



## KATUNGUL CEO FACES CIVIL PROCEEDINGS

The Registrar of Indigenous Corporations, Mr Anthony Beven, today announced that he has commenced further proceedings in the Federal Court in Sydney against Mr Damien Matcham, the former CEO of Katungul Aboriginal Corporation Community and Medical Services (Katungul). The proceedings relate to alleged contraventions of civil penalty provisions in the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act).

Katungul is based in Narooma, NSW and operates medical centres in Narooma and Bega for Aboriginal and Torres Strait Islander people on the far south coast.

The proceedings against Mr Matcham follow an investigation by the Registrar into several 'bonus' and other payments made to Mr Matcham totalling more than \$500 000. Mr Matcham also signed a mortgage on behalf of the corporation to secure a \$200 000 bank overdraft.

The Registrar has asked the Federal Court for a number of orders against Mr Matcham.

The Registrar is seeking declarations from the court that Mr Matcham had contravened his duties as an officer of Katungul. The Registrar is also seeking a pecuniary penalty of up to \$200 000, compensation orders and an order disqualifying Mr Matcham from managing Aboriginal and Torres Strait Islander corporations.

'Katungul is a not-for-profit community-controlled health service. The moneys that Mr Matcham received should have been used to provide health services to the Aboriginal people on the far south coast,' Mr Beven said.

'The priority for officers of corporations must always be the interests of their members and clients. I will take action, such as the current proceedings, where this does not occur.'

The proceedings have been listed for directions on Friday, 3 August 2012. Freezing orders against the property of Mr Matcham have been extended to that date.

### Background

The corporation was placed under special administration on 12 December 2011 after an examination revealed poor corporate governance and weak financial management.

For more information please see the Registrar's media releases of 25 January 2012 (ORIC MR1112-19), 3 February 2012 (ORIC MR1112-21) and 8 June 2012 (ORICMR1112-39).

### Media contact:

Christa de Jager  
02 6146 4737  
ORIC MR1112-44  
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