

31 July 2018

Submission on discussion document: *Publication of Directors' Residential Addresses on the Companies Register*

Your name and organisation

Name	Michael Midgley
Organisation	New Zealand Shareholders Association

Please select if your submission contains confidential information:

I would like my submission (or specified parts of my submission) to be kept confidential, and attach my reasons for this for consideration by MBIE.

Responses to discussion document questions

1	Do you have any comments of our assessment of the options for approaching directors' residential addresses on the Companies Register?
	We agree with the assessment.
2	What is your preferred option?
	We prefer Option 2 for the reasons stated in the discussion document.
3	Are there interested parties who may have a legitimate reason to need to access directors' residential addresses? If so, who?
	If a DIN was introduced, we don't see any legitimate reason for interested parties to access a director's residential address. The DIN process would ensure the director's details were legitimate and allow parties to establish the companies of which a person was a director. At present this is very difficult to ascertain, and the reasons for knowing this information are canvassed in the discussion document. We made submissions on this matter in October 2017.
4	Is there a public interest in directors' residential addresses being provided to third parties such as journalists?
	An address for service would allow third parties to contact a director.
5	Under what circumstances should directors' residential addresses be released to an interested party?
	We can see no legitimate reason why a residential address should be released to an interested party.

6 Do you agree that government departments and agencies should have automatic access to directors' residential addresses?

Yes. It is not unreasonable for them to have access and this is the norm in many circumstances.

7 Should this access be limited to the enforcement of law or are there other situations where it may be appropriate for government departments and agencies to have access to directors' residential addresses?

Access should be available within the confines of the current legislation. If access was to be extended this should be the subject of a law change with all the usual provisions that apply.

8 Are there other factors which you think should be included in considering approaches to directors' residential addresses in historic documents?

We don't see any other factors that need to be considered.

9 Do you agree with our preferred approach to historic documents on the companies register?

We agree with the preferred approach. This provides a balance for the costs involved and allows directors who believe they may be vulnerable to have their information redacted from historical documents.

10 Have you encountered situations where you consider that members of the public have abused this provision? If so, please provide details.

We are aware of a pile of animal manure being dumped on a drive. Anecdotally we have been told of threatening letters and offensive material being placed in directors' home letterboxes.

11 Do you agree that shareholders' residential addresses should be treated the same way as directors' residential addresses (ie replaced with an address for service)?

Only to the extent that directors who are also shareholders should be able to provide an address for service provided the DIN was introduced.

12 Are there circumstances where third parties might have a legitimate interest in the residential address of a shareholder?

Yes. If a shareholder wishes to gain support for a legitimate resolution or to petition the company on a legitimate matter it is important that they can get access to the share registry to contact the shareholders. Restricting such access could have a chilling effect on allowing shareholders to work together to bring about legitimate change to the company and allow the directors to continue behaving in a manner that is contrary to the principles of good governance and the shareholder best interests. For most people, their home address is the most appropriate place to send letters. This is currently the only way shareholders can be contacted by third parties as the company is not permitted to release other information such as email addresses.

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Do you think any changes need to be made to the residential address requirements for officers of other types of entities?

We would prefer a consistent approach across different types of entities adopting the same principles in the same circumstances.

Other comments