



REGISTRAR TAKES CIVIL ACTION AGAINST FORMER CEO OF A TOP END CORPORATION

The Registrar of Indigenous Corporations, Anthony Beven, has commenced civil penalty proceedings in the Federal Court in Darwin against a former CEO of the Thamarrurr Regional Authority Aboriginal Corporation (TRAAC).

The Registrar's action follows an investigation into the affairs of TRAAC.

TRAAC is the social, cultural and political representative body for the community at Wadeye (Port Keats), a remote Northern Territory community of 3,000 people about 400 kilometres southwest of Darwin by road.

The Registrar has applied to the Federal Court for declarations and an order disqualifying Mr John Berto from managing corporations registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act).

It is alleged that in 2012 Mr Berto had, on six separate occasions, transferred funds totalling \$1,624,916.35 from TRAAC to another organisation, Thamarrurr Development Corporation Limited (TDC). The directors of TRAAC did not approve the transfers and it is alleged Mr Berto used the funds to pay the operational expenses of TDC.

At times during 2012 Mr Berto was the CEO of TRAAC and also the CEO of TDC. Mr Berto stood down as the CEO of TRAAC in April 2013 but is still the CEO of TDC.

The Registrar is seeking a disqualification order against Mr Berto but no other penalties. No criminal charges have been laid.

'While the conduct involved is serious, Mr Berto has cooperated fully with my office and TDC is expected to have repaid all of the funds to TRAAC by 31 December 2013,' said Mr Beven. 'I have also taken into consideration the significant contribution Mr Berto has made to many Northern Territory communities, particularly Wadeye, and the fact that Mr Berto did not transfer any of the funds to himself.'

A directions hearing will be held in the Federal Court in Darwin on 23 January 2014.

Background:

For more information about disqualification see the Registrar's fact sheet: *Disqualification from managing corporations under the CATSI Act* at www.oric.gov.au.

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