

# **IAG New Zealand submission**

to the

## **Ministry of Business, Innovation and Employment**

on the

### **Discussion Document: Publication of Directors' Residential Addresses on the Companies Register**

3 August 2018

# 1. Introduction

- 1.1 This submission is a response by IAG New Zealand Ltd (IAG) to the Ministry of Business, Innovation and Employment (MBIE) on the Discussion Document: Publication of Directors' Residential Addresses on the Companies Register (the Document).
- 1.2 We take our responsibility for looking after the wellbeing of our people, including our Directors, very seriously. This goes beyond our obligations under health and safety legislation. We do have concerns about the physical safety of our people and welcome this opportunity to comment on the Document
- 1.3 IAG is New Zealand's leading general insurer. We insure more than 1.8 million New Zealanders and protect over \$650 billion of commercial and domestic assets across New Zealand. We receive more than 650,000 claims a year and pay \$1.365b in settling them.
- 1.4 We would welcome the opportunity to continue discussing these topics with the review team, including providing further information on our concerns.
- 1.5 IAG's contact for matters relating to this submission are:

**Bryce Davies**, General Manager Corporate Relations

T: 09 969 6901

E: [bryce.davies@iag.co.nz](mailto:bryce.davies@iag.co.nz)

## 2. Publishing directors' residential addresses

- 2.1 The Document proposes two options for the publication of directors' residential address:
- Option 1: allow directors with specific safety or security concerns to have an address for service published in lieu of their residential address
  - Option 2: allow all directors to have an address for service published in lieu of their residential address (preferred).
- 2.2 IAG strongly supports Option 2.

### Our thinking

- 2.3 We agree that the use of an address for service does not diminish the integrity of the register and maintains openness and trust. Therefore, the absence of a published residential address is immaterial.
- 2.4 Also, the Document does not give detail on how the Registrar would assess and approve evidence, and implies that some security and safety concerns, potential or realised, may not meet the threshold to allow the use of an address for service. Only Option two provides a sufficient guarantee that director security and safety can be maintained.

### 3. Access to directors' residential addresses

- 3.1 We agree that the register should continue to collect directors' residential addresses and that these should be linked to their Director Information Number (DIN). This will improve the accuracy of information on and the integrity of the register.

#### Access by interested parties

- 3.2 We agree that some interested parties should be able to access a directors' residential addresses, but only under certain strict conditions. If access is too easy it would undermine the purpose of withholding publication.

- 3.3 We think that only individuals with a direct commercial interest in the company should have access to a director's residential address, being:

- Shareholders
- Insolvency practitioners
- Creditors
- Legal professionals

- 3.4 We do not think access should be provided to journalists.

- 3.5 We recommend that the Registrar only release a director's residential address if:

- The Director has not responded to the interested party within two weeks of correspondence being delivered to his / her address for service or the Company Secretary; and
- Both the Director and Company Secretary have not responded to the Registrar within two weeks of being advised by the Registrar of a request to release his / her residential address; and
- The Director cannot give the Registrar a good reason why his / her residential address should not be released. Reasons for withholding release of the Director's residential address should include, but not be limited to:
  - Risk to the personal safety and security of the Director and or his / her family
  - Risk of harassment up to and include the existence of a restraining order that is in force under the Harassment Act
  - Risk of domestic violence up to and including the existence of a protection order that is in force under the Domestic Violence Act

## Access by government departments and agencies

- 3.6 We agree that government departments and agencies should have automatic access to directors' residential addresses, but only for enforcing the law.

## 4. Historic documents attached to a company's record

- 4.1 The Document proposes two options for approaches to the historic information found in the documents attached to a company's record:
- Option 1: directors with specific safety or security concerns may apply to have their details suppressed from historic records for a fee (preferred)
  - Option 2: All directors may apply to have their residential address suppressed from historic document.
- 4.2 IAG strongly supports Option 2.

### Our thinking

- 4.3 We think that it is inconsistent and illogical to, on one hand, allow all directors to keep their privacy by publishing an address for service (preferred Option above) and then on the other lose their privacy by limiting their ability to remove their residential address from historical records.
- 4.4 It makes much more sense to have a consistent approach and allow directors that wish to remove their residential address from the public realm to do so for future and historical records.
- 4.5 Furthermore, we think that limiting redaction of residential addresses to documents that are fewer than five years old, creates the same mismatch. Redaction should apply to all documents with the director's current residential address.
- 4.6 Where a Director can prove safety or security concerns, the Registrar should pay to have the directors residential address redacted from relevant historical records. Outside of this it is reasonable that directors pay to have this done. In all instances it is also reasonable that the director identifies all of the records to be redacted.