

Brett Stevenson BComm MDiv CPA

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30th July 2017

Dear Sir/Madam,

Part B of my Submission to the Inquiry into the Corporations Amendment (Modernisation of Members Registration) Bill 2017

Thank you for the opportunity to add this to my original submission (Part A) to this Senate Economics Legislation Committee inquiry.

I would like to cover two areas in this part of my submission.

1. Dual role of the Members Register - identification and communication. This amendment focusses on the communication role.
2. CPA Australia's example shows why the law needs to be changed.

1. Dual role of the Members Register.

1.1 To identify the member (shareholder).

There is no doubt that the members (or shareholders) register is important to identify the member in terms of their membership (or ownership in the case of companies with shares). This is why all public companies quite rightly are required to maintain one (s.169). On this the law is very clear, and lays down very clearly what is required. For all public companies it is the name, address and date entered (or joined), and in addition for listed companies it requires details of the shareholdings. The Act is reasonably clear and specific.

However it is in relation to the second role of the Members Register, communication, that this amendment specifically relates.

1.2 To communicate with the member (shareholder).

It is such an obvious observation that even the Act just assumes it, most of the submissions assume it, and much of the discussion on the register assumes it. I suggest that the example of CPA Australia highlights why this communication role now needs to be considered more carefully, and not just assumed, and I suggest that most of the submissions that oppose this amendment are either ignoring this very obvious communication role of the members register and are focussing mainly on the identification role.

Legislation (especially in the Corporations Act and privacy legislation) is very protective of the need to safeguard the privacy of individuals.

There is a well recognised but important tension in the maintenance of a members register by a public company. In summary it is the tension between the public good and the privacy rights of individuals. Below are some expressions of that

“In considering reforms to the regulatory framework there needs to be a balance between addressing investor protection concerns on the one hand and protecting the long-standing rationales for open and accessible company share registers for legitimate uses.”¹

Senator Nick Sherry Minister for Superannuation and Corporate Law

“The Corporations Act provides significant protection for personal information held on a register. These protections strike an appropriate balance between the right of the public to know about, and use, information from a register, and the policy that shareholders should be free from undue intrusion from the use of such information.”²

Australian Law Reform Commission

The Corporations Act recognises this tension by including a very strong privacy safeguard provision at s.177(1) which says that the register cannot be used to “contact or send material to the person”. It is a very strong privacy provision subject to criminal offence if it is breached. In summary it is saying to obtain and use the members register for communicating with members is not permitted by the law.

But, and this is important to note, there is one exception to this ‘blanket communication’ prohibition, and that is where the communication relates to *“the holding of the interests recorded in the register or the exercise of the rights attaching to them”* s.177(1A).

The CCH Online Legal Database summarises this well in the below quote

“The public right to access and obtain copies of a share register is balanced by restrictions on the use of share registry information in s 177 of the Corporations Act. Registry information cannot be used to contact or send material to a person, or disclosed with the knowledge that it is likely to be used to contact or send material to that person, except where the use or disclosure of their information is:

- “(1A) (a) relevant to the holding of the interests recorded in the register or the exercise of the rights attaching to them; or*
- (b) approved by the company or scheme.”*

These restrictions are consistent with the restrictions on the use and disclosure of personal information for purposes not related to the purpose of collecting the information under Australian Privacy Principle 6.”³

Before moving on to this exception it is worth noting that of the submissions have opposed this amendment on the basis of scenarios that would be in clear breach of the current provisions of the Corporations Act⁴. The Act is already very very clear in saying that it is not allowed apart from this one exception. I find their opposition on this matter just scaremongering on what is already prohibited, and an unwillingness to accept that communication in the 21st century has changed.

The exception

Is the current law sufficient where the members register is used for a legitimate purpose i.e. to communicate with members about their membership rights as per s.177(1A)?

The example of CPA Australia shows that the law is not adequate. This amendments’ sole purpose is to overcome that weakness. It is not meant to address other possible legitimate concerns or possible weaknesses in the Act in relation to the Members Register.

Some of the other submissions seem to be using this as an opportunity to express their concerns with other aspects of the Corporations Act and even Privacy legislation in relation to the members register. They may, or may not, have legitimacy, but I believe they are using this as an opportunity to oppose this amendment by ‘dumping’ those concerns onto this change.

The amendment is solely concerned with dealing a deficiency in the law relating to communication with members for legitimate purposes as per the current provisions of the Act.

2. CPA Australia's example shows why the law needs to be changed.

The sole purpose in requesting the CPA Australia members register was to communicate with the members on very major issues that impacted their membership. These concerns were openly raised, but with a very limited ability to reach all the members.

CPA Australia did all that it could both prior to, and after, this request to prevent the issues being raised with the wider membership (dismantling the Find A CPA function on the website, taking down all details of various member groups - divisions, representative councils, committees, discussion groups, threatening legal action and portraying members who raised legitimate questions as being rogues and dissidents etc).

I believe, and later events have proven this to be correct (over half of the board have resigned including the chairman, the CEO has been sacked, they have been forced to fully disclose the scandalously high remuneration of the board and senior management, an independent review panel has been appointed to investigate these and other major concerns raised), that the issues raised and the approach of CPA Australia to prevent any wider discussion with the membership should give rise to oppressive conduct against the directors and officers. However, save for ASIC acting, it would be cost prohibitive for any sort of legal action to be mounted on such grounds.

The best that could be done was to obtain a copy of the members register to communicate these issues with the wider membership.

Even though CPA Australia communicates with the membership by email because it is fast and cheap, it would not include the email addresses in my request for the members register thus making it cost prohibitive for me. It certainly worked.

To perhaps emphasise how oppressive their conduct was, as soon as the register was provided to me, they emailed the entire membership with a warning that they reluctantly complied with the law to provide the register, they warned them that it was now in the hands of a rogue member who could not be trusted, and that their personal data may be compromised.

Important attachments at the end of this submission

I have attached at the end of this submission the email from CPA Australia to the members, and also my response to their email, so you can 'get a feel' for the sheer hypocrisy of their behaviour and actions.

I have also included two media articles which I believe indicate why to the watching world this amendment is needed.

This amendment is being moved to prevent this from happening again.

Most companies use email as a primary form of communication with their members in the 21st century. To deny that is to deny reality (I suggest).

I acknowledge that not everyone has an email address, and that legislative regulations will need to be incorporated to allow for this rather than making it mandatory for all. But the whole emphasis should be to recognise that email addresses are the primary form of cost effective and fast communication with members currently used by companies, and to exclude that from the members register is to exclude one of the two roles (communication) of the members register.

It is a given from other provisions in the Corporations Act, privacy legislation, and court decisions, that access to the members register is restricted to those who have a proper (and very limited) right to do so, and criminal sanctions apply where these are breached. This is what now exists. The only change with this amendment is that one of the primary forms of 21st century communication (emails) is being included.

Many of the concerns and objections raised in the submissions relate to transition and administrative changes. But surely that is the nature of any legislative change. The benefits of this amendment is that it prevents any possible repetition of the sort of oppression of members rights displayed by the CPA Australia leadership, it encourages and recognises the use of a form of communication that is cost effective and fast and is widely used already, and it 'facilitates good corporate governance through member engagement and participation' (Ford.. Principles of Corporations Law 2015 p. 1251).

I hardly think we need to adopt a 20th century defensive approach to 21st century challenges. We live in the 21st century, and digital technology and communication is a fact of life. I should think we need to lean toward it and adjust our legislation and laws accordingly rather than hide behind the purported security of an outdated and not widely used form of communication.

I therefore support this amendment.

Yours sincerely

Brett Stevenson



SPECIAL ANNOUNCEMENT | 1 MAY 2017

IMPORTANT INFORMATION FROM THE BOARD OF DIRECTORS

We write to advise that you may soon receive unsolicited correspondence from a member, who has requested access to CPA Australia's full register of members. The register includes your name, preferred postal address and joining date.

It is with regret that we have released this information to the member, however we were legally obligated to do so under the *Australian Corporations Act 2001*. **We are now concerned about the security of your personal information.**

The member has advised that having access to the full register *"will enable communication with the whole membership."*

The member has to date distributed a series of negative emails containing numerous inaccurate claims about CPA Australia's performance, remuneration, governance, office bearers, members, CEO, management and staff.

There have been over 20 emails since 21 February, many with large file attachments and documents running to hundreds of pages. We are aware of instances where the same email has been sent five times over a five-hour period.

We have received multiple complaints about these emails from members, as well as external organisations centrally relevant to CPA Australia's operations that have also been recipients. We also understand that the member is distributing information through a website established through an anonymous registrant in the Bahamas and hosted by a company based in Iceland.

We have repeatedly attempted to engage with the member on matters of concern since they were first raised prior to the 2016 AGM. This has included multiple phone conversations, correspondence comprehensively addressing specific issues and correcting false claims and assumptions, and an open invitation to further discuss any matters at any time.

Please be assured that we have made every effort to protect your personal information. For completeness, we have written to the Australian Privacy Commissioner and the Australian Securities and Investments Commission to inform them about these circumstances.

If you would like to discuss further, please contact [REDACTED]

The Board of Directors of CPA Australia Ltd

Email 23: Important Information for the Board of Directors and Members

by Brett Stevenson » Tue May 02, 2017 10:38 pm

Just three things.

1. I was interviewed today regarding the CPA Australia issues by ABC - not sure what department will use but probably Lateline Business.

2. Here is my response to the below email all members will have received today from CPA Australia.

To call their letter a disgrace is too good.

3. Thanks for all the emails. Too many to respond at moment but please take this as a big personal thanks for the present.

Well no doubt you will have received this email, along with the other 154,000 CPA members by email, who are not on my mailing list.

Let me respond, not in anger which always my initial reaction, but one of profound disgrace that we have a board of CPA Australia that would put their seal of approval to such a letter.

Is it little wonder that members are not prepared to speak out about the elephants in the room that the CPA leadership are conveniently ignoring. This is typical of the threats and intimidation they use against members who speak up about some of these very important matters, and is the sort of culture that they have developed at CPA Australia. To their shame.

So let me comment on their little piece of handiwork. **This is just a quick response** while waiting for my flight back to Armidale.

And let me say for Messrs Malley, Awty and Hughes, and the entire CPA Australia board that this was a flight that I paid for (all economy class) just to do an interview for ABC on what I regard as major issues impacting on CPA Australia. It was not a junket to Singapore to avoid the issues paid for by CPA Australia.

The closest parallel I can think of is the voluntary work done by thousands of CPA members past and present for the benefit of the profession and the members.

They do not and have not seen CPA Australia as an opportunity to promote themselves while rewarding themselves handsomely on the tab of CPA Australia.

No, they did it for the sake of the profession, of the professional standing of the CPA designation and for them as members.

Therein lies a great big lesson for the current CPA leadership at both board and senior management level.

Not the sort of self promotion, 'milking the cow' expenditure and denigration of the profession that too often typifies much of the current CPA leadership.

If you for one minute Mr Carlin and the board of CPA Australia think they can get away without reporting the remuneration of the at least \$3,800,000 (and that is the minimum we can calculate) remuneration paid to Messrs Malley, Awty and Hughes in 2016 without fully disclosing and rightly receiving some member backlash I suggest they have lost the plot.

This is scandalous and they jolly well know it. Hence why no full disclosure.

This is why we have requested a s.202B full disclosure of all the directors remuneration for 2016.

Lets hope they do not comply with that request with the same 'pained' regret they have exhibited in complying with the law in relation to s.169 of the Corporations Act and the Members Register.

Let me comment on their email below

“We write to advise that you may soon receive unsolicited correspondence from a member, who has requested access to CPA Australia's full register of members.”

Let's keep some perspective here eh. I have a mailing list of now over 1,000 members from whom I have received positive responses of support from almost 400 of them, and only 19 have asked to be unsubscribed.

I have requested access to the full members register because the Corporations Act 2001 allows this to enable members to have some means to communicate with other members when the board and senior management of the company have gone astray. My words, but you catch the drift. Members have very little power to change things in a company, and that is why this request can be made. It can only be used for proper purposes. This is the law of the land, and this section was put in place partly to cover situations such as this.

“The register includes your name, preferred postal address and joining date”.

It has to because that is what the law requires. No mention of the email addresses (which you quickly managed to utilise with your members register to send out this email eh. The irony is hard to ignore.)

“It is with regret that we have released this information to the member, however we were legally obligated to do so under the Australian Corporations Act 2001. We are now concerned about the security of your personal information”.

Stop and think about that paragraph for a minute.

They regret having to comply with the law!! Really.

You board members cannot be so arrogant to think you are above the law. I can just imagine it “We regret that we have to hold an AGM because we reckon the members should just trust us but we’ll do because the Corporations Act requires it but with regret”.

Now there is an example and a half of our accounting professional organisation setting the standard so low you would need to be a lizard to get to it. And this is from the leadership of CPA Australia.

“We are now concerned about the security of the members personal information.”

I have made the request as per the law which is very specific that it cannot be used for improper purposes and that it will be protected as per the privacy laws. It is a criminal offence to not do so.

I have given the board that assurance in writing, but that was conveniently ignored and not mentioned eh?

But no, that is not good enough for them. Just think about it a bit. They are trying to impugn or intimate that I am an unsavoury or untrustworthy person, and that they doubt I can be trusted with this Register. That's the sort of misinformation and threatening bullying behaviour that characterises the current CPA leadership when a member such as myself asks serious questions on major matters and challenges their answers.

Thank goodness we have the Corporations Act I say.

Of course the irony that CPA Australia have used that members Register with email addresses to communicate this message to the members at minimal cost while for me to communicate such a message would cost in the vicinity of \$160,000 is not lost to anyone.

I would suggest that as President/Chairman Tyrone Carlin you have set a very poor example here.

“The member has advised that having access to the full register "will enable communication with the whole membership."

Too right, that's the law. But what you failed to mention is that the Register cannot be used for improper purposes (again that is the law). Is the board trying to suggest in making that comment that there is something inappropriate about communication with the whole membership on these issues. Or perhaps are trying to gain some support from their supporters to protest and say they do not want to receive material from me.

Well I have no idea but if members do not wish to receive communications from me, and let me say at \$160,000 a pop with no email addresses the board have done their darn'dest to limit that possibility, then they can just unsubscribe as they do with any other email communications. This is the 21st century after all.

The sooner the members can be made aware of these matters the better. They certainly will not get the messages from CPA Australia who use their heavy censorship to prevent members communications with each other on these issues. Their hypocrisy is sickening.

“The member has to date distributed a series of negative emails containing numerous inaccurate claims about CPA Australia's performance, remuneration, governance, office bearers, members, CEO, management and staff.”

Not necessarily negative (although its hard to put a positive spin on many of the things that are occurring) but truthful and exposing matters and issues that the CPA leadership would prefer to cover up with their management speak, or minimal exposure, and are offended by any member challenging them on these issues. Just take the excess remuneration as an example.

“There have been over 20 emails since 21 February, many with large file attachments and documents running to hundreds of pages. We are aware of instances where the same email has been sent five times over a five-hour period.”

Too right. Actually I think it is over 23 group emails (and this one makes at least 24, I'll make sure I add it to the subject) and a heck of a lot more smaller notes on the website, and individual emails to members. I haven't counted the pages but it just goes to show to what lengths I and many others have to go to get CPA leadership to listen. I reckon a lump of 4 be 2 might be just as effective with our leadership for all the listening they have done.

But it was also to communicate the issues with the members so that we could show that what we are saying has credibility. What the board has failed to say is that when they saw these emails of mine were gaining some resonance with members they automatically shut down functions on the website (Find A CPA for example), along with any contact details or or even names, of members, divisional councillors, committee members, discussion group leaders etc. What a farce. That is the response of a leadership in denial and willing to go to any lengths to 'protect their patch'.

This is what has been needed to correct and combat the misinformation provided by CPA Australia, as well as their love of minimal disclosure. Just take Remuneration as an example. They call a one figure total as complete disclosure and holding no secrets (have a look at their memo of 2nd March, it's a doozy in saying crap, and they call that an informed response). What about our governance regime being 'best of the best', when members do not even vote directly for board members.

The reason I sent over long periods is because google will only allow a reduced number of emails to be sent BCC (which I would only do for privacy reasons to recipients), so I often had to send them to 10 recipients at a time. One night I stayed up to 4am (not since university and young baby days have I had to do that) to send them. Sometimes I might even stop and have a meal break or chat with my wife or children, or do my other work. Who cares. Sending emails over a five hour period. What

an awful thing to do. I'm gully. We all can't just flick a switch and send off emails to 155,000 members as they can at CPA Australia.

I have even had to open three email accounts because of the daily limitations on sending emails set by google. I'll go back and check but on some of the emails I may have sent the same email over 50 times to ensure all members received it on the mailing list. That's the reality when you can only send an email with ten or twenty recipients.

And the CPA leadership see that as a shock horror thing to do. A bit like paying for my own flight to Sydney to do the ABC interview. Voluntary work and effort may not be in the vocabulary of the current CPA leadership but I can tell them it is still alive and breathing within the membership.

A big reason for establishing the website was to provide a more efficient way to communicate with the wider membership. But such has been the resistance and opposition from CPA leadership that the wider membership has probably not even heard of these emails. Thanks goodness for the AFR and Joe Aston and Edmund Tadros for their reporting on these issues to not only the wider membership but also the wider watching world. To think that these issues are just the preserve of some 'rogue accountant from Armidale' (the expression used by CPA leaders and staff to belittle what is being said) brings to mind King Canute and turning back the tide.

But let me assure the CPAA leadership all the members will hear, one way or another. You can move the AGM to Singapore to avoid scrutiny but you cannot run away from your obligations and the reality of what these emails are exposing.

"We have received multiple complaints about these emails from members, as well as external organisations centrally relevant to CPA Australia's operations that have also been recipients."

Well they certainly have not told me, or asked to be unsubscribed (apart from 19 out of the over 1,000 on my mailing list). I suggest members take that with a grain of salt (no, actually with a great big tablespoon of salt) the boards contention of 'multiple complaints'. Unless of course we are talking about 19 members. Insofar as external organisations relevant to CPA's organisation - well exactly what does that mean and who are you referring to.

Do you mean universities and academics. Well let me assure members that that would be so untrue because the academics are some of my strongest supporters.

"We also understand that the member is distributing information through a website established through an anonymous registrant in the Bahamas and hosted by a company based in Iceland."

We have established a website which our Naked Webmaster can more accurately explain but the aim was to reduce the possibility of CPA Australia or anyone else for that matter trying to breach it, and gaining access to anyone who registers on it. It is a very well known website source and was completely published. We will actually put the details of the location on the website for members to look for themselves.

I just love the pejorative way the words were chosen by the Board (I have a fair guess who wrote this section - very clever but very misleading).

"Distributing information" - established a website for all to clearly see, very open and transparent. I have never heard anyone refer to a website as 'distributing information' as if we were passing on privy material to others. Sneaky language but very mischievous I would say.

"An anonymous registrant" - of course, just as we have most of the members commenting anonymously because of the CPA Australia's leadership approach of bullying and intimidating. What planet are you living on. Of course it would be anonymous.

"Bahamas and Iceland" - not so keen on the global reach now eh? Please whoever wrote this paragraph is trying to make a vice out of a virtue. Clever but as with many of these issues misses the point totally.

“We have repeatedly attempted to engage with the member on matters of concern since they were first raised prior to the 2016 AGM. This has included multiple phone conversations, correspondence comprehensively addressing specific issues and correcting false claims and assumptions, and an open invitation to further discuss any matters at any time.”

Now, lets get this straight so there is no misunderstanding. I have spoken to Graeme Wade on the phone either two or three times in 2016 about many of these issues. The message I received back was basically all is well, the self promotion of Alex Malley (which was the guts of my phone calls) is a remarkable success, and you are the odd one out Brett. I spoke with Graeme Wade again in 2017 after I sent my 1st group email which covered a few more things) and we exchanged a couple of emails in response. I am only too happy to publish them if Graeme Wade gives me permission. The same message really though this time he intimated that if I wasn't happy with the way CPA Australia was operated I perhaps should consider CAANZ or IPA.

My summary of those communications would be that this is the way things are Brett, everything is going smoothly at CPA Australia, and really if you don't like it, leave.

I didn't like it but I didn't leave, and my group emails will probably tell the story from 21st February to now. CPA Australia have responded to my emails with two letters. One on 2nd March from Jeff Hughes sent by affidavit just to show how open to discussion they were (it is on the website under CPA Responses, and also my response to this, in the same section). I would encourage all members to look at this one, it really is a doozy. A very practical lesson in how not to write a business letter. Their second response was more to other disgruntled or members asking questions. It was not directly addressed to me. It is the 16 page memo. Again refer to the website for this letter and two parts of my response to that (on remuneration, and on governance).

I would suggest that their two memos contain more misinformation and 'false claims and assumptions' than all my emails put together. Try this one - a one figure amount for the remuneration of the 15 Key Management Personnel is said to be 'complete disclosure and holding no secrets'. Have a look at my responses and see what you think about who is misleading who.

“Please be assured that we have made every effort to protect your personal information. For completeness, we have written to the Australian Privacy Commissioner and the Australian Securities and Investments Commission to inform them about these circumstances.”

No problems with me on that. Just as I trust the CPA board will have no problems in my writing to ASIC and the media in relation to your 'regret' at having to obey the law, or perhaps to the media and all the members when we find out exactly how much the individual directors were paid last year so we can also know how much Malley, Awty and Hughes were also paid.

I have no problem obeying the law on these matters.

One thing I do know is that I have bent over backwards to ensure that all the emails are not hidden away for just a few 'friendlies' (ask Jeff Hughes, he will tell you the meaning of that given that was part of the classification system he/the board use to determine worthwhile recipients of the 16th March memo). They are for all to see, and the website is also for all to see. None of this was ever done in secret, it has been done openly and transparently. Perhaps the board might like to look up those words to get the correct meaning.

Cheers

Brett

Brett Stevenson CPA BComm MDiv

[REDACTED]

[Australian Financial Review 2nd May 2017](#)

CPA Australia Board regrets having to comply with the law

by [Joe Aston](#)

CPA Australia's leadership cabal was clearly emboldened by the limited dissent on display at the accounting body's annual meeting on Thursday in Singapore – the dissent's modesty to them, presumably, a genuine reflection of the membership's temperature, not of geography or travel economics. Questions were welcome from members back home, of course, but had to be submitted in writing and vetted – instructions members duly followed. How many of these questions did chairman **Tyrone Carlin** (on the briefest leave from his [full-time role as vice-chancellor Michael Spence's deputy at the University of Sydney](#)) field? Not even one!

From the floor, Carlin was twice asked how much CPA directors (himself included) were earning in fees for their service. [Carlin declined to answer](#).

Incidentally, the university responded in writing last week to complaints about Carlin's dual roles – full-time academic plus part-time officeholder entitled to a maximum stipend of 60 per cent of the Auditor-General's \$705,030 salary (Carlin says he doesn't draw the maximum). "The university cannot comment on the conduct of the affairs of the CPA and would not presume to do so," Chancellor Belinda Hutchinson wrote, "[but Carlin] has assured the Vice-Chancellor that his remunerated activities outside the university, including with the CPA, do not take more than 20 per cent of a normal working week."

On Monday, CPA's board emailed an [extraordinary message](#) to members, laying into chief dissident **Brett Stevenson** and indirectly, the hundreds of CPAs who follow and support him, and warning the general membership it could hear from him. "It is with regret that we have [released \[your contact\] information](#) to [them], however we were legally obligated to do so."

More irony here than under the Pilbara sands! This is a professional standards body expressing its regret at having to comply with the law! And doing so by email, having refused to share that email list as requisitioned under the same section of the act. For real.

In the same message, the board complains about the rebels' website, cpamembers.org, being registered in the Caribbean and hosted in Iceland – a choice made after CPA responded to early criticisms by Stevenson, a public practitioner in Armidale, with a legal missive.

The board's broadcast also refers to complaints from CPAs who've received correspondence from the rebels. Stevenson says he has been asked by just 19 members on his list to be unsubscribed, all of whom have been immediately. That's out of 1200, nearly 400 of whom have individually written to thank him for taking up the baton after years of their leaders' creeping entitlement. In a membership base of 155,000 that's a statistically significant sample. No wonder head office is rattled.

Australian Financial Review 2nd May 2017

CPA Australia attacks rebel in all-member email

by [Edmund Tadros](#)

CPA Australia has sent an email attacking rebel member Brett Stevenson for sending "a series of negative emails containing numerous inaccurate claims" about the accounting body.

The email, which has the subject line "Important information from the Board of Directors", also warns that Mr Stevenson, who it does not refer to by name, may now begin sending "unsolicited correspondence" to members after obtaining the full list of CPAs from the organisation.

Mr Stevenson, an accountant who has in effect led the push for transparency at CPA Australia, cited a section of the Corporations Act to request a [full list of members, including their contact details](#). He received the information last week with the email addresses of members redacted by CPA Australia.

The CPA Australia email, sent on Monday afternoon, comes after the body held its annual general meeting in Singapore last week where [president and chairman Tyrone Carlin](#) refused on two occasions to reveal the salaries of key executives despite acknowledging "there is a sense" that more disclosure was desirable.

The email also came after Mr Stevenson sent off another request on Monday, citing Corporations Act, 202B, that requires [CPA Australia to "disclose the remuneration paid to each director of the company"](#).

The lack of disclosure of the individual pay of CEO Alex Malley and other key executives, as well as how the body spends member funds, is an issue that has [caused growing member disquiet](#).

'Large file attachments'

CPA Australia accuses Mr Stevenson, who is on a [quest to increase the level of transparency at the organisation](#), of effectively spamming members with emails about the way the body is run.

"The member has to date distributed a series of negative emails containing numerous inaccurate claims about CPA Australia's performance, remuneration, governance, office bearers, members, CEO, management and staff," the email states.

"There have been over 20 emails since 21 February, many with large file attachments and documents running to hundreds of pages. We are aware of instances where the same email has been sent five times over a five-hour period.

"We have received multiple complaints about these emails from members, as well as external organisations centrally relevant to CPA Australia's operations that have also been recipients."

Mr Stevenson told *The Australian Financial Review* that he has had 19 requests from members to be removed from his current mailing list of about 1200 and has done this immediately.

The board of CPA Australia also states in the email it reluctantly released the member list to Mr Stevenson.

"It is with regret that we have released this information to the member, however we were legally obligated to do so under the Australian Corporations Act 2001. We are now concerned about the security of your personal information," the email states.

The board say they have failed in attempts to placate Mr Stevenson and that they have written to Australian Privacy Commissioner and the Australian Securities and Investments Commission about having to release the member list.

"We have repeatedly attempted to engage with the member on matters of concern since they were first raised prior to the 2016 AGM. This has included multiple phone conversations, correspondence comprehensively addressing specific issues and correcting false claims and assumptions, and an open invitation to further discuss any matters at any time," the email states.

'Proper purpose'

Mr Stevenson has responded directly to Mr Carlin stating he would limit use of the membership list, as required by a law, for communicating with members about the performance of CPA Australia.

"You have notified the CPA membership that you are now concerned about the security of their personal information when you have to provide in compliance with the law...even though I have given written assurance that I will protect it and only use for proper purposes and to not do so is a criminal offence," Mr Stevenson writes. "I [shall] remind you of your duties as President and Chairman in relation to these matters, and where your obligations lay."

FULL TEXT OF EMAIL

IMPORTANT INFORMATION FROM THE BOARD OF DIRECTORS

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The register includes your name, preferred postal address and joining date.

It is with regret that we have released this information to the member, however we were legally obligated to do so under the Australian Corporations Act 2001. We are now concerned about the security of your personal information.

The member has advised that having access to the full register "will enable communication with the whole membership."

The member has to date distributed a series of negative emails containing numerous inaccurate claims about CPA Australia's performance, remuneration, governance, office bearers, members, CEO, management and staff.

There have been over 20 emails since 21 February, many with large file attachments and documents running to hundreds of pages. We are aware of instances where the same email has been sent five times over a five-hour period.

We have received multiple complaints about these emails from members, as well as external organisations centrally relevant to CPA Australia's operations that have also been recipients.

We also understand that the member is distributing information through a website established through an anonymous registrant in the Bahamas and hosted by a company based in Iceland.

We have repeatedly attempted to engage with the member on matters of concern since they were first raised prior to the 2016 AGM. This has included multiple phone conversations, correspondence comprehensively addressing specific issues and correcting false claims and assumptions, and an open invitation to further discuss any matters at any time.

Please be assured that we have made every effort to protect your personal information. For completeness, we have written to the Australian Privacy Commissioner and the Australian Securities and Investments Commission to inform them about these circumstances.

If you would like to discuss further, please contact [REDACTED]

The Board of Directors of CPA Australia Ltd

[REDACTED]

End Notes

¹Commonwealth of Australia Access to share registers and the regulation of unsolicited off-market offers
Options Paper May 2009 Foreword p.vii

²ALRC Report 108 Australian Privacy Law and Practice 16.134

³ CCH Online Legal Database 27-720 Share registers and the use of personal information.

⁴ **Herbert Smith Freehills**

“... concerns about the broad availability of members’ email addresses and the risk of such information being misused through on-going unsolicited “campaigning” by external stakeholders;”

“If members’ email addresses are easily accessible by activists and other lobby or interest groups, they will be used to disseminate unsolicited “lobbying” material, which many members will consider to be excessive and inappropriate.”

Australian Institute of Company Directors

“... the Bill ignores the potential privacy issues associated with members’ names and contact details being available on a company register. While there is public benefit in providing mechanisms to enable communication between members for legitimate purposes, this benefit needs to be balanced against members’ privacy concerns and expectations. The Bill does not deal with this issue.”

“The AICD acknowledges that the Corporations Act has some protections that apply to the use of information on member registers. However, the existing prohibitions on use in s 177 will not necessarily prevent register information from being misused, or shared with or sold to third parties,...”

CPA Australia

“...neither the Explanatory Memorandum nor the Senator’s Second Reading Speech addresses privacy concerns once a copy of the register is received.”

“Privacy concerns, regardless of whether a person is caught by the privacy legislation, are relevant. There are no provisions in the Act that address how long a copy of the register may be retained, whether a member has any rights to ask their details not be provided (opt-out), continued use of the copy of the register and when the copy of the register should be destroyed and how.”

“CPA Australia is concerned that as it currently stands, an entity is required by force of law to disclose personal information of its members, but (as an individual not subject to the requirements of the Privacy Act 1988 (Cth) (“Privacy Act ”)), the recipient of that information is under no obligation to either protect the security of the personal information disclosed to it, or to securely destroy that personal information once the purpose for which it has been obtained has been fulfilled.”

Governance Institute of Australia

“The addition of shareholders’ email addresses as a mandatory item on the share register raises significant concerns of shareholder privacy.”

“While we note the legislative provisions against the improper use of share register details, we are of the view that providing a third party with the email addresses of, for example, a large ASX listed company with hundreds of thousands of members has the potential for great harm if used for malicious purposes.”

“Currently, register particulars notified to ASIC are included in the ASIC database and details are searchable to anyone who undertakes a company search. It is arguable that the proposed amendment would result in the email addresses of all shareholders in proprietary companies becoming publicly available to anyone who undertakes a search of the ASIC database”.