



MEMO

To: Board of Directors
From: Company Secretary
Subject: **SHARE REGISTER ACCESS**

For your information, changes to the Corporations Act have clarified when people can/cannot access the company's Share Register.

In summary, the situation is:-

- Pursuant to section 173(1) **anyone** – whether a shareholder or member of the public – **may inspect the Share Register** of any company (whether public or private/proprietary)
- Under sec.173(3) **a person seeking a copy of the register must make an application**
- Sec.173 (3A) states that **the application** must be in writing in the prescribed format and, pursuant to Regulation 2C.1.04 of the Corporations Regulations, **must state** the:
 - **applicant's name and address**
 - **purpose(s) for which the applicant seeks a copy of the register** (which cannot be for an improper purpose); ie, it must be for a “proper purpose”.
- Regulation 2C.1.03 prescribes the following improper purposes for obtaining a copy of the register:
 - the solicitation of a donation from shareholders
 - the solicitation of shareholders by a broker
 - gathering information about the personal wealth of shareholders
 - making an unsolicited offer to purchase shares.

And sec.177 prescribes prohibited uses of information on the register:

- to contact or send material/information to a shareholder
- to disclose the register details to anyone else (who might contact or send anything to a shareholder).



But if a copy of the register is required for other than an improper/prohibited purpose the company cannot reasonably refuse to supply a copy.

- It is an offence (under section 137 of the Criminal Code):
 - to make a false or misleading statement in an application for a copy of a register
 - to use a copy of the register for an improper purpose (unless approved by the company).

DISCLAIMER

The comments in this memo reflect some commercial aspects and observations on the matter experienced or observed by the writer in practice as he understands them. The information is given as a guide only and does not represent a definitive or legal view of any of the issues raised, covered or referred to and the reader is urged to seek his own professional advice on all aspects of, or pertaining to, this and any related matter.