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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER HALL QC  
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION SKYLINE

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 10 APRIL, 2018

AT 2.00PM

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

THE COMMISSIONER: Yes, Mr Chen.

MR CHEN: Commissioner, I call Ronald Jordan.

THE COMMISSIONER: Yes, Mr Jordan. Mr Jordan, I'll get you to take the oath again. I think you took an oath on the last occasion.

MR JORDAN: Yes.

THE COMMISSIONER: Mr Jordan, I explained to you on the last occasion that you were here on 6 April that you're entitled to object to answering questions for the reason I explained to you, and you at that stage said no, not at the moment. You still have that opportunity now at any stage that you want to invoke that right to object. Do you have the same position as you had on the last occasion?---No, yeah, I've got no objections, no.

10

No objections. Very well. As I say, if at any point in time you want me to revisit that issue, then we can.

Yes, Mr Chen.

MR CHEN: Thank you, Commissioner.

Mr Jordan, on the last occasion I asked you some questions about how long you were a director for, and you thought you finished being a director after Christmas or around Christmas 2015. Do you remember that?---I think, yeah, I think so.

20

Well, you may be right. I'll just show you a document, please.---I know, I know we had the meeting at the, I called them together at the bowling club to go through a few things that I was a - - -

All right. Just, just wait a moment if you would, Mr Jordan, and just have a look at this document.---Thank you.

Now, if you look at pages 5 and 6 you'll see that there's an email that you were endeavouring to send to the Registrar, Mr Wright, on 10 December, 2015.---I'll just read this.

30

Sure.

THE COMMISSIONER: It's down the bottom of the page.

THE WITNESS: 29 October.

MR CHEN: Well, if you read down a bit further, Mr Jordan, you'll see that the second-last paragraph where you say, "I cannot see any possible way forward?"---Yes.

40

What effectively happened, Mr Jordan, is that you initially tendered your resignation on 29 October, 2015, but ultimately you withdrew it and you formally resigned on 10 December, 2015, being the date of this email. ---Yes, that's correct. When I, when I put my resignation in they asked me to stay a little bit longer, but I just, you know, it was a waste of time for me.

Commissioner, I tender what could be described as a bundle of emails relating to Mr Jordan's resignation.

THE COMMISSIONER: It's probably just the last two pages, isn't it?

MR CHEN: Well, Commissioner, it - - -

THE COMMISSIONER: All right.

10

MR CHEN: I'll tender the bundle because the email didn't make it and there's a trail leading to how it came about.

THE COMMISSIONER: The bundle of correspondence concerning the resignation of Mr Jordan be admitted, become Exhibit 62.

**#EXH-062 – BUNDLE OF EMAILS RELATING TO RONALD JORDAN'S RESIGNATION ON 29 OCTOBER 2015**

20

MR CHEN: Now, would you have a look on the screen, please, Mr Jordan, at page, sorry, folder, volume 8, page 22. Now, remember on the last time you gave evidence I asked you some questions about Solstice?---Yes.

And I think you told the Commissioner that you'd never heard of that entity whilst you were a board member. Is that right?---I can't, I can't recall.

30 Yes. And you'll see on the screen in front of you is a page 22 of volume 8 described as General Heads of Agreement 19 November, 2015. If you look at page 23, please, you'll see that that appears to be a proposed agreement between Solstice Property Corporation, the Land Council and Gows Heat. ---Yes.

If you just go to the end of that document, please, you'll see that that's been signed by Mr Green. Do you see that, and Ms Dates?---Yeah, yes.

You've never seen that before, have you?---Not, no, not, no.

40 Right. Now, did Mr Green ever raise with you that he'd signed this agreement at any board meeting you attended?---No.

Did Mr Green ever raise that he'd signed this agreement with you personally?---No.

Was there any ever discussion at any board meeting you attended about giving Mr Green the authority to execute this agreement?---No.

Or any agreement for that matter?---There was only one, as I told you, one presentation before, what I said the other day that after the meeting was over it was an informal thing, said we'll chase up their presentation and bring it back. That was with the mob like with the big Tongan bloke and the blackfella, the one we talked, IBL or somebody yesterday.

IBU and Mr Gabey?---IBU, yeah, I think it was after that, that's the only time I can recall anything like that.

- 10 All right. But what I was asking you there was any discussion at any board meeting you attended about giving Mr Green the authority to execute any agreement of any kind such as this one?---No.

And what about delegating the authority to Mr Green to execute an agreement such as this one?---Never.

Did Ms Dates ever raise she'd signed this agreement at any board meeting you attended?---No.

- 20 Did she raise it with you personally?---The only time anything like, she did mention Gows once to me, that was after I brought a guy up from Sydney, a guy named Andy Percival who was introduced to me by a friend of mine, who was like a consultant, and this wasn't when I was on the board, this was after, and I got access to the post office through Debbie, Andy went in and had a look at it, made an appraisal of it. He give me a formula of what could be done and how to set up a trust that I was going to take back to the board, and then I told Debbie about it after she was there. I told her about it later, what advice he give me, and she told me she had other people involved and I think Gows was one of them at the time, and that was not  
30 when I was on the board, that was after, a fair while after.

Could you put a date on when that conversation occurred with Ms Dates?  
---It would've been in 2016 some time.

And she mentioned Gows to you, did she?---I'm pretty sure she did, yeah.

And did she mention anything further about what Gows' role would be?---No. She said, she just said they were talking with other people.

- 40 Right. In relation to the post office, is that it?---Yeah. When I had this, I got this plan to set up this trust and I was going to put it together to take back to the board, and they said no, we've got other people. And I think, I'm pretty sure Gows was one of those.

Could you be wrong about the name Gows and perhaps she didn't mention Gows?---Possibly, but it just seems to ring a bell to me now, that's all.

But anyway, that deal or proposal was only in connection with the Newcastle Post Office?---Yes. And that wasn't on behalf of the board, I done this off my own bat.

No, no, I understand that you spoke to her whilst she was on the board?  
---Yes.

10 After you'd resigned about putting a proposal together. Is that right?---No, no, this was long after that. I, this is my own thing, my own little project I had in my head that I could see something in the post office that we should never lose, and through another associate that I know, this bloke come up from Sydney, Andy Person his name was, and I got access through Debbie to go in and have a look and see what the damage was. And he assessed the damage and what he thought it could be and stuff like that. It was an informal thing I done off my own bat.

20 I understand. I'll come back to where I was asking you questions about, just in relation to this agreement with Solstice that I've shown you on the screen. Was there ever any discussion at any board meeting you attended about giving Ms Dates authority to sign that agreement?---I can't recall any, no.

And was there any discussion at any board meeting you attended about giving Ms Dates the authority to execute any agreement of any kind such as this one?---No, never.

Was there any discussion at any board meeting you attended about giving Ms Dates the authority to execute an agreement such as this?---No, never.

30 And was there any discussion with you at any time you were a board member about any form of revised agreement with Solstice?---No.

Whilst you were a member of the board, who did you understand the solicitors who provided advice to the board to be?---Ian Sherriff was.

40 Did you know of any other lawyer that provided legal advice or legal services to the board whilst you were a board member?---I don't know if I was still a board member. I think I'd finished the first time I went to a meeting at Islington at the church there, I was introduced to Mr Petroulias with Richard Green, and - - -

That's a members meeting though, wasn't it?---It was a, yeah, but I don't think I was on the board then. I can't remember, I don't know the dates, I'm just telling you what I know. And then I just, there was no other solicitors as far as I know when I was on the board apart from Ian Sheriff, if that's the question you're asking me.

It was?---Yes, well that's the answer to that.

All right. I'm just going to show you a couple of documents quickly, if you would. Would you have a look, please, at Exhibit 43, page 1? I take it you've never seen that letter before, Mr Jordan?---No.

And if you look at the next page, please, sorry, the next page along so that's at page 4, I take it you've never seen a cost disclosure statement or client services agreement between the Land Council and Knightsbridge North Lawyers?---No, not that I can recall. It's not something I'd forget, I don't think.

10

Would you have a look, please – I withdraw that. If you assume that Mr Green signed such a cost agreement, did he ever raise it at any meeting you attended, Mr Jordan?---No.

Didn't raise it with you personally at any time?---No. No discussion whatsoever.

20

Would you have a look, please, at Exhibit 42, folder 1A page 162? Have you ever seen that letter before, Mr Jordan?---No. I can't recall seeing any correspondence with the letterheads of that firm.

And I'll just show you for completeness, please, the fee agreement attached to it and the next page, please, so 163 and 164. You will see that's a costs agreement between the Land Council and Knightsbridge North Lawyers?---Yes.

You know nothing about that?---No.

30

Never brought to your attention whilst you were a board member?---Not that I recall. I cannot remember.

And Mr Green never raised with you that he'd signed such an agreement? ---Never.

No discussion about giving Mr Green at any time authority whilst you were a board member to execute an agreement such as this?---No, no, no agreements.

40

And no suggestion that he was delegated the authority of the board to sign an agreement such as those that I've shown you?---Not that I know of and certainly not from me.

Now, do you recall going to a meeting which is probably your last one as a board member on 30 November, 2015 which involved a presentation by the auditor, Mr Hickey?---Yes, vaguely.

All right. Do you recall that there was some discussion about what he was to do and some of the issues that had been presented to him during the

course of his work to that point?---Yeah, he was, he was asking for receipts and stuff like that.

He made a number of requests for documents of particular people. Do you recall that or not?---I can't remember all that, no. I know, I know he was looking for other stuff to finalise what he had to do.

10 All right. And there was a discussion between him and a number of board members about trying to locate material?---Yes.

And also about some issues with potentially missing documents or missing to that point?---Yes, that's what he was chasing.

Now, do you remember going to a members' meeting on 29 June, 2016?  
---Was that the one at the Croatia Club or the one at the Baptist Church?

I'm going to suggest to you it's at the Islington Baptist Church Hall on Islington Road.---Yes.

20 Do you recall going to that meeting?---Well, I went, I went to a few meetings there, yeah.

Could I show you, please, Exhibit 55. This will come up on the screen.---I just want to ask you, is that the meeting where I moved the motion to cancel the meeting?

I think that's right.---Yeah, well, the reason, I'll just tell you why that happened.

30 All right.---On that day the meeting was called, on that day I received a phone call from the chair saying the meeting was off.

Who was the chair?---Debbie at the time.

All right.---All my family members, which is a lot of us, I rang them and they cancelled. Some had to travel to come and then I got another phone call late in the day to say that it was back on again.

40 Were your family members from the Kempsey area or - - -?---No, they live up in Nelsons Bay and all that sort of places, you know, and there's, there's 14 to 15 of us. So a lot of them never come for that reason, if I rang them and told them it was off. Now, when I got, I found out it was on and I got there that's the reason why I brought that motion up because there shouldn't be, people have been told it wasn't going and all of a sudden it's back on again.

Was there any opposition to your suggestion the meeting be cancelled?  
---There was a bit of discussion about it, yes.

But it was resolved that it wouldn't proceed. Is that your recollection?---It was resolved it wouldn't proceed but it wasn't fair.

Just have a look if you would at Exhibit 55 and you will see there that that appears to be the minutes of a meeting on 29 June at the Islington Baptist Church Hall. Do you see that?---Yes.

10 And you will see there's a motion that appears to have been moved by you?  
---Yes.

You will see in the second paragraph under point 1 a note that you pointed out there was contradictory information, et cetera?---Yes. That was about the meeting being on or off.

I see.---I don't know where Kempsey come from in that.

20 In any event it didn't go further that meeting. Is that your recollection?  
---Yes.

Now, if you look on - - -?---Well, excuse me. It went on for a little bit then this come up and then it stopped.

Now, if you look on the second page if you would, please, you will see that point 2 is a discussion of legal matters before the Council. Do you see that?  
---Yeah.

30 And there's a note, "The chair invited Knightsbridge North Lawyers to give a presentation about the legal affairs before the Council."---Yes.

Do you recall that occurring?---Yes.

And was there an introduction given by somebody to, who was to attend and who was to present?---It didn't get very far. But, but - - -

Well, I'm just asking you whether somebody tried to introduce them. Do you recall that?---Yeah. Well, I can't remember if it was Richard or Debbie.

40 All right. But did one of them introduce - - -?---I think, I think one of them did, yes.

And who, putting to one side who it was, what did they say?---I can't recall word for word but it, it never got off the ground.

Was it the case that, in fact, Mr Green introduced Mr Petroulias at that meeting?---I can't recall that a hundred percent.

And that he said words to the effect, "This is Nick, from our legal firm, Knightsbridge Lawyers"?---I can't, I can't say that's a hundred percent right. I can't remember to tell you the truth.

Do you recall that there was a, that Despina Bakis, from Knightsbridge North Lawyers, was also present?---I think she was, yes.

10 Do you recall how she was introduced?---I, I think when they just first started, they just introduced them. I can't remember the whole conversation because at, at that time, it was still pretty noisy. It wasn't like having a little forum like where you can hear one another. There was still a bit of feeling going on and, and it never got, it never got very far as you can see by the things there.

Had you been introduced to Nick and – I'll withdraw that. The Nick that's referred to that attended that meeting is the gentleman in the hearing room here today, is it not?---Yes. I, I think I met Nick with Richard Green before the, before the meeting started out the front and we just said hello and introduced ourselves and that was virtually it.

20

Had you met Mr Petroulias and Despina on a previous occasion outside Land Council meetings?---No.

You hadn't been introduced to them by Richard Green?---No. Not that I can recall. Never. Only, only when I'm talking about now, it was, about, at that meeting I think I met Nick out the front that night before the meeting started.

30 And if I was to suggest to you that you'd actually met them before, and they were both described by Richard Green as being from Knightsbridge North Lawyers, would you agree or disagree with that?---Well, I can't recall that meeting if it did eventuate.

Well, forgetting whether it was a meeting, just an introduction to them. Do you agree that Mr Green may have introduced you to both of them?---I don't think so.

40 All right. And you wouldn't accept, would you, the proposition that he introduced them as being from Knightsbridge, or Knightsbridge North Lawyers?---Well, I can't recall meeting them before that night at, at that meeting at the Baptist Church.

Now, I want to ask you about, do you recall going to a Land Council members meeting on 20 July, 2016 at the Wickham Sports Club or the Croatian Club?---I went to one meeting there, yes.

Is that the only meeting that you can recall that's ever been held at the Croatian Club?---I think, I don't know - - -

Sorry, of the Land Council.---I don't know if there, that was the first or the second one. I know there was one or two but there was one, one there with the election of officers for the new board.

Do you recall that Mr Petroulias was there on that occasion as well?---Yes.

And also that Despina Bakis was there?---I think she was there.

10 Do you recall them being introduced to the meeting?---Yes.

And do you recall them giving a presentation to the meeting?---I think Nick tried to but I think he was cut out.

Who introduced them to the meeting? Do you recall?---Clearly, no.

You mentioned in your evidence on the last occasion that you prepared a statement for, or an affidavit with the solicitors a few years ago.---Yeah, yeah. For, for the other case that was going on.

20 Just have a look, if you would, Mr Jordan, at that document. Do you recognise your signature as appearing on that document?---Yes.

And that's the statement or affidavit you prepared, is it?---Yep.

And I take it you read through it carefully prior to signing it?---Yeah.

And you did your best to make sure that you gave full and as accurate information as you could?---Yes.

30 And satisfied of that matter, you then arranged to have it sworn as true and correct?---Yes. To the best of my ability.

And you'll see I just asked you some questions about the members' meeting that occurred, if you turn please to page 7. Do you see that in paragraph 43 you make reference to, in fact, Mr Green having introduced Mr Petroulias? ---Yeah. Where I'm talking about there is over at the Baptist Church.

40 I understand that, but I'm just asking you just about what's in the paragraph, so this is the meeting on 29 June 2016, so it's clear, I'm taking you back to the first meeting?---Yeah.

Having read paragraph 43, do you agree now that in fact that's likely to be accurate?---He didn't say he was a lawyer, I think he just said he was from the legal firm.

I see. But you generally accept the accuracy, do you not, of paragraph 43? ---Yes.

And do you accept as well in paragraph 45 the accuracy of what is contained therein, namely, that you'd been introduced on a previous occasion by Mr Green outside Land Council meetings?---I can't remember if I did or didn't, I could be wrong there.

All right. But having thought about the process you'd gone through to prepare this affidavit, it's likely to be correct, is it not?---Well, I believe that's what I could have but I'm not 100 per cent sure, because I've been trying to think since I've had to come down here over the period of time.

10

Commissioner, could that affidavit be marked?

THE COMMISSIONER: Yes. Affidavit of Ronald Wayne Jordan, 25 July 2016?---I'm pretty sure, Mr Chen, that I've never met them outside anything to do or any meetings at the Land Council. If I would have met them, it would have been there with something to do with the Land Council meeting or something like that. I've never met them socially or in a coffee lounge or anything like that, or, you know?

20 MR CHEN: I understand, thank you.

THE COMMISSIONER: The affidavit will be marked for identification MFI 25.

**#MFI-025 – AFFIDAVIT OF RONALD WAYNE JORDAN DATED 25 JULY 2016**

30 MR CHEN: Just pardon me for a moment, Commissioner. I'll just check my notes. Mr Jordan, were you contacted prior to – I withdraw that. You understood that Steven Slee, the CEO, was suspended in February of 2015? ---Yes.

Were you contacted at all by any board member to seek your views as to whether or not he should be suspended at that time?---No.

40 Did you have any, or did you participate in the decision at all, Mr Jordan, to suspend Mr Slee in February of 2015?---No way, no, he wouldn't have been sacked if it were me.

He would've been sacked?---He wouldn't have been.

He wouldn't have been, I see. Had you had dealings with Mr Slee in your time as a board member?---Yes.

How had you found Mr Slee to be as a CEO?---He was going, all the reports he was doing, he was going pretty good. He seemed to have the backing of

everybody and for some reason, a short time before this happened, there had been a big upheaval behind the scenes, I don't know what it was.

No one had ever raised anything with you?---No. The only time it was raised was we had a board meeting on the Friday, there was a little bit of rumours about his credit card spending, there was a board meeting on the Friday and they were talking about getting his expenses looked at, there was a special meeting called on the Monday or the Tuesday, I think it was, and we were told that he'd been stood down.

10

Right. I see?---But no one was consulted about him, standing him down.

And who stood him down?---As far as I believe, Richard Green and Debbie.

All right. Thank you Commissioner, that's the evidence of this witness.

THE COMMISSIONER: Yes, thank you. Any questions? No, no questions?

20

MR PATTERSON: Yeah, yeah.

MS NOLAN: No, no, sorry, I was just taking a note. Pardon me. Mr Jordan, you've given some evidence today and you also gave evidence on the last occasion with respect to something that you used the expression twice, an informal thing, with respect to land proposals for the sale of Aboriginal land, the Awabakal people's Aboriginal land. Today you talked about it was an informal thing when you came up with your friend Mr Percival or your acquaintance, Mr Percival?---Yeah.

30

With respect to the post office, and on the last occasion you were here, you talked about an informal thing in the context of the IBU proposal and your words were that the board had said that Richard go and do his homework and come back. Do you remember that?---Yes.

40

It's the case, isn't it, that in circumstances where the Awabakal people were, how do I put it, were proposing to sell their land, that it was open to individuals to bring potential investors or developers to the board, wasn't it?---In, in, in my time on the board the only time anyone, apart from Greg Cahill I think his name was, the only time anyone come was when Richard brought them there. I believe Steven Slee may have had a meeting with, I don't know if it's any of them developers that area involved in this or not, that's the only time I can recall that. I haven't seen anyone else come or bring anybody else to the meetings.

You may need to move a bit closer to the microphone.---I'm sorry.

Because I can't, I can't hear you.---Yeah.

But as I understand what you just said, in your time as a board member - - -?  
---Yes.

- - - Mr Green was bringing people to meetings or bringing people to the board's attention?---Yes.

10 Steven Slee was as well?---I, I think from, going back thinking, I think Steven Slee may have had meetings in his office with some of the people that may have come there before they come to the board.

Mmm.---Only because of I can remember someone saying he had a meet with so-and-so by himself when someone else should have been there. But there wasn't many, in my time I think there was probably two or three presentations apart from Greg Cahill might have been the third one, but he's been, his matter had been ongoing before I got to the board.

20 What I'm trying to explore with you is just the process, which you've said it's an informal thing.---Oh, well, to answer your question that way, if I could have probably put a deal with Andy Percival and said can you find somebody, which he said he could do that, I would then take it to the board  
- - -

Right.--- - - - or you'll take it to the, to the CEO or whatever and say look, have a talk to this bloke, he can help us here.

Yeah.---And in that context I think anyone's probably entitled to do that.

30 Right. And then the process after that would be, you'd take it to a board meeting and - - -?---You did, well - - -

- - - discuss the proposal at the board meeting, if, if it were to come through?---If I was a board member, but if I wasn't a board member I would make the introduction for them to meet the CEO or whoever was in charge and then they'd do their own thing after that.

Yeah. And then after that, say the board was interested in it - - -?---Yes.

40 - - - the next - - -

MR CHEN: Commissioner, I do object. I mean we are straying well and truly off the path.

THE COMMISSIONER: We are indeed.

MS NOLAN: Well - - -

THE COMMISSIONER: Look, Ms Nolan - - -

THE WITNESS: But that's the long and short of it.

THE COMMISSIONER: No, just a minute Mr Jordan. Your client is the solicitor, the solicitor for the Land Council, as I understand it I don't think she's putting herself forward as being part of this commercial venture, she's sort of there as the lawyer. Now, what's her interest in – there weren't many instances when these developers came knocking on the door. We know the process, there's a world of difference between talking to  
10 developers, listening to their proposal, telling the board about the proposal, and on the other hand actually executing an agreement which affects the interest in land. Now, what are we doing wasting time going over this? We've had it over and over again. Mr Jordan has made it very clear that there would be no way that an agreement affecting land would be executed by the board, by anybody else, unless and until the members had considered the matter. Now, why are we going over this again and what's your client's interest? She's the solicitor, she's not the mover and shaker, the commercial person, as I understand it. Is that right?

20 MS NOLAN: Well, firstly - - -

THE COMMISSIONER: You're appearing for a legal representative, a solicitor in practice and you're here in her interest as to the legal work she did or didn't do. Is that right?

MS NOLAN: Firstly - - -

THE COMMISSIONER: Right. So what's this line of questioning got to do with her interests?  
30

MS NOLAN: Firstly Mr Jordan has not said that as I understand it, Mr Jordan has not said that - - -

THE COMMISSIONER: Yes, well, let's not worry about what Mr Jordan said, just focus on the issue. We've got witnesses here which we are trying to program and convenience met. They're all busy people, most of them. Now, why are we going down this path, why are we spending time going over, picking over what happened in the past on two or three occasions  
40 when developers came knocking on the door? What's that got to do with actually executing an agreement?

MS NOLAN: Well, I'll get to that, if I could.

THE COMMISSIONER: Well, get to it now.

MS NOLAN: It would – you've heard what we've said. So the proposition effectively that I'm putting to you, that in the course of, I would suggest that it's not unusual for people to go and generate proposals among the

Awabakal people, it's not unusual for them to be put in touch with the CEO of the board. Those proposals may then be brought to the board for their consideration, that it's part of this, then after that it would then go to the members, the members could give an 80 per cent vote and then it will go to NSWALC, so the New South Wales Aboriginal Land Council. You accept that, do you not?---The long, the long, the long and the short of it is, everybody has that right to do that. I never seen it happen - - -

Right.---?- - - except, you know.

10

So these agreements which have been shown to you and you've said was any delegation given to Mr Green in order to enter into those, the proposition that I wish to put to you is, is that it's not a strange thing for Mr Green to do to go and as part of the extension of that generating interest to take - - -?---I've got to, I've got to disagree with you there because he had no authority to do it.

20

Pardon me?---He had no authority to sign any documents whatsoever. He had no authority to represent himself the way he did signing those documents. That's the difference in what you're asking me the other way and what's been happened here.

THE COMMISSIONER: Ms Nolan, without wanting to unduly interfere, it seems that what Mr Jordan just said on the evidence was the position and nobody has suggested to the contrary. Now, if that be the case, that Mr Green had no authority, no delegated authority or other form of authorisation then anything he signed would be of no legal effect whatsoever it seems to me.

30

MS NOLAN: Precisely, and that's the proposition that I would put to you.

THE COMMISSIONER: Yes. All right. So what are we spending time, it seems to me that Mr Green was acting as if he did have authority and as I understand from what you've just said you accept, this is right, he had no authority to execute any of these agreements. Is that right, is that your position?

MS NOLAN: That's a fact in issue but I, on the - - -

40

THE COMMISSIONER: Well, is it a fact in issue. Are you going to call an affirmative case to show that he did have authority?

MS NOLAN: No, no, but why my interest is affected is because every single one of these agreements that have been shown to witnesses is on the KNL letterhead, right, and it, well, I don't know where this is going.

THE COMMISSIONER: What's that got to do with it?

MS NOLAN: Each day is like theatre sports. I have no idea where it's going so I'm protecting interests that I anticipate may arise, okay.

THE COMMISSIONER: All right. Well, all I'm saying is this, that unless you have an affirmative case to present, that is to say that Green had authority, what's the point in asking Mr Jordan or anyone else about what he did. If he had no authority what he was doing amounted to absolutely nothing in law. So unless you've got a case to say he did have authority what are we bothering about this line of questioning, how does it affect your interest, your client's interest?

MS NOLAN: Well, for the very reason that, clairvoyance not being one of my specialities, it's unclear to me as to whether or not a positive case will be put against Knightsbridge North Lawyers who on a number of occasions appear to be the author of the documents and I understand the ostensible authority point that the Commission is putting to me and I don't argue that now, but the point I wish to make through this witness, he having said that he entreated others to come and have a look at properties, that what Mr Green was doing despite the fact that he was without authority was not an unusual thing.

THE COMMISSIONER: What does that matter? Why are we picking around that particular matter if it doesn't go anywhere, if it doesn't - - -

MS NOLAN: I don't know if it goes - - -

THE COMMISSIONER: - - - affect or advance any issue that's before this Commission?

MS NOLAN: I don't know if it goes anywhere.

THE COMMISSIONER: Well, why are you asking. If you don't know why ask it. It's just a fishing expedition in relation to matters that appear to me to be entirely inconsequential.

MS NOLAN: Well, I'll - - -

THE COMMISSIONER: And when you're talking about what the Council used to do, as Mr Jordan just said a moment ago, there's only a very few land sales in the past.

MS NOLAN: I'll be guided by the remark, Commissioner that it is inconsequential because up until now I was not certain as to its consequentiality.

THE COMMISSIONER: Well, when I said inconsequential, how many of these developers' cases were there? We know, well, Mr Chen in his opening has identified - - -

MS NOLAN: Four. It's on the terms of reference.

THE COMMISSIONER: Whatever it was. And each of them was a very different set of circumstances to the Sunshine, Solstice, Advantage situation, entirely different so I don't think you can rely on any past practice. But in any event, it doesn't seem to me to be taking the matter anywhere and certainly I can't see how it's affecting your client's interest whatsoever. She's the lawyer. She did the legal work.

10

MS NOLAN: Right. Well, I'm grateful for this robust discussion because it assists me greatly in understanding what matters are - - -

THE COMMISSIONER: It's fairly evident from the start that we don't know yet whether she has any other interest that suggests that she was working at times with Mr Petroulias to see these transactions up and running. To what extent she acted outside her role as a solicitor to the Land Council, of course, is an issue, so all I'm saying is that unless you can demonstrate that this line of questioning does affect her interest in some particular way, then the question is why ask these questions?

20

MS NOLAN: Well, I'll say this, because an informal arrangement is not unusual. If this solicitor is preparing documents pursuant to what is effectively an informal arrangement and can have no binding and legal effect until such time as it's ratified by the board, then she's not acting outside her purview. That is my submission effectively and that's what this goes to and this is why it affects the interest. Now, I've heard what the Commissioner has said and I do propose to move on.

30

THE COMMISSIONER: Bear in mind just before we do move on, in terms of what is relevant and what is not, Mr Chen in his opening gave a very detailed account of this investigation as he saw it. He provided, I would've thought, a clear roadmap as to what this investigation is about, who are the relevant participants, what was the relevant transactions and all of the other related issues and factual matters. So, bear in mind that Mr Chen's opening was designed to assist those participating in knowing what the likely factual issues would be, so that they would be in the position to make a judgment call in relation to particular witnesses, whether or not that witness affected their interest at all and, if so, in what way? So, I just remind you of the fact that the opening was detailed and it wasn't just as an introduction, it was meant to provide, as I've said, some form of roadmap to assist in identifying what are the real issues that need to be investigated. So, just bear in mind that and it may assist you also in deciding where your client's interest lies. All right. Well, you press on - - -

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MS NOLAN: Grateful for that indication, Commissioner. You also gave some evidence where you said that you were unavailable for board meetings, I'm sorry, I've lost my note now, Mr Jordan, between 28 April

2015 and 22 October 2015. Is it your evidence that you didn't attend board meetings during that time?---I was in custody.

So, you were unable to attend because you were in custody - - - ?---Yes.

- - - during those dates?---Yes.

All right. You also talked about a conversation that you had with Mr Slee Senior when the board had failed to meet for months?---Yes.

10

I think probably after, I assume after the time that you were in custody? ---Yes.

Where you talked about how the factionalism between the two parts of the board should not be permitted to continue, and I think then you were giving this evidence and the Commission rose. Can you tell the Commission about the way in which the factionalism was affecting the operation of the board in the period of time which you sat on it?---Well, Steven Slee's dismissal was the final, when I say the final crack, that parted the board. When they got the registrar involved and had the registrar give them advice not to meet, I spoke to them a couple of times. I know the chairs everyday try to convene meetings, I spoke to Richard Hancock and I said why don't you come? And it come out, not at that time, but it come out after I come home and had a meeting with Larry Slee and all the others at the bowling club, because some of the material they put out about me which was false, and they admitted that at the time after this meeting. And they said we didn't want to meet because we know we couldn't win a vote because you vote for them. I said - - -

20

30 Who, sorry to interrupt you - - -

THE COMMISSIONER: No, I'm going to interrupt you. Mr Jordan? ---Yeah.

I think you've said enough and answered the question. We don't want to go down too much of this past because it doesn't help us in the investigation? ---Okay.

Yes.

40

MS NOLAN: You said people put out material about you. Who were you referring to?---Larry Slee compiled the document. It wasn't about me, it was about Richard Green, Debbie and the corruption in the board but my name was on it.

Right. And you're saying that they admitted to you to putting out a document suggesting that you - - -

THE COMMISSIONER: Ms Nolan, I'm not going to allow this question, I consider it to be irrelevant.

MS NOLAN: Please the Commissioner. I have no further questions.

THE COMMISSIONER: Thank you. Mr Petroulias?

10 MR PETROULIAS: Yes. Can we please show Mr Jordan the IBU presentation, please?

THE COMMISSIONER: Would you put the question?

MR PETROULIAS: Yes. If I can show him the last few pages, there is what action is expected to occur.

THE COMMISSIONER: Mr Petroulias, if you can't find it, we're not going to sit here while you're scrolling through the document.

20 MR PETROULIAS: No, here we go. Now, if you can see that page, Mr Jordan?---Corporate creation?

Yeah, corporate creation. So there's an attention to establish a company. Is that correct?---Yes.

Which will acquire the - - -

THE COMMISSIONER: How would he know?

30 MR CHEN: And the witness gave very clear evidence about that he didn't look at the detail of this. I took him through select parts that did refresh his memory, Commissioner.

THE COMMISSIONER: He wouldn't know, Mr Petroulias, and in any event he's given clear evidence about the matter. Now, I don't think you're going to get anywhere on this line.

40 MR PETROULIAS: All right. You don't understand it was a sale to IBU at all?---No, what it was, it was a proposal, and my, my thinking at the time about all these sort of proposals, they were just fucken bullshit.

Yes. The \$50 million that is representatively held in a bank account, you agree that wasn't available?

MR CHEN: Well, I object?--- I agree so, yeah. I don't, I don't know if it was in there or not.

MR PETROULIAS: Okay, that's fine?---None of this was ever discussed with me or any board members, even all the deals you had with Richard Green in 2014, no one knew anything about that.

THE COMMISSIONER: Mr Petroulias, you know more about these things than Mr Jordan or a lot of the board members knew.

MR PETROULIAS: But, but - - -

10

THE COMMISSIONER: So just bear in mind - - -

MR PETROULIAS: The intention of that, of the document, is that there will be a series of agreements. Can I - - -

THE COMMISSIONER: I reject that question, he can't say what the intention of somebody else's document is.

MR PETROULIAS: Well, I'm asking him to remind himself as to whether he - - -?---It was a proposal put on the table of what they said they could do for us.

20

I understand. But in taking it further, there would be a series of agreements, wouldn't there?---If it went, if it went, if it went any further, but it never got any further than that.

THE COMMISSIONER: Mr Petroulias, would you stop talking over the witness?

MR PETROULIAS: Yes.

30

THE COMMISSIONER: And when I interrupt, would you stop and listen to me?---Mate, I'm not brain dead, I know what it's all about there.

I won't allow these questions.---What I'm saying here is it's very simple, it was never going to go any further.

Mr Jordan.---Sorry.

Just hang on a moment, it might be better if you just wait for the questions to come otherwise it will turn into a situation where everyone is talking over everyone else. Mr Petroulias, when it comes to a document, he can't get in the mind of the drafter of the document if it's not his document.

40

MR PETROULIAS: I'm not asking him to.

THE COMMISSIONER: There's no point asking questions as to what the intention of the document was. I've asked you before just to think and

formulate your questions carefully before you put them, otherwise we get this constant interruption, partly by myself in trying to keep things on track.

MR PETROULIAS: It's a very – I'm using it as an aid to simply say that - - -

THE COMMISSIONER: Well don't explain it to me, just put the - - -

10 MR PETROULIAS: Okay. If – if this was to go – okay – if this was to go further, there would be a series of agreements.

THE COMMISSIONER: Well he doesn't know that, there may have been.

MR PETROULIAS: I'm asking whether he remembers or - - - ?---Any, any contract you enter into, there's always an agreement. Any contract.

THE COMMISSIONER: Mr Petroulias.

20 MR PETROULIAS: Let's go to the - - -

THE COMMISSIONER: Mr Petroulias.

MR PETROULIAS: Yes?

THE COMMISSIONER: I firmly reject your last question. Do you understand that?

MR PETROULIAS: Yes.

30 THE COMMISSIONER: Moving on. Thank you.

MR PETROULIAS: Can we have a look at the handwritten minutes, please, of 31 October? Okay, now, Mr Jordan, if we can take you to the much discussed minutes of, outlining the sale. Next page. There we go. You notice that it says there, "Sale to be a minimum value rate." You agree that is an error?---Well, how, how would I know if it was an error or not?

40 So you agree that, what you had discussed was to sell at a minimum value rate?---I wouldn't, I wouldn't - - -

THE COMMISSIONER: I reject the question. I reject the question. You don't have to answer it, Mr Jordan.

MR PETROULIAS: Do you believe that that is a correct reflection of the intention of the - - -?---I would, I would say not.

THE COMMISSIONER: I reject the question. Mr Jordan - - -

THE WITNESS: Why would you sell at a minimum rate?

THE COMMISSIONER: Mr Jordan, you don't need to answer questions that I reject.

MR PETROULIAS: Okay. Mr Chen showed you an affidavit that you swore marked for identification.---Yep.

10 And paragraph 19 of that says that effectively what you meant there was that it would be at market value rate.---Yes. I believe so.

Okay. And what would you expect, from your experience, to occur if there are errors in the minutes?

THE COMMISSIONER: I reject the question.

THE WITNESS: He's the boss.

20 MR PETROULIAS: Yeah. I understand that. So, Commissioner, can I be clear on this? I'm not allowed to explore the issue of the incorrect minutes?

THE COMMISSIONER: Well, he wasn't the minute taker and if he, he - - -

MR PETROULIAS: No. I'm asking what the board would expect where the minutes are incorrect. What would be the course of - - -

30 THE COMMISSIONER: Now, just remind me, was he present at this meeting?

MR PETROULIAS: He was present at the meeting.

THE COMMISSIONER: Of 31 October.

MR PETROULIAS: He was present at the meeting, yes.

40 THE COMMISSIONER: All right, well, you can put to him what you contend was said and if you contend there's some error in the minutes, you can explore that.

MR PETROULIAS: He did say that what he meant was that it should be at market value rates and - - -?---No. That's, that's three or four years down the track. The minimum rate, even at the time, you wouldn't be discussing that, over that. You don't (not transcribable) they wrote them down and they wrote them down at the time. I can't remember who wrote them down at the time and I can't remember discussing the minimum rates either. You wouldn't sell it for less money than what you can get for it. The least, least

money you'd want to sell if for would be market value. That's common sense, isn't it?

THE COMMISSIONER: Mr Petroulias, I think Mr Jordan makes a good point.

MR PETROULIAS: Yes. Agreed.

10 THE COMMISSIONER: As at 31 October, 2014, there was no contractor even in place or contemplated in terms of terms and conditions let alone price. So as Mr Jordan correctly said, it was something well down the pathway in the then future. So I don't think there's any point in exploring what minimum rate means because it never came to be.

MR PETROULIAS: Well, he's answered the question anyway, so let's move on. All right, the simple proposition is, if you see an error in the minutes, what do you, what does the board expect to occur when there's a typographic error?---Well, I, I think you'd probably either – move a motion and it would be amended.

20

Yes. But okay, so and correct and incorrect minutes perfectly proper? ---Yeah. I think so.

Okay, that's all. Thank you.---Yeah.

THE COMMISSIONER: All right. Anything further?

MR CHEN: Not at this point, Commissioner, no.

30 THE COMMISSIONER: Mr Jordan, thank you for your attendance again and I appreciate your taking the inconvenience of attending to the Commission.

THE WITNESS: Thank you.

THE COMMISSIONER: Thank you. If you give that document to, yes, the attendant there, my associate. You're excused, Mr Jordan.

40 **THE WITNESS EXCUSED**

**[2.58pm]**

THE COMMISSIONER: Yes. Yes.

MR CHEN: Commissioner, I think the next witness would be Mr Hickey, Mr Clayton Hickey, who I understand that the Commission is able to sit on. It is past - - -

THE COMMISSIONER: Yes. Look, I've altered arrangements that I had for 3 o'clock so we'll go through to 3.30.

MR CHEN: Fine. Mr Hickey's in the hearing room now.

THE COMMISSIONER: Yes. All right. Thank you, Mr Hickey. Mr - - -

10 MR NOTLEY: Commissioner, my name is Notley and I seek leave to appear - - -

THE COMMISSIONER: Yes, Mr Notley.

MR NOTLEY: - - - for Mr Hickey. Just to indicate, before Mr Hickey's evidence, I do have an application to defer him giving evidence until 7 May. I expect that application to be quite brief, but - - -

THE COMMISSIONER: Yes. Certainly.

20 MR NOTLEY: - - - I seek to be heard on it.

THE COMMISSIONER: Take a seat in the meantime, if you would, Mr – yes.

MR NOTLEY: In short, Commissioner, and you may have been informed of some of this I think, from the discussion that I've had with my learned friend Mr Chen and also solicitors for the Commission.

30 THE COMMISSIONER: Yes.

MR NOTLEY: Mr Hickey was scheduled to give evidence last week. Last Wednesday I understand he informed the Commission's lawyers that he was available to give evidence today but that he was going on a family holiday tomorrow. It subsequently was confirmed he would give evidence today. With respect to that family holiday, that is firstly a trip to Port Macquarie that Mr Hickey is doing with his wife and three children.

40 THE COMMISSIONER: Yes. Mr Hickey, I accept that he already had these plans in place and we would not want to disrupt those plans if we could. I had in the hope that we might be able to get through Mr Hickey's evidence altered my arrangements so we could sit through to 3.30 but I'm told now it's not likely to finish his evidence. So it's question of balance of convenience really. So what's your application?

MR NOTLEY: Well, the reason is, Commissioner, as I understand it from my learned friend, Mr Hickey's evidence from in terms of what he'll be led through by Counsel, Senior Counsel Assisting will I understand take roughly an hour and a half and then I understand that both my learned

friend, Ms Nolan, and Mr Petroulias will seek to cross-examine Mr Hickey. I'm not certain how long that will take, but if the Commission is sitting till 3.30 it means that we're unlikely to finish Mr Hickey's evidence at least with my learned friend, Mr Chen, until say 11 o'clock tomorrow, then obviously there's morning tea and lunch and it may not be that Mr Hickey is finished until lunch or after lunch.

THE COMMISSIONER: Yes.

10 MR NOTLEY: He then has to drive back to Newcastle, pack three children, 7, 3, and 3 weeks old, into a car and drive to Port Macquarie tomorrow night for a family event before then going on to Coffs Harbour.

THE COMMISSIONER: All right.

MR NOTLEY: Now, in my respectful submission I appreciate the Commission has witnesses scheduled for certain days and they'd like to have Mr Hickey's evidence finished by tomorrow, but I understand that the inquiry is resuming on 7 May, and I understand there's probably a timetable  
20 for that and I wouldn't seek to suggest that I know anything about that, but in my respectful submission the inconvenience to Mr Hickey and his family is going to be quite considerable in comparison to the inconvenience to the Commission of having to reschedule or insert Mr Hickey into the witness list when the inquiry resumes on 7 May. I can indicate, Commissioner, that Mr Hickey would like his evidence to be dealt with obviously as soon as possible, but circumstances being what they are, it is going to cause him some significant inconvenience in terms of his family if he is required to return tomorrow. I can indicate we can be here as long as need be this  
30 afternoon, but in my respectful submission, part of what you would want to take into account, Commissioner, is the fact that obviously part of the inconvenience is due to the Commission's sitting requirements and the way things have transpired.

THE COMMISSIONER: All right. Thank you, Mr Notley. Well, Mr Chen?

MR CHEN: Look, Commissioner, that's uniquely a matter for the Commission. Could I say this in terms of organising matters, that we obviously try and take into account in the orderly conduct of a hearing as  
40 best we can the convenience of witnesses where possible. Commission, as I understood it the Commission was going to commence early tomorrow morning and so my expectation would be that Mr Hickey would be away well and truly by lunchtime, but I can't give any assurance because I'm not asking the questions by those that sit behind me, Commissioner, but I can say that my examination will be reasonably compressed.

THE COMMISSIONER: Yes.

MR NOTLEY: Commissioner, can I just say something brief about that, just to make the practical realities clear? Even if Mr Hickey is finished including cross examination by lunch time tomorrow, he has to get a train back to Newcastle, two to three hour trip, and then it's a three hour trip to Port Macquarie, and that's not allowing obviously for all the other things that go with moving a family on a family holiday.

10 THE COMMISSIONER: I understand. Mr Chen, it does seem to be a balance of convenience favours deferring Mr Hickey. It's regrettable that he's come down today and we haven't been able to get to him unfortunately, but be that as it may, I think as I understand the evidence that Mr Hickey will give relates to a discreet segment and that segment doesn't require it to be called before 7 May, in other words, although it may cause a need to change the witness list for that week, if he's available in that week the fact that it's deferred until then doesn't seem to create any real disadvantage to the Commission as far as I can see, and I think his personal convenience should be taken into account although, as you say, we might get a fair way down the track by starting today and starting early tomorrow which I was prepared to do, I think on balance it might be better to defer it.

20

MR CHEN: I accept that fully, Commissioner, of course.

THE COMMISSIONER: Well, Mr Hickey, you heard what was said and clearly it's your preference to have it deferred until 7 May?---That's correct.

I think we'll follow that course.

MR CHEN: Or during that week.

30 THE COMMISSIONER: In that week, yes, at a date that suits both Mr Hickey and your programme.

MR CHEN: Yes, Commissioner.

THE COMMISSIONER: All right, Mr Hickey. We'll let you get back to Newcastle, thank you.

MR NOTLEY: May I be excused?

40 THE COMMISSIONER: Yes, Mr Notley, well the Commission staff will be in touch with you and make alternative arrangements.

MR NOTLEY: Great. Thank you.

THE COMMISSIONER: Thank you.

MR CHEN: That's the evidence for today, Commissioner.

THE COMMISSIONER: Yes, very well. We'll resume tomorrow at the ordinary starting time, 10 o'clock.

MR CHEN: Yes, Commissioner.

THE COMMISSIONER: Yes. I adjourn.

**AT 3.06PM THE MATTER WAS ADJOURNED ACCORDINGLY**

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**[3.06pm]**