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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE DAVID IPP AO QC

PUBLIC HEARING

OPERATION JAREK

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY, 18 OCTOBER, 2011

AT 2.05PM

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

THE COMMISSIONER: Mr Campbell.

MR CAMPBELL: Thank you, Commissioner. Commissioner, may I return for a moment to the topic of the 95 entities who are not the subject of the public inquiry.

THE COMMISSIONER: Yes.

10 MR CAMPBELL: One of the - as I mentioned last week when I made a statement about those matters one of the entities to whom we provided particulars of the evidence we had garnered was the Richmond River County Council and that body is to be commended for responding to us very promptly with a submission on 17 October, 2011 advising us in effect that they'd undertaken inquiries and that the public official named was not an employee of their council at the time notified by us. The basis upon which we provided that information to the Richmond River County Council was the information provided in Exhibit 31A which is the Freebie Book maintained by R&R Tape.

20 THE COMMISSIONER: Yes. That is in effect the allegations made by R&R Tape.

MR CAMPBELL: Indeed, Commissioner, indeed. And the, there is an entry in that book for 17 June, 2000 which refers to, and I quote, "Richmond River C. Council," and there is then the name of a person, presumably the public official concerned. Now, having sent that information on to the Richmond River County Council and the council having carried out an investigation, they have now informed us that the person named was at the relevant time an employee of another authority and they've provided us with
30 the name of the authority who is the Richmond Valley Council and I just wish to inform the Commission that I have asked Ms Lee to provide the particulars that we have in relation to that matter to that council so that they can look into it for themselves in the same way as we had been discussing in relation to each of the other entities not the subject of the oral evidence.

THE COMMISSIONER: Thank you, Mr Campbell.

MR CAMPBELL: And indeed, that's in hand, Commissioner.

MR CAMPBELL: Mr Stokes, I was asking you some questions before the luncheon adjournment about the incorporation of Pinnacle Traders Pty Limited. Do you remember those questions?---Yes.

10 And you recall that we were asking you questions in relation to the company search and you identified for us that the accounting firm Pears, P-E-A-R-S Pty Limited from North Parramatta, were your accountants?---Correct.

And the accountants that you used for the purpose of the business of UTS that you conducted on a day to day basis?---Correct.

All right. And can I take it that whilst UTS was in operation that you would instruct those accountants in relation to the preparation of tax returns and financial records and things of that nature?---They would do everything, yes.

20 All right. And they would doubtless send an invoice to UTS in respect of the accounting work they carried out on behalf of UTS?---Correct.

All right. And I think you told me that you had been - I'm sorry, you'd been introduced to that firm by Mr Durant, your business partner?---Correct.

30 All right. Now, do you remember seeing the company search and, and the Commissioner drawing to your attention your name as a member or a shareholder of the company and also an address was given which I won't read out loud?---I do.

Yeah. And you identified for the Commissioner that that was your address? ---Correct.

And that was information that at some stage or other you had given to your accountants I suppose?---My accountants would have my address, yes.

Yeah, and they would have got it from you though is the purpose of my question, is that correct?---Yes, well, they'd do my personal tax returns too.

40 Yeah. All right. So - and I suppose they, would they write to you at home in relation to the personal, your personal financial affairs from time to time? ---No, everything would go through, through my company or posted to my postal address for my company.

All right. And that's the UTS- - -?---Including, include personal.

That's the UTS address?---Correct.

And so that the only way they would know your actual residential address is if you actually told them about it. Is that correct?

---No, the taxation department let them know my address too.

I understand - - -?---To do my, to do my tax returns and - - -

10 I understand that but they way that you're accountants would find out what your address was would be what you told them either by telling them or by giving them a document that had your address on it?---Oh, they're my accountant they'd have to know where I live.

Yes, but you'd have to tell them?---Yeah, yes.

You wouldn't keep it a secret from them would you?---No, there'd be no secrets to keep.

No, exactly. And, and so that – now could I show you this document. Pardon me for a moment. I'm sorry, Commissioner, this is, can I show you this document, sir and a copy for the Commission. I'll give you a copy.
20 This is another record we've obtained from ASIC. Do you understand?
---Yes.

And this you will see from looking at it is the application to, you'll see it there, it says Application for Registration as an Australian Company. Do you see that?---Yes.

And you'll see that it contains a – the proposed company name Pinnacle Traders Pty Limited?---Yes.

30 And at the foot of the page there is the registered office of that company is the business address of your chartered accountants. Do you see that?
---Correct.

And then over the page there's a principal place of business, but you say that's Mr Newman's address not UTS' address. Is that correct?---That is correct.

40 Then you'll see further down director and secretary is a reference to Mr Newman. Do you see that?---Correct. Yes.

And then over the page we've got that information we were asking you about before lunch. Firstly we see that there are 60 ordinary shares all of which have been issued and fully paid up. Do you see that?---I do.

And then we have a heading Members Full Name and Address and we see that the only shareholder, as we previously saw was, is you. Is that correct?
---Correct.

And that address which is there, which I won't read out, that was your address at the time this document was lodged in April 2005. Is that correct?---That would be correct.

Because you remember living there?---I do.

And as with, as you've told me already, you would have been the person who would have given Pears & Co that address. Is that correct?---That's the address they'd have, yes.

10

But they'd have it, sir, because you told them about it. Is that not correct?---Well they'd know where I live, yes.

Well come on, sir, you're not completely straight forward with me are you? My question was simple enough, they'd know it was your address because you told them so. That's correct isn't it?---Well that would have to be correct.

20

Well why didn't you just say that the first time I asked the question, Mr Stokes?---I don't understand what, of course my accountant is going to have my address, but I would have had to have given it to them.

Thank you. And now - - -

THE COMMISSIONER: Mr Campbell - - -

MR CAMPBELL: Yes, Commissioner.

30

THE COMMISSIONER: - - - just, if you stay on page 3 and that list, the table, members full name and address, class of share, number of shares taken up.

MR CAMPBELL: Yes, Commissioner.

THE COMMISSIONER: And then you see the amount agreed to be paid, total paid, amount unpaid and are shares fully paid, yes.

40

MR CAMPBELL: Yes. So you see that there, sir, it says the shares are fully paid up?---Yes, I do.

THE COMMISSIONER: The only person who could have paid for them is you?---Commissioner, I cannot recall paying or receiving that. Whether my, whether it come out of some structure or whether, I don't know it got paid or, I did not receive it. I didn't pay it.

You didn't receive what?---Well it says received.

That's received the shares isn't it?---Total amount paid, so that's, but I don't recall Commissioner, paying any money to be a part of Pinnacle Trading. I know it says it here in black and white and it's getting drummed into me that it's there, but I do not recall me paying \$60 to be part of a company that I really had no interest in being part of.

Well it's part of the company, it's owning the company?---I never wanted to own the company, I had my own business. It wasn't meant to be set up for me to own it.

10

MR CAMPBELL: But you don't suggest to the Commission do you that your very own chartered accountants put false information in this document that they provided to ASIC?---No, I'm not saying that at all. I'm saying, the intentions of the way the business was set up, it was not my business, it was meant to be left for Robin, Robin to control and be offloaded to his kids when he felt fit. It had nothing, Pinnacles, even though it says it here in black and white, I had no intentions to owning it, being part of it. All I wanted to do was help it and keep my company going.

20

Well you keep saying that but your own accountants said that you paid for the shares that made you the sole owner of the company. You acknowledge that don't you?---I have acknowledged that, yes.

And your accounts in dealing with ASIC on this application were acting as your agents were they not?---No, not my agents, but it's saying here yes. That's what I don't understand, I don't, did not know till today that I owned that company. And for the duration of Pinnacles running, I still didn't know until today and I don't know why I own that company even though I'm down for, I don't know and I don't know when I paid it or if I paid, I do not own and I do not want to own that company. It was not meant for me to own or be part of.

30

You certainly don't want to be any part of it today do you when you've heard, when you've heard what it was up to?---No, I've never wanted to be part of it.

No?---I've got my own, I have my own business.

Now would you – I tender that document, Commissioner.

40

THE COMMISSIONER: Yes. The application for registration as an Australian company is Exhibit 54.

#EXHIBIT 54 - APPLICATION FOR REGISTRATION OF AN AUSTRALIAN COMPANY FOR PINNACLE TRADERS PTY LTD

MR CAMPBELL: Now could you look at this document you'll now be shown. And a copy for the Commissioner. You'll see that this is a document that was lodged with ASIC as a Notice of Change to Company Details. Do you see that?---Yes, I do.

And you see it was lodged on 21 October, 2008?---I do.

And you see it's under the name of Mr Newman, his middle name is wrongly spelt in his capacity as director. Do you see that?---I do.

10

And if you go over the page to the second page, you'll see that the, that the detail that's changed is the change of the members address. Do you see that?---Yes, I do.

And the change of the members address is the change of your address from the one shown on the application for registration to a different one. That's correct isn't it?---Correct.

20 And that address shown there was your address at that time, August 2008?
---It was, yes.

And of course that – when you moved you told your accountants you'd changed address didn't you?---Well I don't recall, I don't know to tell you the truth. I don't remember.

THE COMMISSIONER: You must have?---I must have, yeah, that's correct, Commissioner, I must have told for it to be there but I do not recall ringing them up to - - -

30 Yes, but you must have told them just so, for the submission of your income tax, they must have known, they must have been told that to submit your income tax properly?---Yes, look I agree, Commissioner.

MR CAMPBELL: And in other words the lodging of this statutory notice with the Commission, that is the Australian Securities & Investments Commission, is something you initiated through your solicitors, through your accountants. That's correct isn't it?---No, no it's not correct.

40 Well, you told them and they acted on what you told them to notify the Commission, that's right, isn't it?---Or - no, it's not correct, or may have been that my accountant knew I had changed address and been, like doing his job correctly has done this himself.

Well, if that's the way it worked he was doing his job correctly because you were the sole shareholder of the company and you were obliged to tell ASIC that you'd moved, that's right, isn't it?---No, that's not what happened and that's not how this new address got there.

Well, it got - we know it got there because your accountant told ASIC, that's right, isn't it?---That, that, that would be correct.

I tender that document.

THE COMMISSIONER: Yes. Exhibit 55 is the change to company details form.

10 **#EXHIBIT 55 - LODGEMENT OF CHANGE TO COMPANY
DETAILS FOR PINNACLE TRADERS PTY LIMITED**

MR CAMPBELL: Do you, do you still say, sir, that Pinnacle Traders Pty Limited was not a company which you owned?---I am.

And do you still say, sir, that you had nothing to do with its business activities?---That's what I'm saying.

20 THE COMMISSIONER: You heard Mr Newman give evidence to the contrary?---I, I did, Commissioner.

Is there any reason that you can think of why he shouldn't tell the truth?---I - yes, I do, Commissioner.

What is that?---We had - when UTS went into liquidation, prior, six months prior to that going down, down the tubes we had a lot of fall out with a lot of staff. I think Robin wanted to be part of them, I'm not too sure but our fall out was quite dramatic, he went to an opposition company and we've never
30 been friends, friends since or workmates or have associated or even talked again.

Has he got a grievance against you?---Oh, I, I would say, yes.

And what's the grievance?---Because - 100 per cent I don't know, six months before UTS went down into liquidation he was trying to pilfer my staff to go across to a new company, we had a lot of fall out just, just over business, work, management decisions then he left and we, we, we - it was just a war, we did not get on at all and he's not the only staff member that
40 left with, with a bad taste in their mouth.

MR CAMPBELL: I suppose you want to tell me that Michael Keane left with a bad taste in his mouth do you?---Oh, Michael left with a very, very bad taste in his mouth.

Yeah. You want to say that because we've given you a copy of what he told the Commission in his compulsory examination, haven't we?---You have.

And you have read it, haven't you?---Not all of it, no.

No, you've read enough of it - - -?---It's a lot of pages.

I'm sorry?---It's a lot of pages.

Yeah, but you've read enough of it to know that he said some things which are harmful to your interests, haven't you?---I haven't got to that part yet.

10 I see. All right. Well, perhaps I'll - you remember, you remember you said to the Commissioner this morning something like, questioning why you'd want to have any interest in Pinnacle Traders Pty Limited because you already had your own company UTS?---Correct.

Do you agree with that? Well, can I suggest to you that a reason why you might want to have Pinnacle Traders Pty Limited established, especially established with Mr Newman as the director and secretary, is so that his fraudulent transactions could be dealt with through a company which was different from the company that you ran, UTS. Do you think - do you
20 accept that from me?---What, Mr - what Mr Newman wished to do with his own company was his own business.

No, no, I'm asking you, sir, that the reason why you might want to set Mr Newman up in this company is so that if anything went wrong with the fraudulent transactions that that company was carrying out, he'd take the blame and not you?---Well, how would I take the blame?

Well, if you were - you were an owner of the company and you were entitled to receive its profits you, you might - I withdraw that. If UTS was
30 used as a vehicle so that you could profit from frauds that were set up by Mr Newman and others then you would take the blame because you were the person in charge of the company. That's right, isn't it?---No. I put a lot of trust into my employees so, you know, trust is what builds the company. Pinnacle Traders, what Robin wished to do and I tried to keep UTS as clean even though we gave freebies away.

Well, that's the answer isn't it? You tried to keep UTS clean that you were happy for Pinnacle Traders to be unclean. That's right isn't it?---(not
40 transcribable) to Robin to do whatever he wished to do.

Yeah, yeah?---As long as it didn't involve me or UTS.

You see, you mentioned Mr Keane's name when I've asked you about it a couple of times today and you told me when we first spoke about Mr Keane that he was the, he was a person who chased up invoices in the office. That's right, isn't it?---Chased up the accounts, yes.

Yeah, yeah. He chased up payments?---Yes.

Yes. And he was a, a member of your staff whom you would - who would be in the position to know what was due from deals that UTS were a part of, that's correct, isn't it?---How - in what way deals?

Well, transactions, sales?---Well, he'd get a spreadsheet printout of, from MYOB for accounts (not transcribable) 30 days, 60 days, 90 days, that's his job, to ring them up.

10 He'd chase it?---Where's the money.

Would he also - would he have access to the invoices for the purpose of chasing them up?---The whole company had access to the invoices.

Yeah, including him then?---Yes.

Yeah. Now, although we've got - the address that UTS was operating from at, as at September 2006 was at Pioneer Avenue, Tuggerah. That's right, isn't it?---Correct.

20

And indeed, it was unit 13/10 The Pinnacle at Pioneer Avenue, Tuggerah, is that correct?---Correct.

And that address was what, some sort of business park at Tuggerah, is that so?---Correct.

And that was also the address from which Pinnacle Traders operated, was it not?---Correct.

30 So that Mr Keane would have - I withdraw that. And I suppose that the records of Pinnacle Traders were generated by the computer equipment maintained at those premises, is that correct?---No, that would not be correct.

I see. Could you look at this document which you'll be shown which is annexure 2 to the Yass financial report. Just look at the first page which is a Pinnacle Traders Pty Limited invoice dated 5 September, 2006, you agree it bears the address that we've been discussed at Tuggerah?---Correct.

40 And it also, at the foot of the page says how to pay, my mail detach this section and mail your cheque to the same address, yes?---Correct, yes.

And then you can pay by direct deposit or electronic funds transfer by using that Westpac bank account which is identified, correct?---Correct.

That, that of course being the, the bank account which you were a co-signatory of, that's right too, isn't it?---That would be correct.

So it belongs to the company but to operate it you and Mr Newman have to act in concert, that's so, isn't it?---No.

Well, you have to countersign the cheques, don't you?---Yes.

So you have to act in concert by signing, co-signing the cheques, don't you?
---Well, what do you mean by concert, sorry?

Together?---Together?

10

Yeah?---Yes.

Together?---The only reason I would sign the - I'd sign the cheques and if you notice, if you've got your records, my signature ended up, was stopped, was no longer on cheques being signed.

Well, when do you say that happened?---Oh, it'd be around two-six, two-seven I'd imagine.

20 I'm sorry?---2007 (not transcribable)

2007, 2006, is that what you're saying?---Yes.

Is that, is that a guess?---I am.

Yeah. All right. Could the witness, Commissioner, be shown annexure 7 to the financial analysis for the Hadley and Bathurst matter.

30 THE COMMISSIONER: I'm puzzled about you being the second signatory in light of your evidence Mr Stokes and, why did you agree to be the second signatory of the cheques drawn by a company in which you had no interest whatever?---Originally, Commissioner was Robin, Robin was quite a punter, he's always been a bit of a gambler. He was worried about if we got the business going he wanted to have a control. I was quite successful with what I was doing with my business and he offered, he said, "I'd like you to have, be my co-signature." I didn't have a problem with helping him. I never, I didn't think nothing of it, I didn't think it was weird, strange or anything.

40 You agreed to be co-signatory so that you could control him?---No, I just, he just wanted, I don't really know Commissioner, I can't - - -

I don't mean that in a bad way, I mean so that he wouldn't waste his money his gambling. Is that what you're saying?---Well, I that's what I'm assuming, I don't know why, he just wanted me to be there, to sign to watch.

So what did you do each time you signed, how did you make sure that what you were signing was appropriate?---I had no idea and I, Commissioner, I didn't really care, I had a lot going on in my own business.

So you're saying you were just a rubber stamp?---I, correct.

MR CAMPBELL: You didn't mention that thing about Mr Newman being a big punter this morning when we first asked you why you were the co-signatory did you?---No one asked me was he.

10

What you said this morning was, if I may remind, was that he wanted to emulate you because you were successful in your business and he wanted you to be the co-signatory on his account for that reason.--I basically just said that then as well.

Well, I see, well you've two things, you said you wanted to emulate you and wanted, wanted your help in that way and you said he someone to restrain him because he was a big punter. You've said both things haven't you?---I've added to it, yes.

20

That's my point. You didn't' give us the whole story this morning did you? Do you agree with that or not?---No, it's, it's feels like you're twisting a little what I'm saying, what I said this morning was correct and what I'm saying now is also correct it's, I've added to my answer this morning.

Well, you've added to it, look I'm not twisting anything you're saying I'm just pointing out to you that you are adding to your evidence and I'm pointing out the inconsistency that that suggests. Do you understand me? ---I'm understanding.

30

Thank you. Now would you, would you look at turn over to page 573 of that bundle you've got, it's behind Tab 76 and you've seen here this morning of course on the screen and you've heard me ask Mr Newman about that. That's correct?---Yes, yes.

So these come as no surprise to you if we take at face value what you've said about your role as co-signatory, the first thing is, that is your signature to the right, is it not?---It is.

40

Yes. And the second thing is that that's a cash cheque for \$3,000 isn't' it? ---It is.

Now, if you were concerned in any way or had accepted a trust from Mr Newman to act as a restraint upon him because he was a big punter then you'd ask him some questions about why he wanted to cash a cheque for \$3,000 wouldn't you?---Well, you would and the answer would be to pay, to buy stock.

To buy stock in cash? You'd normally buy stock wouldn't you in the ordinary course of business by sending a cheque to the wholesaler, that's how you do it isn't it?---Well that's how some people do it and obviously he's not doing it that way he was, he might have had to pay, I don't really know what he done with the \$3,000.

10 So you pay them in cheque or by electronic transfer so you've got a permanent record a) that you paid it and b) for the purpose of your tax don't you?---Also too, if you pay in cash you can get a written invoice whilst you had to pay cash out.

So did you ask him, what do you want this cheque for \$3,000 in cash for?---No, I don't recall any conversation.

No. If you turn the page, to the \$12,000, the \$9,000 cheque you'd be even more surprised if that on the same day he's asking you for another cash cheque this time for three times the size of it ie \$9,000. That's correct isn't it?---That's correct, \$9,000.

20 Yes, so if you were either his mentor in business you would say to him, why are you doing this way because that's a lot of cash, that's not a good way of keeping track of where the monies going wouldn't you or something like that?---Well, no, obviously I haven't, I've let him run his own race.

Or if you were concerned that he was a big punter and might fritter away any profit then you'd say to him, are you taking this out to have a bet mate, wouldn't you?---No, I haven't said that to him either.

30 No, but if you had accepted a trust that you would restrain in from frittering away the money by gambling then if you saw him writing these two cheques totalling \$12,000 for cash in the one day you'd say something to him about that, would you not?---Well, I have not.

And you have not, that's correct isn't it? So that the answers that you've given to the Commissioner about the reasons why, two reasons why you were the co-signatory are not true are they?---Yes, they are.

40 You certainly didn't discharge either function in these two instances as you said yourself, did you?---Going back to 2003 - - -

Can you answer my question Mr Stokes?---I've got no idea it was a long time ago and no I don't believe I did question them because it's only \$9,000.

It's \$12,000?---It's \$12,000.

It's a large cash sum in anyone's terms isn't it?---Well, I've some of the suppliers from UTS I've well and truly paid thirty, forty, \$50,000 so - - -

In cash?---No, not in cash.

Of course not. And if you look at, go to page 570 see that, that's, you recognise that as a bank statement don't you?---I do.

You've seen plenty of those in your time. That's right isn't it?---I have.

10 And that post office box 3673 is the post office box of UTS is it not?---No it's not.

Who's post office box do you say it is?---It's got to be his.

I see. Do you know or not?---No.

What post office box did UTS have, there'd be a suppression order in relation to it?---Um, I think it was 3700, 3700, not a hundred per cent sure I'm sorry.

20

SUPPRESSION ORDER IN RELATION TO UTS PO BOX

MR CAMPBELL: We'll check it for you Mr Stokes.---Thank you.

Now you'll see won't you that looking at pages 570 and 571 that there was quite a bit of money going through this account. Do you agree?---I do agree.

30 And the, for instance for the period covered by the statement of \$17,500 had been received under total credits, the total debits were \$15,218.50. Do you see that? You see that don't you?---Yes, I'm just, yes.

And that then, then down the page we can see on that page 570 those two cheques on the 30, sorry 22 March that we've been discussing. Do you see those entries?---I do.

40 And that's \$12,000 of the debits that had been received. That's correct isn't it?---That is \$12,000, yes.

And you'll see that above those withdrawals that there was a, that there was a deposit on the same day for that same sum of \$12,000. That's correct isn't it?---It is correct.

And do you know where that deposit came from?---I do not.

Could you go to the, if you go to the top of the sheet please sir, there are some spreadsheets rather at the front of the folder, have you got those?---
Yes, I have.

All right. That's, that's can you assume please that that is a summary of the payments, a summary prepared by the Commissions investigators of the payments passing between the Bathurst Regional Council and Pinnacle Traders Pty Limited through its Westpac account. Do you see that?---I do.

10 And over the period of covered by this of 10 October 2005 until 17 November 2008 you can see there's a very large sum of \$165,144, sorry \$165,144.19. Do you see that?---I do.

Now – and you'd accept wouldn't you that all of that money went through the Pinnacle Traders account?---I'd accept that, yes.

And you see as a signatory to that account you would have seen the cheques that were – had to be signed to withdraw the funds from the account wouldn't you?---On some of them, yes.

20

Well on all of them whilst you were co-signatory. That's correct isn't it? ---Whilst I was co-signatory, yes.

So you'd have a fair idea about the activity in the account. That's right isn't it?---Not if I didn't want to know the activity in the account.

You see, sir, you received your share of the proceeds of these deals from Mr Newman didn't you?---No, I did not.

30 Now the – just go to the next sheet which is a spreadsheet of payments from Pinnacle that can be traced to Mr Hadley. You see where there's been a deposit in one of his accounts. Do you see that?---I do.

You would have signed each and every one of those cheques would you not?---I'm assuming yes.

And, and when you signed them you knew that Mr Newman was using those cheques to put money in Mr Hadley's account. That's right isn't it? ---No, that's incorrect.

40

Now I've asked you about the statement or the document I gave you recording Mr Keane's evidence when he was before the Commission on a previous occasion. Do you remember that?---Yes.

Have you got it with you now?---No, it's in my bag.

Would you like to go and, have we got a spare copy? I'll give you another copy.

THE COMMISSIONER: Is there one for me?

MR CAMPBELL: Yes, Commissioner. Now can I ask you to turn up page 817. You'll find the page numbers at the bottom right hand corner. This is the transcript of Mr Keane's evidence on a prior occasion. You've been here previously too, I think, sir, have you not?---I have.

10 The – now you've told – you socialise with your staff from time to time do you not?---I do.

You might go to the club or the pub with them at lunch time. Is that correct?---Correct.

Or if you have a social event at your home you may even invite them. Is that so?---Correct.

20 Certainly at Christmas time is the sort of time when you were likely to have a function to invite some of your employees. Is that correct?---That's correct.

30 All right. Now you'll see that, you'll see this question at line 20, this is a question from Ms Lee, my instructing solicitor to Mr Keane, and I'll read it slowly, "You say that you got the impression this company was set up just to be used for the purposes of Mr Newman with Bathurst Council and the fraudulent invoices. Is that correct?" And I won't read the rest of it, the answer is, "It was, yeah." The question was, "It wasn't a really company?" And the answer is, "Yeah, it was set up to keep, there's something missing, it wasn't recorded, safe." "And you got this impression from your conversation with Mr Stokes?" "Yeah, while I was working there at a party at his house." Do you see that?---I do see that.

And then down at line 35, "Stokes said to me that, yes, he'd set up Pinnacle, put Robin down as the director", and I'll quote it verbatim, "so that if the shit hit the fan", parts not transcribed, but we can imagine what it is, I'm suggesting that the rest of the answer was, so that if the shit hit the fan, Robin would go down and not me. Now I suggest to you that that's what happened. Do you agree?---No, I disagree.

40 And that would be a rational reason wouldn't it, as I put it to you earlier, for you setting up this company as a shareholder with Mr Newman as the director or secretary. That's correct isn't it?---No, that's not correct.

And the, you see because if you were the shareholder then you would be entitled to the profits. You understand that because - - -?---I (not transcribable) that response this morning, yeah.

But the person running the company, ie the director, might well be the person you'd look to if something wrongful was going on. You understand that too don't you?---I do.

So you accept don't you that, that someone might set up a company in this way for that purpose. Do you accept that?---Maybe one would, yes.

It's rational isn't it?---It's rational.

10 And – now you've heard the evidence today when you've been here about the fact that the invoices that were issued to Bathurst Regional Council in the name of Pinnacle Traders Pty Limited were all fraudulent. You've heard the evidence haven't you?---I did hear that, yes.

And that the parties to the fraud included Mr Hadley, who was a storeman there and who'd sign off on the invoices and, and sign off that the goods had been received when they hadn't been?---Correct.

20 And you heard that also from Mr Newman that that involved you and him. That's correct isn't it?---I did hear that, yes.

And that Mr Hadley got half and that you and Mr Newman split the rest. You heard that evidence?---I did hear that evidence.

And that is the truth of what happened is it not?---It is not.

30 Now can I ask you some questions in relation to the Yass Council. Yass Council had been a client of UTS from before the time that Mr Newman started with the company. Is that so?---Yes.

And, and in your type of trade you say don't you that things like guide posts and the like are consumables?---Yes.

And it was industrial consumables of that type, like guide posts and barrier mesh and gloves and things that UTS supplied?---Correct.

And UTS initially supplied those things in its own name. That's so isn't it? ---It is correct.

40 You've got, do you still have in front of you that annexure 2, the folder that's got annexure 2 written on it?---Yes, I do.

Okay. That's got the Pinnacle Traders in it, invoices. And if you just have a look at the products being supplied in these invoices. For instance in the first one we see that there are guide posts. That's the sort of thing UTS supplies is it not?---On the occasion, yes.

Over the next page there's bollards of different types. That's the type of thing you supply?---Yes, it is.

The third one is onion mesh and we've said barrier mesh. Is that right?
---That's correct.

You supply that?---Yes, I do.

10 And again in the fourth one there's more, there are, there are barrier boards and flashing road lights, are they the type of things you supply?---Yes.

And again, galvanised signposts, those are the very sorts of things you comply, are they not?---They are.

You supply, I'm sorry?---Yes, I do.

20 I won't read every one of them out but for instance if you go into it, there's quite a bit of mesh but if you go into it, if you just look at them as you go through, you'll see that it's all that type of consumable used in relation to roadworks, is it not?---It is.

Now, have you got to one that - tax invoice number 1878 which is, which is about three-quarters of the way through, page 57, thank you for reminding me, page 57. Do you see that? Have you got that one, sir?---Yeah, I, yeah, it's PAE Industries. Am I on the right, sorry.

No, I don't think you are, page 57 at the foot of the page?---Yeah, P57 on the bottom.

30 This is annexure 2 you've got, is it?---Yeah, I've got this one here.

Oh, that's, is that - I see is that, is that (not transcribable) does that say PAE Industries at the top of the page, is that right?---That's correct.

Right. But those respirators and, for instance, are the items you were talking about earlier, is that correct?---Yes, that's the, that's the sort of stuff we'd import in.

40 Yeah. And the, and the dust - there were two different types of respirators?
---Yes.

Then there's some cowhide riggers gloves, is that right?---Correct.

And some, some safety specs, spectacles?---Correct.

They're all the type of things that you would supply, is that right?---That's correct.

All right. Now, the - we'll leave the PAE Industries aside, looking back at the Pinnacle Traders Pty Limited invoices you see they are the type of products that your company supplied, you wouldn't want anyone else supplying those in competition with you, I suppose, is that right?---I believe I was pretty lucky to get these orders here. If it was UTS I wouldn't want anybody to take those away.

10 Yeah, unless of course there was something in it for you I guess, is that, would that be fair?---No, not at all, no. Well, it's for the company but this not my company, Pinnacle Traders - - -

Well - - -?--- - - - but it is the, the same product that is sold by UTS.

20 You keep saying it's not your company but, you see, one of the things about this, Mr Stokes, is that if for instance Pinnacle Traders was used for these fraudulent deals in one way or another, that Mr Newman was involved in and you were getting some of the proceeds, well, that would be a rational reason to let Pinnacle Traders Pty Limited supply those very products that your company could also supply, would it not?---No, I wouldn't, if I knew that Robin was supplying these supply, these customers, my products, all the products these are that also takes figures away from the rep that's done - who looks after that area and it takes figures away from my company.

Well, it wouldn't take figures away from your company I suppose if you were the owner of Pinnacle Traders would it, because it would be your company, that's correct, isn't it?---But it's not my company.

30 Answer my question, Mr Stokes. If you were the, if you were the owner of Pinnacle Traders then it wouldn't take any income away from any company you owned, would it?---If I was the owner, no, it wouldn't.

THE COMMISSIONER: Do you know what happened to Pinnacle Traders?---No, I do not.

Your accountants never spoke to you about that?---I thought it, I, Commissioner, I just figured that Robin ceased doing anything with it.

So your accountants never spoke to you about it?---No.

40 And you saw nothing from your accountants about that?---No.

About the end of Pinnacle Traders?---Not at - I've seen nothing.

MR CAMPBELL: You got into financial trouble with UTS didn't you?---I did, yes.

And when did that happen?---That would have started approximately 2007.

And when did, when did you get out of UTS?---In July 2009.

So looking at that company search that we were looking at this morning and earlier this afternoon, do you remember that the company, Pinnacle Traders Pty Limited, was deregistered in about August 2008, do you remember that?
---Oh, was that deregistered, was it?

Yes?---Yes, I did remember seeing that piece of paper, yes.

10 You do remember that now?---I thought, I thought that was just an address change.

But you remember on the original company search there was a reference to it being deregistered. Do you remember that?---Yes, I didn't read that but I do remember the piece of paper you did show me.

THE COMMISSIONER: It was dissolved.

20 MR CAMPBELL: Yes. I'll just show you again, you'll see that it was registered, as we said, in April 2005 but it was dissolved on 30 August, 2009 - I beg your pardon, my recollection was wrong, 2009, so that's about the time when, when things were going bad in your, in your other business, is it not?---No. August 2009 I was, I was already liquidated and nearly bankrupt.

Well, that might be the point, don't you think? So was UTS also bankrupt around that time?---UTS was in - it went into liquidation and staff got terminated in July.

30 And were you bankrupt?---I went bankrupt in April, what, no, was it, February, April 2010.

All right. So certainly at 30 August, 2009 is - and I'll put it in a general way, around the time when everything had come crashing down in relation to your business activities, would that be correct?---With UTS, yes.

All right. And - pardon me, Commissioner. Now Emprint you've mentioned?---Yes.

40 Now, that was, that was another business you went into?---That was my wife's business.

I see, because I guess you were bankrupt?---Not at that stage.

But looming, it was looming at that stage, is that correct?---I, I was waiting for the Bank of Queensland to put me into bankruptcy.

Yeah. And so had your wife - was this your wife's first business venture?

---It was.

Yeah. And it was a similar type of business venture of supplying the same type of products that UTS had been involved in?---Correct. On the, when UTS went under the accountant said I was in, in, trading insolvent. We had to terminate the staff, that's when some of the staff went to other, opened up against me and we were left with three or four staff members and so we had an option to move next door and, and restart.

10 And literally next door, is that right?---Yes. I used to own unit 14 as well.

And did you - what about the stock that UTS had, was that all taken by the liquidators I suppose?---The liquidators sold a lot of it and gave Emprint an option to buy stock to start off with.

And you, and you took that option up, did you?---Yes, we do.

And as you've said already you supplied the same type of products and tried to sell it to similar customers as you had done before?---Well, we also
20 brought the database from, from the liquidator to restart the new business.

I see?---At a lot, lot smaller capacity.

And some of these things you would, you would be a middle man in respect of some of the supply I suppose, is that correct?---No, no. It was just straight buy and sell.

Well, you'd sometimes buy some things from larger concerns and on-sell them to some of your customers, is that correct?---Oh, absolutely, yes.
30

Yes?---I was employed as a salesperson in the new business.

Yes. All right. Now, did you have any dealings with Mr Hadley - I withdraw that, with Mr Smith at Yass Council?---Yes.

And what sort of dealings did you have with Mr Smith?---Well, he's the person who used to do the order for the products.

Yes. And, well, what person - did you have personal dealings with him at all?---Never.
40

Always one of your sales staff?---Always the sales staff.

And, and can you tell us whether or not he was a person who received the type of incentives that your company was offering at one time?---Yes, he would have been.

And now, you've heard some evidence today when you've been in court that Mr Smith was also receiving some cash from Mr Newman. Do you remember that evidence?---I did, I do remember that evidence.

And you heard the evidence that that was, that was through the Pinnacle Traders Pty Limited company?---Correct.

10 Now, you heard the evidence that sometimes it was in cash but other times it was paid by cheque. Do you remember that evidence?---No, not really.

All right. Can you open up, you have annexure 1 there.---No, I've only got annexure 2.

20 All right. Could Mr Stokes be shown Annexure 1 to the Yass Council financial report. I just want you to open up the first page if you could sir, and you'll see that that's another spreadsheet, would you assume that that's a spreadsheet that's been prepared by the Commission's investigators from the financial evidence that has been inspected and will be tendered in the case.---Yes.

If you could just have a look at it for me please, you will see for instance the first, there are columns, there's a column which is headed Pinnacle Traders Pty Limited, do you see that?---I do.

And as there's a reference to Pinnacle Traders Westpac account?---I do.

To which you were the signatory you've told us?---Correct.

30 And you'll see that there was a cheque of \$1,000?---Yes.

And you would accept that you must have counter-signed that cheque?---Absolutely.

And can you see that we say that it was paid into at Mr Smith's direction an account in his wife's name. Do you see that?---I do see that.

Now did you know about that at the time, that transaction?---I'm not sure, no I wouldn't have known.

40 Well, the only way you would you have known is if you were - - -?---I signed the cheque.

You signed the cheque and if Mr Newman told you, that's right isn't it? ---Correct.

Leaving aside the cash withdrawals from Mr Newman's account which is the second, which is the column to the left of the Pinnacle Traders column

we can see that there were some more cheques down there drawn the Pinnacle Traders Westpac account. Is that right? You see there?---Yes, yes.

The total of about \$7,000?---Correct.

Three cheques and can we take it that you would have counter-signed each of those cheques?---No, I'm not sure if, I'm pretty sure that I stopped counter-signing cheques in 2006/2007.

10 Well, what's the basis of that recollection?---Because I, I've just figured Pinnacle's died and he's stopped, it all stopped, I don't recall signing any cheques after 2006 or 2007.

Well, I mean have you got any recollection of going to the bank and taking your name off the (not transcribable)?---No, I never done that.

Have you got any recollection of going to the bank and saying, let's close down this account?---No, because Robin stopped coming to me so assumed that it - - -

20

THE COMMISSIONER: If you didn't remove your name as signatory then no cheques could be signed unless you signed them?---Well, he's obviously found a way Commissioner to get around that or - - -

Well, what possible way could he find?---I'm don't know the man is brilliant in this sense of stuff.

30 Mr Stokes, the bank, once you sign, once the company says there has to be two signatures on the cheque, the bank won't allow the cheque to be met unless there's two signatures are on there?---Even if it's, even if it's a director stating?

Yes.---I'd really be interested to see my signature on one of these cheques from 2008, I really don't recall signing anything in that period of time Commissioner.

40 MR CAMPBELL: You know as a man who's been involved in business that if an account, as the Commissioner has asked you already requires two signatories the bank will not pay the cheque unless both signatories have signed the cheque. That's right, isn't it?---Yes, apparently yes.

Well, you knew that from the time you used to do that with Mr Durant, dont' you?---And now I'm a sole signature on it.

You must have arranged with Mr Durant – I withdraw that. When you started UTS Mr Durant was a co-signatory you told us?---Correct.

So any, any cheques that were drawn on that account required you to sign and him to sign and you knew that. That's correct?---Correct, yes.

And both of you - I withdraw that. And you knew the bank wouldn't pay unless that was done. That's right isn't it?---That's correct.

Now are you suggesting that that changed at some stage and Mr Durant ceased to be a signatory?---Correct.

10 Well, if he ceased to be a signatory then it must have been because you and him went to the bank arranged for that to happen?---Well, I don't recall doing that.

But surely you accept that the bank just wouldn't pay on one signature if the account had been set up to require two?---I don't know how he would have done it, but if it's been done, that's what I am saying, I don't recall signing anything after 2008 or even half way through 2007, what happened if I was in a car accident and I could no longer sign things, how would they get around that?

20

There would be trouble Mr Stokes, is the short answer to your question. Don't you appreciate that? Something that had to be, there had to be some emergency arrangement made with the bank but you'd have to go to the bank and arrange it, don't you appreciate that?---I do appreciate it.

THE COMMISSIONER: If you didn't want to sign the cheques why didn't you go to the bank and withdraw your signature?---I, Commissioner, I just thought I mean, he no longer come to me to sign things I just assumed I hadn't done anything with Pinnacles, I stopped putting stock through
30 Pinnacles, he wasn't buying stock through UTS anymore and it just come to cease, it was getting, it was getting too hard too much, I was too focused on my own business.

If, if Pinnacles wasn't working out the way you hoped it might at the outset it would've been a simple matter for you to go to your accountants and say, this isn't working out, let's just shut the whole thing down. That's correct isn't it?---That wasn't, I didn't think it was up to me to do that.

40 You see, you started Pinnacle with Mr Newman to supply certain products that might be sold through UTS that's right isn't it?---For him to import in, to start a business, yes.

And to be more or less a wholesaler to you. That's right isn't it?---To me, retain probably between five to ten per cent profit.

That didn't work?---We were buying (not transcribable)

It didn't work though did it, it was unsatisfactory.---It was unsatisfactory.

So you, so according to you, you said UTS can just do it itself. Is that correct?---Correct.

Correct?---It was too hard to have Pinnacle's repository in my warehouse with UTS stock, it was too hard to keep a stock balance on.

If that was the only purpose that Pinnacle's served, you could really have said to your accountants, it hasn't worked out, we're shutting it down.
10 That's so, isn't it?---I didn't think I had the power to do that.

You were the only shareholder weren't you sir?---I'm fully aware of that now.

No further questions Commissioner.

THE COMMISSIONER: Thank you. Does anyone wish to ask Mr Stokes any questions. Thank you Mr Stokes you are excused.

20

THE WITNESS EXCUSED [3.07PM]

MR CAMPBELL: I call Paul Wright.

THE COMMISSIONER: Take a seat Mr Wright. Mr Harris, Mr Harris you are acting for Mr Wright?

MR HARRIS: I am.
30

THE COMMISSIONER: You better come forward Mr Harris.

MR HARRIS: Thank you Commissioner.

THE COMMISSIONER: Do you wish me to make a section 38 order?

MR HARRIS: He does your Honour, and he'll take an oath.

THE COMMISSIONER: Pursuant to section 38 of the Independent
40 Commission Against Corruption Act, I declare that all answers given by Mr Wright and all documents and things produced by him during the course of his evidence at this public inquiry are to be regarded as having been given or produced on objection and accordingly there is no need for him to make objection in respect of any particular answer given or document produced.

**PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT**

ALL ANSWERS GIVEN BY MR WRIGHT AND ALL DOCUMENTS AND THINGS PRODUCED BY HIM DURING THE COURSE OF HIS EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND ACCORDINGLY THERE IS NO NEED FOR HIM TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT PRODUCED.

10 THE COMMISSIONER: Mr Wright, you are obliged to answer all questions asked of you and it is a serious criminal offence either to refuse to answer or to give false answers. Do you understand that?

MR WRIGHT: Yes.

THE COMMISSIONER: Yes, would you swear Mr Wright in.

THE COMMISSIONER: Mr Campbell.

MR CAMPBELL: Thank you Commissioner.

Mr Wright would you please state your full name?---Paul Francis Wright.

10 And have you been a sole trader trading under the style PAE Industries?
---Yes.

Are you still in business?---No.

When did the business cease?---What is it now, may be 2010, about half way through 2010.

And up until that time for many years, had you been supplying consumables for road works and things of that nature?---Yes.
20

What type of products did you supply?---A lot of our range was just gloves, a lot of clothing that kind of thing, so.

You've been in court today while other people have been giving evidence?
---Yes.

It sounds like a highly competitive business?---It is, very, very.

A lot of people trying to sell riggers gloves to shire councils?---Yes, riggers gloves, (not transcribable) but I, when I first started my business the base of my business was just, like a family business, a smaller business so, that was
30

And how did you operate? You were a sole trader?---When I started, yeah, I started out with mail outs, just sending out a leaflet of cheap prices just to try to grab people's attention and then hopefully get them to ring in, you know, and place orders.

And at some stage did you start to get, engage telemarketers to ring up cold call customers for you?---I wouldn't have anybody working full time.
40 They'd just sort of be working here and here. That's about it, so, but I did, most of the business just random people ringing in. I mean I didn't have to get too big. I was only sort of just a small company, so - - -

All right. Did you have a business account into which the proceeds of the business were put? A bank account?---A bank account, yes, yes.

And that was styled, what Paul Wright trading as PAE - - -?---Just PAE Industries, yeah.

Just PAE Industries?---Yep.

And that was your business account?---Yes.

And I suppose like most people you had other personal accounts. Is that correct?---I had actually, yeah, I had a savings account and a cheque account.

10 And they were, those accounts were for your personal use. Is that right?
---Well they were both business and personal, so money would go from one to the other to the other. They'd sort of go from, you know, it'd all be used for the business one way or another, so it didn't matter which of the two accounts it was in.

Well I suppose you're a sole trader, it's all your money I guess. Is that correct?---Oh, not really. A lot things I bought was pretty much on credit and then I gave my customers credit, so you know that's sort of how the business operated.

20 What was it pretty much a hand to mouth existence was it?---Oh well, you know you'd sell something then you wouldn't get the money in for probably 45 to 60 days and then you'd have credit with somebody else as well. And then you'd have to like fix that up pretty quick so - - -

Before coming along today you've spoken to the Commission investigators on previous occasions. Is that right?---Yes, yeah.

30 You've also given some evidence on a previous occasion. Is that correct?
---Yes.
You understand the nature of the inquiry that the Commission is making do you not?---Yes.

You understand don't you that it's an inquiry into certain fraudulent conduct inter alia involving Mr Geoff Hadley at Bathurst Regional Council?---Yes.

And also perhaps involving a Mr Kerry Smith at Yass Valley Council?
---Yes.

40 And you understand that it also involves Mr Newman?---Yep.

And companies with which he's been associated?---Yes.

And you understand don't you that if the, I'll withdraw that. You've heard evidence today from Mr Newman and some evidence from Mr Hadley?
---Yes.

And you know from the questions you've been asked at different times, that if the evidence of Mr Newman was to be accepted, for example, then you would be exposed to an adverse finding by this Commission of you participating in corrupt conduct. You understand that don't you?---Yes.

And you understand that if the evidence of Mr Newman in particular was accepted, then you might be liable to prosecution and conviction for offences relating to fraud. Do you understand that?---Yes, yes.

10 Now Mr Newman was somebody you came to know. Is that right?---Yes, through UTS, yes, when I supplied UTS.

And did you ever come to know Mr Hadley?---No.

And what about Mr Smith, did you ever meet him?---No.

And are you married Mr Wright?---Yes, I am. Yes.

And is your wife's name Patricia?---No, it's Abby.

20

Abby. Do you know a Patricia Wright?---My, my mum.

Your mum. And does she have access to any of your business accounts? ---No.

Now Mr Newman approached you at one stage with a business proposition didn't he?---Yes.

30 And at that time your business wasn't going so well was it?---All businesses have sort of problems. I mean mine was nothing out of the ordinary. I had small customers, I had a lot of bad debts, so I was always looking for somebody who had decent customers or who wanted to do work.

You have – all businesses have peaks and troughs I suppose. Has that been your experience?---Yes, yes.

And you were in a bit of a trough. Would that be right?---When, sir?

40 When Mr Newman approached you with a business proposition?---I don't know if I was in a trough. I mean I could have been, but then again everybody probably you know, wants to expand their business as well if they are, you know, either having lack of orders or wanting to expand, so - - -

You knew didn't you that what he had – he told you didn't he what he had in mind was that he would introduce you to certain customers, in particular the Bathurst Regional Council to whom you could issue invoices and receive payment. That's correct isn't it?---I've never, he's never introduced

me to Bathurst Council or Yass Council. I've never dealt with either gentlemen or even spoken to either of the gentlemen.

But you certainly issued plenty of invoices to them both haven't you?---Yes.

When I used the word introduced, he mentioned the names Bathurst Regional Council and Yass Council to you?---Yeah, that's (not transcribable) he was passing on orders to me from, to process yes. They were his accounts plus a couple of other accounts which were in the public, not public sector, like you know mum and dad sort of businesses, well public, yeah.

When you say process you mean you would issue an invoice according to what he told you to do?---Yep.

You'd receive a payment for it and bank it?---Yes. It would go into the bank, yes.

It was that kind of processing wasn't it? You didn't supply any goods to them?---Myself?

Yourself?---I sent a few orders out to, to Yass Council. I can remember, yes.

Well Bathurst Regional Council?---Robin looked after Bathurst completely.

You never sent a single glove or anything else to Bathurst Regional Council did you?---No, not that I'm aware of, no. I think Robin got most of it, looked after most of it, so - - -

You never sent a single length of pipe to Bathurst Regional Council did you?---Myself?

Yourself?---No, no.

You had nothing to do with supplying any product whatsoever at any time to Bathurst Regional Council did you?---No.

All you did was issue them with invoices and receive their payment vouchers in return. That's correct isn't it?---Yes, yes.

And you knew didn't you that when you were issuing those invoices that Mr Newman had a contact at Bathurst Council who was Mr Hadley?---Well that's where he was getting the orders from. Yes, I mean you'd have to have a contact there to get the orders from, yes.

Did you know that, that was my question? Did you know that he had a contact there who's name was Geoff Hadley?---I knew he had someone

working at, like somebody giving orders to him. You know I would have realised his name was probably Geoff over years, over the, you know, the years that we supplied.

Now could the witness, Commissioner, be shown folder 4. Were you the only signatory on the account in the name of PAE Industries?---Yes.

No co-signatory in your case?---No.

- 10 Could you turn that folder up to page 15. This is a statement, you've probably heard me tell other people this, from Mr Brian Dwyer who's the manager of corporate governance at Bathurst Regional Council. And what I'm asking you to look at sir, is a tabulation he's provided of all of the invoices issued in the name of your business for the Bathurst Regional Council. Do you see that?---Yes.

And you'll see that Mr Dwyer tells us from his inspection of the Council's records, that the first invoice that you issued to that Council was 2 October, 2006. Do you see that?

20

THE COMMISSIONER: It's at the bottom.

MR CAMPBELL: At the bottom of the page?---Yes, yes.

It's in reverse order I'm sorry?---That's all right. Yep.

And then, and that the last one, going back up the column, is 30 January, 2009. Do you see that?---Yes.

- 30 And can we take it then, using this as an aid to your recollection, that the first time Mr Newman approached about this idea that he told you about was some time shortly before 2 October, 2006?---Yes.

And, and what happened after 30 January, 2009 to bring all this to an end?
---2009 - - -

Top of the page?---Oh, yeah, that would have been - I don't know why, why orders stopped coming through from him.

- 40 Well, didn't Mr Newman tell you something? Did he not telephone you and say there'll be no more of this?---No, no, I don't think he ever did, sir, no.

It just, just finished?---Yeah. Like, like, like a lot of customers, you keep customers, you lose customers, you pick new customers up.

I see?---I mean, I've lost a lot of customers over the years and I've also picked up a lot of new ones as well so - - -

This was, this was a pretty special sort of customer wasn't it?---Oh, well, it would have been a good customer for Robin, I mean, you know he would have had them for quite a few years by supplying them through me and also through his other company so - - -

But you weren't supplying them a single jot, were you, Mr Wright?---No, I wasn't but I, you know - - -

10 THE COMMISSIONER: I don't understand this, Mr Wright. Why - you issued all these invoices to the, to the council didn't you?---Yes.

But you didn't send any goods?---No. Well, Robin had organised, that was part of their - like what we were doing (not transcribable)

You sent nothing to, you sent no goods to the council?---I didn't no, but I had organised but Robin - that was part of why he, when he got the order he'd look after dispatching of the goods because a lot of the goods he - - -

20 But where did he get the goods from?---Well, he's told me he had his own suppliers for them and he, you know, I thought he would be getting a lot better prices than I would have been getting because a lot of the stuff wasn't - - -

Well, why did you send your invoices when you hadn't actually sold the goods?---No, but Robin was getting the orders for me so I'd do the invoice through my company and then forward it through.

30 MR CAMPBELL: Mr Wright, he wasn't getting you a single order, was he? He wasn't getting orders for you?---Robin was working getting the orders for me, yes.

All he was doing was using you as a conduit to produce invoices and receive payments, that's right, isn't it?---Well, I didn't know that he was not supplying the goods, I gave him the money to supply the goods and over time he did give me paperwork and documents saying that he had bought goods and - - -

40 THE COMMISSIONER: Just explain please the arrangement that you say you had about this? What was the arrangement?---Robin would get the order, he'd - - -

What do you mean get the order?---Well, he'd get the order from the council who was - - -

Well, what does that mean, get the order?---Well, the council would either ring - I don't know how he had it work, to work, the council would ring Robin, Robin would ring the council, get an order just like you do when you get an order from a general customer, any customer.

So the order would be placed - so that the order would be placed by the council with Robin - - -?---Yes, then Robin would ring me - - -

- - - through his company Robin Newman Pty Limited?---No, just Robin, Robin was a salesman, Robin was working at UTS and I thought Robin was - it was his customer, Bathurst was his customer.

So it would be - - -?---He was supplying them stock through UTS.

10

Would that be an order that the council would place with UTS?---No, it would have been an order placed with Robin.

Robin acting for who?---Well, for - probably PAE Industries because that's where the order came through so - and as far as I was aware the order would have been coming through from Bathurst to Geoff - ah, sorry, Robin to - - -

So Robin is your agent?---Well, yes, he was a salesman, he was working for me. He was getting paid to get the order and paid to get the stock out because a lot of the time with this stock he could get it a better price and there was things that I could get.

20

But you weren't supplying anything?---Well, I wasn't no, but Robin was because that was part of what, how - - -

And you say you were paying him?---I was paying Robin to get the orders out, yes.

30

And what were you paying him?---Well, to stock out for the, for the products that we'd got, that we had gotten out.

Well, were you paying him a salary?---No, no, for the, he was getting commission plus he was, I was paying him for the goods which he was supposedly have meant to be (not transcribable)

Are you saying you were giving him the money - - -?---To get the orders out.

40

- - - to get the orders out?---Yeah, the stock direct from his contacts, I just presumed he had it already set up, he had his couriers, he had his companies he was getting the, the stock from and just sending it straight out to, you know, for me as, as well as getting the orders which he was getting as well.

MR CAMPBELL: Well, you must have thought that Mr Newman was diddling somebody, surely? You weren't supplying any goods, right?
---Well, no, I was - - -

Just answer my question?---I wasn't supplying any goods, no, but I was, I - -
-

Well, just stop there, you've said that, that's the answer. You knew that he worked for UTS?---Yes.

That's right?---Yes.

10 You knew that you knew Mr Michael Stokes, didn't you?---That I did?

Yes?---Yes, I know, Michael, yes?---Yeah, you were friendly with him, weren't you?

Well, he owned UTS and I was supplying UTS with, with, you know, with quite a lot of, mainly clothing for their embroidery machine.

Yeah. So you were friendly with him, weren't you, apart from that?---I never saw Michael a lot, I saw Robin a lot more than I saw Michael.

20 THE COMMISSIONER: Well, Robin was working for you?---Yeah, Robin was working for me, you're, he was giving me a lot of the orders too for UTS.

And he was an employee of UTS?---Yes.

So he owed UTS a duty? He was his employer?---Yes.

UTS was his employer?---Yes.

30 So was he doing this in secret, working for you as UTS' competitor?---Yes, yes, yeah.

And this was a secret?---Well, I didn't know it was a secret.

Well, you wouldn't, you wouldn't - - -?---But I think it was because Michael - I don't think Michael was aware of it, I never made it public knowledge to him that I was, that Robin was working for me.

40 But you were using somebody else's employee, to use his goodwill for his boss to get work for you?---Well, yes.

MR CAMPBELL: So you knew you were diddling somebody, didn't you? ---Oh, diddling, what, for having somebody work for me who had another job (not transcribable)

No, no, you knew that Mr Stokes' company UTS provided exactly the type of products that, that you were putting on your invoices, didn't you?---Well, that's what they sold.

Yeah?---Safety gear, yes.

That's right?---Yes.

And you said, you said that you were sometimes a wholesaler, that they on-sold from?---Yes, a lot of clothing.

Yeah?---Like, yeah.

10

Yeah. So you knew that - well, didn't you ask Mr Newman look, why aren't you doing this through UTS, you work for Michael Stokes? Didn't you ask that question?---Well, no, what he was, Robin was getting paid a commission from me to - for his orders so - - -

Yes, all right, stop there if you wouldn't mind. So you were paying Robin a commission for placing these orders your way, is that correct?---Yes, yes.

20

All right. So - - -?---He was getting paid for the orders as well, he was a salesman like he was a, I don't know if you'd call it a commission salesman, a part-time salesman or whatever it was, he was working for - - -

THE COMMISSIONER: Did you think there was anything wrong with this arrangement?---Oh, no, not really, I think there's a lot of people out there that have had - - -

30

I beg your pardon?---No, not really, sir, there's a few people - quite a lot of people out there now who have two, three jobs, you know. I thought UTS, UTS seemed to be doing quite well, you know, over the years and I didn't think there was any problem accepting other orders from people.

MR CAMPBELL: So you, you knew that he worked full-time in the office of UTS, is that correct?---Yes, yes.

And you knew that UTS was a customer of yours?---Yes.

And, and so you knew that he was directing business away from UTS through you?---Yes.

40

Well, that had to be wrong, didn't it? Didn't it have to be - - -?---Yeah, I suppose it was wrong but, I mean, you know, I didn't, I didn't have a great deal of good customers so, you know, any chance of getting a half-decent customer, I mean, there's no way I'd knock that back and when you consider some of the accounts that I've done over the years, boy, oh, boy.

So you were, you were prepared to engage in conduct that you knew was wrong because there was something in it for you, is that correct?---Well, it's an order, yes, sir, that's how I run a business so like if I didn't get orders

coming in I wouldn't have a business, there would be no - that's all the company, all the company was, it wasn't seven - - -

THE COMMISSIONER: Well, why couldn't he do this for UTS? Why did he have to use you?---Well, I don't know, sir, probably he just wanted more money on the side or, you know, as a second job for him or a third job or however many jobs he had.

10 But he had a job, he had this job that - - -?---I can't (not transcribable)

This is the nature of a second or third job because what he was doing for you was what he was employed to by UTS?---Yeah. Well, I can't answer why he wanted to, you know, it would have been money, he wanted more money, he probably just wanted a second job, I'm, I'm, can't answer for him.

MR CAMPBELL: But just listen carefully to my question, Mr Wright, and only answer the question that I ask you?---Yes.

20 Now, if you can answer it fully simply by saying yes and, yes or no - - -? ---Yeah.

- - - I'd invite you to do so. Now, you've, you've just told the Commissioner that you, you knew from the start that Mr Newman was doing this to get some money on the side. That's correct, isn't it?---Or getting, yes, yes. Just earning, earning extra money, that's what I mean, you know, I've gone through stages when I've had two or three jobs myself.

30 THE COMMISSIONER: This is not two or three jobs.

MR CAMPBELL: I know. Mr Wright, the very expression you used when you answered the Commissioner's question was that you assumed that he was getting money on the side. That's the phrase that you used, isn't it? ---Well, getting an income, yes.

Now, sir, don't toy with me please because it's been a long day for everybody and we can keep you here as long as it takes, do you understand? ---Yes.

40 I've already asked you if you would please do me the courtesy of answering my questions directly. Now, do you think you can do that?---Yes.

Thank you. Wasn't the expression that you used, your very own expression that you knew he was getting something, money, on the side, that's right, isn't it?---Yes.

And the expression getting money on the side means he was, he was doing something that wasn't right. That's correct, isn't it?---Well, obviously, yes,

if he wasn't allowed to work for two people at once he's doing something wrong.

When we say something on the side we mean something you're not entitled to, don't we?---Well, if he wasn't entitled to work two jobs, well, he wasn't entitled to work two jobs.

No, no, sir, please listen to my question. When we say getting something on the side we mean getting something that you're not entitled to, don't we?
10 ---Okay, yes.

Well, you know that don't you?---Yes, I know.

Just answer my questions please. And you knew that right from the start when he approached you about this deal. That's correct isn't it?---Yes, he actually did.

And, I'll go back to the question I asked you some time ago, you knew he was diddling somebody even if it was only Mr Stokes. That's correct isn't it?---Yes, if - - -
20

So you knew that you were being asked to enter into this wrongful transaction. That's correct isn't it?---I don't know how you can make out that someone's doing something wrong if they've got a second job.

THE COMMISSIONER: It's not a second job in the true sense, if you've got a second job you work for somebody else, not your employer doing something entirely different but when you're actually working for someone else and taking the customers that should belong to your employer and giving them to some third person unbeknown to your own employer it's hardly to be fairly called a second job, it's just stealing custom from your own boss, isn't it?---Okay, yes.
30

MR CAMPBELL: Well, it's a form of cheating isn't it?---Okay, yes.

And he was asking you to be a party to cheating somebody, wasn't he?
---Right, okay yes.

Well, you agree with that don't you?---Well, if he's cheating his boss well that's cheating his boss.
40

And you were happy to be a party to whoever it was who was being cheated because you for a period of over two years were happy to issue invoices in large amounts of money regardless of whether or not any goods were ever delivered. That's right isn't it?---Yes, yes.

THE COMMISSIONER: Did you receive any delivery notes?---I used to get bits and pieces off Robin, delivery notes - - -

Bits and pieces?---Yes, paperwork, more sort of handwritten out things in - - -

Written out by whom?---By Robin or typed, pretty much just what he paid.

10 You never got a signed delivery note from the Council?---No, I didn't send stuff directly out to the Council myself.

But you didn't even see stuff that Robin had got from the Council delivery note signed?---No, no delivery dockets, no, no.

What record do you have of payments you made to Robin to buy stock?---I don't have any records, sir.

20 But you were running a business?---Yeah, but it's all, everything's gone now - - -

Did you have records?---I would have, yes.

What do you mean you would have?---I would have kept some information on, on - - -

What information did you keep?---Well, I would have had probably invoices from him, dockets, the orders originally when I would have written them out when they came in from him.

30 Did you have a ledger?---A ledger?

Yes. Do you know what a ledger is?---Like a book ledger?

Yes.---No, no.

Did you have a computer record of outgoings and monies coming in?
---Only monies coming in, not monies going out It wasn't the full on MYOB system it was just the very basic one.

40 So how did you know what profit you were making?---I didn't sir, I didn't really know, just, pretty much.

MR CAMPBELL: Are you finished?---Yes.

You kept bank statements as well, I suppose. Is that right?---Yes.

So and all of the money you got from these councils when into the business' bank account did it not?---Yes, yes.

And so you'd know exactly what was received in the bank account and what was paid out from the bank account?---Yes, yes.

And some of the money that was paid out from the bank account was paid out in cash wasn't it?---Yes, yes.

And that was money that was given to Mr Newman wasn't it?---Yes.

10 Given with Mr Newman for him to do with he wished. That's correct isn't it?---To get the stock out as we had discussed and also the bit of the money I had given him was his commission too for the order.

You know that he couldn't have possibly have bought the stock that you said you were providing by reference to your invoice for the amounts of cash you gave him wouldn't you?---Well, I presumed he was getting the orders out like we had arranged, yes.

20 You see, he told you, didn't he, that he was, whatever purpose he approached you that he had a deal where you could make some money and he could make some money. That's right isn't it?---Well, orders yes, applying orders.

But Mr Wright we've established, I think more times than we need to, that you didn't supply a single order. That's correct, isn't it?---Myself personally, no, no.

30 So he was telling you that there was, that this was a deal he had, that there was something in it for you and something in it for him.---Yes.

It was a scam wasn't it?---Well, I didn't know it was a scam sir, I still don't know up until today what he has supplied and what he hasn't supplied.

Well, you heard his evidence this morning, didn't you?---Yes.

You heard his evidence this morning that he didn't supply one single product referred to on any of your invoices directed to Bathurst Regional Council?---Yes, yes, now, yes.

40 And you'd know that wouldn't you because you're in this business and you'd know from the amount of money that you kept in your account after you paid him his cash that you couldn't possibly supply these type of goods at the cost that you were giving him. That's right isn't it?---No, we could pretty much get the order out, I think, at that price, as far as I was aware.

What sort of profit were you making?---Oh about, probably between 15 and 20 per cent, just a very bit.

Well, you were giving him half virtually of the money that was received in your account from Bathurst Regional Council weren't you?---No, I was giving him about, probably about 80 per cent 85 per cent.

Oh were you?---But that used to, that's why all that money I was aware of was buying the stock.

10 Can I have Annexure 10 please that of Bathurst. All right. Could the witness Commissioner be shown Annexure 10 to the Bathurst statement the Bathurst Financial Report. Now just before I ask you to open it, you made a, your bank statements available did you not the Commission's investigators?---Yes, they got (not transcribable) the account number and everything yes, the accounts.

And the bank statements that you received from your bank you were satisfied were accurate, were you not?---My bank statements, yes, I'd say so, yes.

20 Well, would you open this up and I want you to assume that the document you'd be looking it and you've seen it today on the screen when you were sitting in the back of the hearing room is a spreadsheet prepared by the Commission's investigators from the bank records of the account that you kept at Westpac, okay?---Yes.

And you'll see for instance that on 20 March 2006 you received a payment from the Bathurst Council \$10,388.40. Do you see that?---Oh, yes, yes.

And you accept that you received that payment don't you?---Yes.

30 And indeed you needn't look at it again but it's the second item on that table I drew your attention to earlier, all right, can you assume that for me?---Yes.

And we see that there is another deposit on the 21, I'm sorry another deposit on 27 March 2006 in the sum of \$21,532.50. Do you see that?---Yes.

And that is a, I think a combination of some of those invoices that you issued to the Council aroundabout - - -

40 THE COMMISSIONER: They're on 13 March.

MR CAMPBELL: Thank you Commissioner, on 13 March. Because one of the ways this worked was that even on the same day he'd asked you to split the invoices wouldn't he?---To split the invoice?

Mr Newman would ask you to split a number of different invoices wouldn't he?---Oh he probably, he might ring up in the morning and say, here we've got an order here already for this morning just hold it off until the you

know, may be the afternoon and then do two or three you know when the other orders came through and send them all through.

Now but, you see on the same day you've sent four invoices at his request to the Bathurst Regional Council, it's in that, it's not in that spreadsheet you're looking at, it's in the - - -?---It's in the (not transcribable)

10 It's not, don't look there. You've still got Volume 4 with you? Look in there, go back to page 16, 15.---Yep.

You see, go back to the bottom of the column, you see that there is four entries for 13 March, you see that?---Yes.

Including that \$10,000 - - -?---Three hundred.

\$10,388.40. And you split these invoices up in that way because that's what you were asked to do is it not?---Yes, sir, yes.

20 And, and that was Mr Newman's idea. Correct?---Yes.

Did you ever say to him anything like, well why do I have to send out four invoices, why can't I just send one? Did you ever ask that question?--- Yeah, no, I think they just came through, he'd ring a couple of times during the day and just, you know, say do another invoice, do another invoice, so he didn't give a reason why they had to be - - -

Did he tell you exactly what had to be on the invoice?---Yes.

30 Did he send it to you in writing?---In writing or over the phone, yeah.

I see?---If I was there at his work doing a drop, like dropping off some stock or something, he'd just have it written out and he'd give it to me. If not he'd ring me, you know, most afternoons and just whenever the orders, whenever he got the orders and just say well - - -

All right. Now looking at this, you'll see won't you that the blue central column is the deposits from the Bathurst Regional Council?---Yes.

40 Do you have that?---Yep.

And they total over that period \$322,196.60. Do you see that?---Yep.

And you'll see that, you'll see the various debits are in the left hand column. Do you see that?---Yes, yep.

And where the money went is in the far right column. Do you see that?
---(NO AUDIBLE REPLY)

It's headed Details of Trace. Right?---Yes, yep.

So that first cheque of \$10,388 was transferred by you from the PAE Industries account - - -?---Yep.

- - - into one of your personal accounts?---Yeah, this is so, yep.

You can see that can't you?---Yep.

10 And, and then we have the next two debits are in red, so they're cash withdrawals. Do you see that?---Yes, yep.

And that's a cheque withdrawal that you signed. Correct?---Yes, yep.

Because only you can sign the account. Correct?---Yes, yep. Yep, yep.

Now that was – was that money you gave to Mr Newman, that cash?---Yes, it would be, yes.

20 Because the money that you were keeping you could easily put in one of your other accounts by internet banking. That's correct isn't it?---Yep. I used to use that second account, my personal account just more or less just for safety. Like I used to have a lot of debits and things coming out of the PAE Industries account. Once I think I had a garnishee on my account, so once the money used to sort of go in, I used to put it aside so nothing could go wrong.

30 A kind of a holding account that you controlled. Is that right?---Well yeah, just so if anybody else, if there was cheques out floating around, nobody, you know, I mean I had to pay, pay for the goods for these to be, you know, used.

THE COMMISSIONER: Well I don't understand that. I don't understand that statement. According to your evidence you pay for the goods first.?---No, we'd, Robin would get the order, then we'd send the goods out and then I paid Robin, yeah.

40 Well that, that's very strange isn't it?---Well I wouldn't be paying him before he got the goods out.

But how is he going to get the goods?---Well I just presumed he was using people and contacts from UTS. That he was getting it - - -

What he was getting goods on credit?---By credit, yeah, and then just pay him, so, and then when I wasn't getting many invoices through time I just presumed he was, you know, making a bit more money than what he was probably letting on, so - - -

MR CAMPBELL: Many invoices through him?---Like from when I was receiving invoices from where he was getting the goods from, I just, you know, thought he might be making a bit more than what he was probably letting on.

You knew this whole thing, you knew this whole thing was a form of cheating. You've told me that already?---Yep.

10 Yes?---From his point of, but from my point of view for taking orders from somebody, yes.

But you were participating in the cheating weren't you by facilitating it. That's right isn't it?---Well I was facilitating it, but I didn't know that it was cheating, no.

You've already agree that you did know it was cheating. We won't go through all that again?---Cheating as in respect of someone working for me, yes.

20 And you were facilitating the cheating weren't you?---Of somebody working for me, yes.

The same thing as fraud isn't it?---Is that the same as fraud?

Yes. Cheating somebody is the same as defrauding them isn't it?---Well I don't know.

30 You don't know?---Well it's a word, if it means two things, yes, I suppose you're right.

Now see, you're a fully grown up man, has been in business, you that if you cheat somebody you're defrauding them of something don't you?---(not transcribable) defrauding, if you're cheating someone, yes, yes.

All right. So – but all of these – so you said you ran two accounts, this account, the one in the name of the business - - -?---Yep.

40 - - - is one where all of your normal deductions and things come out of. So if you get a large cheque in the first thing you want to do is to get it into your second account - - -?---Yep.

- - - that doesn't have all those things in it. Is that so?---Yep, yep. Garnishee's and direct debits and cheques floating around and - - -

So you can manage the funds?---Yes.

That's correct isn't it?---Yes.

And you can – now so that all of the numbers in red you say were cash given to Mr Newman. Is that correct?---I'd say so, yes. I mean they're large amounts so I'd say they'd be relating to (not transcribable), yes.

THE COMMISSIONER: And what were they given to him for?---The money was given to Robin for, to pay for the products to be sent.

And also for his share?---And also his share, probably, you know - - -

10 How much - - ?---I don't know. He never really told me what he was making, probably 10, 15, 20 per cent I suppose. I don't know.

Well if you take that for example, you're left with very little to pay for the goods?---Well he had the rest, the balance of it, so - - -

No, he didn't have the rest. You gave 49 per cent cash withdrawal to him of which he would take 15 to 20 per cent for himself?---No. Robin used to take about 80, I used to give him about 80 per cent of the invoice total.

20 Well that's not what this spreadsheet shows. It shows that you gave him 49 per cent cash withdrawals?---No, no.

Well these are the records showing that Mr Wright?---The money was transferred, yeah, coming out of this account, but then if the money was transferred into my, the other personal account, the money would have been coming out of there as well.

What you were paying him out of your personal account?---Well they were both, both of the accounts were (not transcribable) to me.

30 Why would you do that?---Well I said before to him that that's why I was running both accounts together, they were both personal accounts, they were both, it was both Paul Wright, so you know, I'd be just getting money out of the cheque account so it was safe. As I've mentioned, I've had garnishee's put on my account, I've had cheques, when I've paid creditors, floating around. I just wanted to make sure that any of the orders that - - -

40 Why didn't you pay him everything out of your cash account, out of this, out of the money he was, you were getting from the Bathurst Council?
---Well it did all come out of the money from the Bathurst Council, but I used to put it aside. Probably 49 per cent would have come out from here, whatever you're, if that's how it ends up and then some of the money that got transferred into my other account, that would have come out and paid Robin as well. It would have come out of the two.

You've just told Mr Campbell that all of the 49 per cent went to Robin Newman?---Yeah, 80 per cent of the invoice totals went to Robin, 80 per

cent. I don't know how this 40 per cent has come up here, cash withdrawal 49 per cent.

Well that's, that's simply - - -?---That's where it come out.

- - - it was just a requisite?---Yes, and then the 49 per cent - - -

Where's the other 30 per cent?---Pardon?

10 Where is the other 30 per cent?---Well it would have been into the other savings account. It would have gone from the cheque account into the savings account and then money would have come out of that to pay Robin as well. That's what I was saying before, like most of the money that came through for them was, a lot of it was put into that account.

So are you saying your savings account - - -?---Yep. Which was, it was safer in there than it was in my - - -

20 - - - will show something like \$100,000 paid to Robin Newman, being the extra 30 per cent?---Well it probably would be, yes, yep. There would have been a lot of cash withdrawals - - -

Have you given that account to the Commission's investigators?---They knew I had both accounts, so - - -

I beg your pardon?---They knew I had both accounts.

30 Did you give them details of both accounts?---No, but you have asked me, you asked me the last time when I was here.

And what did you do?---I told you I had two accounts.

MR CAMPBELL: You've given us the account, pardon me for a moment, Commissioner. We have, this is for both accounts, Commissioner. We did it as both accounts, but the simple fact of the matter is, sir, I'm putting to you that there are no significant cash withdrawals from that second account. That's correct isn't it?---No, there would be. There would be. I just wouldn't have money sitting in there, there's, there's 49, 45 per cent of whatever sitting in my account.

40 THE COMMISSIONER: Well, you'd have to - I mean 30 per cent of 322,000 is something like \$100,000?---Yeah.

So you'd have to find another \$100,000 out of your savings account, pay it to Mr Newman if what you're saying is correct?---Yeah, yeah, that would be my - that's where it would have come back out of the savings account.

MR CAMPBELL: I see it's 10 to 4.00, Commissioner. I think we have records, we could check this overnight.

THE COMMISSIONER: Yes. All right. It's been a long day as you said.

MR CAMPBELL: Yes.

THE COMMISSIONER: So we'll adjourn until 10.00am tomorrow morning.

10

MR CAMPBELL: Thank you, Commissioner.

THE COMMISSIONER: Sorry, before we do, I think we should call Mr - -
-

MR CAMPBELL: Keane again.

THE COMMISSIONER: - - - Keane again, yes.

20

MR CAMPBELL: Yes, certainly, Commissioner.

THE COMMISSIONER: No response?

MR CAMPBELL: No response, Commissioner.

THE COMMISSIONER: Yes. We'll adjourn till 10.00am.

MR CAMPBELL: Thank you, Commissioner.

30

**AT 3.50 PM THE MATTER WAS ADJOURNED ACCORDINGLY
[3.50PM]**