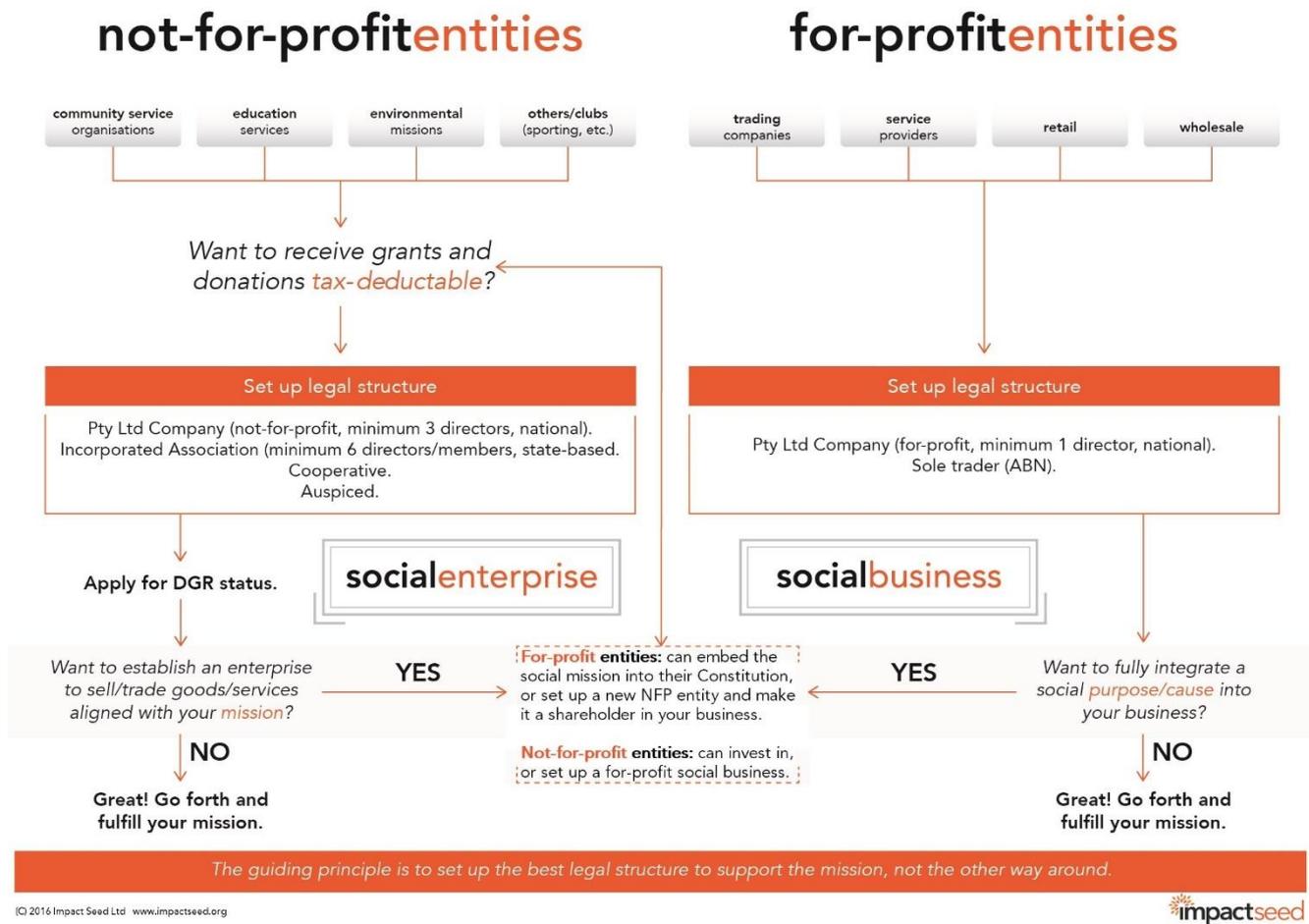


Under current Australian Corporations law, incorporating for social impact is challenging. There are several options available for founders wanting to embed social impact into the DNA of their business. These are outlined below.



OPTION 1: If you choose the hybrid structure of incorporating 2 entities (NFP and for profit and making the NFP a shareholder in the for profit, you can start by incorporating your NFP Entity with ASIC here: http://download.asic.gov.au/media/1181215/201_20140701.pdf

The above link is to a form to register a NFP (Pty Ltd by member guarantee) entity with ASIC. Registering an NFP requires a constitution (you can't use replaceable rules that for-profit companies often use. You'd need to consider your "Objects" (ie your mission/reason for being). The ACNC have both a template constitution you can start with, and a guide for drafting an NFP constitution here:

<http://www.acnc.gov.au/CMDownload.aspx?ContentKey=6f8e01e5-b4c7-4c7f-8c1d-a9023ebd6391&ContentItemKey=58b14e4e-c6ad-41cc-b7dd-a3cec784b75f>

Once you've registered your NFP entity with ASIC, you'll need to apply to the Australian Charities and Not For Profits Commission (ACNC) to accredit your NFP here (this is also a step towards obtaining DGR (deductible gift recipient) status, which is a separate process with the ATO. Register with the ACNC here:

http://www.acnc.gov.au/ACNC/Register_my_charity/Start_Reg/ACNC/Reg/Apply_to_register.aspx

Once the above steps are complete – which can take between 3 weeks up to a few months, you may then be able to apply with the ATO for DGR [deductible gift recipient] status. This is a more complex process and not ideally suited for DIY-ers. We suggest you seek professional assistance if you go down the DGR path:

[https://www.ato.gov.au/Non-profit/Getting-started/Endorsement/Deductible-gift-recipient-\(DGR\)-endorsement/Apply-for-DGR-endorsement/](https://www.ato.gov.au/Non-profit/Getting-started/Endorsement/Deductible-gift-recipient-(DGR)-endorsement/Apply-for-DGR-endorsement/)

OPTION 2: If you simply want to incorporate a for-profit entity, we suggest embedding your social mission into your company's constitution. You can apply to register your new for profit (Pty Ltd by shares) entity here:

http://download.asic.gov.au/media/1181215/201_20140701.pdf but remember you'll need to consider your "Objects" (ie your mission/reason for being) and draft a constitution to attach with your application.