



APPEAL BY FORMER CEO OF KATUNGUL MEDICAL SERVICE DISCONTINUED

The Registrar of Indigenous Corporations, Anthony Beven, today noted the discontinuance of an appeal by Mr Damien Matcham to the Full Federal Court of Australia regarding orders made against him in February this year.

Mr Matcham was the former CEO of the Katungul Aboriginal Corporation Community and Medical (Katungul) which is registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act).

Katungul is a not-for-profit corporation that provides essential primary and secondary health services to Aboriginal people in the far south coast region of New South Wales.

The Registrar commenced civil penalty proceedings in the Federal Court against Mr Matcham in June 2012. In September 2013 Justice Jacobson found that Mr Matcham had not exercised due care and diligence, had not acted in good faith in the best interests of Katungul, and had improperly used his position as the CEO of Katungul to gain an advantage for himself.

On 5 February 2014, Justice Jacobson ordered Mr Matcham to pay compensation of \$705,905.07 to Katungul and a fine of \$500,000 to the Registrar. Mr Matcham was also banned from managing an Aboriginal and Torres Strait Islander corporation for 15 years.

On 28 February 2014 Mr Matcham filed an appeal against the orders made by Justice Jacobson.

This concludes the civil penalty proceedings by the Registrar against Mr Matcham. The Registrar has recently taken steps to enforce the fine of \$500,000 imposed on Mr Matcham.

‘The conclusion of the appeal today justifies the original action taken against Mr Matcham,’ Mr Beven said. ‘The original decision, which will now stand, sends a strong message that there are serious consequences for the CEOs of corporations that breach their duties.’

BACKGROUND

For more background information on the court proceedings, refer to the Registrar’s media release of 5 February 2014 (ORIC MR1314-25), 11 September 2013 (ORIC MR1314-06), 29 June 2012 (ORIC MR1112-44). Also refer to ORIC’s fact sheet, *Disqualification from managing corporations under the CATSI Act*, available on the Registrar’s website.

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