overemphasize short-term performance.

4. Ethical Business Environment

The Board believes that the long-term success of the Company is dependent upon the maintenance of an ethical business environment that focuses on adherence to both the letter and the spirit of regulatory and legal mandates, as well as the Company's Code of Business Conduct and Ethics. The Board, the Governance Committee and the Audit Committee expect management to conduct operations in a manner supportive of the Board's view.

The Board and committee agendas and materials are established with legal and regulatory requirements in mind, including periodic reports by management on topics related to various ethical, regulatory and legal topics. In addition to putting such topics on the agenda for Board meetings, Board members may request additional material and presentation from internal and/or external counsel whenever they deem it necessary.

5. CEO Performance Evaluation

The Board believes that CEO performance should be evaluated annually related to his progress toward long-term goals and strategies as well as current year results as a regular part of any decision with respect to the CEO's compensation. The Board has delegated responsibility to the Governance Committee to manage the CEO evaluation process.

The Governance Committee will annually review and approve the Company's goals and objectives relevant to CEO compensation (including, as the Committee deems appropriate, consideration of the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies and the awards given to the CEO in past years), evaluate the CEO's performance in light of those goals and objectives and set the CEO's compensation level based on this evaluation.

The Board believes that evaluation of the CEO should be an objective process, based on both qualitative and quantitative factors, including performance of the business, accomplishment of long-term objectives, positioning of the Company for the future, development of management and leadership of the Company in the industry segments in which it competes.

6. Succession Planning

The Governance Committee reviews the abilities of the key senior management and their likely successors with the CEO, and discusses succession planning issues with the full Board in executive session. The outside directors should meet in executive session at least annually to discuss management succession issues.

7. Compensation of Other Executive Officers

The Board establishes the compensation and benefits programs for key executive officers, subject to shareholder approval, as required. The Board has delegated oversight of compensation and benefits plans to the Governance Committee, under policies and procedures approved by the Board which include regular reporting to the Board.

8. Classification of the Board

Under Georgia law, Harland maintains a classified Board. A classified Board provides both appropriate continuity on the Board and negotiating strength to achieve maximum value for all shareholders.

Harland's Board is divided into three classes, each roughly equal in size, for election to a three-year term. If a new Board member is not elected to a class directly by the shareholders at the annual meeting, he or she will serve until the next annual meeting, in accordance with the Bylaws, and then will be assigned by the Governance Committee to a class guided primarily by the need to balance the classes in size.

B. MEETINGS OF THE BOARD OF DIRECTORS

1. Selection of Chairman of the Board

The Chairman of the Board may be an officer/director or an outside director and may or may not be the same individual as the CEO, at the option of the Board. The Chairman of the Executive Committee will normally be the Lead Director or another outside director. The Board should be free to make these determinations depending on what it believes is best for the Company in light of existing circumstances.

2. Lead Director

In the event that the Chairman of the Board and the CEO are the same individual, the Board may formally appoint a Lead Director. The Lead Director will also assume the responsibilities of chairing any meeting or executive session of outside directors at which the Chairman and CEO is not in attendance, to lead the discussion of a particular matter. The Lead Director will also act as a conduit to bring ideas, feedback and direction to the CEO.

3. Frequency of Meetings

The Board believes that the number of scheduled Board meetings should vary with circumstances and that special meetings should be called as necessary. While the Board recognizes that directors discharge their duties in a variety of ways, including personal meetings and telephone contact with management and others regarding the business and affairs of the Company, the Board feels it is the responsibility of individual directors to make themselves available to attend both scheduled and special Board and committee meetings on a consistent basis. There will be a minimum of four Board meetings annually.

4. Executive Sessions of Outside Directors

The Board believes that outside directors should have the opportunity to meet in executive session during Board meetings. The Agenda for each Board meeting shall provide for an executive session. It is the policy of the Board for outside directors to meet in executive session in conjunction with each meeting of the Board. The Lead Director or non-executive Chairman of the Board will preside at these sessions, and his or her name will be disclosed in the annual proxy statement. Topics at this executive session include CEO compensation and performance, management succession and other topics determined by the Board and the CEO. Following each executive session, the results of deliberations and any recommendations should be communicated to the CEO and other management directors by the Lead Director or non-executive Chairman.

5. Access to Management

Board members have complete access to management. The Chairman of the Audit Committee has access to the Chief Financial Officer, the Chief Accounting Officer and the Internal Auditor. It is assumed that Board members will use judgment to ensure that contact is not distracting to the business operations of the Company and that such contact, if in writing, be copied to the CEO and the Chairman of the Board.

6. Attendance of Non-Directors at Meetings

The Board believes that the Chairman of the Board or CEO should have discretion to invite such members of management as the Chairman or CEO deems appropriate to attend the Board meetings, subject to the Board's right to request that such attendance be limited or discontinued.

The Board believes it is important for directors to have exposure to the Company's key senior officers and believes their limited attendance at and participation in Board meetings may be helpful.

7. Agendas and Presentations

The Board believes the Chairman of the Board and CEO (if the Chairman is not the CEO) should establish the agenda for each Board meeting, taking into account suggestions of Board members.

Board members are encouraged to suggest the inclusion of particular items on the agenda and the Chairman from time to time is expected to ask directors for their suggestions or opinions on possible agenda items.

As with the agenda, the Board believes that the Chairman and CEO (if not the Chairman) should determine the form of each presentation to the Board and the person to make such presentation. It is the policy of the Board that the President will give a presentation on the financial results of the Company and related issues at each Board meeting.

8. Information Flow

The Board should receive information important to understanding presentations, discussions and issues at each meeting, in writing and sufficiently in advance of the meeting when possible to permit appropriate review. Longer and more complex documents should contain executive summaries. The focus of materials should be on analysis rather than data.

The Board or Governance Committee periodically reviews the information flow to Board members to ensure that directors receive the right kind and amount of information from management in sufficient time to prepare for meetings. The Chairman has directed the Corporate Secretary to coordinate the information flow to the directors and to periodically discuss director satisfaction with Board materials with individual directors and encourage directors to offer suggestions on materials.

C. BOARD STRUCTURE

1. Outside Directors

Outside director means a director who is not a member of management and has not been a member of management for the past five years, has no close family or similar relationship with a member of key management and is not affiliated with a company or firm which has any material financial relationship with the Company, consistent with the guidelines set forth in Section 5 below. The Board believes that no more than two directors should be inside directors.

2. Size of the Board

The Board believes that the Board should not be too large, but understands that the size of the Board will fluctuate from time to time depending on circumstances. The Governance Committee has recommended, and the Board agrees, that the current optimum size for the Board is eight to ten directors. The principal reason for exceeding this size range would be to accommodate the addition of an outstanding director candidate.

3. Director Retirement Age and Term Limits

The Board has established a retirement policy for directors which it feels is appropriate for current circumstances. Under that policy, no director should be nominated for reelection after reaching age 70. The Governance Committee periodically reviews the retirement policy to ensure that it remains appropriate in light of the Company’s needs.

The Board believes that consistent quality in the directorship can be achieved effectively without term limits. Through the evaluation of the Governance Committee, incumbent directors and the strengths and weaknesses of the Board as a whole are reviewed at least annually.

4. Director Appointments and Qualifications

The Board believes that directors should be nominated for Board approval by the Governance Committee of the Board, which consists entirely of outside directors. The Board expects the Governance Committee to consider the views of the Chairman and the CEO (if the Chairman is not the CEO) in making appointments, but it is the Governance Committee’s responsibility to make director recommendations to the full Board for appointments to fill vacancies of any unexpired term on the Board and to recommend nominees for submission to shareholders for approval at the time of the Annual Meeting. It is the joint responsibility of the Governance Committee and the Chairman to extend the offer to a new director candidate to serve on the Board.

The Company believes that candidates for election to the Board should show evidence of leadership in their particular field, have broad experience and the ability to exercise sound business judgment, possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the shareowners. Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on the board for an extended period of time. The Board expects that directors who change their primary job responsibilities, including through retirement, should offer in writing to resign from the Board. Whether the resignation is accepted or rejected is a matter for consideration by the Governance Committee and the CEO.

5. Director Independence

A majority of the directors will be independent directors under the New York Stock Exchange (NYSE) rules, and the Board’s composition will comply with the Sarbanes-Oxley Act of 2002 and the rules and regulations of the Securities and Exchange Commission.

In general, all future non-employee directors will be independent. Directors who do not meet the NYSE's independence standards can be retained provided they are able to make valuable contributions to the Board and to the Company by reason of their experience and wisdom. To be considered independent under the NYSE rules, the Board must determine that a director does not have any direct or indirect material relationship with the Company. The Board has established the following guidelines to assist it in determining director independence in accordance with the NYSE rules:

a. A director will not be independent if, within the preceding three years: (i) the director is or was employed by the Company; (ii) an immediate family member is or was an executive officer of the Company; or (iii) the director or an immediate family member received more than $100,000 in direct compensation from the Company in any twelve-month period, other than director and committee fees and any form of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

b. If (i) a director or an immediate family member is a current partner of a firm that is the Company's internal or external auditor; (ii) the director is a current employee of such a firm; (iii) the director has an immediate family member who is a current employee of such a firm and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice; or (iv) the director or an immediate family member was in the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company's audit within that time, then the director will not be independent until three years after the end of the affiliation of the employment or auditing relationship of the director or the immediate family member. If a director or an immediate family member was employed as an executive officer of a company that includes or within the last three years has included any present Company executive on its compensation committee, then the director will not be independent until three years after the end of such service or the employment relationship.

c. The following commercial or charitable relationships will not be considered to be material relationships that would impair a director's independence: (i) the director is employed by, or an immediate family member is an executive officer of, a company that makes payments to, or receives payments from, the Company for property or services in an amount which, for each of the last three fiscal years, is less than the greater of $1,000,000 or 2% of such other company's consolidated gross revenues; or (ii) the director serves as an officer, director or trustee of a charitable organization and the Company's annual contributions to that organization are less than $100,000. The Board will annually review the commercial and charitable relationships of directors relating to the Company. Whether directors meet these independence standards will be reviewed and made public annually prior to their standing for reelection to the Board.

d. For relationships not covered by, or outside of, the guidelines in subsections (a), (b) and (c) above, the determination of whether the relationship is material shall be made by the directors who satisfy the independence guidelines set forth in such paragraphs, other than the director in question. The Company would explain in the next proxy statement the basis for any board determination that a relationship was immaterial. The Company will not make any personal loans or extensions of credit to directors or executive officers. No director or family member may provide personal services for compensation to the company.

In addition to the requirement that a majority of the Board satisfy the independence standards discussed in this, members of the Audit Committee must also satisfy an additional NYSE independence requirement which is also prescribed by Rule 10A-3 under the Securities Exchange

Act of 1934. Specifically, they may not be an affiliated person of the Company and may not directly or indirectly receive any compensation from the company other than their directors' compensation. In addition, no payments (other than normal Board compensation) shall be made to any director without the approval of the Governance Committee.

In the event that any director becomes aware of any potential conflict of interest involving any director or nominee for election as director which conflicts with the independence guidelines set forth above, it shall be the responsibility of that director to report such conflict to the CEO of the Company.

6. Director Orientation

In order to promote director effectiveness management is responsible for an orientation process for new concerning the Company, its operation and the policies and procedures of the Board, which may include meeting with key members of management and visits to Company offices and facilities.

7. Director, Board and Committee Evaluations

The Board believes that the Governance Committee should review the performance of incumbent directors prior to their re-election. The Board expects the Governance Committee to recommend appropriate action to effect changes in incumbent directors if, in the opinion of the Governance Committee after discussion with the Chairman of the Board and CEO (if the Chairman is not the CEO), any director is not contributing to the work of the Board.

The Board also believes that the Governance Committee should periodically review the Board's performance and effectiveness as a body, including its corporate governance policies and practices, and that a similar review should be undertaken with respect to each of the Board's committees. The assessment of the Board and each committee should address the body's contribution as a whole and specifically review areas in which the Board or management believes a better contribution could be made. This assessment should also include issues of diversity, age and skills, all in the context of an assessment of the perceived needs of the Board or the relevant committee at that point in time. The Governance Committee will coordinate these assessments, which may consist of surveys and self-evaluations, and report to the Board the results of its analysis and any recommendations following each such review. The Governance Committee shall coordinate such reviews at least annually.

8. Director Compensation and Share Ownership

The Board believes that the level of director compensation generally should be competitive with that paid to directors of other corporations of similar size and complexity. The CEO will report annually to the Governance Committee on the competitive status of Board compensation. The Governance Committee is responsible for making recommendations to the full Board, which approves director compensation and benefits programs.

The Board also believes that director compensation should be tied, in part, to corporate performance. The Board has adopted a policy of paying the annual retainer to outside directors solely in shares of Common Stock of the Company, and has implemented a director share ownership program under which outside directors are expected to acquire ownership of Common Stock in an aggregate amount equal to five times the annual retainer over a period of five years. The Board believes that directors should have a financial stake in the Company.

9. Service of Former Company CEO on the Board

When the CEO resigns or retires from the Company, he will also resign from the Board, effective as of the date of resignation or retirement as CEO.

D. COMMITTEES OF THE BOARD

1. Number and Types of Committees

The Board believes that committees should be created and disbanded depending on the particular interests of the Board, issues facing the Company and legal requirements. The current "standing" committees of the Board (that is, committees expected to operate over an extended period) are the Audit Committee, the Executive Committee and the Governance Committee. The Governance Committee is responsible for the responsibilities normally undertaken by a compensation committee and nominating committee. The Governance Committee is also responsible for making recommendations to the full Board on the committee structure, but directors are free to make suggestions regarding committees at any time and are encouraged to do so. The Board also expects that the committee structure would be one of the matters considered by the Governance Committee from time to time as part of its review of overall Board effectiveness.

2. Assignment and Rotation of Committee Members

The Board believes that the Governance Committee should recommend committee appointments for approval of the full Board. The Board expects that assignments would be made within the following guidelines: assignments may be rotated periodically, though not necessarily within any specified time frame; the Audit Committee and the Governance Committees should be comprised solely of outside directors; and committee assignments must comply with any applicable stock exchange qualifications.

3. Frequency of Committee Meetings

It is the responsibility of committee chairs, in consultation with committee members, to determine the frequency and length of committee meetings.

4. Committee Agendas

Committee chairs, in consultation with appropriate members of management and committee members, should determine committee agendas.

5. Committee Reports

Reports of committee meetings are submitted to the full Board following each committee meeting. Committee chairs are offered the opportunity to comment on committee activities at each Board meeting.

E. OTHER CORPORATE GOVERNANCE ISSUES

1. Rights Plans

The Board believes that rights plans, or “poison pills” as they are sometimes called, have proven effective in increasing shareholder value in many circumstances.

The Company adopted a rights plan in 1998, which plan expires in 2009.

2. Communications with the Public

The CEO is responsible for establishing effective communications with the Company’s stakeholder groups, including shareholders, customers, employees, communities, suppliers, creditors, governments and corporate partners. It is the policy of the Company that management speaks for the Company, and the Chairman of the Board speaks for the Board. This policy does not preclude outside directors from meeting with shareholders, but it is suggested that any such meetings be with management present.

3. Periodic Review

These principles shall be reviewed by the Governance Committee from time to time (not less than annually).