

CITRUSPUB00811
03/05/2012

CITRUS
pp 00811-00874

PUBLIC
HEARING

COPYRIGHT

INDEPENDENT COMMISSION AGAINST CORRUPTION

THERESA HAMILTON ASSISTANT COMMISSIONER

PUBLIC HEARING

OPERATION CITRUS

Reference: Operation E10/1831

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 3 MAY 2012

AT 10.05AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

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

ASSISTANT COMMISSIONER: Thank you. Please be seated. This is a continuation of a public inquiry being conducted by the Independent Commission Against Corruption. I have previously announced the nature of the allegations being investigated. And the general scope and purpose of this further segment will be briefly outlined by Counsel Assisting Mr Morris. Thank you Mr Morris.

10 MR MORRIS: Before I do so, Commissioner, I understand that there are some adjustments in the representation and Mr Chalmers will be seeking leave to appear on behalf of Mr Mylonas.

ASSISTANT COMMISSIONER: Yes.

MR CHALMERS: Yes, good morning, Commissioner. I seek leave to appear on behalf of Bill Mylonas.

ASSISTANT COMMISSIONER: Yes, Mr Chalmers, you're given leave to appear for Mr Mylonas.

20 MR CHALMERS: Thank you.

MR MORRIS: And Commissioner, just one minor modification and a matter of housekeeping, Exhibit 64 was a series of essentially submissions as to what the University had done to try and improve the anti-corruption processes. In the second last bullet point on page 1 of that document the reference to February 2012 ought to be 2011.

ASSISTANT COMMISSIONER: Yes, that's noted.

30 MR MORRIS: Now Commissioner, on the last occasion evidence was taken from all the relevant witnesses and the evidence was concluded. Shortly thereafter some documentation came into possession, a vast amount of material was produced by the University of Sydney and a number of documents were discovered after the evidence had closed. Now these documents are very critical – very critical documents as to the method of operation of the Succuro business and in that regard I made a decision that at least four witnesses ought to be recalled to provide their explanation for those documents. And in that regard we have sought to relist the matter to take evidence from Virginia Kantarzis firstly, then Mr Demiralay and then
40 Mr Mylonas and Mr Kostogiannis.

ASSISTANT COMMISSIONER: Yes.

MR MORRIS: And in that regard the first witness will be Ms Kantarzis this morning.

ASSISTANT COMMISSIONER: Yes, Ms Kantarzis, could you come forward please. Yes, have a seat, thank you. Ms Kantarzis, I've previously

explained to you the effect of a section 38 declaration. Do you seek such a declaration in respect of your evidence here today?

MS KANTARZIS: Yes.

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

**PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT
ALL ANSWERS GIVEN BY THIS WITNESS AND ALL
DOCUMENTS AND THINGS PRODUCED BY HER DURING THE
COURSE OF HER EVIDENCE AT THIS PUBLIC INQUIRY ARE
20 TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED
ON OBJECTION AND THERE IS NO NEED FOR THE WITNESS
TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR
ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

Ms Kantarzis, will you take an oath or make an affirmation?

THE WITNESS: An oath.

30 ASSISTANT COMMISSIONER: An oath.

MR MORRIS: Thank you, Commissioner.

Ms Kantarzis, you gave evidence on the last occasion to this Commission?
---Yes.

Do you recall it was a couple of weeks ago?---Yes.

- 10 And you've since been called back. I would like to ask you some questions in relation to the actual operation of the Succuro Recruitment business and your involvement with it in so far as that time that Mr Kostogiannis was involved in it and Mr Mylonas was involved in it. Do you understand?
---Yes.

- Now on the last occasion you'll recall that I asked you about some payslips and that's exhibit 59 and you'll recall it on the last occasion and this will be found at - references will be found at transcript 774 and 787 that you told
20 the Commission that these payslips were mock-ups?---Yes.

All right. Because you'll recall that the payslips and we'll just get them up on the screen at the moment, do you recall that the payslips had your employment recorded as being Succuro Recruitment, do you recall that?
---I recall Sydney University.

Just go to the annex. To the annexure. And it also had Department Sydney University. Do you recall that?---Yes, I recall Sydney University.

- 30 And you said you did no work for the Sydney University?---That's right.

Right. I was never an employee of the Uni.

And I asked you about the nature of these documents, you told us that they were mock-ups so that you could work out how they, how the payslips would look. Correct?---Yes.

And that they were never used by you and you never received them.
Correct?---That's correct.

- 40 And in particular at page 787 of the transcript, Commissioner, I asked you whether you'd ever used these documents for the purpose of a loan or seeking financial accommodation?---No, I don't recall a loan.

Okay. Now I'd like to - just have a look at those documents on the screen, they're the documents that I asked you about on the last occasion?---Right.

All right. Now I'd like to show you, there's one for you, Commissioner, and one for the witness, an email trail. The first document is an email, Friday, May 2009 to Jarrod at Westpac, Jarrod Dawson?---I don't know who that is but, yes.

And it's an email from your husband and I suggest to you that that relates to a loan application - - -?---Yes.

- - - that was being sought by you and your husband?---Yes.

10

All right. And your husband forwarded an email enclosing these payslips? ---Okay.

All right. And then if you go to the next document which is an email dated 21 May 2009 it's another email to Jarrod Dawson at Westpac. Do you see that?---Yes.

And that also annexes those same payslips that I showed to you that became Exhibit 59 on the last occasion. Do you see that?---Right.

20

Now, for your husband to send these payslips to the Westpac Bank he must have got them from you, correct?---Correct.

And he must have asked you for payslips, correct?---Correct.

And these payslips were being, to your knowledge, provided to your husband to give to the bank in order to justify the combined income for the purpose of getting a loan, correct?---Yes, they would have wanted to know what our income was so they need proof of that.

30

And you were providing your husband with actual payslips to justify your income, correct?---Yes.

So contrary to your evidence on the last occasion these payslips were not mock-ups, they were actually business records of Succuro, correct?---Were these all, is this everything that you supplied me last time?

No, just these two pages were - - -?---Just these two, well - - -

40

I'm sorry, there were another two sheets but these two pages were part of Exhibit 59?---Well, I don't, I remember there were quite a few but looking at this again it looks like a mock-up to me only because the first thing I see here apart from Succuro Recruitment is "Department Sydney University" and I didn't work at Sydney University.

Madam, these were business records of Succuro, these payslips, weren't they?---Yes.

Right. And you provided them to your husband to help you get a loan, correct?---Yes.

And you were providing them to your husband to give to the bank on the basis that they were accurate, correct?---Well, yes.

Now - - -?---But, yeah.

10 The problem that you've got, I suggest, is the reference to "Department Sydney University"?---Yes.

All right. Now, what is the problem you've got with that statement?---Well, I didn't work at Sydney University.

Right. Now - - -?---I worked for Succuro Recruitment.

Right. Now, Succuro Recruitment at this time didn't have any other work but Sydney University, correct?---Oh, I'm assuming so, I don't know. I'm assuming so.

20 Now - and your evidence on the last occasion was that you had no contact at all with Sydney University, correct?---Ah, yes.

Right. You didn't deal with invoicing with Sydney University?---No.

You didn't liaise directly with your husband or anybody else at Sydney University?---No, not really, no.

30 Well, when you say not really what do you mean by that?---Well, I might have chased up one or two things in my whole time at Succuro but I didn't deal with the University directly, no. I might have chased up one or two things but that would be about it.

And you would have spoken to your husband for that purpose?---Ah, no, I don't recall speaking to Todd about that, I may have.

You see, you're well aware that the allegation, the central allegation, in this inquiry is the diversion of work by your husband to a company with which you and he were involved, correct?---I understand the allegation.

40 And in fact what was going on was you were centrally involved in the dealings with the University of Sydney so far as providing IT recruitment? ---Centrally involved. What does that mean, Mr Morris?

Well, in fact you had regular involvement with the Sydney University - - -? ---No, I didn't.

- - - in your position with Succuro Recruitment?---No, I didn't.

And that occurred not only under Bill Mylonas' watch, right, from about June or August 2008 but prior to that with Mr Kostogiannis?---No, I didn't deal with the University.

Do you remember I asked you questions on the last occasion as to whether Mr Mylonas was the front man for Succuro?---The front man. What does that mean?

- 10 Well, that he was the public face of Succuro in so far as the dealings with Sydney University?---Well, he was the, the account manager for them.

Is it the case that in fact you were controlling many of the business activities of Succuro with the Sydney University in so far as providing IT recruitment?---No. The only thing that I, I did for Sydney University was review resumes that would come in, job applications, I would speak to the candidates, I wouldn't do any formal interview, but I would shortlist candidates.

- 20 You may have been doing those things Ms Kantarzis, but I want to suggest to you that you were doing far more than that?---Well I wasn't.

Okay. Now Ms Kantarzis, I'm going to ask you these following questions on this basis, you understand that this Commission has had a great deal of material, a great deal of difficulty recovering day to day email correspondence and other documents with respect to the operation of the Succuro business?

---I'm sorry, what do you want?

- 30 Do you, you've sat through the evidence here throughout this inquiry haven't you?---Yes.

And you know that there's been difficulty in recovering business records from Succuro? You're aware of that aren't you?---What difficulty? I don't understand.

Well there's very limited documentary evidence, day to day documentary evidence with regard to the operation of the Succuro business.

- 40 MR MIRALIS: I object to that your Honour. Ultimately how the status of documentation is going to be characterised is a matter for submissions. Notices to produce were obviously served on my client and they were complied with. There's been no suggestion of failure to comply with notices to produce, absent notices to produce, what investigative steps may or may not have been taken by ICAC investigators is outside the knowledge of Ms Kantarzis. She cannot properly make any comment about the status of the documentation in relation to Succuro unless it's to do with her particular involvement.

MR MORRIS: I'll withdraw the question. You don't have on your computer – you were issued with a section 22 notice, correct?---Yes.

Some months ago, prior to the last hearing. Correct?---Yes.

And you were unable to produce any email correspondence that was called for in the section 22 notice were you?---Whatever I had I produced.

- 10 Right . In other words you didn't have any other documentation retained? ---No. I was no longer working at Succuro.

Okay. Now, but the fact is that you recall what work you did at Succuro. Correct?---Yes.

Right. And the evidence that you have given about that I want to suggest is only part of the story. Okay. What I want to do is show to you an email dated 9 March, 2009 from yourself to Mr Demiralay. Oh sorry, I'll tender the last document, Commissioner.

- 20 ASSISTANT COMMISSIONER: Yes, the email trail to Westpac will be Exhibit 65.

**#EXHIBIT 65 - EMAIL FROM MR DEMIRALAY TO WESTPAC
DATED 8 MAY 2009**

- 30 MR MORRIS: Have a look at that document. That's your email address at the top isn't it?---Yes.

And the cc, the carbon copy is Bill Mylonas' email address. Correct?
---Correct.

And you see that the recipient is Mr Demiralay?---Correct.

- Right. And the email reads, "Hi Todd, as discussed please find the attached resume of George Curtis for the position of service delivery management. Please pass on Bill's details. If we can be of any assistance, any feedback would be appreciated." Do you see that?---Yes.

Now that's an email you sent to your husband. Correct?---Yes.

And you're enclosing a curriculum vitae for a potential applicant?---Correct.

And that was after a discussion that you'd had with your husband.
Correct?---After a discussion, maybe.

Well have a look at the first two words in the email after the introduction?
---“As discussed”, yes.

All right. Now you did more than just interviewing applicants, you were actually forwarding emails directly to your husband weren’t you?---I might have on one or two occasions, but I do recall this one.

You do recall this one?---Yes, I do.

10 Is there any reason why you didn’t tell investigators or the Commission about this activity of yours?---Because I didn’t recall it but I, I do because George Curtis is somebody that I’ve worked with before - - -

Yes?---- and he’s a friend of ours that was looking for work.

I see. And where did you work with him?---At Transfield.

Yes. And he also worked at Konica Minolta, didn’t he?---Yes, he did.

20 Yes. And after you left, after you started in the Succuro business you were trying to place people at Konica Minolta?---That’s right and there was a lead from George Curtis.

Right. Okay. Now, it’s quite clear that you were, by sending this email, actively trying to fill an IT recruitment position at the Sydney University, correct?---I sent it to Todd to see if he knew of any positions that might be relevant for George but it was, he’s a service delivery manager, he had nothing to do with Todd’s area.

30 Well, what was the discussion now about George Curtis?---I think we had seen or spoken to George probably just prior to this. I knew he was looking for a job and as, as you do for friends you see if you know of anyone that has any opportunities for them.

Okay. Now, on the last occasion you gave evidence that you would have nothing to do with the Sydney University - - -?---Yes.

- - - account because of the conflict of interest?---Yes.

40 Right?---Well, I don’t see this as being a real conflict of interest. This is a position not for my husband, my husband’s area, this is just - he’s a service delivery manager and if he knew of any opportunities at the University that might suit him to let us know.

But this email has an attachment which is George Curtis’ curriculum vitae on it?---Yes.

Correct?---Yes.

And that is present on Succuro Recruitment letterhead, correct?---Oh, yes.

Now, you knew that he was - your husband was in a position to allocate work to Succuro Recruitment?---Yes.

And at this stage you were a director of Succuro Recruitment?---I think so.

10 And shareholder?---I think so, yes.

And you are there contacting your husband who was also a shareholder, correct?---Yes.

Do you say that before you sent this you applied your mind to any potential conflict that it might have caused?---No.

Conflict of interest?---No.

20 That it might have - - -?---To me it's like if you have a lawyer friend that's out of work and you've had drinks with him or caught up with him over the phone, I can't remember the occasion, and he tells you he's looking for work and you know that Mr Miralis might be looking for some lawyers, wouldn't you send Mr Miralis an email saying here's a friend of mine's CV and if there's anything for him please let me know?

Did Mr Curtis ever get a job at the Sydney University?---No.

Okay. The problem with the example that you give is that you were a 30 shareholder as was your husband in the company that was being allocated work by your husband at the Sydney University?---So, so are you saying that this is a conflict of interest? What's wrong with, what's wrong with this?

Well, if he'd been given a job - - -?---But he didn't.

He didn't, if he had been given a job Succuro Recruitment would be receiving a financial benefit?---Right.

40 Don't, you don't see any conflict with that?---Oh, yes, okay, yeah, fair enough. I didn't think about it in those terms, I was just trying to help out a friend.

I see. Do you have any other examples that immediately spring to mind of where you might have sent - had direct communication with your husband on behalf of Succuro Recruitment?---No, no, nothing springs to mind - - -

Do you say it never happened?---- - and if, and if I did it would have been few, it wouldn't be many.

So contrary to your evidence on the last occasion you actually did have written communication with your husband about placing people at Sydney University?--Mr Morris, nothing comes to mind. Like this didn't come to mind to me but upon seeing it, yes, I do recall it but in my whole time at Succuro, no, I did not regularly email my husband about work, I discussed all work requirements with Bill Mylonas. I do recall there were a few times 10 that Todd was looking to chase up Bill 'cause he couldn't get him on the phone so I might have passed on some messages or something like that or maybe chased something up for Bill but nothing comes to mind.

You see on the last occasion can I suggest to you, you were at pains to suggest to this Commission that you had nothing to do with the Sydney University work - - -?---Yes, and I - - -

- - - and that it was wholly dealt with by Mr Mylonas or Mr Kostogiannis? ---Wholly dealt with, yes, and, and that's my stance now, if, if you're asking 20 me, no, I didn't have anything to do with Sydney Uni but I may have sent one or two follow-up or chase up or some sort of emails. It wouldn't surprise me if there was maybe three, four in the whole time I was working there.

So contrary to your evidence you weren't just interviewing applicants and doing some administrative work at work - - -?---That was - - -

- - - in so far as the Sydney University account was concerned?---That was 99.9 per cent of the work I did. I would follow up things for Bill, I would try and do whatever I could to, to assist. 30

When you say you were following up things for Bill are you seeking to suggest to this Commission that in fact you were helping him with his account?---Yeah, probably. I know that there was problems with invoicing, they were slow, so I'd pass on that information to Bill, I'm like Bill it seems that your invoicing is a bit slow, you need to get on top of it, that sort of stuff.

I thought on the last occasion you said you didn't have anything to do with 40 invoicing?---I don't.

And is the reason that you copied in Mr Mylonas on this thing - on this email is the reason for that because you wanted to keep him informed of what was happening in his portfolio?---Yeah, it's a courtesy.

Courtesy?---Yes.

And is that a courtesy that you extended to him because you considered that he was your superior or employer?---That's right.

Or is it a courtesy that you extended to him because you thought that it was his portfolio - - -?---He's my employer, it's a courtesy of keeping him informed.

Or is it a courtesy that you extended to a co-director?---I reported to Bill so that's - I'm just keeping him informed.

10

I see. Now if you - so you saw him as being in a supervisory capacity?---Yes. Well he paid me.

I see. Is it the case that if you did not copy him in on an email, that you would consider that you had no need to keep him informed?---I think I kept him informed of most things.

20

If you did not - - -?---I wouldn't, I wouldn't see him on a day to day basis, so I couldn't - couldn't count on my memory to keep him updated so I'd cc him as a courtesy, as a reminder. It's pretty common practice.

Is it the case that you had unsupervised access and communications to Sydney University?---Unsupervised?

By Mr Mylonas?---I don't understand, Mr Morris.

Well, that you contacted Sydney University without feeling the need to tell him?---No, no, I wouldn't.

30

And that you acted more or less independently with Sydney University - - -?---No.

- - - in your dealings?---He is cc'd on the emails so.

Okay. Do you know a man David Ciardi?---No.

C-i-a-r-d-i?---No.

I want to show you, I'll tender that last document, Commissioner.

40

ASSISTANT COMMISSIONER: Yes. The email from Ms Kantarzis to Mr Demiralay dated 9 March will be Exhibit 66.

#EXHIBIT 66 - EMAIL FROM MS KANTARZIS TO MR DEMIRALAY DATED 9 MARCH 2009

MR MORRIS: I'll hand up another document that might be shown to the witness, 16 February, 2009. That's an email from you to Mr Demiralay isn't it?---Yes.

Enclosing another CV. See that?---Yes, I do.

After a discussion with Mr Demiralay?---Okay.

10 So you had a discussion with your husband about a potential applicant?---I must have but I don't recall this at all.

And it's sent from your Succuro email address isn't it?---Well that was the only email address I had.

And it was sent on – by you on behalf of Succuro Recruitment?---Right.

And it relates to a help desk position?---Does it?

Do you see that?---Yes.

20 Now you haven't copied Mr Mylonas into that email have you?---It doesn't seem to.

No. You see I want to suggest to you that you had quite detailed communications with your husband on behalf on Succuro in relation to placing IT recruits at the University of Sydney?---Well the last one wasn't, hadn't anything to do with his department. And this one I don't recall at all actually, I have to say. I don't know why I would have, I don't know the name, I, I don't know, and it says as discussed and I don't even recall 30 discussing this. I don't know if Todd remembers, but I don't remember this one.

Did you apply your mind to any potential conflict of interest before you sent this email?---Not to my recollection.

You see on the last occasion you indicated to her Honour that any communication by you on behalf of Succuro with your husband directly would be a very serious conflict of interest. Correct?---If I was supplying candidates constantly to my husband, well yes I would be, I would be 40 concerned about that. But I didn't. I didn't.

If you supplied candidates at all on behalf of Succuro which would lead to a financial return from the University to Succuro Recruitment that would give you a conflict of interest wouldn't it?---I suppose it would.

And you see you've given evidence in this Commission and to investigators that you and your husband had an agreement that you would have nothing to do with the Sydney University?---We did.

That is the evidence you have given this Commission. Correct?---That's correct, yes.

And I want to suggest to you that that evidence is false?---Well it's not false. If you're talking about a spanning over from 2007 to 2011, what have we got two, three emails? I don't know, you must have them Mr Morris, but I wouldn't suggest that it'd be any more than that.

10 Well Ms Kantarzis, the fact is you've given your evidence - - -?---Yes.

- - - you were involved in this business Ms Kantarzis weren't you?---I worked for Succuro, yes.

You were involved in the business and you know what was going on there. Correct?---Right.

You know how the business operated don't you?---Well yes.

20 And the way the business operated is that you had regular contact with your husband at the University of Sydney?---No, I didn't. No, I did not.

And that what's happened is that this suggestion that you'd kept your involvement separate from the Sydney University is something that's come up after the ICAC investigation has emerged?---No.

30 And what you're trying to do is give an innocent explanation for your conduct that was actually going on at the time?---No, I disagree with that, Mr Morris. If, if I was coming, if I came across a CV that - and if I knew that Todd was looking for, I don't know, a team leader or something, I don't, I don't know, looking for something in particular yeah, there would be occasions where he'd ask me, do you know of anyone that - did you work with anyone? He knew I worked with a lot of people so I might recommend somebody to him informally. I don't recall this one.

ASSISTANT COMMISSIONER: But Ms Kantarzis, how is that in any way consistent with your previous evidence that you made a conscious decision not to have anything to do with the Sydney University recruitment?---Well, I did make a conscious decision.

40 Yes, well, do you see the conflict there in your evidence?---Well, yes, okay. Well, maybe not, maybe the, maybe I should - - -

You made a conscious decision not to do it except whenever you found a resume that you thought you might send on to him?---Commissioner, there might have been two or three occasions maybe. The last one was a mutual friend that, you know, that I thought I'd pass on, I would do that for, for friends. I don't recall this one but it was not in any, any circumstance

something I would do regularly, absolutely not so if we need to clarify in its entirety have you ever without any instance well, I'll clarify that if I need to.

Well, it's entirely inconsistent with your having an agreement with your husband that you would not have anything to do with the Sydney University. Do you agree?---Yes, yes.

He hasn't written back and said why are you sending me this, you're not supposed to be having anything to do with this?---He might have said that to me.
10

Well, it doesn't seem to have had much effect?---Well, like I said, over the course of how many years, well, yes, I, I did make a mistake, I probably shouldn't have sent her to him.

Yes, Mr Morris.

MR MORRIS: You see, I want to suggest to you that this alleged, that this agreement that you say you had between your husband and yourself so that
20 you had nothing to do with Sydney University is just incorrect?---Well, on this occasion, yes.

And when you actually look at the, all the different elements it can't be right if Succuro's only business was Sydney University?---Well, Succuro was trying to source other business during this time.

And I want to suggest to you also that this evidence that you thought that throughout 2008 and into 2009 you were working with Succuro, sorry,
I-Secure, which was a training organisation, is incorrect as well?---I always
30 worked for Succuro through the whole time.

Okay. I'd like to show you another document.

ASSISTANT COMMISSIONER: Mr Morris, that email of - - -

MR MORRIS: Oh, sorry.

ASSISTANT COMMISSIONER: - - - 16 February will be Exhibit 67.

40

#EXHIBIT 67 - EMAIL FROM MS KANTARZIS TO MR DEMIRALAY DATED 16 FEBRUARY 2009

MR MORRIS: Yes. Thank you for reminding me. It's an email from Todd Demiralay to George Tsipidis, 12 February, 2009. This relates to Peter Smeros who you know, correct?---Yes, I know Peter.

Okay. Now, the email chain starts at the bottom of the first page. "Hi Virginia, thanks for the call. Attached is my resume. Anything you can do for me will be greatly appreciated. Really nice to chat to you, I'll speak to you soon". Right. Now, that suggests, doesn't it, on the face of the document that you had contacted Peter Smeros and you were looking to place - to find out whether he was available to be placed into a position?---I could have been returning his call.

- 10 Anything you can do for - "Thanks for the call. Attached is my resume. Anything you can do for me will be greatly appreciated". All right. That looks to me like you're trying to find, you're trying to find out whether he is available for a position that may have become available somewhere. Do you agree with that?---I don't recall.

You don't recall?---No.

Now that then goes - you then send that to Todd Demiralay about 13 minutes later. Correct?---Right.

- 20 As requested?---No, it wasn't 13 minutes later it was a month later.

Sorry, you're right, yes. Ms Kantarzis, thank you, it was a month later. All right. So you sent it onto him as requested. All right?---Yes.

Now you'd obviously had a discussion with Todd about it?---Obviously.

Do you recall what that conversation was?---Not really but I was a reference for Peter.

- 30 You were a reference for Peter?---Yes, Peter Smeros - - -

What does that mean?---Peter Smeros had worked for me previously.

And then, and, and when you say as requested you're sending on the curriculum vitae of Peter Smeros to your husband. Correct?---I sent it to Todd, yes.

Yeah. Now you didn't carbon copy Mr Mylonas into that document did you?---No.

- 40 You were acting, can I suggest, independently of Mr Mylonas?---I wouldn't have been - I would have told Bill.

And you're aware that Mr Smeros ended up getting employed in a contract position by the University of Sydney. Correct?---Correct.

And when I say that he was placed with the University of Sydney, his employer was Succuro Recruitment. Correct?---Correct, I think, yeah.

Yeah. And so Succuro Recruitment was being paid a fee as a result of his placement with the University. Correct?---Okay.

And there was accordingly a commercial benefit for Succuro Recruitment?---Correct.

Right. Now this is exactly the sort of transaction that would give rise to a conflict of interest. Do you agree?---Well, if you - I didn't see that as a conflict of interest at the time obviously.

What about the fact when he was actually contracted to the University of Sydney, did that raise any questions with you?---No.

There you are placing a friend in a contracted position through - - -?---He wasn't, he wasn't just a friend I had worked with him and I was a reference for him and I would have told Todd that he was a very good candidate and I would have told him he had great qualities, so.

20 You see this was going to give rise to a commercial benefit to a company of which you are the director?---Yes.

And shareholder. Correct?---Yes.

Now before you sent off this email do you say you applied your mind to any potential conflict of interest?---No, I don't think I would have.

30 You see if your evidence is correct, that you and your husband had an agreement not to have anything to do with the University of Sydney because of a conflict of interest, you wouldn't have anything to do with this?---I shouldn't have, you're right I shouldn't have had anything to do with this.

Madam, my question is different. If your evidence is correct that you and your husband had an agreement that you'd have nothing to do with the University of Sydney - - -?---Yes.

- - - because of a conflict of interest, right - - -?---Yes.

40 - - - you could not have sent an email like this?---Yes, and I think I just saw it as, hey this is somebody I work with, you should - you know he'd be a good candidate for you but yes, I shouldn't have sent this, I should have advised Bill and he should have taken care of it.

So you're accepting my proposition that if you - that if you had that agreement and if conflict of interest was at the fore front of your mind, all right, if conflict of interest was at the fore front of your mind this email couldn't have been sent?---I didn't see it that way.

Is it the case that you paid absolutely no attention to the potential conflict - -?---Sometimes I didn't pay attention, that was - that's quite obvious to me but sometimes I didn't and on this occasion I probably should have just sent him to Bill I think Peter might have called me 'cause I was a reference for him. He might have called me to ask me where I was working, if I knew of anything, to tell me he was out of work and that's how it probably came up, so I probably should have passed him onto Bill.

- 10 Isn't really what was going on here that you'd set yourself up in a business that was dealing directly with your husband at the Sydney University without any regard to conflict of interest at all?---No, that's incorrect.

And that in fact what was happening was you were using your contacts in the industry and your relationship with your husband in order to procure a financial benefit to a company with which you had a very real financial interest?---No, that's not the case.

Well I think that's up to three CV's now Ms Kantarzis?---Okay.

- 20 Okay. If we can, if I might tender that document.

ASSISTANT COMMISSIONER: Yes, that email of 12 February, 2009 will be Exhibit 68.

**#EXHIBIT 68 - EMAIL FROM MR DEMIRALAY TO MR TSIPIDIS
DATED 12 FEBRUARY 2009**

- 30 MR MORRIS: The next document is dated 13 May, 2008. Now this is when you were – by 13 May, 2008 Mr Kostogiannis was involved in the business wasn't he?---I can't remember the dates.

And you remember we had evidence both from himself and yourself that you had absolutely nothing to do with the University of Sydney business. Do you recall that?---Yes, I do.

And do you recall that he made it perfectly clear that Sydney University was his client not yours. Correct?---Correct.

- 40 And that he wanted you to have nothing to do with it?---Right.

Have a look at that document. It's an email from you to your husband. Right. Do you see that?---Yes, I see that.

All right. It's taken you a long time to answer that question. You were reading the document weren't you?---Yes, I was reading the email.

And I'd ask you just to listen to the question and answer the question rather than reading the document. That is an email 13 May, 2008 from yourself to your husband. Correct?---Correct.

And that would have been sent to your husband's work address. Correct? Email address?---I'd say so.

And it's an email from you again in your capacity as Succuro Recruitment. Correct?---Correct.

- 10 And as request – “Hi Todd, as requested please find attached copy of Aleks Jankovic resume for your consideration in relation to the call coordinator contract position.” Correct?---Yes.

So you've obviously discussed the need for a call coordinator contract position?---I might have asked him.

- Well he might have asked you?---I think I probably would have asked him on this occasion because Aleks Jankovic is somebody that I placed at Transfield Services, that if I recall correctly, and I'm not sure, that was 20 becoming available. That was leaving Transfield. So I may have asked him. I don't, I don't recall.

Can I suggest to you that a natural reading of that document is that he must have asked you whether there was a position for a call coordinator contract position, that there was a call coordinator contract position coming up?

MR GIBSON: I object to that, Commissioner.

MR MORRIS: Well, I'll withdraw it.

- 30 ASSISTANT COMMISSIONER: Yes, I think the most you can say is it shows he requested a copy of the resume be sent.

MR GIBSON: Yes.

ASSISTANT COMMISSIONER: That's what its natural meaning is.

MR MORRIS: Okay. Do you have any recollection today about that conversation?---No, I didn't really. I don't really.

- 40 Well so your evidence about what must have happened because he was at Transfield is trying to work out what must have happened?---Well I know Aleks Jankovic, I placed him at Transfield and I, I know that he leaving Transfield. So I may have asked Todd. If there was anything that, if he needed anybody because he was a good candidate.

All right. And?---And?

The fact is that you were looking to place an IT recruit or a recruit in your husband's department through your position at Succuro, correct?---Well, I sent him a resume.

Yeah, and Aleks - - -?---Maybe, maybe I told him about it, I told him about a good person that was becoming available because good people are hard to find so - and maybe he said oh, well, can I have a look at his resume. I don't recall. I might have just forwarded it to, to him, I don't, I don't recall.

10 So the fact is that it was a contract position, you knew that?---I don't know.

Call coordinator contract position?---Oh, if it says, yeah, okay.

And it's the fact that Aleks Jankovic ended up being placed - - -?---Yes, he did get placed there.

- - - at the University of Sydney?---Yes, he did.

20 And it's obvious enough from this email that this suggestion by you that you had nothing to do with the University of Sydney is false?---No, I really feel uncomfortable with that because like I said, there may have been a couple of occasions and these are people that I, that I know, apart from that - - -

ASSISTANT COMMISSIONER: But Ms Kantarzis, whether you know them or not, this is the work of Succuro, finding people and passing them on for recruitment?---Yes.

So you were carrying out the Succuro Recruitment role in respect of the Sydney University?---Well, it's - - -

30

It doesn't matter whether you knew them or whether they were friends? ---Yes, well, it looks like I have on some occasions but - yes.

Well, then I guess the point is you told us last time that you didn't?---Yes, and - - -

And that you made a conscious decision not to?---Yes, and I - - -

40 Well, that was false?---Well, I don't know. I don't know how to, how to explain it, I, I didn't deal with Sydney Uni and yes, it looks like I've sent Todd a couple of CVs but - - -

So you were dealing with Sydney Uni on recruitment matters?---I wouldn't say I was. I, I did send my husband, I'm more comfortable with say - - -

I'm sorry, why - - -?---- I did send my husband a couple of CVs, that's what I'm comfortable - - -

Because he worked at Sydney Uni and could get these people jobs. You weren't just sending them to him for his interest were you?---Well, I sent one of them, the George Curtis one I sent to him to, to pass on to his peers.

Yes, to see if he could get him a job?---Right.

So that's all part of the Succuro Recruitment work and you were trying to get these people work at Sydney Uni?---(NO AUDIBLE REPLY)

10 Yes?---Yes, these, these three - - -

So your evidence that you never tried to get anybody work at Sydney Uni is false?---Is that what I said? I never, did I say I never?

You said you made a conscious decision from the beginning with your husband not to have anything to do with Sydney University recruitment? ---And that's correct.

20 And that's false?---No, no, that's correct. If I need to clarify I never well, obviously I can't say I never because there are three instances where I have over the course of '07, '08, '09, '10, four years or something.

Well, I think we're already up to four?---Oh, four then.

MR MORRIS: Only one of which you carbon-copied to the other person involved in Succuro, right?---Yes.

And in fact what was happening was you were providing this information without reference to them?---Without reference to who?

30 To the other person involved in Succuro?---I would have, I would have told Bill.

Well, why didn't you send the email to Bill and get him to send it?---I don't know, I don't know. I don't know.

Well, is the - - -?---I, I can't recall why I would or wouldn't cc somebody.

40 But when we were talking to you on the last occasion you were very clear that you were worried about potential conflict with your husband - - -? ---Yes, that's correct.

- - - placing business with a company that you were involved in?---That's correct.

And if you were truly - if that evidence were true you wouldn't be dealing directly with your husband at all, you'd be passing this information on to either Mr Kostogiannis or Mr Mylonas and saying here's a lead, you deal

with it, wouldn't you?---Yes, and that's probably what I should have done but obviously I didn't.

Well, that's why I want to suggest to you that this - what was actually happening was your position, your employment or co-ownership of the Succuro business was one of the features that you exploited to try and get work into the Sydney University?---No, I, I don't, I don't agree with that.

10 Right. I'd like to show you another document. I'll tender that last document, Commissioner.

ASSISTANT COMMISSIONER: Yes. The email of 13 May 2008 will be exhibit 69.

#EXHIBIT 69 - EMAIL FROM MS KANTARZIS TO MR DEMIRALAY DATED 13 MAY 2008

20 MR MIRALIS: Commissioner, I have an objection to make just in relation to this email as well as the previous ones and I anticipate my friend's about to tender another email of this nature, it also applies to that, it's more as an objection which I raise because I anticipate I'll be making some submissions to the Commission in relation to the re-opening of the inquiry and the purpose now appears to be to put matters to my client at least one of the witnesses thus far which as I understand my friend has come into possession of the ICAC investigators since the conclusion of the inquiry. I just wish to object on the following basis; firstly the foundation, in my respectful submission, for these emails has not been made out. I note that each of the
30 emails has a name Stephen Thomas on the front of - - -

ASSISTANT COMMISSIONER: Mr Miralis, your client has not in any way suggested that these are not her emails.

MR MIRALIS: Commissioner, that's not my objection. My objection is we - for the purpose of my submissions is to whether or not this is even proper, we wish it for it to be placed on record when the notice to produce to Sydney University was issued, when Sydney University complied with the notice to produce, when these documents came into possession of the ICAC
40 - - -

ASSISTANT COMMISSIONER: How is that relevant to anything we consider here - - -

MR MIRALIS: For two reasons.

ASSISTANT COMMISSIONER: - - - Mr Miralis?

MR MIRALIS: The first is if these documents were in possession of ICAC investigators during the course of the previous inquiry and were not put to my client and there was knowledge that these were available but a forensic decision was made to withhold them from myself I would be respectfully making a written submission in relation to whether or not that amounts to an abuse of process. Secondly, if it's the case that these documents were in the possession of ICAC investigators and my friend and it was simply a decision to allow the inquiry to be concluded and then forensically for, I would respectfully submit an illegitimate forensic purpose to re-open the

10 inquiry and then to put this material which ought to have been, we respectfully submit served on us but secondly made available to my client to look at on the previous occasion. We would say it would be viewed as not proper to allowed the inquiry to be re-opened on that basis.

ASSISTANT COMMISSIONER: Mr Miralis, Counsel Assisting has already said that these documents came to light after the Commission finished the public inquiry.

MR MIRALIS: We want - I accept that that's what has been said from the

20 bar table. For the purpose of submissions that will be made as to whether or not this material should be received and the way in which it should be received, we just simply ask Counsel to - and we invite Counsel to disclose to the Commission when the notice to produce was issued to Sydney University, when these documents were served on ICAC, when Counsel first became aware of these documents. It will be a matter as to whether or not if these documents were in possession but simply had not been looked at by ICAC investigators during the course of the previous inquiry or whether or not they've come into possession and were seen for the first time by ICAC investigators at the conclusion of the previous inquiry as to whether or not this evidence, we would respectfully submit, should even be accepted or be taken into account in the assessment the Commission has to make.

30

ASSISTANT COMMISSIONER: Mr Miralis, I am going to accept the evidence, it's relevant evidence. I don't intend to ask Counsel Assisting to answer the matters you've raised at this time. If you want to make submissions at the end of the day on, on those issues you're welcome to do so.

MR MIRALIS: Well, I accept what your Commission's - Commissioner says in relation to that. One obvious problem which arises with that, Commissioner, is that if we simply do not know whether this material was in possession of ICAC investigators prior to the Commission concluding the inquiry which were the official words used by this Commission on the last occasion and that is an issue that remains unanswered, we would not be in a proper position to be making any submissions as to the true state of affairs regarding this material.

If the notice of produce was issued to Sydney University that's a simple matter of record, I see no reason why my friend couldn't put that on the record, that would satisfy any need for us to carry out our own investigations to whether or not this was or, or not in possession of ICAC investigators during the previous inquiry. It just seems to me that if the - if the inquiry has been re-opened with this material in the possession of ICAC investigators on the previous occasion that would be a matter that we would want to address fully in written submissions as to whether or not in no circumstances it's appropriate to re-open the inquiry, to have this material

10 put to my client which ought to have been put to her on the previous occasion.

ASSISTANT COMMISSIONER: Mr Miralis, I can assure you if this information had been available on the previous occasion it would have been put to your client. It was not available, that is what Counsel Assisting has said. The details of why it was not available are in my view irrelevant and I overrule your objection.

MR MIRALIS: Thank you, Commissioner.

20 MR MORRIS: Ms Kantarzis, these are documents, these documents that I've shown you thus far are documents that you have not produced pursuant to the section 22 notice. Correct?---Correct.

And in fact these were documents that you generated during the course of your employment with Succuro Recruitment. Correct?---Yes, but I have to question, I just noticed I don't know who Stephen Thomas is. Is he one of your ICAC investigators?

30 You don't need to worry about that. The fact - - -?---Yes I do. You've asked me to look at a document. I don't recall sending any emails with Stephen Thomas on my emails.

I don't suggest – for the record I'll withdraw any, I'll withdraw the tender of the words Stephen Thomas on any of these documents.

ASSISTANT COMMISSIONER: Yes.

40 MR MIRALIS: Commissioner, I don't know if that can be done. A document is as it is.

ASSISTANT COMMISSIONER: I think we'll just say that for the purposes of your query, Ms Kantarzis, Mr Thomas is an investigator here. The presence of his name at the top of these emails doesn't mean anything. It's not part of the email text. You should only look at the emails which is from downwards. That is really what's being tendered?---Well if this is a copy of my email, I can't say it is with any clarity with Stephen Thomas' name on it.

MR MORRIS: Madam, I – you have not disputed that these are your emails that you wrote to your husband?---Well I've just noticed Stephen Thomas' name.

ASSISTANT COMMISSIONER: Yes, unfortunately because of your counsel's quite improper in my view submissions, you're now raising issues with these documents. Ms Kantarzis, I think I can say you're already in enough trouble. It seems to me from these documents you have set out from 10 day one of this inquiry to not tell the truth on very important issues. Now I would suggest that you don't compound that by now seeking to question documents, the provenance of which I am quite sure you have no doubt about.

MR MIRALIS: Commissioner, with respect, it's an unfair matter to put to my client with the way that it's been said.

ASSISTANT COMMISSIONER: Well Mr Miralis, I think your objection at the time it was taken was inappropriate. Your client is in the middle of 20 examination. Documents are being put to her which raise serious issues about the evidence she's given.

MR MIRALIS: I'm happy to be outside whilst this objection is raised. I think given the concern that you've raised.

ASSISTANT COMMISSIONER: Well there's no point, it gets, it gets put outside.

MR MIRALIS: But she just simply has, it is the case that I have raised 30 issues with Stephen Thomas, but I've raised it on the basis that a foundation as to where these documents have come from has yet to be stated. It is true that she has adopted some of the emails thus far, but - - -

MR MORRIS: All of them.

MR MIRALIS: Excluding the one that's been referred to, but - - -

ASSISTANT COMMISSIONER: She hasn't excluded any of them.

40 MR MIRALIS: She has said that it's not her email (not transcribable) Stephen Thomas - - -

ASSISTANT COMMISSIONER: In fact - - -

MR MIRALIS: - - - on the top of it, which is a legitimate I would respectfully submit observation that she's made. But the complaint that she has made in my respectful submission is one that touches on the observation I made about the foundation of these documents. And it is a matter in my

respectful submission that needs to be clarified for the purpose of me being able to make submissions ultimately as the provenance of these emails as to

ASSISTANT COMMISSIONER: Mr Miralis, you will not be making – Mr Miralis, your client has not raised any issue about these not being her emails. I don't see how you could make submissions about the provenance of these emails.

10 MR MIRALIS: When I say provenance, it's not the authorship but how they came and when they came into possession of ICAC. That's the issue that I have agitated. So my issue Commissioner, is whether or not these emails were extracted presumably, I'm assuming by Stephen Thomas from a computer at Sydney University, we don't know. Or they might have been simply given by Sydney University to ICAC pursuant to section 22 notice. If Stephen Thomas extracted these emails when did he do so and when were they given to ICAC or if Sydney University handed these to ICAC, when did that happen and when did my friend become aware of them. That's a concern that we have. Because obviously this is an - - -

20 ASSISTANT COMMISSIONER: Have I not already addressed that issue?

MR MIRALIS: Well, no, because we've been told two things. We've been told that Stephen Thomas is an ICAC investigator but we've also been told that a Notice to Produce was given to Sydney University, well, is it the case that Stephen Thomas has extracted this from Sydney University computers or is it the case that Sydney University in compliance with the Notice to Produce has given this to ICAC? We don't know. I mean, there's got to be some basic foundation as to how these documents get in.

30 MR MORRIS: I'd like to make a submission. That is given my friend's concession about authorship, the technical provenance of these documents is quite frankly irrelevant. That's the first thing. The second thing is that this witness understands how the business was operated and she has every opportunity as she has attempted to do so to explain how it is that these documents have come to be generated by her. Now, in those circumstances with respect there is no abuse of process question. That is just a specious argument with respect. If they are her documents which she has in fact adopted in the witness box and my friend doesn't make any point about authorship then they are relevant material that goes to a very serious matter and that is an investigation into corruption at the University of Sydney and in those circumstances the public interest in proceeding with this inquiry uninterrupted on the basis of documents that are not in dispute outweighs any perception that my friend might have about the circumstances in which these came to my attention.

ASSISTANT COMMISSIONER: Yes, Mr Miralis, I would like the witness to be given an opportunity to answer these documents without interruption, thank you.

MR MIRALIS: If you please.

MR MORRIS: Commissioner, I can't recall where we were up to. I think I tendered the email.

10 ASSISTANT COMMISSIONER: Yes, the last email about Aleks Jankovic has been made Exhibit 69.

MR MORRIS: Thank you. I hand up an email of 1 May, 2008. Do you recall the name Michael Koreneff?---No, not really.

Well, Michael Koreneff, just have a look at that email. That's an email can I suggest from you to your husband on 1 May, 2008. Do you agree with that?---So am I to ignore Stephen Thomas' name on there?

20 Yes?---Okay.

That's an email from you to your husband, correct?---It appears to be.

Yeah. And it's an email that you sent to him as part of your role at Succuro Recruitment, correct?---It wasn't my role to email Todd, no.

No, but you sent it?---Yes, and I don't know, maybe Bill was on holidays, maybe I was filling in while Bill was on leave because I find it very strange that I've sent these.

30

Yeah, because of course if you had sent them it'd be totally contrary to your evidence - - -?---Well, it's - - -

- - - about maintaining a separation between your work at Succuro Recruitment and your husband's role at Sydney University, correct?---It's an oversight on my part.

It's not an - - -?---I don't consider five emails out of out I don't, 15,000 that I would have, well, candidates to be but yes, it's an oversight on my part.

40

Well, you understand that you haven't produced under a Section 22 Notice any of your other email correspondence - - -?---I don't have any.

- - - with your husband?---I don't have any.

Is that because it's been destroyed?---No, it wasn't destroyed. Some time ago my laptop died so - and then whatever, whatever, no, nothing was destroyed, whatever I had I produced.

All right. Now - - -

ASSISTANT COMMISSIONER: So would you have been sending these emails from your laptop?---Yes.

MR MORRIS: And is that the laptop that you've produced to the Commission in recent days?---I don't know when I got a new laptop, but the last one died sometime, I don't know when. I can't remember.

10

Well you've transferred some material from your old laptop on to your new laptop?---I don't think, I don't think I, I think I lost a lot of work.

All right?---So I don't recall being able to recover anything actually.

20

Well just, this is a document that you sent to your husband on or about 1 May, 2008, "Hi Todd, as discussed I have confirmed that Michael Koreneff is available for interview with you tomorrow morning"?---Well for me to be doing that I'd say that Bill Mylonas might have been on leave. And I don't recall, but I can't see why I would be confirming that for Todd.

Well it may be that Bill Mylonas was not on leave and that in fact what was happening was you were involved in placing IT recruits at the University of Sydney through your husband?---No, I, I find this very strange that I would be doing that because that's not how I worked. I accept that these four, what are we up to four, five occasions out of four, five, four years that I have done this and I shouldn't have. I do accept that. But for me to be confirming an interview for somebody I'd say Bill was unavailable or on leave or something like that.

30

Madam, I want to suggest to you that there's a difference between the way you say you worked and the way you actually did?---In relation - - -

40

ASSISTANT COMMISSIONER: And as I understand it this was when Mr Kostogiannis was supposedly in charge of Succuro?---Maybe. I don't recall. I don't recall the dates. I don't recall the email actually. So, but it's very strange and it seems very strange to me that I would do that. So I'm thinking the only reason I would do something like that if someone wasn't available and I was maybe doing that for them.

But why do you find this any stranger than all the other ones you sent over? ---Because it wasn't my regular, it wasn't something I would do and I made a conscious effort of not dealing with Sydney Uni, so this is out of the norm for me.

But why is this one out of the norm and the others aren't?---No, they all are.

Oh, they're all strange?---Yeah, apart from the George, George one because that was a friend, a friend of ours. But yes, I find it strange that I would do that.

MR MORRIS: You would agree that you haven't carbon copied this document into Mr Kostogiannis. Correct?---It doesn't seem to.

No. So you haven't kept him informed of his portfolio have you?---I, I would have, I'm sure I would have let however it was know.

10

And is it the case that Michael Koreneff, I want to suggest, had worked at Transfield Services? Did you know that?---No.

Did you know him from Transfield Services?---I, I don't recall the name.

The pages, they should be paginated on the top right hand corner and if you go to 38, Commissioner?---Oh yes, I see that.

Yes?---So he was probably referred to, to me from someone.

20

But there's no doubt you were trying to, in this email, arrange a placement with Mr Koreneff at the University of Sydney. Correct?---I'm confirming an interview.

Yes, but you're only, the only purpose of this document was to provide the curriculum vitae and confirm at interview for the purpose of placing a person at the University of Sydney. Correct?---Upon reading this it becomes more and more, I don't know what the word is, more and more obvious to me that I was doing this on behalf of either Peter or Bill.

30

Because I didn't organise interviews with anyone directly from Sydney Uni. I have obviously on this occasion, but it's very strange, so I can only assume that somebody was unavailable, either Peter or Bill or whoever was in at that stage and that I've done this for them.

And that the interview was for a desktop support officer at Cumberland, if you go to the subject of that email?---Right.

40

Yes. And indeed I want to suggest to you that these strings of emails that I've been showing to you are contrary to the allegation that you made or the evidence that you gave that you had absolutely nothing to do with Sydney University because of the potential conflict issues?---I understand that and I'll have to, I'll have to amend that.

You see - - -?---I have to amend that and say well, typically I would have nothing to do with Sydney Uni but there have been on occasions.

Is it the case that in fact what was going on was that you were commonly dealing with Sydney University recruitment issues?---No, that's incorrect. I

wasn't commonly dealing with Sydney Uni. Actually I just recall something with one of those emails, with the Aleks Jankovic email. I don't think he came through Succuro if he worked there. I think he was - I don't think he came through Succuro but that's something for, for Bill to have to check, I don't think he came through Succuro. I think he was recommended by someone at the University. So I don't think he came through Succuro.

You referred Jankovic to your husband. Correct?---I sent him an email.

- 10 And if you look at exhibit 48, I'm going to suggest this to you?---Which is 48 this one?

No, no, just wait. I want to suggest to you that the summary of 2009 invoices and supporting documentation which forms part of exhibit 48 indicates that Aleks Jankovic was in fact employed by and paid by Succuro Recruitment and - - -?---That's what I'm saying I'm not sure.

- 20 Yes. And in the - and in the financial year up to 30 June 2009 invoices totalling \$63,393 - it's coming on the screen there, it's the next page. It's the top entry. All right. \$63,393 were paid to Succuro by Sydney University?---What document is this?

This is a summary of invoices that have been rendered by Succuro?---So is this a Succuro document?

It was adopted by, I think Mr Kostogiannis?---Okay. Like I said I wasn't sure but yes, I'll accept that, okay.

- 30 \$63,000. Significant amount of money isn't it?---Well, that's his wages isn't it?

Yeah, but it's - no, that - they're the, they're the contract payments - - -? ---Yes.

- - - made by Sydney University to Succuro, all right, which includes his wages and the business expenses together with a mark up by Succuro?---Right.

- 40 Right. So they're not his wages they're payments to Succuro?---So they'd be his wages, GST, superannuation, right?

And mark up?---And whatever the mark up was, yeah.

And if you go to the previous page - - -?---Previous page of what?

- - - of exhibit 48. Can we get that back somehow. All right. There's Aleks Jankovic again, \$30,085 paid by Sydney University to Succuro?---So he's been there for a number of years I'd say.

Two years, yes.---Okay.

After your introduction to your husband. You'd you accept that?---I don't know that I - yeah, okay I accept it.

But it clears up a concern that you have now doesn't it?---Yes, it does.

10 Yes. Now I'd like to go to the next document. Julianne Currie, sorry. I'll tender that last document.

ASSISTANT COMMISSIONER: Yes. The email of 13 May, '08 is Exhibit 70.

#EXHIBIT 70 - EMAIL FROM MS KANTARZIS TO MR DEMIRALAY DATED 13 MAY 2008

20 MR MORRIS: Julianne Currie, have you ever heard that name?---Yes, I have.

You know her from TETRAN don't you?---Yes, I think she worked there.

Yes. And TETRAN was one of the companies that you'd tried to place recruitment people with?---Yes, that's correct.

And you gave evidence of that on the last occasion?---Probably.

30 Yes. And I want to show - and she came to you looking for a job at some point did she?---Yes, I think she did.

Yes. As a call, call coordinator position, do you recall that?---No, I don't recall that.

Okay. I'll hand you this document. That's a document dated 1 April, 2008 from you to your husband, correct?---The one with Stephen Thomas on it, yes.

40 Okay. "Hi Todd, as discussed" so you'd had a discussion with him before, correct?---Sorry?

Sorry?---Sorry?

That's a document that you sent to your husband after a discussion you had with him, correct?---It seems that way.

Yes. And you say, "I have a candidate which may be suited to your call coordinator contract position", right. So you'd discussed his need for a call coordinator. Is that a fair reading?---Yes, that's fair.

Do you have any recollection of this conversation?---Not really.

So it's fair to say that you were not only forwarding a resume but you were also discussing with your husband his needs for contractors that were arising at the Sydney University, correct?---I probably, I probably did ask him if he was, if he needed anyone, yes.

Right. And you say there "I will be interviewing her on Thursday this week to better ascertain her quality, skill-set, professionalism and suitability for you and your team". Do you see that?---I did.

So you were looking at finding a candidate to fit a position in his team, correct?---I don't think I was looking, I, I dealt with this lady for a different reason but I thought she may be suited for him.

20 After he told you about the position coming up, correct?---I can't remember that.

ASSISTANT COMMISSIONER: Well, how else would you know about the position?---I might have interviewed this lady or spoken to her and thought she would be a good candidate or maybe she was referred to me, I don't ---

30 Yes. How would you know about the position at the University unless your husband told you?---Bill or Peter would have told me that there was a call coordinator position, I, we were ---

Well, they don't seem to be cc'd into this email?---Well, I was constantly reviewing resumes for those positions.

MR MORRIS: It's just ---

ASSISTANT COMMISSIONER: You ---

MR MORRIS: I'm sorry.

40 ASSISTANT COMMISSIONER: It's clear from the email you've discussed it with Todd?---I would have, I would have let him know that I had a good person that if, if you get a good person I, you know, I'd like to pass them on to somebody so - but yeah, I might have.

MR MORRIS: It's just another example, isn't it, of you trying to place IT recruits at Sydney University through your husband, correct?---I have sent him a CV, yes.

Okay. I tender that document.

ASSISTANT COMMISSIONER: Yes, the email of 1 April, 2008 will be Exhibit 71.

#EXHIBIT 71 - EMAIL FROM MS KANTARZIS TO MR DEMIRALAY DATED 1 APRIL 2008

10

MR MORRIS: I'd like to show you another document dated 11 October, 2007. Have a look at that document. It's another email from you to your husband enclosing one, two, three, four, five CVs. Do you see that?---Yes.

And some of those people ended up in contract positions at the Sydney University. Correct?---I don't know.

Well the records will speak for themselves?---Yes. I don't know.

20

You have no recollection either way?---No.

And again that's another example of you trying to place IT recruits at the University of Sydney through your husband. Correct?---It's an example of me sending him CV's, yes.

ASSISTANT COMMISSIONER: Why, why do you, why are you resisting the obvious fact that you were trying to place these people at the University?---I'm not resisting.

30

Well you were weren't you?---No, I'm just clarifying in my own mind what I'm agreeing to.

Well will you agree with the proposition that you were sending these CV's to try to place these people at the Sydney University?---Yes.

Thank you. Yes, yes, Mr Morris.

MR MORRIS: Okay. And on behalf of Succuro. Correct?---Well I was working for them at the time.

40 I tender that document.

ASSISTANT COMMISSIONER: Yes, the email of 11 October, 2007 will be Exhibit 72.

#EXHIBIT 72 - EMAIL FROM MS KANTARZIS TO MR DEMIRALAY DATED 11 OCTOBER 2007

MR MORRIS: I'd like to show you another document dated 11 October, 2007. Now that's another email from you to your husband. Do you see there?---Yes.

11 October, 2007, subject Succuro invoices?---Right.

10

All right. "Hi Todd, as discussed earlier today would you kindly provide an update on all invoices to date including outstanding raised for Succuro. Your assistance is appreciated." Right. You've no doubt that that's one of your emails isn't it?---It looks like my email.

Now there's another example of you being involved directly in Succuro's business in relation to the financial aspect of IT recruits at Sydney University?---Well I do recall that Succuro was late in providing invoices and I tried to help them sort that out.

20

And in fact what you were doing was chasing up invoices to provide to Sydney University weren't you?---Oh, I don't recall.

Okay. Is that a convenient time at the moment, Commissioner?

ASSISTANT COMMISSIONER: Yes. That email off 11 October in respect of the Succuro invoices will be Exhibit 73. And we will have a morning tea adjournment at this time.

30

#EXHIBIT 73 - EMAIL SUCCURO INVOICES DATE 11 OCTOBER 2007

SHORT ADJOURNMENT

[11:33am]

ASSISTANT COMMISSIONER: Thank you, please be seated.

40

MR MORRIS: Ms Kantarzis, I've been asking about this email trail that I showed you before the morning tea break. I want to suggest to you that contrary to your evidence this shows that you had a far greater involvement in the placement of recruits at University of Sydney than you previously told the Commission?---I don't think it's a far greater involvement. I don't see how five out of, I don't know 10,000 is a great involvement.

ASSISTANT COMMISSIONER: Well it's greater than none - - -?---It is greater than none.

- - - which is what you previously told us?---It is greater than none but it was a long time ago and these were far and few, so I didn't recall them but I'm happy to accept that, yes.

MR MORRIS: And you're aware that you've told this Commission that you had this agreement to keep the Sydney University business completely separate from any work that you did. Correct?---Yes.

- 10 And you're aware of the evidence, that your husband gave similar evidence?---I don't recall.

And that Mr Kostogiannis gave similar evidence?---Yes.

And that Mr Mylonas gave similar evidence?---Yes. And look it was a long time ago, I don't recall, I don't - - -

No, just - you've answered the question, madam.---Well - - -

- 20 You're aware that all these witnesses gave identical evidence, right.

MR MIRALIS: I object (not transcribable)

THE WITNESS: No, I'm not aware of it.

MR MORRIS: Well, the same evidence that you had - that you did not have any involvement with the University of Sydney - - -?---That's correct.

- - - business?---That's correct.

- 30 All right. Now these documents show that that statement is false. Correct? ---As I said they're far and few, so in hindsight and looking at these documents 'cause I can't recall them they were a long time ago and I think I was probably following up for Bill or Peter.

And is it the case that you and Mr Demiralay have discussed that you should put forward an account to this Commission that you were to have no direct involvement with the University of Sydney recruitment - - -?---That's incorrect.

- 40 And that the reason - is it the case that you have or your husband had a discussion with Mr Mylonas to put forward that account to the Commission?---I don't know what discussions my husband had with Mr Mylonas.

And what about Mr Kostogiannis, have you had any discussion with him about - - -?---I - no. I don't know, you'll have to ask him.

All right.---I don't know what discussions he had.

Because if it is - in fact you did have this contact with the University of Sydney and everybody gives - if the documents that I've shown you are correct then your statement that you had nothing to do with the University of Sydney is false and everybody has given a consistent account which in fact must be false itself.

10 MR MIRALIS: Not - well, it's appropriate (not transcribable) answer that question, your Honour.

ASSISTANT COMMISSIONER: Yes. I think it has been done in two parts, Mr Morris.

MR MORRIS: Thank you, Mr Miralis.

Look, if these documents establish a course of conduct, no, I withdraw that. I want to suggest to you that these documents establish a course of conduct by you that show a great deal of involvement in the placement of IT recruits
20 at the Sydney University through your husband, right?---No, incorrect. Five CVs over the period of four or five years is not a great - - -

ASSISTANT COMMISSIONER: It's more than five CVs, Ms Kantarzis?
---Okay, seven. What is it?

It's more than seven, keep going. I mean the fact is however many there are it's more than none which is what you've told us before?---Yes, and I think I clearly stated I'd like to amend that because I don't have a recollection 'cause there was so few, I don't have recollection of these things but that
30 was not my standard business practice, that's not how I conducted work at Succuro.

MR MORRIS: Is this account that you give to her Honour now to this Commission an attempt by you to give an innocent explanation for these documents which I've shown you?---It is not an attempt at anything, I'm answering your questions.

And in fact what you're trying to do is actually conceal again your involvement - - -?---No.

40 - - - with placing Succuro employees at the University of Sydney through your husband?---No, I'm not trying to conceal anything. I, honestly don't recall these seven CVs.

ASSISTANT COMMISSIONER: Well there's more than seven. There were six in one email?---Well, how many were there and I'll clarify that.

Look, Ms Kantarzis - - -?---The CVs.

- - - the point is you sent many. I think the documents will speak for themselves, I think the evidence will show at the end of the day you were responsible for placing most of the Succuro people who ended up working for the University - - -?---That's incorrect. I did not place - responsible for placing most of - anybody at Sydney Uni. That's incorrect.

10 MR MORRIS: And I'll just add to her Honour's statement but many of the - many of the recruits that you placed had come through personal contacts that you'd previously had through Konica Minolta - - -?---No.

- - - or Transfield?---Incorrect.

Or other people you'd dealt with in your business?---The people that I worked with at Transfield I was a referee for.

20 And that what was happening was you were out trawling your contacts to place as employees with Succuro to then be placed with the IT department, ITC department at Sydney University through your husband?---If I knew any good, good candidates I would put them forward to Bill or Peter.

But you see, you weren't putting these people - - -?---Well - - -

- - - through to Bill or Peter, you were putting them directly through to your husband, Mr Todd Demiray?---I think I was following up on Peter or Bill's instructions. For me to send those to Todd I think they've asked me to forward them on. Maybe they were busy, maybe they were on leave. I don't recall - - -

30 And if they - - -?--- - - - but for me to do that it wasn't my standard practice, I never typically did that, that's why I do not recall them.

And if we accept your evidence given on the last occasion that sort of conduct by you you acknowledged on the last occasion would be a significant problem insofar as the conflict of interest of your husband wouldn't it?---Yes, that would be a conflict of interest and I shouldn't have done that.

40 Now to the extent that there was any agreement for you to keep away from any University of Sydney business through Succuro, is it possible that that agreement, if it existed, came about some time after June 2010 when the Operation Kanda inquiry before this Commission became public?
---Incorrect.

And in fact what happened was, it was that operation that made you realise that there was an - - -?---Incorrect.

- - - that there was an enormous problem with you being involved in a company that was providing IT recruits via your husband into the ICT?
---That's incorrect, Mr Morris, I think I clarified that the last time.

- 10 And that essentially what's happened is that you've transposed an agreement that may have been reached after June 2010 back to an earlier point in time so as to give you some sort of justification for the business that you were running at the University of Sydney?---That is totally incorrect.

Thank you, Commissioner.

ASSISTANT COMMISSIONER: Yes. Does anybody seek to examine this witness at this time?

MR MIRALIS: Just very briefly, Commissioner.

- 20 ASSISTANT COMMISSIONER: Yes, Mr Miralis.

MR MIRALIS: Ms Kantarzis, at the time of sending the emails that you've given evidence about were you aware or did you believe that you were a director of Succuro Recruitment Pty Limited?---No.

When you forwarded these emails that you've given evidence about did you do so with any intention to either provide yourself or your husband with a financial benefit?---No.

- 30 MR MORRIS: I object to that.

THE WITNESS: Absolutely not.

MR MIRALIS: I have no further questions, Commissioner.

- ASSISTANT COMMISSIONER: Yes, thank you. Ms Kantarzis, I'd like to give you an opportunity to respond to this because this is a serious matter. It seems to me reading all of these emails and what they discuss that you were quite regularly involved in the recruitment business of Succuro as far 40 as the Sydney University was concerned?---No, I was not regularly involved.

Well, I think any fair reading of these emails would show otherwise but - - -?---I, I don't understand - - -

- - - if you - you would agree that your earlier evidence to the Commission was that you had a firm agreement with your husband that you would have

no involvement in Sydney University recruitment work because of the conflict of interest, is that correct?---That's correct, absolutely correct.

Do you now agree that that evidence was false?---I, I think I should have clarified that there were some occasions, a minimal amount of occasions considering the time I've spent at Succuro on forwarding these and I find it very strange that I did based on that fact so I'm only, I can only assume because it was a long time ago and I can't recall these emails, is that I was either asked by either Bill or Peter to chase something else or to send an email because it was not my regular thing to do.

10

But that would be entirely inconsistent with the agreement you had with them that you'd have nothing to do with it?---Yes, I obviously, I obviously shouldn't have sent them because I can see how that is a conflict of interest on those occasions.

The second proposition I'd like you to comment on is this, if it is incorrect to say that you were not having any contact with Sydney Uni work because you clearly were having some contact at least, and you, Mr Demiralay, Mr

20 Kostogiannis and Mr Mylonas have all given very clear evidence that you were to have nothing to do with it - - -?---Yes.

- - - that suggests that you may have got your heads together to come up with a story?---No. It wasn't a regular thing. It was, because I didn't, apart from these occasions - - -

Yes, I know that's what you say about it. I'm asking - - -?---But you're asking me - - -

30 - - - you to comment on the suggestion that you were in fact doing some work to do with recruitment for Sydney Uni?---Apart from these examples I can't think of anything else through my whole time there.

Yes, I'm sure that's true. But you see what I'm suggesting to you?---I, I appreciate what you're saying and - - -

I am suggesting that because all four of you have told exactly the same story about this firm agreement that you'd have nothing to do with it?---And that's correct.

40

And that turns out to be incorrect, that it suggests that you conspired with each other to come up with a story?---No. I think for me to be sending these on and in hindsight looking back at these, it says as discussed, it doesn't necessarily mean I discussed it with Todd. Todd may have discussed this with Bill or Peter and Bill or Peter could have said to me, can you do me a favour, I'm on the road or I can't whatever, could you forward this CV to Todd for me, he's waiting on it.

Yes. Ms Kantarzis, we can read the emails ourselves. None of them in any way support what you're suggesting. You don't say Bill asked me to send this on. You say as discussed, which implies as discussed between us you say you've interviewed - - -?---I don't, I don't agree with that, Commissioner.

- - - people or that you're arranging interviews?---I don't agree with that, Commissioner.

- 10 Well I know you don't agree with it but I wasn't asking you to comment on that?---Well they're my emails so the fact that I couldn't recall them, it wasn't something that I would do typically and I started working in Succuro in 2007, I finished in 2011. That's four years and in four years if I've seen these it's, it's very surprising to me that I did send them, but that's the only thing I can put it down to that somebody asked me to do something for them, Bill or Peter. So - - -

Yes, thank you?---- I don't see them as, as significant.

- 20 Yes. If there's nothing else Mr Morris, maybe Ms, oh yes.

MR PATTERSON: Your Honour, I seek leave to ask this witness some questions. I represent Mr Kostogiannis. Patterson is my name.

ASSISTANT COMMISSIONER: Yes, Mr Patterson.

MR PATTERSON: Madam, you've just put to the Commission that these emails that you sent to Mr Demiralay were upon instruction or at the request of Mr Kostogiannis?---They may have been. I don't recall.

- 30 Madam, I put it to you that Mr Kostogiannis never made any such request nor did he give you any such instruction. What do you say to that?---I can't recall, so - - -

And madam, I put it to you that you never informed Mr Kostogiannis that you had sent any of these emails. What do you say to that?---Oh, I'd find it strange.

Are you agreeing with the proposition?---That I didn't tell him?

- 40 You never informed Mr Kostogiannis?---I'm not agreeing or denying, I can't recall, so I'd find it strange.

Thank you, Commissioner.

ASSISTANT COMMISSIONER: Yes. Yes, if there's nobody else Ms Kantarzis may be excused at this time.

MR MORRIS: Yes. Thank you, Commissioner.

ASSISTANT COMMISSIONER: Yes, Ms Kantarzis, you are now excused from further attendance.

THE WITNESS EXCUSED

[12:08pm]

10 MR MORRIS: The next witness Commissioner is Mr Demiralay.

ASSISTANT COMMISSIONER: Yes. Mr Demiralay, could you come forward please.

Mr Demiralay, I've previously explained to you effect of a section 38 declaration. Do you wish to seek such a declaration?

MR DEMIRALAY: Yes, please.

20 ASSISTANT COMMISSIONER: You may sit down. Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness 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 there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

30 **PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS 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 THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

40

ASSISTANT COMMISSIONER: Will you take an oath or an affirmation?

MR DEMIRALAY: Affirmation, please.

ASSISTANT COMMISSIONER: Thank you.

MR MORRIS: Mr Demiralay, you've been sitting through the recent evidence given by your wife in these proceedings?---Yeah.

And have you been shown the emails that I've been asking her about?---I've seen them on the screen.

10 Keep your voice - - -?---I've seen, I've seen them on the screen, yes.

You've seen them on the screen. I'd like to show you Exhibit 65. This is an email from you to the bank officer at Westpac Bank?---Yes.

And that's an email in which you enclose your wife's payslips?---Yes.

Right. And that was a document, the payslips were a document that you were providing to the bank in support of a loan application, correct?---It was for pre-approval, we were, we were considering looking at buying a
20 property and it was to get a three month or a six month pre-approval process put in place.

And you asked your wife for her payslips to establish her earnings?---That's correct.

And she gave you these documents, correct?---I believe so, yes.

And did you look at them before you sent them on?---No, because I knew what they were and I just forwarded them to Jared at the bank along with
30 whatever I needed to provide.

Just have a look at them, the first page now. Do you see that's the company name Succuro Recruitment?---Yeah.

That was consistent with your knowledge, correct?---Correct.

And if you go down, "Department, Sydney University"?---Yeah.

40 Right. That indicates some involvement of your wife with Sydney University wouldn't you say?---Not necessarily. From what she has said here they were mock-ups, I don't know if, if it was an amendment to a mock-up, I, I have no idea because I didn't actually review or look at these prior to sending them.

Right. Well, you asked her for her actual payslips didn't you?---I asked for payslips, yes.

And that's what she gave you?---That's what I got.

And she never told you they were mock-ups, did she?---No, I presumed that - well, from my understanding she doesn't realise they, they were mock-ups.

Okay. Now, I'd like to show you - the fact is, Mr Demiralay, your wife on a good number of occasions when you were the - in a managerial position at Sydney University, your wife sent you emails in her position at Succuro Recruitment, didn't she?---On occasion, yes, she did. I haven't been asked by this Commission if I had received emails from my wife while I was 10 actually employed there.

Well, you did receive emails from your wife?---Yes, but I wasn't asked the question.

Well, tell us about it?---Well, I have. If, if I'd, if, if I'd been asked the question the answer would have been yes, on occasion I did receive emails from my wife.

ASSISTANT COMMISSIONER: But I'm sorry, I mean, why would 20 anyone ask you that when from day 1 it was your evidence that your wife had nothing to do with recruitment at Sydney Uni?---Well, she didn't. From, from, from my, from my perspective those emails I've actually seen are basically an admin functionality. She was, she was forwarding me CVs or documentation.

So how is that not having anything to do with recruitment at Sydney Uni?
---Well - - -

You said she was working in a back room on admin matters to do with other 30 companies as I understand your evidence?---Well, exactly but, but my understanding is that I would have discussed it with either Peter or Bill or my team leaders would have and they would have just been forwarded through to, to, to myself. Whether that was a request that came from Peter or Bill I'm not sure.

Well, some of them on their face indicate greater involvement than forwarding it on?---Ah - - -

It's people she's interviewed or she's suggesting that you should interview or she's recommending?---None of the - well, from, from my understanding most of the people that were actually sent through weren't interviewed or they weren't considered for a position. 40

Well, I think the records will speak for themselves?---Yeah.

Most of them actually as I understand it did get positions?---Well, from the emails that I seen, Commissioner, I think three out of the 10 that were actually listed were employed.

Well, I think the records will speak for themselves on that. Yes, Mr Morris.

MR MORRIS: But just following on from that they were employed in contract positions?---Yes.

And they were employed in contract positions as contractors provided by Succuro. Correct?---Correct.

- 10 And they were appointed to those positions after you received their resumes. Correct?---Correct.

And indeed there were discussions between you and your wife about a number of these positions for which the resumes were being provided. Correct?---Possibly instances where people who actually worked with Virginia and she could provide me with some insight, yes (not transcribable) the others know.

- 20 But are we to assume that the - there were discussions between you and your wife about the need for I - for IT recruits at the University of Sydney from time to time?---I can't recall. If, if it was the case it would have been very, very rare. I normally would have gone through Peter or, or Bill.

But you did from time to time speak to your wife about it?---I can't recall, I really, I really can't recall.

- Now you're aware that - did you ever speak to your wife and ask her to desist from forwarding resumes to you directly?---I can't recall if I did. I don't even know if I responded to any of those emails that actually came 30 through. No, and it's not like I went out of my way to hide the emails or get rid of them or delete them, no.

Well, the fact is that - it's fair to say that throughout 2007, 2008 and 2009 you received emails on the - from your wife in relation to the placement of IT recruits at Sydney University. Correct?---Correct.

And you had the discretion to appoint them or not, didn't you?---Yes.

- 40 And - - -?---Based on, based on their merits and their abilities.

But you had the decision to appoint them?---Based on their merits and their abilities.

No. And by appointing them you were entering into a contract between the University of Sydney and Succuro for the retention of that contractor. Is that correct?---Correct. Just like any other agency.

And the Sydney University would be paying fees to Succuro?---Correct.
Just like any other agency.

That's right. And part of those fees covered - you knew part of those fees covered the wages and part of those covered a profit component for Succuro. Correct?---I, I assume so. Every single agency operates the same way. So if there was no profit margin for Succuro or RPG or Morgan or who, whatever they wouldn't be in business.

- 10 No. And just to make it abundantly clear you were a shareholder of Succuro Recruitment Proprietary Limited from August 2008?---Unwittingly, yes.

And so was your wife. Correct?---Correct.

And she was a director?---Correct.

Now you're saying unwittingly, is it the fact that what indeed happened was you and your wife set about establishing a process by which you could divert work to a recruitment agency in which you and she had an interest?

- 20 ---No.

And therefore you had a capacity to confer upon yourself a financial benefit?---No. We've discussed this in great detail, so the answer's no.

I understand that. But you see these emails show that there was actually greater involvement of your wife in placing IT recruits at the University of Sydney through you than you previously disclosed. Correct?---I don't think that I've been asked to this degree whether there were any emails going backwards and forwards. I couldn't recollect myself to tell you the truth.

- 30

And indeed the impression that you've tried to give to investigators and to this Commission is that you would only permit your wife to work at Succuro Recruitment so long as she had nothing to do with the University of Sydney?---Correct.

- 40

But these emails show if that agreement took place this, these emails show that that agreement between you was being totally disregarded?---Not necessarily. It's like I said I don't know how these candidates were found, whether they were found by Virginia, whether they found by Bill or anyone else for that matter, so how can I actually answer that?

Or alternatively any such agreement that came into existence came into existence some time after June 2010 when Operation Kanda in this Commission became public?---Incorrect.

And in fact what happened was it was at about that time that you realised that you and your wife had been engaged in a process which was in breach

of the University's Code of Conduct. Correct?---Mr Morris, very repetitive, and the answer is no.

Mr Demiralay, I have an obligation to put certain things to you. Okay. And I propose to do so - - -?---Okay.

- - -whether you consider they are repetitive or not. Do you understand?---I just believe that this ground has already been covered, Mr Morris.

- 10 In the light of these emails Mr Demiralay, this so called agreement that you told this Commission and these investigators about, I suggest to you is false?---Incorrect. It's not false.

And the only way it could be true in the light of these emails is that it came about some time after these emails cease. Do you agree?---No.

Because otherwise they would be wholly in breach of the agreement that you had. Correct?---No.

- 20 And that they would give you the very serious concern about conflict of interest?---No.

And when I talk about conflict of interest I'm talking about you preferring the financial interests of you and your wife as opposed to that of your employer?---No. I used many agencies and I didn't, and I didn't completely fulfil my head count.

Manoj Sharma, employed by the University?---No.

- 30 The records will show?---Yep. Well he never reported to me if he was employed by the University.

Joshua Hartley employed - - -?---Never heard of him, no.

All right. Noel David?---No, never heard of him.

Steven deAndrade?---Never heard of him.

Julianne Curry?---No.

- 40 Michael Koreneff?---No.

Peter Smeros?---Yes.

Aleks Jankovic?---Yes.

Angelopoulos?---Yes.

And the others we've discussed?---Was that Angelo Angelopoulos?

Yes?---Yes. He wasn't a contractor, he was hired as a full time employee.

Just look, you heard the questions the Commissioner asked of your wife about the fact that your wife, you, Mr Mylonas and Mr Kostogiannis have come up with this same account that you had a strict agreement with your wife that she'd have nothing to do with IT recruitment at the Sydney University while she was employed at Succuro?---Correct.

10

Did you, to use the colloquial expression, get your heads together to give this account to the Commission?---No, absolutely not. Absolutely not.

Did you conspire to give an account that you thought might be capable of acceptance?---No. No.

And providing an innocent explanation?---No, of course not. Of course not. If I was that concerned about it I would have, you know, from the first email I would have said don't send me any more emails.

20

Well you didn't?---No.

No. You kept them. You let them keep coming didn't you?---Yeah, there was a handful of them as you can see.

And you permitted them to keep coming over a two year period. Correct? ---Correct. And my assumption was that this was done in conjunction with Succuro as the business, so this was all being done in conjunction with her management.

30

But this was from her, except for one email, one out of the ten is carbon copied into the person you say you were dealing with?---Well how do I know that she didn't actually pick the phone up and have a discussion with either of them to actually come up with that decision.

Well that's precisely the point?---I don't know. I don't know.

That is directly from her?---Exactly and I don't whether, whether she actually had discussions with, with them prior to sending those emails or not.

40
Did you make any inquiries?---No.

And let me ask you this, you'd know that if these were found on your, on your email inbox, right - - -?---Ah hmm.

- - - that one of your supervisors might say, hang on what's going on here, your wife is writing directly to you about IT recruitment?---It didn't even occur to me at the time.

But you permitted it to take place?---I wasn't trying to hide it.

And if you accept that if she was employed by Succuro Recruitment and you were allocating, you were appointing people to contract positions that she'd referred to you that that could rise to a clear conflict of interest, didn't it?---Well, potentially, yes but - - -

Otherwise - - ?---- in saying, in saying, in saying that too, you know, Peter Smeros for example, I, I actually didn't know the guy so just because Virginia happened to work with him the, it, it's a referral so I didn't actually perceive it as being a conflict of interest at the time because I had not worked with the guy.

Well, otherwise there'd be no reason for the agreement that you say existed between yourself and your wife?---Yeah, I tried to distance my, my, my working life from my, from my home life.

That's what you say in the witness box?---Yeah.

Right, but your conduct over - your conduct as revealed by contemporaneous documents over at least a two-year period is quite to the contrary of that, isn't it?---It may appear that way to you, yes.

Thank you. Nothing further.

30 ASSISTANT COMMISSIONER: Yes, thank you. Yes. Does anybody seek to question this witness? Yes, Mr - - -

MR CHALMERS: Commissioner, even worse, I don't seek to cross-examine this witness but I think I really should have put some questions to Virginia Kantarzis when I had the chance. What I'm, what I'm requesting is that in relation to three, three exhibits that she be recalled to ask questions. I do appreciate (not transcribable) but I've thought about it and I think I was remiss in not asking questions.

40 ASSISTANT COMMISSIONER: On behalf of Mr Mylonas?

MR CHALMERS: Yes, yes.

ASSISTANT COMMISSIONER: Yes, yes. All right. Well, I will allow you to do that.

MR CHALMERS: Thank you.

ASSISTANT COMMISSIONER: But are there any other questions for this witness? All right. Thank you, you may step down.

THE WITNESS EXCUSED

[12.26pm]

ASSISTANT COMMISSIONER: Ms Kantarzis, I notice you are still there, could you come up, please. Ms Kantarzis, sorry, as you've been excused I think it would be safer to re-swear you. You understand I will make the section 38 declaration in respect of you again. Yes.

10

ASSISTANT COMMISSIONER: Thank you. I make a section 38 declaration in respect of this witness in terms previously announced.

THERE IS A SECTION 38 DECLARATION IN RESPECT OF THIS WITNESS IN TERMS PREVIOUSLY ANNOUNCED

10

ASSISTANT COMMISSIONER: Yes, Mr Chalmers.

MR CHALMERS: Yes. I apologise to you first of all for calling you back, you probably thought you were free at last?---I'm used to being excused and coming back.

Yes, yes. Can I take you to the - Exhibit 66 if you could be, if the witness could be shown that, that's the, that's the, that's the resume of George
20 Curtis - - -?---Yes.

- - - which you cc'd to my client (not transcribable)?---Yes.

Can I suggest to you that prior to you cc-ing this to my client Bill Mylonas that he had no knowledge that, that you were sending this CV to Todd Demiralay?---I can't recall so that could be possible.

Yes. Right. Can I take you now to Exhibit 67 which is the CV that you sent to - in relation to David Ciardi, so that's Exhibit 67, that's the email of
30 16 February, 2009?---Yes.

Can I suggest to you that at no time did you discuss with my client that you were sending this CV?---I can't recall.

So you can't, you don't disagree with that proposition?---I can't recall so I can't deny or, or accept that.

All right. And lastly I want to take you to Exhibit 68. Can I - you'll see first of all in relation to Exhibit 68 there's an email from Peter Smeros. Can
40 I suggest to you that my client Bill Mylonas was not aware that Peter Smeros had sent that email to you?---I can't recall so I, I can't deny or, or acknowledge that.

Further that my client was not aware that you, that you received an email from Todd to yourself on 12 February 2009. See that's the top of it?---I can't recall, sorry.

All right. Yes. I apologise to you and I apologise to the Commission.

ASSISTANT COMMISSIONER: Yes, thank you. You may now step down, Ms Kantarzis, and you are excused.

THE WITNESS EXCUSED

[12.30]

MR MORRIS: Commissioner, I call Mr Mylonas.

10

ASSISTANT COMMISSIONER: Yes, Mr Mylonas, have a seat. I previously explained to you the terms of section 38 of the Act. Do you wish to seek an order under those, under those terms? Mr Chalmers, does he, yes.

MR CHALMERS: Yes, he (not transcribable)

THE WITNESS: Sorry.

20

ASSISTANT COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness 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 there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

30

**PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT
ALL ANSWERS GIVEN BY THIS WITNESS 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 THERE IS NO NEED FOR THE WITNESS TO
MAKE OBJECTION IN RESPECT OF ANY PARTICULAR
ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

MR MORRIS: Thank you, Mr Mylonas. You've been sitting in the Commission while the evidence has been given this morning?---Correct.

You've been able to have a look at the emails up on the screen?---Correct, I've seen them.

10

Sorry?---I've seen all the emails, yes.

And it's the fact isn't it that you gave payslips to your employees?---I did, I did present payslips to employees, irregularly but I did present them, yes. And you provided them?---Yes, I, I, I issued the payslips.

Yeah. and you provided them to Virginia Kantarzis?---I did, I did provide her payslips, yes.

20

Now you've heard evidence of the emails that have been sent by Virginia Kantarzis directly to her husband at the University of Sydney?---I - the - which emails are you referring to?

There were a series of emails starting from exhibit 68 through to exhibit 70, right?---Are you encompassing all of the emails that you presented?

Yes?---Yeah, I've seen those.

You've seen those?---Yeah.

30

Now, but you - you understand that those emails involve direct contact between Virginia Kantarzis on behalf of Succuro to her husband Mr Demiralay?---It's a difficult question for me to answer because a lot of those emails relate to - when I wasn't even involved.

I understand that - - -?---So - - -

40

- - - but a couple of them do. Correct?---Yeah, correct. There's three emails that she sent, I believe there was three in that time that I was, I was a director of the company which, yeah, do relate to my time at Succuro.

Yeah. And you were a director with her?---Absolutely.

And one of them was copied into you?---Yes, George, George, George something - - -

Curtis?---Curtis, that's the one, that's the one.

And did it strike you as being surprising that your director and one of the shareholders in your company was writing directly to her husband at the University of Sydney?---Yeah, it was surprising because generally that's not how things operate. I deal directly with Sydney University - - -

Why was that?---Because I, I'm exclusively the Sydney University account manager, I'm the only one that deals with that. That's, that's my account.

- 10 But that was also because of the potential conflict that would be created if Mr Demiralay was funnelling work through to Succuro to a company in which he had a financial interest wouldn't it?---You do understand at that time I didn't have knowledge that, that Todd Demiralay had a financial interest in Succuro, so we, we need to really make sure we establish that. But that is - - -
Okay. Let's step back?---Yeah.

But his wife had a financial interest in the company?---Sorry? Yes, correct, correct and that's - - -

- 20 And that would give you a concern that there'd be a serious conflict of interest brought about by him funnelling work into a company in which his wife was a shareholder and director?---Yeah, and I wouldn't like it anyway, it's my account anyway, so I'd like to, to be on top of that account, it's my account.

But you see you talk about your account, right?---Ah hmm.

- Is that because you were really being the front man for the Succuro business in so far as the work at Sydney University?---I don't like that reference, no.
30 I don't think I'm a puppet. I would hope I don't, I don't see myself as that. I believed in this business. When I undertook it I left a position to take on this role and I really had aspirations to, to grow and take it somewhere. So no, I, I disagree with your statement that I'm a front man for it.

What about the public face of Succuro at Sydney University?---I would definitely consider myself the public face of Succuro full stop for, for not Sydney University, Succuro as a, as an organisation.

- 40 But we've already established that Succuro didn't have any other business but Sydney University?---But that's through choice. You can't just say Succuro had no other business. That was a choice that, that I made. I didn't want Succuro to have any more business. That was sufficient, I didn't want any other, that was a strategic choice I made for the business. Not because it was, I made the choice, I couldn't handle any more business.

But see Mr Mylonas, what I was seeking to do - - -?---Yeah.

- - - was to address a statement that you just made - - -?---Yeah.

- - - that you wanted to be not only the public face for Sydney University - - -?---Yeah.

- - - with anybody else?---Sorry, repeat that again, sorry.

You wanted, you told the Commission a moment ago that you wanted to be the public face of Succuro not only at the University of Sydney but for anybody else?---Yeah, I did, I did really feel ownership of the, I did really feel that, I did feel ownership.
10

Well Mr - - -?---I did feel a great affinity with the company.

ASSISTANT COMMISSIONER: Yes, but what Mr Morris is saying is there was nobody else. You're saying you were the public face for Sydney Uni and everybody else for most of the period, well for all of the period, there was nobody else, Sydney Uni was the only client?---Yeah, but that's, but that's really taking it to its absolute simplistic, that doesn't mean that we'd, that I didn't canvass any other, any other companies. A lot of
20 companies knew about me and they knew I was Succuro. And they, they – you know things were progressing okay, so to say that, you know you're kind of insinuating that you know this was like a pastime for me, this was my career. You know which is obviously destroyed now, but it was my career.

MR MORRIS: Hang on Mr Mylonas, I'm not insinuating anything. Right?---Yeah. Okay.

I hope I'm putting - - -?---All right.

30 - - - straight and clear allegations to you. All right?---Okay.

Now you just say that this was your career?---Yes.

Right. In the evidence that you gave on the last occasion you said that this was very much part time for you. It was about 20 hours a week and you were snowed under with your other financial obligations?---And you've hit it right on the head there. That's exactly what I was, because it's, I could only dedicate up to 20 hours, maybe not much more because I had so much,
40 I had so much involvement with all my other – I couldn't dedicate any more time to do any more work in the recruitment area. There's only limited time I had, my body could provide to, to working. I couldn't provide any more hours to do anything more.

But you had no recruitment experience when you went into this business. Correct?---Yeah, you are correct, but I feel like being in the industry for 20 odd years, I thought I could, I thought I, I don't know, was it an ego, I don't know but I thought I could it. I thought I was – I could cut it. I thought I

could be – I actually believe that I'm better than, than your standard day to day – I, yeah, it doesn't matter.

But you knew Virginia could do it?---Sorry?

When you took, when you took her on as a business partner you know Virginia could do the recruitment business didn't you?---Oh absolutely could, yeah.

10 And you had limited time. Correct?---Correct.

And so she'd take up the slack. Correct?---What, what slack are we talking

Well if you were too busy to attend to the Succuro business she'd be expected to do it?---Sorry, I'm not sure what, what question you're asking. What slack? What, do what?

20 Okay. You've only got one business, the University of Sydney?---I've got multiple businesses.

No sorry. Succuro's only got one client?---Client, yes, that's all.

The University of Sydney. Right?---Correct. Correct.

And you're telling her Honour that you really were struggling to devote sufficient time to that business?---It sounds like you're not accepting it, but that's, that's a fact.

30 I am accepting it?---Oh, okay.

Okay?---Okay.

So what was happening was - - -?---Yeah.

- - - your co-director and shareholder would be working on that account as well, correct?---Which account, no, no, what - - -

40 On the University of Sydney account?---Well, I, I don't remember saying that. Did I say that?

No, I'm putting it to you as a proposition?---And reporting it because you've got evidence that she was doing that?

I'm asking you from your memory, Mr Mylonas?---Oh, no, sorry, no. I didn't, no, I, she what, no, never did, I didn't expect her to take any slack or do any University work.

ASSISTANT COMMISSIONER: Mr Mylonas, your company doesn't seem to have a lot of records but the few records you do have - - -?---Yeah.

- - - seem to show Ms Kantarzis interviewing people, doing quite a lot. You recall the bundle of applicants that were tendered on the last day?

MR CHALMERS: Commissioner, I'm sorry to interrupt but I actually think that's an unfair question.

- 10 ASSISTANT COMMISSIONER: Well, leave apart from the first part. Do you recall the bundle of documents of interviewed candidates that were tendered on the last day?---Yeah, but - - -

Were you here then?---Absolutely and I saw that and - - -

Yes?---- what, what I'm suggesting that counsel's asking me is she will take up the slack working at Sydney University.

I know. Forget, forget that?---Okay, okay.

- 20 I'm asking you something?---No, sorry, okay.

So we've got quite a lot of evidence - - -?---Yeah.

- - - including this recent email evidence - - -?---Yeah.

- - - to show that, you know, Ms Kantarzis was interviewing people, arranging CVs being sent over, et cetera, et cetera?---Correct.

- 30 What, what were you doing?---I, I was basically doing - at Sydney University I was doing the - working with getting whatever requirements, candidate requirements they had, then I was also posting ads at different times. I was also then interviewing, I was also then canvassing, I was also going out trying to get new customers when I could. I was also paying them, I was also doing the super, I was also taking care of the accounts. I was also doing the BAS.

Yes, leave aside - - -?---Yeah.

- 40 - - - invoices and the administrative side?---Yeah, yeah.

You were interviewing candidates?---Yes, and talking to candidates and communicating with candidates and communicating with the University.

And Ms Kantarzis was also interviewing candidates?---She would interview candidates at different times, yes.

And there's clear evidence that some at least of the candidates she interviewed ended up at the University of Sydney?---Without a doubt, with (not transcribable) doubt, without doubt she would interview, there would, there would be many referrals I, I submitted to Sydney University that came as referrals from Virginia.

All right?---Yeah.

10 So you were in effect sharing the workload as far as it related to generating candidates for the Sydney University?---Oh, she, we would generate candidates but yes, definitely, definitely there was candidates that came for Sydney University that - - -

And Ms Kantarzis was generating some of those candidates?---Absolutely, yes. Yeah, yes, yeah, I don't deny that.

Yes.

20 MR MORRIS: And you were sharing the workload?---Yeah, sorry, I did, I misunderstood your question, sorry.

And you became aware - - -?---Yeah.

- - - at any time - sorry, you became aware today that Ms Kantarzis was writing directly to her husband - - -?---I did.

- - - as, as an officer - - -?---Today I became aware of that, yes.

30 And are you suggesting that you had previously been unaware that she had any direct communication, not of a personal level, but as an officer of Succuro Recruitment?---I didn't think she was communicating electronically with her husband, no, I had no idea about that.

Not in a personal capacity I'm talking about, I'm talking about as an officer of Succuro?---All right. I, I always felt that they would keep their relationship, their private and personal - and professional relationships separate. I was, I, I thought that. I don't know how realistic that is but I thought that would be the case.

40 What gave you that feeling?---Oh, well, I, I thought that would be the case.

Why?---I don't know, I just thought that would - I don't know, I just, I'm just, I just made that statement up, I guess I thought that that would be the case.

But why would you think they'd keep it separate?---I don't know. I, I just thought he would be a - they would keep that, that relationship separate because I was dealing with the Sydney University and, you know, she didn't

really need to communicate at any great or detailed length with, with Todd about Sydney University because I, I, I'd taken care of it.

ASSISTANT COMMISSIONER: So you wouldn't accept that you were ever busy and said look, I'm too busy, Virginia, I want you to take care of this with the Sydney Uni?---I, I may have, I can't recall me ever doing that. I have - - -

- 10 Did you ask her to send these emails that we've seen?---No, absolutely not. You can see that I haven't, no. I have at times received messages from Virginia saying hey, Todd's chasing up these things for you, I've had that communication with her. She's done that a number of times, hey this is not going right, you know can you touch base back with Todd and, and take care of that and that's happened a number of times.

MR MORRIS: But what about the placement of recruits that Todd needs in the ICT department?---I never knew she, she placed any recruits while she was under my watch.

- 20 Okay. What about Aleks Jankovic?---Who's Aleks? Yeah, sorry, Aleks was one of my - I didn't recruit him, no, I didn't recruit Aleks.

But Aleks ended up being at the Sydney University as a contractor?---Yeah, but you're asking me something that happened way before my time. You can't possibly expect me to answer that.

Okay. I think Mark Balfour?---No, before my time.

(not transcribable)?---Got no idea who that is but it's a cool name.

- 30 Well, do you - - -?---So who did she recruit so while she was under my watch I'm trying to think.

Well, the records will show that I suspect. We - the point is that she interview - while she was on your watch she was interviewing the people? ---Absolutely, yeah, yeah, definite, definite, yeah.

All right. Some of those people you knew she knew?---Yes. Yeah, yeah, definite, guaranteed.

- 40 Peter Smeros was one I think that came along in 2009. You remember Peter?---I recruited Peter, sorry. I, I placed Peter Smeros from misunderstanding until this email from Virginia to Todd I didn't realise she had that communication.

Well you knew she, she knew Peter Smeros?---Yeah, of course. No-one suggested that. I think she's admitted that, as I'm sure she's admitted that.

Now do you say you had any agreement with Ms Kantarzis that she would be in no way involved in the placement of IT contractors on behalf of Succuro at Sydney University?---Yeah, we, we had a - I guess a better word, we had an agreement that she would, she would not deal directly with Sydney University for, for obvious reasons that - - - And what were the obvious reasons?---Well, that she - her husband works there at Sydney University is my, my significant customer and, and for that reason she, she shouldn't have any involvement.

- 10 It wasn't for that reason at all was it, Mr Mylonas, it was because she was a director and shareholder in the company?---I'm sorry, I'm just wondering how that differed from what I said?

Well you're saying - - -?---Yeah.

- - - that Sydney University was your account so you kept her out of it, right. I'm suggesting that the reason you didn't do it, the reason you wouldn't let her deal with Sydney University is because Todd Demiralay's her husband?---Yeah.

- 20 He was the guy who was allocating IT Recruitment at the Sydney University within his Department. Correct?---Yeah.

She was a director of your company. Correct?---Correct.

And she was a shareholder in your company?---Correct.

And that would be in defiance of a conflict of interest - - -?---Correct.

- 30 - - - and that would be, would be an example of Mr Demiralay conferring a financial benefit upon a relative. Correct?---All right. No, that's legal jargon but yes, correct, I, I don't understand but I, I would think - I, I understand a conflict of interest but that would be the reason

And that would, and that would to your knowledge be corrupt wouldn't it?
---Man, that's - - -

MR CHALMERS: That's your finding.

- 40 ASSISTANT COMMISSIONER: Yes. I think that's right.

THE WITNESS: Yeah. I don't want to - - -

MR MORRIS: I think his state of mind is relevant with respect?---Sorry?

Are you prepared to comment or not?---I, I actually didn't - I didn't - no.

MR CHALMERS: I thought that the Commissioner made a ruling that she agrees with my objection.

ASSISTANT COMMISSIONER: Yes. I don't think he should be asked if it was corrupt but as I understand his evidence you accept it would be inappropriate for Virginia to be dealing directly with Todd about placements for the reasons you've advanced?---Of course, absolutely.

- 10 That is that he was her husband and had - could allocate the work?---And we all had - already had a process in place. It would - I would be dealing with all recruitment requirements at Sydney University. Yeah, and absolutely agree with that statement you made, Commissioner.

MR MORRIS: So you say you had an agreement with Virginia that she wouldn't be involved in recruitment - - -?---Agreement, an understanding we spoke about it, yes.

You spoke about it?---Yeah.

- 20 Now is it possible that you spoke about it after June 2010?---Oh we spoke about it before we established the company.

You've heard the questions I've asked of Ms Kantarzis and Mr Demiralay - - ?---Yep.

- - - about the fact that there was, there has been evidence given that there was an absolute prohibition on Ms Kantarzis being involved in the University of Sydney account. Right?---Prohibition, sorry - - -

- 30 Or, or then, see - - -

MR CHALMERS: I'm going to object because I'm not quite sure that's what both of them said.

MR MORRIS: I'll withdraw the question. I'll withdraw the question

ASSISTANT COMMISSIONER: Yes.

- 40 MR MORRIS: That she would not be involved in placing IT recruits at the University of Sydney?---No. That would be, that would have been my (not transcribable)

No but we're talking about the agreement?---Well the agreement was, yeah, I would recruit for the University, I would recruit for the University.

She would not?---That was a given, yeah, absolutely.

Is it the case that you and or Mr Demiralay and or Ms Kantarzis have got your heads together to give this account?---It's an offensive comment, but I guess I have to answer it, no, we, never did get together and conspire. And that's an offensive comment but I guess you're entitled to ask that question, no, never.

And what you're trying to do is to give an innocent explanation for conduct that took place at least on your watch for a two year period?---It's not an innocent, I don't understand, where's the innocent part in, I'm sorry.

10

All right. What you're trying to do is by giving this agreement, by giving an account of this agreement that she wouldn't be involved in IT placement at the University of Sydney that what you're trying to do is give an innocent explanation as to how it was that Mr Demiralay was placing substantial IT recruitment contracts with Succuro from August 2008 through to June 2010 when you were a director of it?---Well I don't, I disagree with the word, I don't, I'm not trying to put an innocent statement to you at all. I'm putting to you what are the events that occurred. Whether they're innocent or not I don't know. I didn't, I didn't, I thought it was the right way to do things. I guess I'm more enlightened now, but it wasn't an innocent explanation for anything it was how I structured and, and created the, the organisation.

20

And that what happened was some time after June 2010 you realised there was a real problem with him giving work to Succuro while she was a director and shareholder of the company. Correct?---No. I don't, I don't agree with that, sir. We, I got a phone call from Virginia saying Todd's, Todd's name is on the company. I said that couldn't be correct. I, I don't believe that's true. And that's, that's what led to those events of removing him from, from the organisation.

30

Business continued after June 2010 whereby Succuro placed IT recruits at the University of Sydney?---Correct.

Through Mr Demiralay. Correct?---After when?

After June 2010?---Yes, I continued into 2011.

Was it at that period, during that period Virginia Kantarzis remained employed?---Yes. I, I, I maintained, I maintained Virginia as an employee.

40

And is it at that - is it sometime after June 2010 that this agreement that she had nothing to do with Sydney University came into effect?---Can you, sorry, can you just repeat that one again, please?

MR MORRIS: Can I suggest to you that it was some time after June 2010 - -?---Yeah.

- - - that the agreement came up that Virginia was to have nothing to do with the placement of IT recruits at the University of Sydney?---Are you, are you saying after we removed - - -

Yeah?---I kept, what happened there was we removed, we removed the, the company or restructured it, okay, and we removed that and what happened, what, what I maintained Virginia, I didn't want to get rid of Virginia, I maintained her as an employee but what happened was Todd was getting (not transcribable) there was an investigation that was starting at the
10 University and his position, he was still employed at the University and in the interests of potentially saving his, his job at the University and things like that, what I, I said was Virginia, you probably need to remove yourself totally, not even as an employee. It was basically to save her, her husband's job, whether that was in vain or not, it was, that was the reasons why total disconnect happened from, from me altogether.

And is it the case that it was really that incident that caused you to say now, Virginia, you're, you're to have nothing more to do with IT recruitment at the University of Sydney?---What, what incident?

20 Well, this investigation and Operation Kanda?---Well, I, I didn't know about Kanda. It was, as I mentioned, it was Todd being questioned at the University regarding, regarding it and you keep on making reference nothing to do with work at the University as - I thought we established that she wasn't doing any direct work at the University, she was, she was only assisting me potentially with, with, with doing, with doing, you know, resume reading and, and selection so I don't even, you keep referring back that she's doing direct work with the Sydney University.

30 Yes, I am - - -?---Yeah.

- - - and I'm doing so intentionally?---Oh, okay, I - - -

What I want to suggest to you - - -?---Okay.

- - - is that up until June 2010 she was involved in the recruitment process of the - or the recruitment processes of Succuro placing IT contractors at the University of Sydney and sometime after that it changed?---No, absolutely not. She was involved in, in the recruitment process full stop. The fact that
40 Sydney University was, was potentially my only customer, potentially, she was involved in the recruitment process, not the recruitment process at Sydney University, it's the recruitment process, I think you're trying to skew the words to, to make it sound good for you though but the, the - and what happened was we, we, as I've mentioned I disconnected her from, from my, from my - just to save her, her, her husband's job. That, that, that was the only reason we totally disconnected altogether.

And I want to suggest to you that the emails that we've seen today indicate her involvement in the recruitment process - - -?---Yes.

- - - at Sydney University?---Yeah, I'm not going to comment on - - -

MR CHALMERS: At what time?

MR MORRIS: From 2007 - - -?---But I wasn't around.

10 I understand that?---Yeah. Well, why don't you talk about when I was around so we can - - -

ASSISTANT COMMISSIONER: Well, three of them were - - -?---Yeah.

- - - while you were in charge of the company?---That's right.

And they show her involvement in - - -?---Yes.

- - - the recruitment process - - -?---Absolutely.

20 - - - and, and you say you knew nothing about them?---Well, one of them was, I got cc'd in, that George one so yeah, I definitely knew it, knew of that and, and I, to give you a bit of insight on the - George could not have taken any job under Todd. Todd - George was a fairly senior kind of person so I got that, that email to - I wouldn't have looked for a job at Sydney University for George. I would have been looking for one of - at Westpac or someone like that.

30 But you say in relation to two of the emails you knew nothing about them and that the one - - -?---Yes, I - - -

- - - you were cc'd into, that was the first you knew about it, when you were cc'd in?---Exactly, that's correct and, and when I saw him here.

Yes?---Yeah.

Yes, Mr Morris.

40 MR MORRIS: Can I suggest to you that the investigation into Mr Demiralay's conduct commenced sometime in November 2010?---Yes.

And that was four or five months after Virginia Kantarzis was removed as a director and shareholder?---It could, it could, but like if you recall we - there was, there was a lot of conversations way before that that ICAC were involved and coming from, from different - well, just different circles at the University so - - -

Yes?---So, yeah, so I don't know how that happened. I don't know how that got around. I don't know the official investigation started at that time and it was still quite a significant amount of, of rumours happening, being generated significantly before that. Like you're saying three, four months was it, five months, yeah.

Was it 12 months before that?---No, no, it was, no it would have been, like I think if you, I think when we went through that last hearing you had Dave Anderson, Dave Anderson gave me a pretty big clue about him talking to 10 the different people about different things. And he said it was about three, four months he found this information out and then took it to the University. So, so I don't think, I don't think the ICAC investigation was the catalyst for it. I think there's obviously quite a lot of – it sounds like an (not transcribable) they talked about it and then a couple of months later the University, the University undertook its own investigations. And that's when we removed – it wasn't ICAC where we removed Virginia totally.

Okay. I have nothing further.

20 ASSISTANT COMMISSIONER: Thank you. Is there any brief examination of this witness or any at all? No. All right. Thank you, Mr Mylonas. You may be excused?---Thank you. Okay.

THE WITNESS EXCUSED

[1:01pm]

ASSISTANT COMMISSIONER: I don't, I don't think Mr Kostogiannis is going to be short enough to - - -
30 MR MORRIS: I don't think so.

- - - warrant pushing on at this stage. All right. We will resume at 2 o'clock.

LUNCHEON ADJOURNMENT

[1:01pm]