

Our Ref: DEPAOF01/16/SGC:GK:cb
Reply To: Parramatta

26 October 2018

Mr Matthew Sedgwick
Consumer and Corporations Policy Division
Treasury
Langton Crescent
PARKES ACT 2600

Via email: Regmod@treasury.gov.au

Dear Mr Sedgwick

Re: Treasury Laws Amendments (Registries Modernisations and Other Measures) Bill 2018

I refer to your request for submissions in relation to Treasury's proposed "*(Registries Modernisations and Other Measures) Bill 2018*" and take pleasure in providing these submissions.

A. CONDON ASSOCIATES

Condon Associates is a specialist Firm of Forensic, Insolvency and Turnaround Practitioners headquartered in Parramatta, NSW. The Firm undertakes Liquidations (Official and Voluntary), Receiverships, Voluntary Administrations and Deeds of Company Arrangement under the provisions of the Corporations Act 2001 (Corporations Act), as well as the formal administration of Bankrupt estates and Part X Arrangements pursuant to the Bankruptcy Act 1966 (Bankruptcy Act). In addition the Firm provides services within the related areas of Forensic Accounting, and Litigation Support as well as business and financial Turnaround and Advisory Services not involving formal appointments.

It should be noted that the general focus of our corporate work is in the small to medium, proprietary companies rather than Publicly Listed entities.

The Firm's Managing Principal, Schon Gregory Condon, was an Official Liquidator, now a Registered Liquidator and Registered Trustee in Bankruptcy with in excess of 40 years of experience in the field, with almost 30 years at the Principal/Partner level.

B. GENERALLY

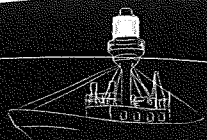
We note that we have purposefully not made any commentary on changes that would appear to be purely consequential amendments as a result of the main significant changes being proposed. As such our submissions have focused on those main changes.

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C. SUBMISSIONS OF SUPPORT

We note that whilst we have not adopted the numbering of the Exposure Draft and will base our responses on the proposed new and/or amended sections of the relevant legislations.

1230 - Giving and cancelling director identification numbers

We agree with the overall adoption of all company officers being required to hold a Director Identification Number (“DIN”) and allowing the Registrar the ability to cancel a DIN if the Registrar deems it necessary.

We believe that the DIN should be a permanent record once an eligible officer has become a director of a company, however the DIN should only be active for the eligible officer in the event that they still hold the position of a director. An example of this would be an individual has a DIN and ceases as a director then a search for the DIN would reveal that the DIN holder no longer has any active directorships in any companies and should the DIN Holder become a director again then the DIN would be reactivated and searches would show what new companies the DIN holder is a director of.

The purpose of the above is to still allow the searching of the DIN register to determine if the holder of the DIN has any offences recorded or has been banned from acting as a director. This will create a registry that contains meaningful information for individuals and companies when deciding if they will have dealings with the DIN holder.

1233 – Requirement to have a director identification number

We agree with the requirement for all officeholders to apply for and hold a DIN and that there be penalty provisions for being an officeholder and not having a DIN.

1234 - Requirement to apply for a director identification number

We believe that the ability of the Registrar to request an eligible officeholder to apply for a DIN is a welcome improvement as it ensures that if the Registrar becomes aware of an officeholder not holding a DIN they can be required to apply for one and in the first instance not merely be forced to pay a penalty for not having a DIN.

D. CONCLUSION

We congratulate Treasury on seeking wide input and thank you for the opportunity to do so. Our responses have been based on experience in the area and the available time, whilst still maintaining an active practice. Should you have any enquiries in respect of this matter, please contact Schon Condon or Gavin King or of this office on [REDACTED]

Yours faithfully

Condon Associates

Forensic, Insolvency and Turnaround Practitioners



Schon G. Condon RFD
Managing Principal