

REPUBLIC OF NAURU

REGISTRATION OF ASSOCIATIONS BILL 2020 EXPLANATORY MEMORANDUM

The *Registration of Associations Bill* is a Bill for the *Registration of Associations Act 2020*.

This memorandum provides an explanation of the Bill and is only intended to indicate the general effect.

EXPLANATION OF CLAUSES

PART 1 – PRELIMINARY

Clause 1 provides that, once enacted, the short title of the Bill will be the *Registration of Associations Act 2020*.

Clause 2 sets out when the Bill's provisions will commence which is on certification by the Speaker.

Clause 3 provides for the objectives of the Bill. The objectives of the Bill include establishing an administrative and regulatory framework for the registration of associations; ensuring the associations manage their affairs in a transparent and accountable manner; providing for the development of strong associations, promoting and strengthening the capacity of associations that is sustainable and able to deliver professional services without fees or remuneration.

Clause 4 is the interpretation clause which provides for the interpretation of key words and phrases used in the Bill.

PART 2 – ELIGIBILITY FOR REGISTRATION

Clause 5 clarifies the associations which are eligible for registration. An association is eligible for registration if it has a minimum of 7 members, it was formed and carried on for a lawful purpose and established for:

- educational, charitable, religious or benevolent purposes; promoting or encouraging literature, science or the arts;
- promoting or encouraging environmental protection or climate change;
- the conservation of resources or preserving any part of the environment, historic or cultural heritage of the Republic;
- the purpose of sports, recreation, amusement or local or international federation or affiliation of such sports, recreation, amusement bodies;

- establishing, carrying on, or improving a community social or cultural centre to promote the interests of the local community;
- providing medical treatment or attention or promoting the interests of persons who suffer from particular physical, mental or intellectual impairment or condition; collective organisation to promote common interests of persons who are engaged in or interested in particular business, trade or industry;
- promotion of the welfare of flora and fauna;
- promoting and advancing patriotism and national consciousness putting the Republic's interests first;
- promoting and advancing the employment, skills, welfare and interests of women or youths;
- promoting programs or activities for sustainable human development and future generations observing the principles of equity, cooperation and solidarity; or
- any other purposes which may be approved by the Minister.

Subclause (2) clarifies that an international civil society, federation of any association or associated organisation registered in a foreign jurisdiction are eligible associations that may register under this Bill and obtain a certificate of compliance.

Clause 6 in subclause (1) provides that, notwithstanding an association satisfying the requirements of Clause 5, an association that is formed or carried on for the purpose of securing pecuniary profit for its members from its transactions will not be eligible to be registered under the Bill. The purpose of subclause (1) is to emphasise the essential not-for-profit characteristic of an incorporated association. The fact that associations do not secure pecuniary profit for individual members is essential to what distinguishes associations from other corporate forms in subclause (3), such as a corporation.

Subclause (2) lists the circumstances in which an association will be considered to be securing pecuniary profit for its members. For example, where it has capital that is divided into shares or stock held by its members.

Subclause (3) prohibits the registration of the following organisations:

- a trade union;
- a corporation incorporated under the *Corporations Act 1972*;
- a business licensed under the *Business Licences Act 2017*;
- a firm registered under the *Partnership Act 2018*;

- a trust registered under the *Trusts Act 2018*;
- a bank or financial institution licensed under the *Banking Act 1975*;
- a non-government school registered under the *Education Act 2011*;
- an association or organisation specifically established by another written law;
- a relationship under an agreement that expressly provides the relationship between the parties for a pecuniary purpose

Clause 7 in subclause (1) details a number of circumstances in which an association is not to be regarded as securing a pecuniary profit for its members. For example, the payment of a salary to a member who is an employee; the awarding of prizes as a result of member competitions; or where the association is established for the protection or regulation of some trade, business, industry or calling in which the members are engaged or interested.

Subclause (2) clarifies that an association can engage in profit making activities so long as the profit is used for the association's non-profit purposes.

PART 3 – ADMINISTRATION

Clause 8 establishes the office of the Registrar of Associations. The Secretary for Justice shall be the Registrar.

Subclause (3) authorises the Minister to appoint a Deputy Registrar on the recommendation of the Registrar. The Deputy Registrar may perform such functions and exercise such powers as the Registrar may authorise in writing from time to time.

The Registrar may delegate to any person any functions or powers exercisable by the Registrar except the power of delegation. Such delegation does not prevent the concurrent performance of any function or exercise of any power by the Registrar.

Clause 9 provides for the functions of the Registrar which include:

- facilitation of the registration of associations, including the issuing of, renewal, cancellation of certificates under this Act;
- establishment and maintaining a Register of Associations;
- maintaining current information on all associations;
- ensuring that all registered associations have appropriate internal controls in place, including an appropriate system to identify conduct which may involve identified risks;

- ensuring that operations of associations are available for Government and where necessary, to the public;
- keeping and maintaining all associations records received by the Registrar under this Act;
- any other functions under this Bill or any other written law; and
- do all things as are necessary to be done for the implementation, enforcement and administration of this Bill.

Clause 10 provides that the Registrar shall have all such powers necessary to perform his or her functions under this Bill.

Clause 11 establishes a Register of Associations which shall be kept and maintained by the Registrar as prescribed by Regulations. Subclause (3) provides that the Register shall be available for public inspection during business hours.

Subclause (4) provides that the particulars registered in the Register as well as the records kept and maintained by the Registrar shall be evidence of the record of the associations kept and maintained by the Registrar.

Subclause (7) provides the grounds whereby the Registrar may refuse any document lodged and request for the document to be amended, completed and re-lodged or a new document be lodged. These grounds include that the document contains matters contrary to law; by reason of any omission or mis-description has not been duly completed; does not comply with the requirements of the Bill or contains any error, alteration or erasure.

Subclause (8) requires the publication by the Registrar in the Gazette at the end of each financial year a list of registered associations, deregistered associations and associations suspended during the reporting period.

PART 4 – REGISTRATION RENEWAL, VARIATION AND CANCELLATION

Clause 12 in subclause (1) requires an eligible association to apply for registration under this Bill before commencing any activity.

Clause 13 in subclause (1) lists the requirements that an application for incorporation must address or include. The application shall be in the prescribed form, accompanied by the Rules of the association conforming to the requirements of the Bill, accompanied by copies of relevant documents and accompanied by evidence of payment of the prescribed registration fee.

Subclause (2) provides that an application for the incorporation of an association must be accompanied by a certificate in the prescribed form by an executive member of the association:

- (a) certifying that he or she is authorised by the association to apply for registration;
- (b) providing the full name, residential and email addresses, telephone contacts and occupations of the executive of the association;
- (c) a list of all members of the association;
- (d) verifying the particulars contained in the application;
- (e) certifying that the executive or office bearers have not been convicted of a serious offence or is subject to any criminal proceedings;
- (f) certifying that the executive or office bearers are not listed on a financial sanctions list under a written law of the Republic or under a law of any other jurisdiction;
- (g) providing the details of the source of funds for the capital of the association;
- (h) verifying the copy of the Rules of the association accompanying the application is a true copy and that the Rules make provision for the matters in conformity with this Act; and
- (i) undertaking that the association shall comply with all requirements of the *Beneficial Ownership Act 2017* or this Act.

Clause 14 in subclause (1) requires the Registrar to inform the applicant within 14 days of the lodgement of the application, of his or her decision on the application. An eligible association may be required to provide additional information or clarification to the Registrar before the application is determined.

The Registrar in subclause (3) shall issue the certificate where he or she is satisfied that the application complies with the requirements of the Bill.

Subclause (4) requires every certificate issued under this Clause to show the full name, address and nature of the operation of the association.

Clause 15 provides the basis for which the Registrar may decline an application for registration. Such reasons include: the application does not comply with the provisions of this Act; the information contained in the application is false or misleading; the objects or purpose of the association is unlawful, repugnant, indecent or otherwise undesirable; the information contained in the application demonstrates that the association will not be able to properly function; the objective of the association does not satisfy the requirements in Clause 5; the name of the proposed association:

- is identical to an existing registered association;
- is similar to the name of another association or foreign organisation which is likely to mislead the public;
- includes the words ‘Republic of Nauru’, ‘Government ‘or ‘Republic ‘which may mislead the public to believe that the association is affiliated with the Republic or the Government; or
- will likely cause annoyance or offence to any person or class of persons or suggestive of blasphemy or indecency.

The Registrar may decline to register an association on such other grounds the Registrar deems appropriate.

Subclause (3) requires the Registrar to notify the applicant in writing of the decision to decline the registration and the reasons for the decision.

Subclause (4) requires a fresh application to be lodged with necessary modifications where an application is declined.

Clause 16 provides that the Registrar may issue a certificate of registration to an association registered under this Bill upon the payment of the prescribed fee. Subclause (2) requires the certificate to be in the prescribed form and to contain the name and address of the association, the scope and operations of the association and such other terms and conditions that may be prescribed.

Subclause (3) provides that the period of validity of a certificate of registration is 12 months.

Clause 17 clarifies the effect of registration of an association under the Bill, including that the association becomes a body corporate with perpetual succession, and that it may sue or be sued in its corporate name.

Subclause (2) affirms that the certificate of registration is sufficient proof that the association has met all the registration requirements and has been registered in accordance with the Bill.

Subclause (3) empowers the executive to execute binding contracts, instruments and documents; commence, continue or defend any proceedings by an agent or represent the association.

Clause 18 requires the display of the certificate in a conspicuous place at the association’s registered or operational office. An association which fails to display its registration certificate commits an offence and upon conviction is liable to a fine not exceeding \$5,000.

Subclause (3) provides that the executive of an association that does not comply with subclause (1) commits an offence and each member jointly and severally are liable to a fine not exceeding \$3,000 or a term of imprisonment not exceeding 12 months or to both.

Clause 19 in subclause (1) requires the association to notify and apply to the Registrar in the prescribed form for a duplicate copy of the certificate of registration where the original certificate is lost or destroyed. A copy of the certificate shall be issued by the Registrar within 7 days of an application.

Subclause (3) makes it an offence for an association to fail to notify the Registrar of the loss or destruction of the certificate.

Clause 20 provides for applications for renewal of certificates to be made in the prescribed form at least 1 month prior to the expiration of the registration date. Subclause (2) requires the association to provide any changes or variations to the information and particulars in the application of registration or previous application for renewal; provide annual financial statements verified by a chartered accountant and which provides detailed breakdown of the income and expenditure of the association and satisfy the Registrar that the funds of the association have been fully accounted for and used in a manner consistent with the objects or purpose of the association and the requirements of this Bill.

Subclause (3) exempts an association from prosecution where it has lodged an application for renewal within 30 days of expiry of its certificate; or in the case of an application for renewal of registration, the association has lodged an application in less than 30 days of the expiry of the certificate and paid the prescribed late fee.

Subclause (4) makes provision for when an application is made after the expiry of the registration. The association is required to pay the prescribed late fee and a fixed penalty of:

- \$500 where the renewal application is made within 30 days of the expiry of the registration;
- \$2,000 where the renewal application is made after the expiration of 30 days but before the expiration of 60 days from the date of expiry of registration; and
- \$10,000 where the renewal application is made after the expiration of 60 days from the date of expiry of registration.

Clause 21 provides for the surrender of certificates. An association shall notify the Registrar in writing and surrender its certificate where it ceases to operate, is compulsorily dissolved or is dissolved voluntarily. A surrendered certificate lapses and shall be cancelled in the Register.

Clause 22 provides for the grounds for cancellation of a certificate. The Registrar may cancel either a certificate of registration or certificate of compliance if the Registrar is satisfied that one of the following occurred:

- one or more terms and conditions prescribed in the certificate have been breached;

- the association has ceased operation without complying with *Section 21* or has been inoperative for the preceding 12 months;
- the association has less than 7 members;
- the association is operating contrary to its instrument of creation;
- the registration under the Act was obtained by fraud, misrepresentation or mistake;
- the objects or purpose of the association have become unlawful;
- the operations of the association is used for an unlawful purpose;
- the association fails or neglects to comply with this Act;
- a key person, beneficiary or associate non-profit organisation has contravened a provision of the *Anti-Money Laundering Act 2008* and *Counter Terrorism and Transnational Organised Crimes Act 2004* and any written law relating to financial sanctions;
- a key person, beneficiary or associate non-profit organisation has been listed on a financial sanctions list under the laws of any jurisdiction;
- the funds of the association is derived from an unlawful source or may be proceeds of crime under the *Proceeds of Crimes Act 2004*;
- the association has failed to file an annual report in accordance with Clause 33;
- the association has requested for cancellation;
- the association is dissolved under Clause 27;
- the transfer of operation of the association to another entity under Clause 29; or
- a foreign association has breached or contravened a written law or deregistered under the laws of the country of registration.

Clause 23 sets out the procedure for cancellation. The Registrar is required in subclause (1) prior to cancelling a certificate, to inform the association of the intention to cancel the certificate; give an opportunity to the association to show cause against the intended cancellation; or where appropriate, give time to the association to rectify any irregularities capable of such rectification. Subclause (2) requires the association to inform the Registrar of its intended course of action to remedy or rectify any matters notified by the Registrar, within 7 days of the receipt of the notice. The Registrar in subclause (3) shall cancel the certificate if the association fails to comply with the notice.

Clause 24 relates to compliance with cancellation of the certificate. The Registrar after cancelling the certificate shall notify the association of the same and direct the association and its executive to immediately cease its operations. Subclause (2) makes it an offence for

the executive to fail to comply with the Registrar's direction in subclause (1). Each executive member is jointly and severally liable to a fine not exceeding \$20,000 or term of imprisonment not exceeding 3 years or both. Subclause (3) allows the association whose certificate has been cancelled may appeal in writing to the Minister for a review of the decision.

Clause 25 provides for the suspension of operations of an association. In subclause (1), there are 2 scenarios where the Registrar may issue a suspension notice to an association. Firstly where an association either failed to or delayed showing cause as to why the certificate of registration should not be cancelled where the association has been given a notice of intention to cancel. Secondly, where the association failed to apply for renewal of registration.

Subclause (2) requires the Registrar in suspending an association to notify the association in writing; direct the association and its executive to cease operations in the Republic immediately; and notify the period of suspension and in default, the pre-emptory decisions which may be made.

Subclause (3) makes it an offence for the executive or key person to fail to comply with the direction given by the Registrar. Each executive member and key person is jointly and severally liable to a fine not exceeding \$20,000 or term of imprisonment not exceeding 3 years or both.

Clause 26 provides for variation or amendment to registration. Subclause (1) allows an association to vary or amend its particulars including the name of its registration by lodging a notice with the Registrar containing details of the specific particulars to be varied or amended; and a signed resolution from the executive of the association authorising the variation or amendment.

The Registrar shall register the new particulars if satisfied with the proposed variation or amendment.

In subclause (3), the executive is required to provide a notice in writing to the Registrar of any change in particulars within 14 days of such change occurring for the particulars relating to: registered office or place of operation of the association; instrument of creation; key person; associate non-profit organisation; beneficiaries; circumstances of a key person that may affect whether he or she meets the fit and proper criteria or the rules or policies relating to the source of funds of the association. If an association fails to comply with subclause (3), the executive commits an offence and upon conviction each executive member is jointly and severally liable to a fine not exceeding \$10,000 or term of imprisonment not exceeding 3 years or both; and the Registrar may cancel the certificate.

In subclause (5), the Registrar may cancel the certificate where an executive provides the required information in subclause (3), and the Registrar is not satisfied that the key persons

are fit and proper persons having regard to the matters in Clause 48 or the rules or policies relating to the source of funds of the organisation are acceptable.

PART 5 – VOLUNTARY OR COMPULSORY DISSOLUTION

Clause 27 relates to voluntary dissolution. In subclause (1), an association may be dissolved voluntarily where it is solvent and there is a special resolution under its Rules that it be dissolved. Subclause (2) requires an association to provide a copy of the special resolution for dissolution to the Registrar; inform the Registrar of the intention to dissolve; the time within the dissolution process may be completed; the disposal or distribution of any assets of the association; the liabilities of the association and any other matters that may be prescribed. Subclause (3) provides for the voluntary dissolution of an association to take effect by certain dates.

Clause 28 provides for dissolution of an association by the court. The Supreme Court may dissolve an association in certain circumstances where an application is made in subclause (2) to the court by a petition presented by the association, a member of the association, creditor, minority members or the Registrar. The application shall be governed by the rules of civil procedure or the compulsory winding up procedure under the *Corporations Act 1972*. The circumstances in subclause (1) where an association may be dissolved are:

- the association was not at the time of registration eligible for registration under this Act;
- the registration of the association was obtained by fraud, misrepresentation or mistake;
- the association has fewer than 7 members and despite the notice of the Registrar, the association continues to operate;
- the association is unable to pay just debts;
- the association has engaged in activities outside the scope of its purpose or has ceased to carry on or pursue the purpose of its registration;
- the executive of the association has acted in an oppressive manner;
- the association either neglects to or wilfully refuses or fails to remedy any contravention of the Act, comply with the notice issued by the Registrar or any breaches of its own Rules;
- the association by acting as a legal entity secured pecuniary gain for the members of the association;
- the majority of the members passed a resolution that the association be dissolved but the executive failed to comply with such resolution; or
- it is just and equitable that the association be dissolved.

Clause 29 relates to the power of the Registrar to require transfer of activities of an association. In subclause (1), the Registrar may give notice to an association where an association has ceased its operations under this Bill or the operation of the association is carried on by a body corporate or other entity registered under another Act or more appropriately by that other entity.

Subclause (2) provides that the Registrar may authorise the transfer of operations of an association to a body corporate if the Registrar has issued a notice and the association requests the Registrar to transfer operations to a body corporate specified in the request.

Subclause (3) deems an association is dissolved and all operations ceased when the transfer of operations is notified in the Gazette by the Registrar.

PART 6 – REGISTRATION OF FOREIGN ASSOCIATIONS

Clause 30 in subclause (1) requires a foreign association with similar purpose or objective provided for an association under this Bill that intends to establish or both, to apply to the Registrar for a certificate of compliance prior to it commencing any operations or activities in the Republic.

Subclause (2) provides the particulars a foreign association is required to provide when applying for a certificate of compliance.

The Registrar may register the foreign association and issue a certificate of compliance to the same where the Registrar is satisfied with the particulars submitted under subclause (2).

Clause 31 provides that this Bill applies to a foreign association registered under this Part as if such association was domiciled or registered as an association in the Republic. Foreign associations must register under this Bill before they can operate in the Republic.

PART 7 – RECORD KEEPING AND INSPECTION

Clause 32 requires the associations to ensure its Rules provide for keeping and maintaining underlying documentation such as proper accounts and records relating to the operation of the association for a minimum period of 7 years.

Subclause (2) provides for the type of records to be kept by an association such as: financial accounts verified by a chartered accountant; bank statements, which detail both domestic and international transactions; court proceedings; invoices; contracts; annual reports; details of the staff, key persons and beneficiaries; details of the associate non-profit associations; assets and liabilities of the association; and other matters prescribed by regulations.

Subclause (3) makes it an offence for an association to contravene this Clause.

Clause 33 requires the executive of an association to provide to the Registrar its annual report within 3 months after the end of the financial year. No fees are payable for lodging the annual report. Where the executive fails to lodge the annual report, a notice shall be issued by the Registrar to the association to show cause within 14 days as to why its registration of the association should not be cancelled.

Clause 34 provides for the powers of inspection of the Registrar or authorised officer. The Registrar or an authorised officer may by notice in writing require a person to do any or all of the following: produce for inspection, any documents or records that the Registrar considers necessary or relevant to an enquiry under this Act; make copies of or extracts from any such documents or records; appear before the Registrar and answer all questions concerning any matter that is the subject of an enquiry or the documents or records that are relevant to an enquiry.

Subclause (2) sets out for the purpose of this Clause, who a ‘person’ refers to. A person includes: an officer employed in or in connection with any Government Department, Statutory Corporation, Statutory Entity or Constitutional Entity; an officer employed in or in connection with any financial institution; a key person; a beneficiary, executive member or employee of an associate non-profit organisation; or any person that the Registrar considers to be in a position to assist him or her in the investigation. Subclause (3) is an offence provision where a person who fails or refuses to comply with a requirement of the Registrar commits an offence and is liable upon conviction to a fine not exceeding \$50,000 or term of imprisonment not exceeding 5 years or both.

Clause 35 provides for where the Registrar may require information and documents. The Registrar may by notice in writing require the executive to provide information or documents or both within a specified time. Subclause (2) provides that the information or documents shall relate to: the integrity, competence, financial standing or operation of the association and its executive; or compliance by the association and its executive with this Bill or the Regulations.

Clause 36 provides for the power of the Registrar and authorised officers to conduct on-site inspections at the registered or operational office of an association at any time during normal business hours.

Subclause (2) provides for the Registrar or authorised officer for the purposes of subclause (1) to enter the registered or operational office of the association during normal business hours and inspect and take copies of any books, accounts and documents of the association. The executive and employees of the association are required in subclause (3) to cooperate with the Registrar by giving all the information and making the required documents available; and if necessary, give appropriate work space and reasonable access to office services.

An authorised officer is required to produce written evidence of his or her appointment when required while carrying out on-site inspections.

Clause 37 empowers the Registrar to request information or documents from a government agency such as the Nauru Financial Intelligence Unit; a law enforcement agency; a domestic regulatory authority; or a foreign government agency that carries out functions corresponding or similar to the functions of the Nauru Financial Intelligence Unit; a law enforcement agency; a domestic regulatory authority.

Clause 38 provides for the appointment of authorised officers by the Registrar. Authorised officers may be appointed by the Registrar for the purposes of this Bill.

PART 8 – INFORMATION SHARING

Clause 39 allows the Registrar to disclose information kept and maintained under this Bill in certain circumstances if the disclosure is:

- required by an order of the Court;
- made for the purpose of performing a function or exercising a power under this Act;
- made to the Nauru Financial Intelligence Unit for the purpose of performing a function or exercising a power under the *Anti-Money Laundering 2008* and *Counter-Terrorism and Transnational Organised Crime Act 2008*;
- made to a law enforcement agency for the purpose of investigating or prosecuting an offence against any written law of the Republic;
- made to a law enforcement agency for the purpose of investigating or taking action under the *Proceeds of Crime Act 2008*;
- made to a domestic regulatory authority for the purpose of carrying out its regulatory functions;
- made to the Minister for the purpose of performing a function or exercising a power under any written law relating to financial sanctions; or
- made to a foreign government agency in accordance with *Clause 40*.

Clause 40 allows the Registrar to disclose information kept and maintained under this Bill to a foreign government agency in certain circumstances if the disclosure is for the performance of a function or exercise of a power under the foreign government's legislation. In addition, the Registrar is satisfied that the information will be used for proper regulatory, supervisory or law enforcement purpose and the agency is subject to adequate restrictions on further disclosure.

PART 9 - OFFENCES

Clause 41 in subclause (1) mandates that an eligible association shall not conduct any activities or operate in the Republic without having registered.

An association, member of its executive or key person who contravenes subclause (1), jointly or severally commit an offence and upon conviction are liable to:

- (a) for an individual member of the executive or key person, a fine not exceeding \$20,000 or a term of imprisonment not exceeding 3 years or both; or
- (b) for the association, a fine not exceeding \$200,000.

Clause 42 in subclause (1) affirms that if an association's registration and certificate have been cancelled or suspended under Clause 22 or 25, the association shall not conduct any activity or operate in the Republic.

An association or member of its executive who contravenes subclause (1), jointly or severally commit an offence and upon conviction are liable to:

- (c) for an individual member of the executive or key person, a fine not exceeding \$20,000 or a term of imprisonment not exceeding 3 years or both; or
- (d) for the association, a fine not exceeding \$200,000.

Clause 43 in subclause (1) makes it an offence for an association, its executive or key person to refuse or fail to provide any information or document; or knowingly or recklessly provide false or misleading information when required by the Registrar to provide information or documents.

An association, member of its executive or key person who contravenes subclause (1), jointly or severally commit an offence and upon conviction are liable to:

- (e) for an individual member of the executive, a fine not exceeding \$20,000 or a term of imprisonment not exceeding 3 years or both; or
- (f) for the association, a fine not exceeding \$200,000.

Clause 44 in subclause (1) makes it an offence for a person to obstruct or hinder the Registrar or authorised officers in the exercise of powers under this Bill. A person who contravenes subclause (1) commits an offence and upon conviction is liable to a fine not exceeding \$20,000 or a term of imprisonment not exceeding 12 months or to both.

Clause 45 in subclause (1) prohibits a person from assigning, transferring or permitting the use of the name of an association by another association. A person who contravenes subclause (1), or a person who unlawfully uses the name of the registered association commits an offence and upon conviction is liable to:

- (a) for an individual member of the executive, key person or for a person who uses the name of the association, a fine not exceeding \$20,000 or imprisonment for a term not exceeding 3 years or both;
- (b) for the association, a fine not exceeding \$200,000.

Clause 46 is the general offence provision for this Bill. An association, member of the executive or key person who contravenes any provision of the Bill where an offence is not specifically provided for under this Part, jointly or severally commit an offence and upon conviction is liable to:

- (a) for an individual member of the executive or key person, a fine not exceeding \$20,000 or a term of imprisonment not exceeding 3 years or both; or
- (b) for the association, a fine not exceeding \$100,000

Where there is a conviction under subclause (1), the Registrar shall cancel the certificate of registration of the association and dispose of the assets of the association according to the instrument of creation of the association.

Subclause (3) provides that subject to subclause (2), the Registrar shall produce a report on the asset and provide the same to the Director of Public Prosecutions to apply for forfeiture orders under the *Proceeds of Crime Act 2004* if an asset is determined to be a proceed of crime under that Act.

Clause 47 provides omission to act on the part of the members of the executive or key person. If members of the executive or key person fails or omits to do anything required, such failure or omission to act is deemed to have been authorised or approved by the association.

PART 10 - MISCELLANEOUS

Clause 48 provides that a person is disqualified from holding executive office in any other association operating in the Republic for a period not exceeding 10 years if the person was convicted of an offence under this Bill. Subclause (2) provides that any association convicted of an offence under this Bill shall be immediately deregistered and their certificate of registration cancelled; and is disqualified from applying for registration in the Republic either under the same or different name for a period not exceeding 10 years.

Clause 49 provides that an applicant aggrieved with a decision shall appeal a decision to the Minister within 14 days of receiving notice under Clause 15(1) or 24(1).

The Minister shall consider and determine the appeal by affirming the decision; allowing the appeal in whole or in part and substituting his or her own decision; or allowing the appeal and refer the application with directions to the Registrar for consideration.

Clause 50 provides that no association shall be certified under the *Business Tax Act 2016* and *Employment and Services Tax Act 2014* unless the association is registered under this Bill.

Clause 51 provides for immunity from criminal proceedings or civil liability. Protection is afforded for the Registrar or any other person authorised under the Bill for any matter or act done or omitted to be done in good faith in the performance of a function or exercise of a power under this Bill or any other written law in furthering the objective of the Bill.

Clause 52 empowers the Cabinet to make regulations which are necessary and expedient to achieve the objectives of the Bill. Regulations may be made to provide for:

- particulars to be provided by an eligible association applying for registration;
- necessary forms and fees;
- form in which financial statements and annual returns are to be submitted; and
- particulars to be contained in the financial statements and annual returns.

Clause 53 is the transitional clause which requires all eligible associations and foreign organisations that are currently operating or conducting any activities in the Republic to register under this Bill.