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Manager  
Markets Group  
Consumer and Corporations Policy Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

Email: [regmod@treasury.gov.au](mailto:regmod@treasury.gov.au)

Dear Sir/Madam

### **Modernising Business Registers Program**

Governance Institute of Australia (Governance Institute) is the only independent professional association with a sole focus on whole-of-organisation governance. Our education, support and networking opportunities for directors, company secretaries, governance professionals and risk managers are unrivalled.

Our members have primary responsibility for developing and implementing governance and risk frameworks in public listed, unlisted and private companies. They are frequently those with primary responsibility for dealing and communicating with ASIC and interacting with business registries. Our members have a thorough working knowledge of the *Corporations Act 2001* (the Corporations Act). We have drawn on their experience in our submission.

Governance Institute is a member of the ASIC Business Advisory Committee.

Governance Institute provided a submission in response to the Modernising Business Registry Services Discussion Paper on 15 September 2017 and participated in the Modernising Business Registers Roundtable Consultation on 4 July 2018. Governance Institute is a member of the Director Identification Number Reference Group.

Governance Institute welcomes the opportunity to comment on the *Modernising Business Registers Program Consultation Paper* (Consultation Paper).

Governance Institute supports the objectives of the Modernising Business Register program particularly the Government's commitment to improving service delivery to, and reducing complexity for, business. We support reforms which improve the user experience, simplify the way clients interact with Government registers and streamline internal processes. Business registers are an important part of Australia's business infrastructure yet our members report significant inefficiencies and costs for users. Some of the issues our members experience on a daily basis as part of their interaction, which need to be addressed as part of the reform, include:

- A lack of interaction between registers so that a minor change in details requires lodgement of multiple forms
- A lack of integration between the ACNC and ASIC registers
- An inconsistent approach to payment options across forms and registries
- A confusing system of forms and deadlines which increases the likelihood of late fees

- An inflexible and bureaucratic approach to late fees and significant red tape in late fee waiver applications
- Inflexible and out-dated methods for payment
- An inability for companies to interrogate their own information on the register which makes searching for information very difficult.

Governance Institute has long advocated for the introduction of a Director Identification Number in order to address information confidentiality and security concerns of directors and company secretaries concerning publication of personal data. We commend the Government for implementing the DIN and support the extension of the DIN regime to company secretaries.

### **Key recommendations**

Governance Institute makes the following recommendations in response to the consultation paper:

#### **Operation of registers**

- provisions dealing with the detail of the operation of the registers be included in regulations. This allows the Government to respond more quickly to changes in technology which impact on how users interact with the registers
- the Registrar be provided with maximum flexibility to carry out registry functions. By way of example, the relevant Registrar needs the discretion to introduce new forms as the need arises and introduce new ways in which information is notified to the registry
- the time periods for lodgement of documents and notification of information be reviewed to ensure consistency of lodgement time periods
- users to be able to lodge all documents electronically and receive immediate verification of lodgement
- changes to details be notified to the registry once, which would then flow through to each affected company.
- improvements made to the linkages between the ASIC and ACNC registers
- the search functions within the registers be upgraded to enable users to search across the data bases in a more efficient and effective way
- the ASIC call centre be retained in order to provide assistance to users

#### **Payments**

- payment options for all registry items (including late fees) be consistent and expanded to include B-Pay, Post bill pay, EFT and credit card (including AMEX) and that flexibility be retained to enable new payment options as they are developed
- standard payment options be used across Commonwealth and State registries
- registry payment processes be streamlined and simplified to make it easier for companies to pay for lodgements and allocate monies to companies within a corporate group

#### **Late fees**

- simplification of the late fee regime
- review of the late fee waiver rules to give the Registrar more flexibility and discretion

#### **Access to registers**

- a company secretary be able to access all of their company records using the one login or identifier
- a company be able to access all of its registry data at no charge. This access should be extended to the data of the company group
- state registries be given free access to information contained on Commonwealth registers and the Government re-use data it already holds to facilitate verification and eliminate the need for users to input information multiple times

**Operation of DIN**

- the Government adopt a method of verification of proof of identity for a DIN which is consistent to that used across all government agencies
- a company secretary be considered an authorised agent for the purpose of applying for a DIN on a behalf of other officeholders
- officeholders be able to authorise an agent such as the company secretary to access their DIN in order to update their personal details on their behalf and that the company be provided with a notification of changes to the DIN register concerning its directors and company secretary
- the details of an officeholder's date and place of birth and their address should not be made publicly available and should only be available to regulators
- the public register display the officeholder name, DIN and service address.

We provide more detailed comment on the questions in the consultation paper in the attachment.

Governance Institute welcomes further contact during the consultation process and the opportunity to be involved in further deliberations.

Yours sincerely,



Steven Burrell  
Chief Executive

## Attachment

### Question 1 What flexibility would you like to see introduced into the relevant legislation?

Australia's business registers were developed prior to the shift to the digital world. Governance Institute considers that for Australia's business registers to be fit for purpose in the 21<sup>st</sup> century, the underlying legislation needs to both embrace technology and be technology-neutral. That is, it needs to provide for the use of technology without specifying any particular type. This will allow for innovation as technology evolves, without the need for amendments to the underlying legislation.

**Governance Institute recommends** that provisions dealing with the detail of the operation of the registers be included in regulations. This will allow the Government to respond more quickly to changes in technology which impact on how users interact with the registers.

**We also recommend** that the legislation provides the Registrar with maximum flexibility to carry out registry functions. For example, legislation must be sufficiently flexible to allow ASIC to introduce new forms as and when required without the need to amend the Act. **Governance Institute recommends** that the relevant Registrar be granted the discretion to introduce new forms as the need arises and introduce new ways in which information is notified to the registry.

Governance Institute appreciates that the imposition of late fees acts as an incentive for companies to lodge the necessary forms in a timely manner and assists with maintaining the accuracy and integrity of the register. However, our members experience frustration with the current late fee system and the way that late fees are processed. An example of one of the problems our members experience with the charging of late fees is their experiences with managed investment schemes. When a fee is outstanding and the entity responsible for payment is a manager of a registered managed investment scheme, payment of a late fee is applied against the latest outstanding fee rather than the fee which is owing. The ASIC system is unable to directly match fees in situations where multiple fees are outstanding.

As part of the review of late fees, **Governance Institute recommends** that the Government review the time periods for lodgement of documents and notification of information to ensure consistency of lodgement time periods. The current inconsistencies are confusing and a lodgement date can be easily missed as a result. This causes companies to incur late fees which creates red tape when companies are forced to apply for a late fee waiver. Applying for a waiver of late fees is a bureaucratic and time consuming process. ASIC has limited flexibility in how it deals with waiver applications. Our members have experienced situations where a late fee has been applied incorrectly but they still have to formally apply for a late fee waiver as ASIC has been unable to remedy the error in any other way.

An example of inconsistency of lodgement time periods which creates issues for the users of the ASIC register is section 254Y (1) of the Corporations Act (notice to ASIC of share cancellation).

Section 254 Y(1) of the Corporations Act provides:

Within 1 month after shares are cancelled, the company must lodge with ASIC a notice in the prescribed form that sets out:

- (a) the number of shares cancelled; and
- (b) any amount paid by the company (in cash or otherwise) on the cancellation of the shares; and
- (c) if the shares are cancelled following a share buy-back—the amount paid by the company (in cash or otherwise) on the buy-back; and
- (d) if the company has different classes of shares—the class to which each cancelled share belonged.

Note: Provisions under which shares are cancelled include section 254J (redeemable preference shares), section 256B (capital reductions), subsection 257H(3) (shares a company has bought back), section 258D (forfeited shares), and subsections 258E(2) and (3) (shares returned to a company).

Share cancellations are notified to ASIC by lodging ASIC Form 484. ASIC Form 484 provides that notification of share cancellations must be received by ASIC within 28 days of the change occurring. On its face, this inconsistency may seem trivial. In practice it has caused our members significant inconvenience as late lodgement fees become payable if the Form 484 is lodged after 28 days (even when lodgement occurs within one month as is provided for in the Corporations Act.)

Section 254Y(1) is an outlier; other changes which are required to be notified to ASIC via Form 484 have a notification deadline of 28 days. ASIC's response to this issue has been to advise those affected to request a late fee waiver in accordance with section 1359 of the Corporations Act. As noted above, applying for a late fee waiver is time consuming, creates more paperwork and does not address the underlying inconsistency. Our members report that they have now adopted the practice of lodging a Form 484 notification of share cancellation within the 28 day period to ensure that they do not incur late fees, rather than lodge within the one month period and apply for a late fee waiver.

**Governance Institute recommends** that the Government review the regulations dealing with the imposition of late fees and the time periods for lodging forms with ASIC.

**Governance recommends** that the Government simplify the late fee regime and have a consistent approach to how late fees are calculated. **We recommend** that, where appropriate, a late fee be a consistent multiple of the original fee.

**Governance Institute recommends** that the Government review the late fee waiver rules and give the Registrar more flexibility and discretion as regards late fee waivers.

#### **Question 4 What interactions with the Registers should be considered to improve the quality of the registry data?**

Governance Institute commends ASIC for issuing its recent instrument facilitating the electronic lodgement of documents that have historically been provided to ASIC in hard copy. We consider this to be a move in the right direction. The ability to lodge documents electronically greatly assists users to comply with the law in a cost and time efficient way.

**Governance Institute recommends** that all documents be able to be lodged electronically with users to receive immediate verification of lodgement. This will improve users' experience of the register and facilitate timely and accurate data.

Users currently struggle with the limited payment options available for ASIC fees. The limited options often force users to pay ASIC fees by way of a payment option which is inconvenient for them. In some instances, companies are forced to pay fees by cheque, which for companies that no longer maintain a cheque book, involves ordering a bank cheque.

Our members also report that there is inconsistency in payment options amongst the states with some state agencies allowing payment by credit card, but others not.

**Governance Institute recommends** that the payment options for all registry items be consistent and expanded to include B-Pay, Post bill pay, EFT and credit card (including AMEX) and that flexibility be retained to enable new payment options as they are developed. The improved payment options should also be extended to the payment of late fees.

**Governance Institute also recommends** that the Government encourage standard payment options across the Commonwealth and State registries.

Our members currently report that they experience numerous issues with ASIC's internal processes when lodging documents.

For example, absent the paper form RA 05, a corporate group is unable to pay a single annual review fee for all of the companies in the group. A separate payment has to be made for each individual company in the group. If the company provides a cheque which covers the fees for all companies in the group, ASIC applies the funds towards the fee for the parent company only and refuses to credit the accounts of the subsidiary companies. The company then has to apply for a refund for the balance of the funds and pay the fee for each individual subsidiary separately. As it takes a long time for the overpayment to be refunded, late fees are incurred for the late payment of the fee for the subsidiaries.

In addition, our members experience problems with ASIC's individual reference codes. For example, one of our members sent a cheque to ASIC and inadvertently used the incorrect reference code. Once the mistake was discovered, the company experienced considerable difficulty in obtaining a refund and, as outlined in the above paragraph, due to ASIC's inflexible internal processes, there was no ability to apply the funds to the correct account.

**Governance Institute recommends** that the Government streamline and simplify registry payment processes to make it easier for companies to pay for lodgements and allocate monies to companies within a corporate group.

An issue which our members face on a daily basis when dealing with Business Registers is the requirement to repeatedly provide information which is already held by that register or another registry. This is costly, time consuming and frustrating. This occurs frequently when dealing with different state registries. By way of example, the registry of the Queensland Department of State Development, Manufacturing, Infrastructure and Planning requires users to provide verification of their ABN. Why should a company with an ABN have to verify this information for another registry?

The registers administered by ASIC do not 'speak to each other' which results in companies being required to notify the registry of the same change multiple times. By way of example:

- if a director resigns from every company in a large corporate group, the company secretary has to lodge a notification of resignation for each individual company
- if a company changes its address, and it is also a member of other companies in a company group, the company secretary has to lodge a notification of that change of address for each company of which it is a member
- a company which holds an AFSL, an ACL and a business name, which ceases to use that business name, will need to notify the cessation of business name to the ASIC company registry, the AFSL registry and the ACL registry.

**Governance Institute recommends** that a more efficient method of dealing with this issue would be to enable one notification to the registry which would then flow through to each affected company.

**We also recommend** that state registries be given free access to information contained on Commonwealth registers and the Government re-use data it already holds to facilitate verification and eliminate the need for users to input information multiple times.

Governance Institute understands that a company secretary is currently unable to use the same login details for all companies in a corporate group unless they are a registered agent with ASIC. Clearly, it is a time consuming and frustrating task for a company secretary administering

a large corporate group containing many companies to login and logout of each company record.

**Governance Institute recommends** that the registry process be simplified to enable a company secretary to access all company records using the one login or identifier.

Governance Institute acknowledges the important assistance which is provided by the existing ASIC call centre. Our members report that there are many times when they need to talk to someone at ASIC about a particular issue. We would be very concerned about any attempt to close the ASIC call centre or replace it with a generic help line. Our members also highlight the importance of ASIC call centre staff being properly trained in order to be able to answer users' questions.

**Governance Institute recommends** that the ASIC call centre be retained in order to provide assistance to users.

### **Question 5 What interactions should be considered to ensure the registry data remains up to date?**

Our members consider that current methods of interacting with ASIC registries are cumbersome and time consuming and not conducive to encouraging companies to maintain current and accurate registry data. Any interaction method adopted by Government must be easy to understand, simple to access, efficient and assist users to comply with their registry obligations.

Governance Institute is of the view that the most effective way of maintaining the accuracy of company records is to enable the company to freely access its own data. Currently, the company can only obtain an extract at no charge. If there is an error on the register and a company needs to access historical forms to correct it, the company has to pay for each document which it orders. In our members' experience, this can become a very costly exercise. We consider that charging a company for its own data runs counter to the aim of the MBR Project to improve the quality, trustworthiness and accessibility of business data.

**Governance Institute recommends** that in order to ensure registry data remains up to date, a company be able to access all of its registry data at no charge. This access should be extended to the data of the company group.

We consider that a company must be able to easily access its register details, authorise third parties to update and manage the register on its behalf and receive notifications from the register when details have been changed and reminders of when documents are required to be lodged.

In designing an interactive system, Governance Institute suggests that the Government consider the 'Manage ABN Connections' facility used by the ATO which our members report works well. The facility provides administrator access, allows the company to authorise third parties and importantly, allows for notifications. Extending this interaction to all business registers so that a company is issued with a notification of changes made to their details on the register and reminders of when lodgements are due, will significantly improve the user experience and bring the Business Registers into line with the ASX notification system which provides an ASX listed entity with a notification each time a document relating to it is lodged

We note that at the MBR Project roundtable consultation which Governance Institute attended on 4 July 2018, we were advised that it was not envisaged by Government that this project would extend to the ACNC register. We refer to our submission to Treasury dated 15 September 2017 on the Modernising Business Registry Services Discussion Paper. In that submission we highlighted the practical difficulties experienced by our members and other users of the ACNC register which are caused by a lack of integration between the ASIC and ACNC

registers. Our members report, that to 'workaround' this problem, some large charities have reverted to the practice of updating director and secretary details on the ASIC register in addition to the ACNC register. This requires the charities in question to pay ASIC lodgement fees, and, in instances where director and secretary details are out of date, fees for late lodgement. This sector should be included in initiatives designed to reduce complexity for business in managing their legal and regulatory obligations and bringing together registry services, particularly given that in the vast majority of cases charities are time and resource poor.

**Governance Institute recommends** that the Government reconsider its position on the issue of the ACNC register and improve the linkages between the ASIC and ACNC registers.

**Question 6 How do you consider registration, annual review and renewal processes could be improved?**

Many of the issues discussed in answer to questions four and five of the Consultation Paper are equally relevant to improving registration, annual review and renewal processes.

As noted earlier, our members experience considerable difficulties when dealing with ASIC registries which are compounded when dealing with large company groups. The process of annual review is a good examples of this. Company groups which have aligned their annual review dates experience problems when they attempt to pay the lodgement fee. Currently, absent Form RA 05, a company cannot make a bulk payment which covers the lodgement fee for all companies in the group so that payment for each group company must be made separately. For example, if a parent company has nine subsidiaries, the company secretary will need to arrange ten separate payments.

**Question 7 How do you consider search functions within the Registers could be improved?**

Our members report that the ASIC registers are currently difficult to search as there is no ability to interrogate the information contained on the register.

**Governance Institute recommends** that the search functions within the registers be upgraded to enable users to search across the data bases in a more efficient and effective way. One way this could be achieved would be by expanding the number of fields that can be searched against, for example, by enabling users to search by director name, company name, ACN, business name, DIN etc. We also recommend an advanced search function allowing users to search against two or more fields at a time.

**Question 11 What level of identity verification should be required to obtain a DIN? Is it appropriate to use a digital identity to verify the identity of the company director? If not digital, what other identity verification means should be used and why?**

Governance Institute supports the following recommendations:

- that section 117 of the Corporations Act be amended to require that, at the time of company registration, directors and company secretaries provide a DIN
- in order to obtain a DIN, individuals should be required to provide 100 points of identity
- Officeholders of existing companies should be required to obtain a DIN. The DIN should then be provided to AISC at the annual review date for the company, as a change to company details
- ASIC should be empowered under section 205E of the Corporations Act to ask a person who is a director or company secretary to provide their DIN.

Governance Institute encourages the Government to adopt a method of verification of proof of identity which is consistent to that used across all government agencies.



**Question 12 Ensuring that all directors consent to their role as a company director will be an important part of forming a company and maintaining its registration. What is the most appropriate and efficient manner of gaining a director's consent before issuing a DIN?**

Governance Institute does not consider that there is a need to change the law in relation to obtaining director consent or to make it a precondition to issuing a DIN. The law already provides an appropriate and efficient way of ensuring that all directors consent to act as a company director. Under the Corporations Act, a company must obtain a signed consent to act from a proposed director before they are appointed to the role and must keep the consent in its records (s 201D). A company breaches the Corporations Act if it fails to do so. It is a strict liability offence. Linking the provision of consent with the issue of a DIN is therefore not necessary as sufficient penalty results if the company does not obtain consent. Linking the processes of obtaining a DIN with the provision of consent will also pose practical difficulties after the DIN regime is introduced. Many proposed directors will already have a DIN as they are currently existing directors of other companies. They will not need to apply for a DIN as a precondition to appointment to a new board. They will however, be required to provide consent to their appointment in accordance with section 201D.

While organisations which are not regulated by the Corporations Act may not be statutorily required to obtain a consent to act from a director before their appointment, Governance Institute considers that it is good governance for all organisations to require incoming directors to provide them with a completed consent to act form prior to the director's appointment containing not only the director's signed consent but their personal details. The consent to act can notify the director of their statutory obligation to let the company know of any change in their personal details within seven days of that change occurring. It is good governance for the process of obtaining a consent to act from an incoming director to be part of a director induction process.

For more information on the process of obtaining a director consent as part of a company's governance framework we refer to our *Good Governance Guide: Appointment of a director* which is available to our members on our website. Please let us know if you would like a copy.

**Governance Institute recommends** that no change be made to the existing provisions concerning the gaining of a director consent prior to their appointment.

**Question 13 Should the law allow authorised agents to apply for a DIN on behalf of their client? If so, how does this fit in the consent framework?**

Governance Institute considers that the law should allow authorised agents to apply for a DIN on behalf of a director or company secretary. We also **recommend** that a company secretary be considered an authorised agent for the purpose of applying for a DIN on a behalf of other officeholders. This will improve the efficiency of the DIN system, particularly for those who are already officeholders and who will be required to apply for a DIN. We note that under section 205C (2) of the Corporations Act a director or company secretary must give the company details of any change in personal information within 7 days of such change. It will facilitate the timely update of the register, if changes made to personal details on the DIN register are notified to the company. This will act as a reminder to the company to check that officeholders have provided it with updated information to enable it to comply with section 205B (4).

**Governance Institute recommends** that officeholders be able to authorise an agent such as the company secretary to access their DIN in order to update their personal details on their behalf and that the company be provided with a notification of changes to the DIN register concerning its directors and company secretary. As a safeguard, we **recommend** that notification be sent to the relevant officeholder that a DIN has been applied for on their behalf.

As stated in our answer to question 12, Governance Institute does not consider that there is any reason to change the current framework surrounding obtaining a director's consent to act. Failure to obtain a signed consent to act as a director before their appointment and to keep that consent in the company records is a strict liability offence. We do not consider that there is any reason to link the process of obtaining a DIN with the obligation on a company to obtain a director's consent.

**Question 14 What DIN related data should be made publicly and privately available (that is, only available to regulators)? Does the provision of a DIN remove the need to make director and other company officer address data publicly available? What privacy and security concerns are there around the public availability of the DIN?**

Governance Institute has long advocated for the introduction of a DIN in response to our concerns about the publication of personal data and information confidentiality and security. Our members have repeatedly raised concerns with both Treasury and ASIC – refer to our Submission to Treasury, *Public display of personal information of officeholders*, 6 January 2015 and Submission to ASIC, *Potential risk of identity theft for directors and officers in relation to information about them on ASIC's register of officeholders*, 23 July 2014 - about the risks posed to directors and officers as a result of information that can be readily used for identity theft or for assaults on personal security.

Governance Institute strongly supports the requirement that officeholders provide personal information to the regulator. This information allows the regulator to take action should the officeholder be in breach of their duties.

However, the advent of technology on a global scale has fundamentally altered the capacity to access any personal information held about an individual on a database. How an organisation collects, uses, discloses and otherwise handles personal information is subject to the *Privacy Act 1988* and an organisation must secure the private information it holds. Generally, only authorised personnel are permitted to access the personal details of individuals. While we recognise that the information held on the ASIC register fulfils a different role than that held on other individuals on many other databases, the security of personal information remains relevant.

Under sections 117 and 205B of the Corporations Act the ASIC register currently contains the following personal information about each director and company secretary:

- given names and family names
- all former given names and family names
- date of birth
- place of birth
- residential address.

Identity theft is feasible if an individual intent on crime has access to the date of birth, residential address and place of birth of another individual. For this reason, all officeholders on the ASIC register are at a heightened risk of identity theft and identity fraud. When associated with identity fraud, identity theft can result in victims experiencing serious negative consequences, including financial loss, inconvenience and in some extreme cases, severe trauma. Governance Institute is of the view that our regulatory framework should not expose directors and company secretaries to these risks.

We also note there is an issue relating to the personal security of senior officers of companies. The companies with which they are involved may provide some level of security to high profile CEOs and their families. The effectiveness of these protections is significantly undermined when their residential address is a matter of public record. As interest in the environmental and

social impacts of companies continues to increase, a wide range of individuals can become interested in prosecuting 'causes' by confronting directors and officers at their homes, as has happened in the United Kingdom.

A further concern is that any legacy system will hold the information of any officeholder whose personal details have been registered over many years and in relation to multiple companies. In a world where electronic information remains traceable and accessible, even if no longer posted or displayed, such information remains 'live', available and therefore readily accessible, irrespective of an individual's changed status – see our Submission to Treasury, *Public display of personal information of officeholders* dated 6 January 2015.

Governance Institute considers that open publication of birthdates, residential addresses and birth places serves no useful purpose other than for persons with criminal intent. In a world of increasingly faceless transactions, birthdates have unfortunately become by default the first form of identity check by banks, telecommunications companies and other institutions to ascertain that they are communicating with an authorised person. To make the personal information of the business community's most influential officeholders readily available exposes these people to various risks and is a magnet for cyber-criminals.

Governance Institute believes that while it is appropriate that ASIC request and retain the personal details of all officeholders on a database subject to strict controls in relation to access, such details should not be available on the public register.

We recognise that there is the issue of legacy data. Existing records of officeholders' personal information embedded in a vast number of documents filed with ASIC and displayed on the public register will still be available as it would be wholly impractical for such information to be removed. We recommend that Australia adopt an approach similar to the one adopted by the UK when it moved away from the public display of residential addresses, by removing data from public display only upon application. The Government may wish to consider charging an appropriate fee to cover the administrative costs of removing historical information from the public record. This fee could be graduated based on the number of years covered.

To ensure that third parties can enforce their rights against company officers and serve documents on officeholders, the DIN regime will need to require each officeholder to provide an address for service. This address will need to be publicly available on the register. The address for service can be chosen by the officeholder but does not need to be their residential address. In most instances, the company's registered address will be selected as the address for service.

The advantages that a DIN provides for an officeholder's privacy and security intersects neatly with the advantages of using the DIN to deter and penalise illegal phoenix activity with the DIN acting as a unique identifier for each director and company secretary providing traceability of their relationships across companies. Governance Institute considers that the provision of a DIN removes the need to make address and date and place of birth data publicly available. A DIN will enable those searching public registers for legitimate business purposes to easily and quickly confirm the identity of officeholders. Provided the risks posed by the availability of historical personal information on the ASIC registers are also addressed, the DIN will also protect honest directors and officers from the risk of identity theft and assaults on personal security.

We refer to the Discussion Document *Publication of Directors' Residential Addresses on the Companies Register* issued by the New Zealand Ministry of Business, Innovation and Employment dated June 2018 which contains a comprehensive analysis of the pros and cons of publicly disclosing the residential address of company directors on the New Zealand companies register. In stating its preference for allowing a director to have an address for service to be published in lieu of their residential address the report states:

'With the introduction of a DIN, it is unlikely that substituting a director's residential address on the public register for an address for service will substantially affect the sense of openness and trust of the register. An address for service would still provide a location for legal papers to be served and a mechanism to contact directors.....A DIN would perform much of the functionality as the publication of directors' residential addresses. If a DIN is introduced, there appears to be minimal justification for also having directors' residential addresses publicly available.'

**Governance Institute recommends that:**

- due to concerns about privacy and security, the details of an officeholder's date and place of birth and their address should not be made publicly available and should only be available to regulators
- the public register not display the date and place of birth and residential address of an officeholder, but the officeholder name, DIN and service address.