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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC  
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION TOLOSA

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 4 MAY, 2022

AT 2.00PM

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This transcript has been prepared in accordance with conventions used in the Supreme Court.

THE COMMISSIONER: Yes. Yes, Mr Darams.

MR DARAMS: Yes. So the next witness that I call is Mr Joseph Jacob.

THE COMMISSIONER: Yes. Mr Henry?

MR HENRY: Yes, Chief Commissioner.

THE COMMISSIONER: You seek leave to appear?

10

MR HENRY: I do.

THE COMMISSIONER: Yes. I grant leave for you to appear on behalf of Mr Jacobs, Mr Henry.

MR HENRY: Thank you, Chief Commissioner. And I seek a declaration under section 38 for the benefit of Mr Jacob.

20 THE COMMISSIONER: So you've explained those provisions to Mr Jacob, have you?

MR HENRY: I have.

THE COMMISSIONER: Yes. Thank you. Good afternoon, Mr Jacobs.

MR JACOB: Good afternoon, Chief Commissioner

30 THE COMMISSIONER: Mr Jacobs, as a witness, you must answer all questions truthfully.

MR JACOB: Yes.

THE COMMISSIONER: You understand that?

MR JACOB: I understand that, Commissioner.

THE COMMISSIONER: And if you're required by summons to produce any documents, then you must do so.

40 MR JACOB: Yes.

THE COMMISSIONER: A witness, however, is entitled to object to answering questions or producing an item and, as I understand has been explained to you, the reason for that is that the Act enables a witness to formally object and the effect of that is, in effect, that the evidence you give in these proceedings can't be used in other proceedings in the future, whether they be criminal, civil or any other sort of proceedings. You understand that's the reason?

MR JACOB: I understand that, Chief Commissioner.

10

THE COMMISSIONER: There is an exception to what I just said, that is where a witness commits an offence under the Independent Commission Against Corruption Act. An example of that is an offence of giving wilfully false or misleading evidence, which is often called perjury. That's an offence under the Act. And the evidence can be used in any prosecution for such an offence. The offence of giving false or misleading evidence is a term of imprisonment for up to five years, so there's that exemption, otherwise the evidence can't be used, as I've said. You understand what I'm saying?

20

MR JACOB: I understand, Chief Commissioner.

THE COMMISSIONER: Very well. Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by the witness Mr Jacobs and all evidence or things that he may be required to produce during the course of this public inquiry are to be regarded as having been given or produced on objection and there is accordingly no need for the witness Mr Jacob to object to any particular answer or document or other item required to be produced. Yes, Mr

30

MR DARAMS: We need to swear the witness in.

THE COMMISSIONER: Thank you. Do you take an oath or an affirmation?

MR JACOB: An oath.

THE COMMISSIONER: Thank you. You do, in other words?---Sorry?

You do so swear?---Yes.

Thank you.---I swear.

10 Just take a seat there.

MR DARAMS: Now, Mr Jacobs, can you please just tell us your full name?---Joseph Anthony Jacob.

Can you tell us what your current occupation is?---I'm, I'm in property.

When you say you're "in property", are you able to assist just as to what you do in property?---Projects, sales, marketing, finance.

20 Are you employed by a particular company?---By Prolet Constructions.

Are you a director of that company?---No.

Is your brother a director of that company?---Yes.

Is your brother the only director of that company?---Yes.

Do you have either directly or indirectly some ownership interests in the company?---No.

30

How long have you been employed by Prolet Constructions?---For approximately about 12 to 15 years.

Do you have any professional qualifications?---No.

No?---No.

40 Just focusing now on your role in Prolet Constructions, you've identified a number of things that you do but are you able to just break those down for us and assist us with that. So I think you mentioned finance was one of them. Is that right?---Yes.

What does that mean?---Pretty much project management.

Okay. So project management's pretty broad - - -?---That includes a broad range of areas which includes, you know, you know, overseeing the project, getting precinct-sales for a project, marketing, selling, financing.

10 So financing the construction of the project?---If there was a, if there was a project that we took on, a, a construction role, then, you know, it would help those people with funding arrangements, as well.

Can you just help us out and describe some of the projects that Prolet Constructions had been involved in?---See, that's, on the construction side, that's my brother Pierre, yeah.

But you were an employee for 12 to 15 years at Prolet Constructions?---Yes. Yes.

20 You must have some idea of what Prolet Constructions has undertaken in that period of time?---Yes.

Can you explain to us the nature of the projects? Are we talking - - -?  
---Very - - -

- - - 100 storey buildings or are we talking - - -

THE COMMISSIONER: Just give us an idea of - - -?---No, no, just, just  
- - -

30 - - - the type of - - -?--- - - - just, just buildings under nine storeys.

MR DARAMS: All buildings under nine storeys - - -?---Yeah.

- - - is it commercial premises or is it residential?---Predominantly, residential.

Predominantly, residential?---Yeah.

40 So what's the largest project in terms of the number of units?---I'd say 60 at the most.

What about the smallest project?---About 40.

So between 40 and 60 units?---60, yeah. Yeah.

In terms of any commercial construction undertaken, how large was that?  
---Very small. Probably it would have been about a, about, about 15 or 20  
suites, commercial, yep.

10 Now, just going back to your role, sorry, I'll just ask this. So is Prolet  
Constructions just a building company or is it also a property development  
company?---No. Just a construction company.

So it's engaged by developers to - - -?---Yeah.

Right. So just going back now to your role and your responsibility within  
the business. Do you report to your brother?---Yes.

20 So he is in a position to give you instructions as to do this or do that, is that  
right?---Well, he, he mainly looks after all the construction because he's got  
the builder's licence. I don't get involved with construction, I mainly do  
project management.

So just help me out with what the project management involves.---Project  
management is just overseeing the project, if the project requires presales or  
requires our help in, those who we, who we take the contract out for, for  
funding purposes. We can assist with that as well.

30 So there are projects where Prolet Constructions is engaged where the  
person or party, company developing the project, also engages or gets  
assistance from Prolet Construction in selling the units?---Yes.

So your role in that is, what, arranging - - -?---An agent.

Sorry?---Arranging a, a sales agent.

Arranging a sales agent to sell the projects?---Yeah, yes.

40 Are there particular sales agents you use commonly?---Well, we haven't  
done any project, I would say, since, the last project would have been in  
2017.

But before that period of time was there a particular agent that you might recommend in terms of your development, sorry, the work - - -?---Property Investment Alliance.

Property Investment Alliance. Is there a principal associated with that? Is there a principal person behind that?---Yes.

What's that person's name?---Justin.

10 Justin who?---Wang.

Justin Wang.---Yep.

How long have you had – I'll just use broadly – a relationship with Mr Wang?---Well, it's been years now, I haven't spoken to him, but prior to that when we had some projects, yes.

Yeah. So, is the last time you had an association with Mr Wang 2017?---I would agree with that?

20

So how long had you had a relationship with him, and I'm just using that term generically, with Mr Wang before that period of time?---Since 2012, five years.

So and is the relationship a commercial relationship between, is it Prolet Constructions and Mr Wang?---Yes.

In that period of 2012 to 2015?---Yep, '17.

30 Sorry, 2017, you're correct.---Yep.

THE COMMISSIONER: Where was his office?---Sydney Olympic Park.

Sorry?---Sydney Olympic Park.

Thank you.

THE WITNESS: And we also used another agent, Whiterock Capital as well, but they're no longer in business, yeah.

40

MR DARAMS: So just going back to your brother's role in Prolet Constructions. So he's the licenced builder?---Yes.

So do I take that you mean that, in effect, he's the employee of Prolet Constructions who oversees all of the actual construction work itself?---Yes.

Anything non-construction related you're responsible for?---Yes.

10 Now, I just want to ask you some questions about related companies or associated companies, and what I mean by that, companies associated or related to yourself and your brother or Prolet Constructions.---Yes.

Okay. Now, one of those companies is New Sphere Pty Ltd, is that right? ---Yes.

Another is Zonder Pty Ltd?---Yes.

Another is Zellig, Z-e-l-l-i-g, Pty Ltd?---Yes.

20 Another is Jomie Holdings?---Yes.

Another is Centrum Properties Pty Ltd?---No longer.

Has that been a company, when you say "No longer," has that been deregistered, has it?---No.

Have you sold that company?---Yes.

30 At some stage previously it was associated with either you or Prolet Constructions, that's right?---Yeah, that's correct.

Not Juste, with an E on the end of it, Pty Ltd?---Yes.

And Rhodes Design and Construct Pty Ltd?---Yes.

All of those companies that I have just identified, were you a director of those companies?---Yes.

40 Each and every one of them?---Yes.

They were companies that, is this right, purchased properties located in Rhodes East?---Yes.

Did they purchase those properties, what, commencing around about 2014?  
---Um - - -

Or even earlier?---No, no, about, about mid-to-late 2014.

10 From mid-to-late 2014 they purchased properties in the, located in the Rhodes East area?---Correct.

When I say Rhodes East, do you mean that to understand east of the railway station?---Yeah, it's on the eastern side of Rhodes Railway Station and it's an area covering about 17 hectares.

17 hectares?---That's the total area. We don't own that.

I was going to ask you about that.---Yeah, yeah.

20 Whether those companies own a total property of 17 hectares. That's quite large.---No, no, no. Absolutely not.

No. Do you know what the total area those companies owned?---About 4 per cent of that.

4 per cent?---Yep.

30 Do those companies still own the same amount of property now or have they sold some of it?---No, only the Rhodes Design and Construct. The rest of them don't, different owners now, yep.

So Rhodes Design and Construct still owns whatever properties it purchased?---It's only three properties.

So it owns three properties located in the Rhodes East area?---Yep.

All of the other related companies, for want of a better description, have sold their properties?---Yes.

40 They've sold their properties to who?---Well, part of it was sold in 2018-19 and the remainder was sold only, only late last year.

Do you know the companies or the companies associated to the purchases of those companies?---The, the, the properties that you identified as Centrum were sold to a Billbergia related company.

Were they the ones sold in 2018-2019?---And '19, correct.

So Centrum Properties sold to Billbergia or Billbergia related companies?  
---Yep. Yes, yep.

10

How many properties did Centrum own?---About four.

Right.---Yep.

And what about the other companies? Did they sell to other purchasers, did they?---Yeah, just recently, late last year.

Late last year.---Mmm.

20 So late 2021.---Yep.

Was the purchaser of those companies one company or a related group of companies or they were all just disparate purchases?---No, one company.

Do you know who that was?---It was a company called Karambella, from memory, Pty Ltd. Yep.

In terms of those properties that were purchased by – I'll just use this Prolet related companies from 2014.---Yes.

30

They were purchased for the purposes of redeveloping the properties, correct?---When we first purchased them, they were right opposite a train station. They had an existing R3 residential zoning. There was sentiment within the state that they wanted to increase densities on train stations. So we were happy with the zoning when we purchased them but we just thought that there was future potential with the sites.

40 So when you say you were happy with the zoning, what, was it your understanding that the Prolet companies were happy to just buy those companies and, what, just rent them out?---Rent the properties out, but at the same time too there was significant growth in the Sydney property

market, so Torrens title housing, especially right opposite a major, major railway train station. We just thought it was a good land bank and there was future growth.

THE COMMISSIONER: So the properties that were sold off had been developed by one or other of the - - -?---No, they haven't been developed at all.

No, have not been developed.---No.

10

I see.---Never. And there's never been a development application ever put in. There's never been nothing.

There were no development applications put in for them?---No. No, not at all. It just went through a state-led process where the Department of Planning instigated a state-led rezoning of that whole 17 hectares in Rhodes East, and we were just part of that process.

MR DARAMS: And in terms of the rezoning of that area, what did you understand that that would have allowed to happen on that land?---Well, we didn't know that till way down the track, till the Department, Department of Planning and the state instigated that. They took it on as a priority precinct. And, and that, there's many priority precincts in Sydney, but that was just one area the department took upon.

THE COMMISSIONER: What was the zoning for these properties?---The, when we purchased them they were an R3 residential zoning.

R3 residential not mixed uses?---No, no.

30

MR DARAMS: Sorry, just I want to go back to one of the questions I asked before. That at the time of purchasing these properties was one of the potential, well, was one of the reasons that they were purchased the potential for them to be rezoned and developed?---Look, we thought that the floor space was undercooked, you know, the floor space ratio, the existing one, but the, the residential zoning was encouraging because it was an existing residential zoning and being such close proximity to the station we just thought that was a good land bank.

Land bank for what thought? What were you going to do with the land?  
---Many, many, many acquisitions, there's many property owners that just buy property and sit on it and land bank.

One potential might be that a larger property developer might come and purchase those properties.---That's a possibility.

Was that one of the considerations at the time when you were generating the land bank?---Yes, yes, yes.

10

So that's one of the reasons why they were purchased?---Yes, because that's, when you site amalgamate, you form say multiple properties into one, there's a good potential later on that some, some of the bigger development companies will come in and purchase.

Purchase the property and then they will deal with any - - -?---Yeah.

- - - planning proposals, any development applications put – put (not transcribable)?---Correct. Absolutely.

20

So the potential to make sort of hopefully a capital gain on the sale of the properties.---Yeah.

What about in relation to Prolet Constructions or a related company redeveloping the property itself, was that another potential reason why the properties were purchased?---Well, it depended because we're only an experienced builder at a certain level and that would have been about the eight, nine-storey mark so if anything happened beyond that that would be totally out of our league, yeah.

30

But you wouldn't, just say that's your experience to nine levels - - -?---Yes.

- - - there's nothing to say that you have to construct above nine levels if you were redeveloping the land?---Yes.

So I guess one of my questions was was that also one of the potential uses of those properties or reasons why the purchase - - -?---Yeah, potential redevelopment site.

40

Either redevelopment by, potential redevelopment by Prolet related companies or grow the land bank and wait for some other larger

developer/developers to come and make an offer that was attractive enough?---Correct. And, and, and my other point earlier was, you know, between 2014 to 2020 just generally across Sydney on, on, on major transport hubs - - -

THE COMMISSIONER: Sorry, I just missed. Could you just keep your voice up.---Sorry, Chief Commissioner.

10 That's all right.---My other point I made earlier, Chief Commissioner, was that, you know, the Sydney property market since 2013 I think around major transport hubs and in good blue-ribbon locations, Torrens title housing has seen significant growth and I think everyone in Sydney has seen that, you know, so it's different to a strata. The growth has been a lot in just Torrens title single housing. And being right opposite a station with, with a shopping centre, on the water's edge it just seemed like it was a good idea at the time, yep.

20 How many properties after say 2014 has Prolet developed in the Rhodes area?---Zero.

I see.---Yeah.

And - - -?---And that's in the whole Canada Bay area as well.

I see.---Yep.

MR DARAMS: In terms of the purchase of those properties, were you responsible for identifying purchasing the properties or - - -?---Yes.

30 Did you engage anyone else to assist you in that process?---Some agents, yeah.

Real estate agents?---Yes.

Can you tell me who those are?---LJ Hooker in Rhodes.

Who was that, the principal behind that?---Tim Wu.

40 Tim Wu.---Yep. He's not, I don't know if he's the principal or a worker. I'm unsure, Sorry.

I see. Tim Wu. Anyone else?---Chidiac Realty, yep.

Chidiac Realty. Right.---Oh, no, sorry. It wasn't Chidiac Real, it was Raine & Horne in Concord.

Raine & Horne.---Horne Concord, yeah, but a guy called Dib Chidiac was working there, yep.

So Dib Chidiac, Raine & Horne Concord.---Yep, yep.

10

How many of the properties in Rhodes East was he involved in in relation to the acquisition of?---I just can't recall.

What about in relation to Mr Wu? How many of the properties was he involved in?---He was involved in much more, yeah.

Many more than Mr Chidiac?---Yeah, yeah, yeah. I think Dib was just very minimal. Not a lot, yeah.

20 How did you come to know Mr Wu?---Mr Wu? Once I, I started canvassing those properties myself, but then I went in and I, I just can't recall but I, I probably met him, yeah - - -

So when you say canvassing the property yourself, just so I can understand this. So, what, precinct-2014, what, you're doorknocking on the - - -?---No.

- - - owner's door?---Yes, yes.

Knock on the door and say, "Look, are you interested in selling?"---Yes.

30 Correct.

You did that yourself?---Yes.

Were you successful in purchasing any of those properties by that method? ---I just can't recall, sorry. Yeah.

So then at some stage, you then engage Mr Wu?---Yes.

40 Did you know Mr Wu before you engaged him, that is had you used him elsewhere outside the Rhodes area?---No.

How did you come to identify or be acquainted with Mr Wu? Did you look up the Yellow Pages or something like that?---No.

Did someone recommend him?---Yes.

Who recommended him?---Joseph Chidiac.

I'll come to ask you some questions about Mr Chidiac - - -?---Yeah.

10 - - - later, but can you recall when Mr Joseph Chidiac recommended Mr Wu?---At the time, 'cause Mr Chidiac was just a local resident there in Rhodes. I don't know. We crossed paths, I can't recall, earlier than that but at one point, he came up to me and he said, I don't know how he found out, he was, he found out that I was purchasing some properties there in Rhodes. And 'cause it's been such a long time, I, the only thing I can remember is that time he said, "Listen, if you, if you want, I know some agents in the area," you know, and he recommended Tim. That's all I can recollect.

So Mr Tim Wu was recommended by Mr Joseph Chidiac?---Yeah.

20

What about Mr Dib Chidiac?---Yeah. Well, with - - -

How did you come to be - - -?--- - - - with Mr Dib Chidiac, he, he knew some of those vendors there, yeah.

Don't worry about how he, I'm just - - -?---Yeah, yeah.

- - - trying to, similar type of questions as to how you came to be introduced to Mr Tim Wu, what about Mr Dib Chidiac?---Well, the agents came, 30 approached me, he approached me saying that, "If you need help with any of the properties, I can offer my assistance."

So Mr Chidiac approaches you?---Dib Chidiac, yeah.

Do you understand whether he's got any relationship with Mr Joseph Chidiac?---Yes.

What do you understand to be that relationship?---I think they're somehow related. 40

THE COMMISSIONER: Sorry? I couldn't hear that?---I think, I think they're somehow related.

MR DARAMS: Did Mr Dib Chidiac, when he effectively cold-called you or reached out to you and said, "Look, I know you're interested in purchasing properties. I'm Mr Dib Chidiac. My cousin" or "my brother" or "my relation is Mr Joseph" - - -?---I'm not sure what kind of, I don't ask.

Do you understand whether - - -?---Yeah.

10

- - - do you have any understanding as to whether Mr Chidiac, Joseph Chidiac passed on your details to Mr Dib Chidiac?---No, well, no, 'cause when, when I first purchased the original properties, all I remember is there's a prominent agent in Wentworth Point, which is Chidiac Realty, which managed a lot, a lot of properties. I'd say under 1,000 properties. And that, they were recommend, like, recommended to manage the properties. And, and they're related to, to Dib, as well, yeah.

So who recommended this Chidiac Realty?---Sorry?

20

Who recommended Chidiac Realty to manage the properties?---They, they were just a big name in the area.

You just approached them - - -?---Yeah, yeah, yeah.

- - - 'cause they were a large - - -?---Yeah, yeah.

I see.---Yeah. Yeah.

30 And you understood them to be, the principals or persons behind Chidiac Realty were related - - -?---Yes.

- - - to Dib Chidiac?---Yeah, yeah, yeah, yeah. Correct. Yeah.

Do you understand there to be any relationship between Chidiac Realty and Dib, sorry, and Joseph Chidiac?---Yes.

Yes. Do you understand what that relationship is?---Somehow related - - -

40 Just family relationship?---Yeah, yeah, yeah. I'm not sure how, but - - -

I did ask you about when you started engaging or had this conversation with Mr Joseph Chidiac. Are you able to assist me as to the time, the year, the approximate time this happened?---I can't recall but I, I, I probably met him at some sort of function or, yeah.

Well, let's just use this. If you said before that the Prolet companies were starting to purchase these properties in 2014, how long after that did you get introduced to Mr Wu, because that was an introduction from Mr Chidiac, correct?---Yes.

10

So, does that help you with your timeline of events?---I can't recall exactly but it would have been in that year, two thousand, like, mid- to late-2014.

So your best now is around mid- to late-2014?---Yeah, yeah, correct.

Mr Chidiac, Joseph Chidiac introduced you to Mr Wu?---Yes.

Mr Dib Chidiac becomes involved after that point in time?---Yes, way after that time, yep.

20

So you said way after that point in time?---Yeah. I, I can't recall - - -

What, a year later, two years later?---Maybe that. Yes, yes.

Right. So you know Mr Joseph Chidiac at least by mid- to late-2014?---No, I would have known him earlier.

That's what I was going to get to.---Yeah, yeah, yes.

30 Obviously you've had this introduction relationship at this stage.---Yes, yes,

Now, going back from that period of time, how long before then did you know Mr Joseph Chidiac?---I can't recall but - - -

Had you known him for about two years, three years, four years before that?---It's been such a long time. I really can't answer that.

40 Can you recall the circumstances as to how you became introduced to Mr Joseph Chidiac?---It would have been most probably at a function we, where we just met.

Yeah. So can you recollect the type of functions you might have gone to where you might have met him?---No, I can't recollect.

Was it a function in the local area or outside the local area? When I say local area, I mean Rhodes/Drummoyne area.---Yeah, yeah. Because, I, I can't say definitively because it's been such a long time and never, my, my line of work with my family, like, so busy, like I can't really put a really definitive answer on that but I did know him before '14, yeah.

- 10 Did you have any dealings with Mr – I don't mean running into him at social events, but did you have any dealings with Mr Joseph Chidiac on either a personal or business level before 2014?---No, no.

So the first time there was any type of business or commercial dealing was this late, mid- to late-2014 where he's introduced Mr Wu to you?---And, and, and towards late '14, early '15, he introduced us to Billbergia as well.

Yeah, I'll come to that in a moment.---Yeah, yeah.

- 20 Now did, in relation to this introduction to Mr Wu, did Mr Chidiac ask you to, or did he seek any payment for that introduction?---No.

Did you offer any payment for that introduction?---No.

Did you have any understanding that there would be any benefit flowing to Mr Chidiac from that introduction?---No.

Now, I want to come back to Mr Chidiac but I want to just move slightly to Mr Tsirekas. Now, you obviously know Mr Tsirekas?---Yes.

30

You're friends with Mr Tsirekas?---Depends what the term of the friends means.

Well, you've got friends, haven't you?---Yes.

Do you regard Mr Tsirekas as one of those friends?---Well, I don't regard him as a close or a good friend,

- 40 But you regard him as a friend?---Well, to the best of my knowledge, I've known Mr Tsirekas I would say since maybe 2012 I would say, I, I knew him. Between 2012 to 2016 it would have been probably just, because we

had no dealings in the Canada Bay LGA there, it would have been just probably he's the mayor, you know, I see him in the backstreets, I say hi. I used to own a furniture store there in Drummoyne and I used to be part of the Drummoyne Business Chamber, and the council used to take the, the views of the Drummoyne Business Chamber because the, the Business Chamber was advocating for making sure that retail and, and commercial space is viable there with any improvements to the Victoria Road precinct. And, but probably that contact with Mr Tsirekas changed in around '16 to early '19 in the respect that the Department of Planning instigated a state-  
10 led rezoning of the 17 hectares of that Rhodes East priority precinct area.

And at that time Billbergia was putting forward hundreds of millions of dollars of infrastructure upgrades to, to, to the Rhodes East side. Because the Department of Planning said that, that their vision was, before they exhibited new draft plans for the Rhodes East area, that the infrastructure needs to be embedded first before the densities. So I think Billbergia went along and put through multiple infrastructure offers totalling hundreds of millions of dollars. And the properties that we had were more directly opposite the station. And they, they were part of proposals, at one stage, to put, to dedicate the Prolet land actually for a six to one hundred, sorry, a 600  
20 to 1,000-student primary school, dedicating freehold land. And there were other proposals to upgrade the station because there was no more room on the platforms, and they identified that the, the, you needed a new northern concourse with new station entrances because the safety requirements of that station were supposed to be four-minute evacuation when they were 12 minutes. So because of those infrastructure proposals coming forward, we were speaking to the department, but at the same time too my contact with Mr Tsirekas increased during that period.

THE COMMISSIONER: So this, you're talking about now the period from  
30 2016 going forward?---To early 2019, I'd say.

Sorry? Sorry, could you just say - - ?---From, my, my contact became a bit more frequent with Mr Tsirekas from, from about that mid'-16 to - - -

About?---Mid-2016 to early 2019.

Right.---Yep.

And your brother also had contact with Mr Tsirekas over that same period.  
40 ---Yes.

And did he have more frequent or closer contact with Mr Tsirekas about development matters than you or - - -?---No, my brother, no, I, I, it was more me, myself.

I'm sorry?---It was more myself.

Oh, you. I see.---Yeah, yes.

10 So in terms of any – well, firstly, do you accept that over time some form of friendship developed? That is to say it wasn't just strictly business, there'd be social contact as well.---I'd say it was a professional friendship during that, a professional friendship during that mid-'16 to early 2019.

Well, a professional relationship. But from time to time there was also social contact with Mr Tsirekas and yourself and your brother? Is that right or not?---Chief Commissioner, just going back on a point you said earlier about planning matter.

20 Yeah, just - - -?---The, the – yeah, yeah.

Just firstly just - - -?---Yeah, sorry.

- - - deal with those matters in due course. Is what I'm putting to you generally right or not? That is to say that there was a social life that you would share with Mr Tsirekas from time to time. By that I mean perhaps having a meal at restaurants or coffee, meeting up for coffee and that sort of thing or not?---If we did that it wouldn't - - -

30 No, no, no. Not a question of "if".---Yeah.

All I'm asking you, did that happen?---Yes, it did happen but it wasn't purely social.

Right.---It would be a chance to meet up and discuss the infrastructure proposals.

Okay. Righto.---Yep.

40 And when you say "we", that'd be you, your brother, either together or separately or - - -?---Yeah, I'd agree with that.

Ah hmm.---Chief Commissioner, yep.

MR DARAMS: So just so I understand that, you accept there were catch-ups, lunch - - -?---Yes.

- - - coffees with Mr Tsirekas?---Yes. Yes.

You used them as an opportunity to discuss the, I think you've referred to them as infrastructure proposals.---Proposals. Yep.

10

Now, maybe I'll just ask this for my own clarification, but didn't you become friends with Mr Tsirekas as well, as a consequence of your interactions with him?---When we were discussing the infrastructure proposals he had a different point of view, I had a different point of view on that. I, we were advocating the state and regional infrastructure that the state and the department, which we were collaborating with. He was advocating for, for local infrastructure, being affordable housing, and that's what predominantly those discussions were, were about and sometimes I just felt like, because I was speaking to him, he, he, he didn't really want to take interest in that as well. And sometimes we would speak about other things like, you know, sport or something else in that regards, yep.

20

Just to be fair to you, I think I've asked you that question a couple of times about being friends with Mr Tsirekas and on both occasions you've not actually answered the question, you've explained infrastructure proposals and the like - - -?---I, I, I said, sorry, Mr Darams, I said on a professional friendship basis.

30

Just bear with me one moment. I need to vary a suppression order, Chief Commissioner.

THE COMMISSIONER: Are you talking about the section 112 order I made at the outset?

MR DARAMS: In relation to the compulsory examination made on 17 March, 2022.

THE COMMISSIONER: I see. Very well.

40

MR DARAMS: I wish to show the witness part of the transcript.

THE COMMISSIONER: All right. There are matters that you want to put based on - - -

MR DARAMS: Correct. I want to put some matters to this witness.

THE COMMISSIONER: Very well. What's the date of the - - -

MR DARAMS: 17 March, 2022.

10 THE COMMISSIONER: 17 March of?

MR DARAMS: 2022.

THE COMMISSIONER: This year?

MR DARAMS: Yes, that's correct.

THE COMMISSIONER: Yes, that's all right. In relation to the transcript of the compulsory examination carried out on 17 March, 2022 with the  
20 witness Mr Joseph Jacob, I vary the order made under section 112 on that date to enable Counsel Assisting the Public Inquiry to utilise the transcript of evidence for the purposes of the examination of this witness.

**VARIATION OF SUPPRESSION ORDER: IN RELATION TO THE  
TRANSCRIPT OF THE COMPULSORY EXAMINATION CARRIED  
OUT ON 17 MARCH, 2022 WITH THE WITNESS MR JOSEPH  
JACOB, I VARY THE ORDER MADE UNDER SECTION 112 ON  
THAT DATE TO ENABLE COUNSEL ASSISTING THE PUBLIC  
30 INQUIRY TO UTILISE THE TRANSCRIPT OF EVIDENCE FOR  
THE PURPOSES OF THE EXAMINATION OF THIS WITNESS.**

MR DARAMS: With that variation, could the witness be shown an extract of the transcript from page 719?

THE COMMISSIONER: Page again?

MR DARAMS: 719. Now, Mr Jacob, I just want to draw your attention to  
40 the transcript that commences at the top of the page. See there's a question that was put, I put to you, "Why did it take me showing you these messages

for you to accept that?" You say, "No, because I tell you what, these things perceive me being a friend and I accept that, yeah." "So you accept the perception that you're a friend of Mr Tsirekas?" "Yep." Then I put to you "But I understood your evidence, these are the sorts of things that you do with your friends?" "Yes." "Send them funny photos?" "Yes." "Send them funny memes?" "Yes." Then you say, "So why is there a difference between those people and Mr Tsirekas?" you give that explanation. And then you, in line 20, you accepted the proposition that you were friends with Mr Tsirekas. Do you see that?---Yes, I see that.

10

Yeah. Now, just for your - - -

THE COMMISSIONER: I think you should also - - -

MR DARAMS: I was just coming to that now. Just for fairness, the Commissioner on the occasion asked you whether you were close friends and you wouldn't accept that but you, you did accept that he was a friend. You didn't on that occasion refer to any characterisation or differentiation of that friendship.---Sorry, Mr Darams, if I can just read part of that extract where it says - - -

20

Sure.--- - - -"Maybe because I was trying to" - - -

THE COMMISSIONER: Sorry to interrupt you again.---Sorry.

I know it's difficult sometimes to - - -?---Sorry. I'll bring the - - -

No, that's all right. It's not your fault.---Yeah, yep.

30

Just keep close to the microphone but do keep your voice up if you would. ---And I'll bring the screen over so I can stay over.

Yes, that's all right. Yes, go on.---I can read here saying that "Maybe because I was trying to show a more of a light side too because I was always, you know, going on planning, but I'll accept." Now on reflection of that, the "friend" part there I was just, what I was just saying there, I was more on a, a professional – 'cause "friends" could mean you could be close or good friends but I just saw it more as a professional friend, friendship.

40

MR DARAMS: Well, can you explain to me what a professional friend means to you?---Well, a professional friend is someone that you engage

with and you discuss matters. It's not a friend that I would say comes over to my place or a close friend that I would speak private things about. You know, referring to my private life or anything like that.

Let me just follow up on your private life then a little bit. Do you send your friends funny photos?---Yes.

Do you send your friends funny memes?---Yes.

10 Okay. Well, let me go about this again. Could the witness be shown volume 6.3, page 2. Now, Mr Jacobs, this is an extract of a text conversation, if you want to describe it that way, but text correspondence between you and Mr Tsirekas, extracted from Mr Tsirekas' phone, starting on 12 August, 2016. Now, the blue text or text in the blue balloon is messages from you. These are WhatsApp messages, okay? Now, just before I go on to this, you are, at least at this stage in August 2016, you had Mr Tsirekas' mobile phone number?---Yes.

He obviously gave it to you some time before that.---Yes.

20

Can you recall how far before that he gave it to you?---Can't recall.

Can't recall. Do you have Mr Tsirekas' phone number anymore?---No.

You've deleted it, have you?---Since '19.

So you've deleted his phone, sorry, his phone number from your phone in '19?---Sometime in '19 I thought.

30 Sometimes in '19?---Yep.

Why did you delete his phone number?---Because going back on my earlier point that during mid-'16 to early 2019, the frequency of contact increased with Mr Tsirekas, and that was predominantly on the infrastructure proposals for Rhodes East. He, he had a, during that whole two-odd year period, he had a different view on whether we were advocating or supporting the department and the state, the state and regional infrastructure, most notably the 1,000-student primary school, the station upgrade, the upgrades to Concord Road to appease the traffic, the ferry wharf - - -

40

THE COMMISSIONER: Well, just pause there for a moment.---Yeah, yep.

I think you might be going beyond the scope of the question.---Yeah, yeah.

MR DARAMS: Why did you delete his phone number?---That's what I was trying to explain now. He was advocating for affordable housing, so we spent millions of dollars with Billbergia on all these proposals for the state, on all these infrastructure upgrades. So when the second plan was exhibited between December '18 and January, February 2019, they asked for – Canada Bay Council, who were never involved in it – asked for the  
10 plan to be scrapped and go back to the drawing board. And we'd invite, like the department and landowners always invited them to come on for discussion on the state and regional infrastructure and they would not come. And that's what caused my increased contact with Mr Tsirekas, and I was extremely disappointed in early '19 on council's stance that the plan should be scrapped because I thought with the state and the State Government agencies, that we'd, we'd increase the state and regional infrastructure from 78 million in the first 2017 draft plan that was exhibited to \$350 million. Which is - - -

20 THE COMMISSIONER: Just pause there, please.---Yeah.

Just in short form, we might come back to these matters you're talking about.---Yeah, yeah, yeah, yeah.

Was there a reason as to why you deleted his number from your phone?  
---For, for that reason because - - -

No, no, just don't state – there was a reason?---Yes.

30 And in short form, the reason was what?---Because - - -

Did you have a falling-out with him? Did you - - -?---Yes, I had a falling-out with him because - - -

Well, what was the, don't go into the detail. About what?---Well, he, his, his message was that we pay state taxes, that developers shouldn't be - - -

Just pause there.---Sorry.

40 We'll leave it at the moment, you say you had a falling-out with him.---Yes.

Does that mean you had an argument over one or more matters concerning zoning or planning issues?---I didn't, I didn't, like, like I have, like, at the time, he, they had their position. I won't explain it now 'cause I'll wait, Chief Commissioner. But, he had, their position on, their stance on that (not transcribable) we had our position, so, respectfully, I just stopped talking to him, yeah.

Okay. Thank you.---Yeah.

10 MR DARAMS: Do you say that that's about the time that you, to use your words, professional friendship ceased?---Yes.

Had you had any contact with Mr Tsirekas after that period of time?---Only if I saw him in the street.

You would say "hello" to him or something like that?---Yeah. Yes. Correct. Yes.

20 Now, you deleted his phone number. Did you delete the messages that you had with him?---I, I, I know I've changed phones, yeah.

Yeah. My question was did you delete - - -?---Yeah.

- - - the messages that were passed between you and he?---I don't think so, no, between '16 and '19, no.

You've kept them all on your phone, have you?---I can't recall.

30 Isn't it the case that you deleted all of the messages between you and he, as well?---I can't recall.

Can't recall.---Mmm.

Have you ever had an occasion to search to see whether or not messages that had been deleted from, say, WhatsApp could be recovered?---I can't recall.

Is that possible that you did something like that?---I can't recall.

40 Can I show the witness volume 6.6, page 11? Now, Mr Jacob, you'll recall that some time ago, the Commission seized one of your mobile phones?

---Yes.

Now, the Commission's been able to extract some information from your mobile phone.---Yes.

Sorry?---Yes.

10 So what I'm saying to you and showing to you now is some information that the Commission was able to extract from your mobile phone. And what I want to do at the moment is draw your attention to the first box on the page, just the one above that.---Mmm.

Now, just draw your attention to the name there. There's a reference to a, do you understand that to be a JPEG or a photo file or image file?---Yes.

Do you know how to take screenshots and things like that on your iPhone?  
---Yes.

20 Yeah. Have you done that from time to time?---Most probably.

You know that if you take a screenshot, it creates an image on your phone?  
---Yes.

You can then send that image to people and things like that?---Yes.

So I just want you to note the number. See the 5005?---Yeah.

30 Then you can see the time period there created on 30 August, 2019. Now, just that period of time, August 2019, does it help with your recollection of whether you deleted Mr Tsirekas' number at this time or by this time?---Can you repeat that question, sorry?

Just using this I'll call it a time stamp, 30 August, 2019, had you by this stage deleted Mr Tsirekas' number from your phone?---Some time in 2019 but I couldn't recall.

Can't remember?---Yeah.

40 Right. I want to show you another document, so if we can go to page 12? Now, I'll just suggest to you this is the image that --sorry, will tell you this is an image that was extracted from your phone or retrieved from your phone

by the Commission's officers and do you see in the top there the reference to the number 5005?---Yep.

So I'm suggesting to you that this is the image created on 30 August, 2019. Do you remember now doing this search in your phone or putting this search, it appears to be a Google search?---I, I accept what you're saying.

Yeah, but do you remember doing that now?---I can't recall but I accept what you're saying.

10

I guess what I want to ask you is what was the reason you were seeking to find out whether investigators could trace deleted WhatsApp messages?---I can't recall.

Were you concerned at this stage that some investigators might be able to trace deleted WhatsApp messages?---What date was that?

It appears to be around about 30 August, 2019. Excuse me.---I just can't recall, Mr Darams.

20

So we might, just going back, put aside the date but is there some stage that you have been concerned or interested to know whether investigators can trace deleted WhatsApp messages?---I'm just, sorry, but I just can't recall.

Had someone spoken to you around about this time or before this time about whether or not – sorry, whether investigators were looking at something or anything in particular?---Yes.

Who was that?---It was Mr Chidiac.

30

I see. Can you tell us what Mr Chidiac said to you?---He just rocked up one day and unannounced - - -

So rocked up where?---In Drummoyne.

In Drummoyne.---Yep.

Where were you in Drummoyne?---I was just in the back of the streets.

40 The back of what streets? The back streets of Drummoyne?---Formosa Street.

What, standing on the street?---Yep.

Did you know he was on his way?---No. He just came unannounced.

So did he come walking or was he driving a car or - - -?---Yeah, he was driving his car.

So what, you're standing on the street?---Yeah.

10

He recognises you?---Yep.

What happens then?---He just says that he's been paid a visit by this Commission and that's it.

Paid a visit by this Commission?---Commission, yep.

So he says, "I've been paid a visit by this Commission," being ICAC?  
---Yep.

20

Did he say anything else?---No, that was it.

THE COMMISSIONER: Mr Jacob, you appreciate, don't you, that it's essential that you cooperate with this Commission?---Yes, yes.

And that you do not withhold or distort any evidence or - - -?---Yes.

- - - information available to you?---Yes.

30 I'm saying this for your own protection.---Yes.

But I'm also underlining the obligation you have to this Commission having been summonsed and you're now on oath.---Mmm.

I want you to listen to these questions very carefully, please.---Yes.

And in your own interests, please.---Yes. Thank you, Commissioner.

I'm giving you fair warning - - -?---Yes.

40

- - - to listen to the questions firstly and respond truthfully to the point of each question.---Yes.

MR DARAMS: So before the visit by Mr Chidiac you had Mr Chidiac's phone number?---Yes.

You had exchanged WhatsApp messages with him?---Yes.

10 We know you've deleted Mr Tsirekas's number from your phone. Have you also deleted Mr Chidiac's number?---Yes.

Have you deleted the messages that might have passed between you and Mr Chidiac from your phone?---Most probably.

Well, when you say most probably, you know you have, haven't you? ---Because it was a while ago most probably.

But you did do it?---Most probably, Mr Darams.

20 So - - -

THE COMMISSIONER: Was that at or about the time you say he approached you or - - -?---Yes, yes.

MR DARAMS: So you do, most probably you deleted the message after he raised with you that he'd been visited by ICAC?---Yes.

You go to your phone. You delete his number.---Mmm.

30 That's right?---Yes.

You delete all the messages passing between yourselves.---Yes.

Is that then another, sorry, just with those matters, does that suggest you had some curiosity as to whether or not you had, in effect, protected yourself enough, is that right?---No. It's just, I just don't want to be involved because I'd been paid a visit by this Commission, I decided I didn't want to be involved with them anymore.

So, going back to this Google query about retrieving deleted WhatsApp messages. Now, WhatsApp was one of the mediums that you corresponded with Mr Chidiac on?---Yes.

Well, what I'm suggesting to you is that it appears that, notwithstanding you had taken the steps to delete his phone number and the messages passing between you and Mr Chidiac, you were then still concerned or interested to know whether or not they could be recovered.---Mr, Mr Darams, is that, are, are you, the question you put towards me was that I took a screenshot of  
10 that.

Also I prefaced it on the basis that when the Commission officers examined your phone, they found this image on your phone.---As a screenshot.

Well, I was asking you, have you previously taken a screenshot, the images on your phone, of this search?---That's, that's what I said before. I couldn't recall because, I'm getting confused because the investigators are saying that they found that image in my photos, is that correct?

20 No, no, they found it extracted from your phone.---But was it an image in my photos?

Extracted from your phone.---Extracted from my phone.

Yes.

THE COMMISSIONER: I take it that the only person that would have possession to use your phone would be yourself?---Correct.

30 MR DARAMS: So just going back. Now I'm just trying to see whether you can assist us now. It seems one explanation for this is that you were, at this stage, by no later than 30 August, 2019, you were concerned to know whether or not the messages you had deleted between you and Mr Chidiac could be recovered by ICAC or someone investigating any matter.---It's possible.

You can't see any other explanation for this, can you, Mr Jacob?---I agree with what you're saying.

40 THE COMMISSIONER: Mr Jacob, just coming back now. You said that Mr Chidiac approached you about he having had a visit by the Commission,

as you put it in evidence.---Yes.

It's clear that he would have said more to you than that, in other words it would give you some information as to what the visit related to. So I want you to just pause for a moment and reflect upon what he did say, indicating the effect of what he said to you. In other words, I want you to give evidence as if he was being recorded on a recording device. "He said to me" and so on. I ask you to do that because that is the most reliable way of being able to get the content of the discussion. I don't want a summary of it, I want what he said to you. So doing the best you can, just tell me what did he say to you?---Chief Commissioner, he said that he was paid a visit by this Commission and he, he, to the best of my recollection, the only thing I can remember is he said that we were possible people - - -

Sorry, I couldn't hear that.---That we were possibly, our homes or something were on, on something. I just can't, like, he never showed us, but he just was implying that we were, our names were somehow involved as well.

20 Involved in what?---In, in part of what the Commission visited him for.

And what was it that he conveyed to you that the Commission, according to him, was investigating?---Investigating himself and, and others as well.

About what?---He wouldn't say, Commissioner. Like, it was just more that he, they're investigating him.

So he said words to the effect that he'd had a visit - - -?---And he said that.

30 - - - by the Commission.---He said this Commission raided him as well.

Sorry?---Raided him as well.

I couldn't, sorry, I couldn't hear.---So this Commission raided him.

Right.---Yeah.

Well, then I gather from what you've told us he did indicate what he said he believed this investigation was about in terms of the subject matter of what it was about. So what did he say? What did he convey to you that this was all about? As he put it to you, whether it be truthful or not?---Chief

Commissioner, I can't recall like if he gave me, like, full details of why. All, all I can recall is he said that the Commission raided him and they were looking, I don't know, into him and others. I think that's, that's what I can recall.

But you're saying that he, having said this to you, that he had been raided by the Commission?---Yes.

10 Did you take that to understand that a search warrant or warrants had been executed on him?---That's, when he said "raided", that's what I, I thought.

Yep, that's what you inferred, anyway, he's talking about.---Yeah, yeah, he's talking about, yep.

And I take it when he said these things to you that he exhibited some concern about what had happened, is that right?---It was more the look on his face than what he said, yep.

20 You say he asked you to delete from - - -?---No. He didn't ask me, no.

No? What did he say?---He just said that others, could be yourself, like, that the Commission, whatever they were investigating.

So are you saying that you, soon after then, decided to delete the recorded messages that had been on your phone, as well as the phone number of Mr Chidiac and Mr Tsirekas?---Yes. Yes.

You say you decided your own course to do that?---Yes.

30 Why?---Because I didn't want to have anything to do with him anymore, Commissioner.

Didn't want to?---I didn't want to have anything to do with Mr Chidiac or Mr Tsirekas anymore.

You realised by the time he conveyed this message to you, this is about a very serious matter, is that right?---Yes.

40 He was, you gained the impression, worried about what had happened?---I just didn't want to be involved with him anymore, Commissioner.

Did he ask you to do anything?---No.

Well, why – so you say he just came along to inform you - - -?---Yes.

- - - that he had been raided by the ICAC?---AC, yep.

And that you, it might affect you?---Commissioner, what was very strange, he said that, this is what I can recollect, he, he said the Commission had no problem him telling us.

10

No problem?---In, in him telling us.

I'm sorry, I couldn't.---No, no, sorry, no problem in him telling us. That's what, that's all I can recall now, that he said that the Commission said that he, that they – plus I said to him this, this, "I don't know if you should be telling us this." And he said that, no, that he spoke to the Commission and the Commission, to the best of my recollection, said that they gave him names of people as well. And that, he said that he could, there was nothing wrong in him exposing that information.

20

MR DARAMS: Were you concerned that you might too be subject to a raid by the Commission?---No.

In terms of deleting the messages from both Mr Chidiac and Mr Tsirekas, if you didn't want anything to do with Mr Tsirekas or Mr Chidiac, you could have simply just cut off all correspondence with them, couldn't you? That's one way you could do it?---Sorry, I, Mr Darams can you repeat that? Yeah.

30 Well, one of, you've been asked a question by the Chief Commissioner as to why you deleted the messages and you said 'cause you didn't want any further contact - - -?---Yes.

- - - or anything to do with them?---Yes.

40 But you could still have no contact or nothing to do with Mr Chidiac and I'll come to Mr Tsirekas in a moment but you could achieve that purpose by simply not responding to them or taking their calls if they were to call or answering a door if they were - - -?---No, 'cause, 'cause he said that they, this is what I can vaguely recall now, that he, he, he, he, I said to him that, "I don't want to have any more contact with you," and he agreed.

Yeah.---Yeah.

So you've told him - - -?---Yeah.

- - - "I don't want to have any more contact with you"?---Any more, yeah.

He agrees?---Yeah.

"Okay, Joseph. No more contact"?---Yeah.

10

Doesn't that achieve what you were seeking to do, that is to have no further contact with him?---Yes.

You didn't have to delete the messages in order to have no further contact with him. You agree with that?---I just didn't want anything, any involvement with them, I, I didn't want any involvement with them - - -

THE COMMISSIONER: Just attend to the question, please.---Yeah.

20 MR DARAMS: I understand that's the explanation you've given.---Yeah, yeah. Yeah.

I accept that that's the explanation - - -?---Yeah.

- - - you didn't want to have any involvement. But what I'm suggesting to you that you achieve that objective or not have any involvement with him without deleting these messages that you had had with Mr Chidiac. Do you - - -?---Mr, Mr Darams, I didn't want any connection with him.

30 Yeah, I know but - - -?---Yeah.

- - - do you have trouble, to be fair to you - - -?---Yeah.

- - - do you understand my question?---Yes.

Now, I'll ask you again.---Mmm.

40 You could have achieved your objective of not having any contact or further contact with Mr Chidiac without deleting the messages. You agree with that?---That's your perception, Mr Darams, you know, like, what you're

saying there, okay, most probably, but I, from my point of view, I was looking at it is I just didn't want to have any record with them.

Sure.---Yeah.

See, what I would suggest to you - - -?---Yeah, yeah.

10 - - - is that one explanation for you deleting the messages is also because you were concerned that you might be the subject of, I'll use your words, a raid or Mr Chidiac's words a raid by this Commission?---No, no.

You weren't concerned?---It, it, it wasn't a, a, a reference to raid to us. He's just said he got raided.

Sure.---Yeah.

What I'm suggesting to you is one explanation for you deleting the messages after this conversation with Mr Chidiac - - -?---Yeah.

20 - - - because he had indicated to you about you might be mentioned but you were worried about being subjected to the same type of approach or raid, using Mr Chidiac's words. That's one explanation for the deletion?---Well, he never said to me that I was getting raided.

No, I know he didn't say you were.---Didn't say that, yeah.

30 But I'm suggesting to you one explanation for you deleting the messages because you were concerned that you might be the subject of a raid?---I wasn't, like, Mr Darams, I'm under oath here. I wasn't thinking in that terms, like, I was going to get raided. You've, you've put that question to me. Now, I was just more thinking I just don't want any, like, anything to do with him. That includes I don't want to be seeing any messages on my phones or anything from them. I just wanted, with deleting their number includes deleting all their messages, as well.

THE COMMISSIONER: But, Mr Jacob - - -?---Yeah.

- - - after Mr Chidiac told you he'd been raided by the ICAC - - -?---Yeah.

- - - your attention then at some stage soon after turned to communications with him and Mr Tsirekas as evidenced by entries in your phone. That's right, isn't it?---Chief Commissioner - - -

Your mind turned - - -?---Yeah.

- - - it might have been not the same day, it might have been the next day but it was not long after, as I understand your evidence, that you decided to and did delete the messages and delete the - - -?---Yes.

10

- - - phone numbers we've just been discussing?---Yes.

After Mr Chidiac told you about he having been raided and this could involve you in some way or you could be - - -?---Yes.

- - - involved in the investigation in some way, there were three courses of action, any one of which you could have taken, I suggest. One is you just simply leave the messages on the phone and the phone - - -?---Yes.

20

- - - numbers. You could delete them?---Yes.

Or you could contact the ICAC and say, "I've been told something that this investigation might concern myself." They'd be three options available to you - - -?---Correct.

Just to leave things as they were, don't delete anything off the phone. Second is to delete the matters, which is the course of action you did follow. Or the third option that was available to you was to make contact with the ICAC and say, "I believe you're investigating a matter. I could be  
30 involved," and try and sort it out that way. But you chose to delete the messages and not follow either of the other two courses open to you, I suggest. And the question is there must be some logical explanation, rational explanation as to why you elected to pursue the deletion of these matters from your phone.---Chief Commissioner, I - - -

40

Why did you delete these entries on your phone?---Chief Commissioner, as I said earlier, Mr Chidiac said, and I found this very strange, he said that the Commission had no problem in him telling us about his raid. And I found that - - -

He said the Commissioner had?---No, the Commission, he said, had no problem in him informing us of his raid.

Ah hmm, right. Well that may be so but come back to my point.---Yeah, yeah.

Why would you go about deleting it? Was it because he asked you to or was it suggested to you or were you concerned about what might be recorded on the phone? What's the rational explanation, why did you do it?---Chief Commissioner, I, going back to Mr Darams, he, he asked me, I deleted the messages off the phone. Now, is this because of the, the Google search on - - -

MR DARAMS: No. Just to be clear, I had understood your evidence that you had deleted the messages from Mr Chidiac and yourself off your phone.---I thought we were talking about the, the Google search for the WhatsApp.

Just back to my question. You did delete the messages between you and Mr Chidiac?---I just, I can't recall but I was, I was, I, I was thinking that you were saying that because of the WhatsApp, you know, the WhatsApp, the Google and the WhatsApp, the removal, that you were saying that I deleted the messages off my phone.

THE COMMISSIONER: Mr Jacob, just be very careful with what you're saying. I thought it was plain that you said that after Mr Chidiac approached you, you at some point thereafter deleted the phone numbers of Mr Chidiac and Mr Tsirekas from your phone. Is that correct?---I said I deleted the numbers, yes.

30

Right.---Yes.

So what I'm putting to you is correct?---Ah hmm, is correct.

Right, okay. The Counsel took you to the messages that were on the phone between you and Mr Tsirekas and you and Mr Chidiac, and you did delete those messages as recorded on your phone. That's correct, isn't it?

---Commissioner, I can't recall. Like, yeah.

40 But did you not just a short while ago say that?---I said I deleted the numbers, Chief - - -

No, I'm not talking about the numbers.---Yeah, yep.

You know what I'm talking about.---Yeah. But I just, I was going back to the Google search and that said that can the WhatsApp - - -

That's right.---And just, I, I thought that was saying that I deleted the messages off my phone.

10 You've dealt with the issue as to searching to see whether investigators et cetera could trace deleted messages and content.---Yes, yes.

I'm not dealing with that now.---Yes.

I'm dealing with the actual actions of deleting information from your phone by yourself. Now, please, bear in mind you are under oath.---Yes.

You are here to assist the Commission.---Ah hmm.

20 I have warned you twice now because I want you to ensure that you give truthful evidence. As I said at the outset, to do otherwise, to wilfully give false evidence is an offence under the Act for which - - -?---Yes.

- - - a witness can be prosecuted.---Yes, Your Honour.

I don't need to go over that again.---No, no.

30 Did you delete the messages from your phone relating to communications with Tsirekas and Chidiac?---Commissioner, I can't honestly answer that, like, I - - -

Is the answer yes or no?---Most probably I did, Commissioner. Most probably I did.

Most probably you did.---Yeah, yeah.

40 And what led you to give that answer?---Because I can't say definitely no because maybe I, maybe he, he told me he got raided by the, by this Commission, that I'm, maybe I did take it upon myself. I can't recall if I definitely did, but most probably I did.

Doing the best you can - - -?---Just the best I can.

- - - you say you probably did.---Probably did. Yep.

But you'd remember, wouldn't you, if you did?---Commissioner, I can't be a hundred per cent accurate if I did.

10 But it is a very highly unusual thing to do, isn't it, to go back and select two people – in this case Mr Tsirekas and Mr Chidiac – and delete those messages? That is not a common thing you do. It just – is that not right?  
---Commissioner, I, I don't keep all my messages on my phone. Sometimes I just always delete. You know, I, I don't - - -

You're not suggesting, are you, that you did not delete them - - -?---I'm not suggesting that. I'm not, yeah, yeah, yeah.

- - - immediately, if not immediately after Mr Chidiac said that he'd had a visit or that ICAC had raided him. Not disputing, are you, that the deletion of the entries, the messages from Chidiac and yourself, and Chidiac and  
20 Tsirekas and yourself?---(NO AUDIBLE REPLY)

You accept, don't you, that if you accept on the probabilities you did - - -?  
---Yes.

- - - I don't think there's any issue between us on that.---Yes.

I'm querying why you wouldn't, with every bit of certainty, remember having done such a thing.---As I said, Commissioner, I've got to be hundred per cent accurate, I do agree with you, what you said there (not  
30 transcribable) involved with that as well.

Well, then, now, Mr Jacob, Counsel might have some further questions on this for you, but I'm looking to you now, from this point onwards - - -?  
---Yes.

- - - to assist this Commission - - -?---Yes, yes.

- - - as best you can.---As best as I can, yes.

It can only favour you in terms of the issue of truthfulness or otherwise of giving evidence. But I have said enough, I think, to indicate that the stakes are high. It's important for a witness - - -?---Agreed, Chief.

- - - to give truthful evidence on everything.---I've taken an oath.

Yes, Mr Darams.

10 MR DARAMS: So, Mr Jacob, did you ever correspond or send messages to Mr Chidiac during this period, say 2015 to 2019, using the Wickr messaging system?---Yes.

Now, what did you understand? Did you do that at the invitation of Mr Chidiac?---No.

20 Whose idea was it to use Wickr?---'Cause on normal text messages I couldn't send big files so, you know, if I sent a document, you know, I couldn't send a normal text message, so I could either send it on WhatsApp or Wickr.

Why did you choose Wickr?---Because some, the file is, you know, if it was a PDF file or something that was, had a lot of, I'd send it on Wickr.

No, go back to my question. Did you use the Wickr app with Mr Chidiac at his invitation or your invitation? So did – so one of you has to go, hey, look, let's correspond with each other on, using Wickr. You accept that?---I can't recall, but I know we, we, we - - -

30 You did do it in this period of time?---Yeah, yeah, yeah, yep.

You also corresponded with him via WhatsApp?---Yes.

Now, just going back to the Wickr app, I understood you to say you could send files over Wickr or WhatsApp. But isn't it the case you chose Wickr because the messages would, in the vernacular, self-destruct after they were read?---Yes.

Yeah.---Yes.

That's the reason why. You wanted to hide the correspondence between you and Mr Chidiac.---No, not hide. It's, a lot of people commonly use it now 'cause it self-destructs.

Yeah But the self-destruction means there's no record of the message, correct?---Well, you don't know with technology these days. I just, I was using it mainly, main, for the main purpose of big files.

Big files.---Yeah.

10

And what were these big files you were sending to Mr Chidiac?---Well, going back to what I was talking about the, the, the state and regional infrastructure for Rhodes, he, he's a resident there, he's a, he's, he, he lives in Rhodes. He showed an interest in, in all of the infrastructure proposals that we were putting forward and, and some of these files on the infrastructure were big files, so yeah.

But I thought you said before you could sent big files on WhatsApp as well.---Yes.

20

So why would you choose Wickr over WhatsApp if you could send them on both? Isn't the answer really that there were certain things you were sending to Mr Chidiac that you wanted to, in effect, self-destruct or not be recoverable, isn't that right?---Yes.

Yeah.

THE COMMISSIONER: When did you apply Wickr?---I can't recall, Chief Commissioner.

30

Just approximately, can you give us some idea? What year, for example? ---I, I couldn't, I can't remember, Commissioner, but I, I accept that, I accept that I did use it.

MR DARAMS: The purpose for using it was so there was no record of these messages between you and Mr Chidiac? That is be that self - - -?  
---No. That, that was a function of that app but we used it more to send big files.

40 Which you could have sent over WhatsApp though.---Yes.

So - - -?---I accept that.

The functionality is the same.---Yep, yep.

The difference being that, you understood, the self-destruction of these messages on Wickr.---Yeah. But then it's the same thing if you delete it off WhatsApp as well, yourself.

10 Now, just going back to Mr Tsirekas. Do you remember how you first came to be introduced to Mr Tsirekas?---I can't recall.

You can't recall. Do you remember how long you had known Mr Tsirekas, and what I might use as a point is before purchasing the properties in sort of 2014, did you know Mr Tsirekas? Not just he might be the mayor, but did you know him before that period of time?---Yes.

You did. Do you know where Mr – don't tell me the address – but do you know where he lives?---

20 You've known for some quite time where he does live, don't you?---Yes.

Have you ever been to his house?---Never.

All right. Has he ever been to any of your - - -?---No.

No. Now, just going back to your interactions with Mr Tsirekas from before 2014. Did you have dinners with him?---I would say in the period of '16 to early '19, yes.

30 So 2016, 2019 you had dinners with Mr Tsirekas. How many dinners do you reckon you had with him? Was it a regular thing or irregular thing? ---No, it wasn't regular, it was irregular.

So, what, five occasions, six occasions?---Something like that, yeah.

Were they involving others or was it just you and he or you and he and your brother?---No, others.

40 Others. Who were these others who might at these dinners?---Oh, it was just him, me, my brother and sometimes I think it was John Kinsella as well.

Right, I see.---Yep.

So from 2016 to 2019 there were dinners between you, Mr Chidiac, sorry, Mr Kinsella, Mr Tsirekas and your brother?---Yeah. With Mr Kinsella was very rare. Yeah, yeah.

So did you include Mr Kinsella in those about five occasions - - -?---No.

No, no, no. Sorry. Was he a subset of those five occasions, that's - - -?  
10 ---Yeah, I can't recall how many of those but I do remember there would have been a time that he was there.

On one occasion or more than one occasion?---I can't recall. Yeah.

Do you remember where these dinners were held?---Sorry, I can't recall whether they were at, at a lunch or a dinner but they were either one, they were either one.

Occasions where you had meals with Mr Tsirekas, you, probably your  
20 brother and Mr Kinsella. Was there anyone else there with Mr Kinsella from Billbergia?---No.

No. So it was just Mr Kinsella, yourself, Mr Tsirekas?---Yeah. Yeah.

Did you - - -?---And possibly, and possibly Joseph Chidiac.

Possibly Mr Chidiac?---Yeah, yeah, yeah, yeah, yeah. Yeah.

Did you pay for these meals?---Maybe on one of the times or, or a couple.  
30

A couple of times you paid?---Yeah, yeah.

You pay for everyone?---Yeah.

Mr Chidiac, as well?---Yes.

Mr Kinsella?---Yes.

Do you remember now where those meals were?---I can't recall. Sorry.  
40

You ever been to Machiavelli?---Yes.

Was one of the meals there?---Yes, it would have been.

When you say, “Yes, it would have been,” well, a degree of comfort with saying, yes, it was at Machiavelli?---Yeah, that would have been a lunch.

A lunch at Machiavelli?---Yeah.

10 Do you remember the occasion for the lunch, what you were meeting with them about?---I don’t, I don’t, I don’t recall.

Was it a purely social catch-up between friends?---No. It, it was more of discuss the infrastructure proposals in Rhodes.

What about other occasions for lunch or meals with Mr Kinsella and Mr Tsirekas?---The conversation would start on, on - - -

20 Sorry. Other occasions, sorry?---Yeah, yeah, yeah. The conversation would start on the infrastructure proposals for Rhodes, then obviously it would just turn to normal, normal, like, social talk or something like that and, yeah.

Sorry. I might have - - -?---Yeah.

- - - misled you a little bit there, and I apologise for that.---Yeah.

You’ve given some evidence about a lunch at Machiavelli.---Mmm.

30 What I was moving to is other occasions where you had a meal with Mr Tsirekas and Mr Kinsella. Can you remember where or when that occurred?---I don’t recall.

Was the conversation the same type of conversation again on that occasion, that is, you started infrastructure - - -?---Yes.

- - - move on - - -?---And then it, then it moved on to just more, lighter.

Did you pay for the attendees at that lunch? Did you pay for their lunch? ---As I said, I would have, I would have paid once or twice, probably.

40 Yeah.---Yeah.

Just remind you just to try and speak a little bit closer - - -?---Yes. Yes.  
Sorry. Yeah.

- - - just 'cause it does amplify for the people in the back of the room.  
---Yeah. Yeah. I'll stay close to the microphone.

That's okay.

10 THE COMMISSIONER: I think there's a delicate balance - - -?---Yes,  
there is.

- - - between being too close and not close enough.---Yeah (not  
transcribable) yeah.

MR DARAMS: Yeah.

THE COMMISSIONER: And I think it does help if you try and keep your  
voice up.---Yes.

20 It's no criticism of you. I've said that to a number of witnesses now. It's  
partly to do with the sound system, I think.---Thanks, Chief Commissioner.

I'll just ask you did Prolet or any of its companies at any stage have what  
might be called a joint venture arrangement with Billbergia?---In, in mid-  
'16 I remember that the first proposals from Billbergia started coming  
through and those proposals were for, for, for the school site, for the station  
upgrade, a tier 1 consultant firm, I think, from recollection, BG&E started  
developing all these concepts and, Chief Commissioner, we, our company  
has never done anything to this scale and, you know, we just saw Billbergia  
30 as a, as a, a, a prominent, like, tier 1. They'd just delivered the Bennelong  
Bridge that connected Wentworth Point to Rhodes and it was the first  
privately funded bridge in apparently the nation. So then when, when we  
acquired the properties, we didn't expect that, the infrastructure and the,  
there was going to be a priority precinct, a state-led rezoning. So because  
where our site was positioned on the station, it was, it was actually key to  
this infrastructure. It could have been a site for the 1,000 student primary  
school, which we did do a proposal for that and it could have given land for  
entrances to the station, as well, but the, the, Transport decided to do it  
within their, their own railway corridor. So at that time, in late '14, Mr  
40 Chidiac had introduced us to Billbergia and in that mid-'16 mark, that's  
when it was told to us that if we don't contribute towards the infrastructure,

then there's, there's no chance of redevelopment happening there, so, so then we, because of Mr Chidiac's introduction to Billbergia then we, we started discussing a, a possible joint venture with Billbergia.

So you understood, did you, that Mr Chidiac was acting on behalf of Billbergia at that time?---Mr Chidiac introduced us to Billbergia.

10 He's an introducer on behalf of Billbergia?---Yeah, yeah, yeah. Well, in late '14, early '15, I can't recall exactly when, that's when he introduced us to Billbergia. And when the infrastructure proposal started and we were talking about doing a possible joint venture with Billbergia, that's when, that's when the discussions opened about, you know, possibly doing a joint venture with Billbergia.

And how long did the – well, I'll go back a step. Some form of joint venture was formed, was it? Prolet or one of its companies.---No, it was never formed.

20 It didn't come to pass?---No.

But there were discussions towards establishing a joint venture?---Correct.

Is that what you say?---Yes.

Ah hmm.---Yes.

And who were involved in the discussions on behalf of the various stakeholders?---Myself, John Kinsella and, and his staff.

30 And?---And Billbergia staff.

Ah hmm.---Mmm.

And from time to time Mr Chidiac participated in discussions about the potential joint venture?---Yes.

He would attend meetings from time to time?---Yes.

40 And Mr Tsirekas, did he have any involvement in the - - -?---Absolutely not.

No?---Yep.

Anybody else?---No. I got advice sometimes from my accountant, Frank Bruzzano, as well.

Sorry?---I got advice from my accountant, Frank Bruzzano, as well.

Ah hmm.---Yep, yep.

10 MR DARAMS: So when you say you got advice from Mr Bruzzano, is it possible that he attended some of these - - -?---No, he didn't.

He never attended a meeting, it was - - -?---Yeah.

So if you were to have a meeting about a possible joint venture, it was between you and Mr Kinsella and Mr – was it Graf?---Yeah, Mr Graf.

And sometimes Mr Chidiac was involved?---Very rarely, but he was, yeah.

20 When did these – so do these conversations, so the introduction to Billbergia is 2014/2015, is that right?---Yeah, correct.

Introduction by Mr Chidiac.---Yeah.

Is that when the conversations or the discussions start on the joint venture?  
---No.

When did they start?---Around that early to mid-'16.

30 Early to mid-'16?---Yep.

Is there a point in time you believe they were concluded? 'Cause you've said there was no joint venture concluded.---Yes, there would have been, the first conclusion would have been about late '18.

Late '18?---Yes. Do you want me to explain that?

Yes, please.---Yes. The, the first plan that was exhibited by the department in 2017, so going back, in mid-'16 we reached out to School Infrastructure  
40 NSW because we were speaking to the Department of Planning and they identified the definite need for a school site in Rhodes, that the demand for

school places instigated a definite need for the school there. In Concord West there were demountables going on all the playing fields, and in Wentworth Point they had built a 400-student primary school but that has already outgrown, and it just recently opened another one to upgrade that to 1,000 students. So we discussed the, the potential of a school site. The department and School Infrastructure NSW were telling us before the 2017 plan, which is, sorry, the draft 2017 Rhodes Priority Precinct Plan was exhibited in September 2017, that there would be a 400 square metre blanket radius to the station, and they would require 6,000 square metres of freehold land for the vertical primary school, and you'd have to comply with the outdoor space being 10 square metres per student. So we engaged a tier 1 firm in Hayball Architects to start developing a proposal because then we spoke to Billbergia because they had adjoining land next to us which was roughly around 1.4 hectares of land and Prolet had about 6,000 square metres of land, which was two hectares. So the idea was kind contemplated if Prolet gave their land 6,000 square metres of freehold land to, to School Infrastructure for, to enable the 1,000 student vertical primary school, then we could possibly do a joint venture with Billbergia on its other land to deliver that land once the EOI comes out, the expressions of interest.

When the 2017 plan was finally exhibited by the department, the proponent to the south of us, there was a location there for a primary school in a, in a podium with a 25-storey tower above it, okay, and that made major headlines, news and there was massive opposition to, to that. I think the Opposition Leader at that time came saying that we're not going to be building schools under a 25-storey tower. So then we, we then said okay, if the precinct needs to, to progress, then we had a, a, a viable alternative right next door where we could comply with the criteria for, for, to give 6,000 square metres of our land as freehold land and comply with the, the school criteria. So then we, we, the expressions of interest didn't end up coming out as we were told. We, we looked at an avenue of a State Significant Development, an SSD, but that wasn't possible. So then we put a proposal forward and we spent a lot of money, us and Billbergia, putting it forward and that was a compliant proposal for the school.

And then in, I think it was September 2018, the department decided to have a charrette and invite all stakeholders, being the department, landowners, the council, government agencies like School Infrastructure NSW, Transport for NSW, RMS, and that charrette then gave out a plan that had three, three locations for the school and one of those locations was the one we put a proposal on our site. But then School Infrastructure came out and said that the parameters have changed, that 6,000 square metres wasn't sizeable anymore for the school. They wanted 1.2 hectares instead, which

was 12,000 square metres of, of, of land and the reason for that is I think there was a, a school built out at Arthur Phillip in Parramatta where the cost blew to from \$100 million to \$300 million. So - - -

THE COMMISSIONER: I'll just get you to pause there for the moment.  
---Yeah, yeah, yeah, yeah.

10 It may be that the ongoing story about this we can come back to. I just want to interrupt just to raise a couple of matters with you. You said at some point you sought advice from Mr Bruzzano some time ago now, about 10 minutes ago or 15 minutes about you mentioned that you sought advice from Mr Bruzzano in the context of the joint venture, or proposed joint venture. What advice did you seek from him, on what matter?---Well, before that charrette in 2017, oh, December 2018, apologies, that the department instigated, I think that was another mechanism to an EOI for the school. Billbergia put a draft joint venture agreement should that site proceed for the school, where we would, Prolet would give 6,000 square metres of its land and then the rest of the land that we would come to a joint venture with Billbergia to deliver that 6,000 square metres. Now, I didn't  
20 proceed with anything, a draft joint venture agreement was given from Billbergia to us to have a look at and I forwarded that onto Mr Bruzzano and Mr Bruzzano's advice to me was "Joseph, this is not in your interest." He goes, "Billbergia is a big company and I've had a look at the terms and I would advise, that if the school site did go there that, you know, this would need to be changed.

Did Mr Bruzzano examine with you the proposal?---No, just the terms of the JV.

30 Was there a draft agreement at that stage?---No, there was just a draft, a possible draft agreement that Billbergia put to us.

Billbergia produced that?---Yes.

And you took that to Mr Bruzzano for advice, is that right?---Yes, correct, correct. But that, after September 2018, which was a few months later, the charrette happened, and then we just wished someone told us before that they needed 12,000 square metres of land, not 6,000 square metres, 'cause we spent all this money on this proposal.

40

Okay.---And then, then we realised that the school site wasn't going on our site anymore, so they decided to take one of the bigger lands that Billbergia owned up in Leeds Street, on the corner of Leeds and Blaxland. And I think (not transcribable) owned a few houses around that as well.

Yep, just pause there for a moment if you would, please.---Yeah. Mmm.

10 I think you made mention in the course of outlining what had happened in terms of developments towards a joint venture that this had cost Prolet quite a bit of money.---Yes, a lot of money.

And money outlaid for what sort of purposes?---As a, as an option for the school site.

Sorry?---An option for the school site.

An option?---Yep.

20 And was that an option that was offered to both Billbergia and yourselves, Prolet?---No, to the department.

Hmm?---To the Department of Planning.

Department of Planning. Right.---Yeah, because - - -

30 What sort of money are we talking about there? What was the - - -?---Chief Commissioner, so there's no misunderstanding, the first '17 plan that was exhibited by the department, we were told that they were going to put a blanket zoning 400 square metres within Rhodes Train Station. The requirements were 6,000 square metres of land, freehold land, for the purpose of a 600 to 1,000-student primary school. And you needed to comply with all their criteria like – I'm not going to go through the whole criteria, but, for example, for the open space, for every student you needed 10 square metres of open space. So when the 2017 plan was exhibited, that process was not there. The proponent to the south of the Prolet site, which I think is located at 15-27 Blaxland Road, there was an indicative location for the site for the school there, where there was a four-storey podium on 2,000 square metres of land, not 6,000 square metres of land.

40 Just pause there. I don't need this detail at the moment, but if it becomes relevant we can revisit it.---Okay.

Just want to get to other matters.---Yeah.

So do I take it during the period this joint venture was under consideration and work was being done on it, there were a series of meetings between Billbergia, yourself and others associated with your company, perhaps your brother, and Mr Chidiac, is that right?---Joseph Chidiac was not, not, not - - -

10 No, just answer that – were there a series of meetings?---No, not for that, it, it was another, Joseph Chidiac was for another possible agreement ‘cause of our introduction with Billbergia. So once we knew that the, that there was going to be a possible joint venture between us and Billbergia, he made introduction and, and that was in mid ‘16 I think it was, around that time.

This is something different from the joint venture?---Different, yeah, yeah. This is different, yeah. This is for introduction, yeah, yeah.

20 This was the introduction to what?---To Billbergia.

Joint venture or not?---A possible joint, but that, the joint venture agreement that Billbergia put towards us was not involved with Mr Chidiac. Mr Chidiac said that because he introduced us, this was earlier in mid ‘16 that he had introduced us Billbergia in late ‘14, early ‘15. Once we started talking about a possible joint venture with Billbergia and he wanted an agreement, a possible agreement, just with myself and my brother without Billbergia.

30 An agreement between your brother and yourself and who else?---Just related companies to me and my brother.

But who else was the party to the agreement?---Companies that are related to me and my brother.

Your company?---Yeah.

With whom?---With his company, Online I think it was.

40 Whose company? This is Chidiac’s company?---Yeah. Yeah.

Okay. So he asked for an agreement - - -?---Yeah.

- - - to be entered into?---Yeah.

With him or, I'm sorry, his company, Online?---Yeah.

And did that happen?---No, it didn't.

What was he suggesting the agreement would provide for - - -?---In the event - - -

10

- - - or relate to?---In the event that us and Billbergia ended up doing a joint venture with each other, he, he would be entitled to some introduction and, and, introduction fee 'cause he introduced us to Billbergia.

Entitled to a fee, in effect?---Yes.

Payable by whom?---By our companies, Prolet's - - -

Your company?---Yeah, companies, yeah.

20

But didn't you understand he was acting on behalf of, he was acting or retained by Billbergia?---No.

Mmm?---No, 'cause I, I - - -

But he was representing Billbergia. I thought we established that earlier? ---I didn't know the extent of him and Billbergia's relationship. All I knew is, yeah - - -

30 No, I know. But I think you agreed earlier he was - - -?---Yeah.

- - - representing himself as acting on behalf of Billbergia in these discussions about possible joint ventures?---Because of the introduction - - -

Yeah.--- - - - that he, he, he provided the introduction to, to Billbergia to us, yeah.

So as I understand your evidence, he had - - -?---Yeah.

40 - - - represented to you that he was approaching you to effect an introduction with Billbergia?---Yes.

And he was obviously acting at the behest of or on behalf of Billbergia?  
---Yes.

All right. Do you know whether he's under contract with Billbergia and being paid for his services?---I didn't know that.

In any event, whatever that may be - - -?---Yeah.

10 - - - he was looking to you or your company - - -?---Yes.

- - - to pay him for the introduction?---Yes. For the introduction, yes.

Yeah. How much did he want?---Well, he asked for a, a draft agreement, which we never drafted. There was a, a possible draft agreement drafted but it never happened because the JV never happened.

20 Well, did he indicate what his price was?---He, he wanted some sort of, the, the agreement never commenced but he wanted some sort of yearly agreement plus another fee because if, if eventually, if the JV did happen, in our view, this is my view, not his view, the, if the JV happened, all Prolet would have had to do for that school site was hand over its land to Billbergia and Billbergia would design, construct, fund, deliver the whole project and to me, that was very valuable. And what, what he was proposing, I, I can't recall exactly what he was proposing, was very minimal compared to that final outcome.

30 Well, can you answer my question. What was he seeking by way of remuneration for effecting the introduction?---There was a, he, he, he, he drafted a draft agreement. I can't recall the exact context of that agreement.

Do you recall though what was being suggested in the draft agreement as his fee?---A yearly, while the, while the, while the JV, only when, if the JV proceeded, he would get a yearly fee plus some, some, I think, from recollection some apartment or something, you know?

Okay.---Yeah.

40 All right. Very well.---Yeah.

All right. Mr Darams, I'm sorry. I've taken you off your path.

MR DARAMS: No, that's fine. That might be an appropriate time for today?

THE COMMISSIONER: Yes. I'm sorry?

MR DARAMS: That might be an appropriate time for today?

THE COMMISSIONER: I think so. Mr Jacob, we'll continue tomorrow.  
10 ---Yes.

We'll resume at 10 o'clock tomorrow.---10 o'clock, yes.

Yes. Very well. Yes. I'll adjourn.---Yes.

**THE WITNESS STOOD DOWN** **[3.59pm]**

20 **AT 3.59PM THE MATTER WAS ADJOURNED ACCORDINGLY**  
**[3.59pm]**