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INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 23 JULY, 2018

AT 9.30AM

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.

MR BUCHANAN: Commissioner, the first witness this morning is John Dabassis.

THE COMMISSIONER: Mr Dabassis. Now, Mr Dabassis, do you take an oath or an affirmation?

MR DABASSIS: Yes, an oath.

THE COMMISSIONER: Now, Mr Dabassis, please take a seat.---Thank you.

Now, you're not legally represented today but have you – I'm sorry, I'll start again. Do you understand that I can make a direction under section 38 of the Independent Commission Against Corruption Act which provides a form of protection that if you give an answer, subject to one very important exception, that answer can't be used against you in other proceedings. Do you know about that - - -?---Yes, I do. I was explained, yes.

- - - direction I can make? Do you wish me to make such a direction?
---Please do, thank you.

Before I do that, I've got to emphasise to you the exception that I just mentioned.---Yes, Commissioner.

20 The protection does not apply if you happen to give false or misleading evidence to this public inquiry. If you gave false or misleading evidence, you may be prosecuted for an offence against the ICAC Act. It's a very serious offence, it's a form of perjury and it has a maximum penalty of a term of imprisonment. 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 this witness during the course of the witness's 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.

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40 **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 THIS WITNESS DURING THE COURSE OF THE WITNESS'S 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.**

THE COMMISSIONER: Mr Buchanan.

MR BUCHANAN: Commissioner. Mr Dabassis, is your full name John Dabassis?---Correct.

And what is your occupation, sir?---I'm in real estate.

Real estate agent?---Agent, yes, sir.

And for how long have you been a real estate agent?---Approximately 15 years.

And you were a real estate agent in 2015-2016, were you?---Yes, sir.

10 Just thinking back if you wouldn't mind to a little bit before 2015-16, could you just give us a precis of your career in real estate?---Yes. I started with a TGBN in mergers and acquisitions in early 2000s. I've opened my own offices, real estate office in Sylvania South in 2007-8 and then we opened another office in about 2010 at Marrickville Laing+Simmons and since then we've been trading as property managers and we've currently got an office in Earlwood.

THE COMMISSIONER: In where, sorry?---Earlwood, New South Wales 2206.

20

MR BUCHANAN: So thinking of the year 2015 - - -?---Yes, sir.

- - - how were you conducting business then?---As an office with Galazio Properties, yes.

Galazio Properties?---Properties, yeah, fully licensed with a corporate licence.

And were you the principal of that firm?---Yes, sir.

30

And were you operating through a company, Galazio Properties Pty Limited?---Yes, sir.

And were you the director and sole shareholder of that firm?---Yes, sir, yes, I am.

Now, in 2015 did you know Michael Hawatt?---In 2015? Never knew of the man. Maybe I met him in 2015 or could have been late 2015/16, I don't recall. I never met Michael Hawatt until I was introduced to the gentleman.

40

When were you introduced to him?---Late 2015/2016. I'd say early 2016. Please don't take me on that, I'm just trying to - - -

Who introduced you to him?---George Vasil, Vasiliades (not transcribable) or Vasil, from Ray White Earlwood.

Ray White Earlwood?---Earlwood, yes, sir.

And what were the circumstances in which you were introduced to Mr Hawatt?---Circumstances, I know of George Vasil from Ray White. An opportunity came through that we can create a private hospital in Bankstown. We've asked, I've approved George Vas, if I can call him, if he knew direct the owners, he says, "I would know somebody who does," and that's when Michael Hawatt came into the, into the (not transcribable) to the picture.

10 How, if you could just tie that up for us?---Well, there was meetings arranged by Mr Vasil.

A meeting arranged by Mr Vasil.---Mmm.

Where was the meeting?---Well, we've met quite a few times at a local coffee shop.

20 No, no, no. Where was the meeting at which you were introduced to Michael Hawatt?---At a coffee shop I'd say the first time, yes, local coffee shop.

Had you had any communication with Mr Hawatt before that meeting?
---No, sir, never knew the man.

Had you heard about Mr Hawatt - - -?---No.

- - - before that meeting?---No, sir.

30 Now, at the time of that meeting – I'm sorry, do you remember what suburb the coffee shop was in?---Earlwood.

And at the time of that meeting did you know a man called Laki Konistis?
---Yes, I do.

And is Laki L-a-k-i-s?---Yes, sir.

40 I'm sorry, I might have suggested something to you which is incorrect. I'm told it might be L-a-k-i Konistis.---Well, it's the plural, sorry. It's either Laki as conferring, yes, Laki, or Lakis is his real name, as the Greek name is. Yannis rather than Yanni, you understand, so it is I would say on his certificate would have Lakis, everybody will call him Laki, refer to Laki, but he use his name Laki or Lakis, yes.

And who was Mr Konistis at the time you knew him?---Who was – he's a schoolteacher.

And how come you knew Mr Konistis at that time?---I know, I've known of his brother for the past, for 15 years and I met Laki in the past, on and off in the past 10 years. I can go further. We were always talking about he's got a

very interesting property, I've always told him that we had a client that was interested in private hospital sites. He said to me that he might have a site in Bankstown which was already approved or within, basically with the LEP that we can build one. He forwarded the site to me, basically he approached me with the site and this is how everything began.

Thank you. Can I ask you about another property, 548-568 Canterbury Road, Campsie - - -?---Yes, sir.

10 - - - known as Harrison's or - - -?---The old Harrison's Timber, yes.

Yes. You are aware of that property?---Now I am and I was prior to that, yes.

And when did you first become aware of that property?---I would say 2015.

When in 2015 as best as you can recall, sir?---I would say mid-2015.

20 And what were the circumstances in which you became aware of it?---Okay, I was, at the time I was working as a contractor for PRD in Bexley, PRDnationwide.

PRDnationwide?---Nationwide, yep.

In Bexley?---Yep. And one of the agents had basically emailed me the plans of the site that basically was or wasn't on the market, so that's when I was made aware of it. It was never on the market but we did have information that was emailed into the office of plans and it could be going on the market soon.

30 Well, can I just get help – if you could help us understand what you mean by that.---Okay.

40 Can you tell us a little bit more about how it was not on the market but it was on the market?---Well, it wasn't on the market officially to what we know but then again it could have been on the market. Working into the office, there's always things flying with development sites. Now, I'm very aware with development sites and that was given, and that was given to me, it was emailed to me that I had the plans that this property could be coming on the market. Obviously it will come down to the price. At that time, I believe Harrison's Timber was still operating as an existing building so it was something that was going to take off sooner or later. That site had, I remember, about 270-80 units, you had a DA on it but that was the time but it just basically came in to the office and it came to my attention and it was just forgotten all about it.

And when you say it wasn't on the market, what was it? If you could explain to us - - -?---Well, there's a lot of things, I, I, I can simply explain to

you, there's a lot of information come through, this could be on the market, this might be coming. So, that was going to come on the market sooner or later, I wasn't aware of if it was going to or not but we knew there was a DA site and eventually it was going to be sold. So - - -

10 If you can explain to us though, I think you're using terminology that real estate agents would understand but we might not.---Okay. It would have been like expressions of interest. It just flew in to the office. Obviously another agent had approached us in the office. This might be coming like, the documents, the plans were basically emailed to us, "This might be coming to the office." So, for us is - - -

Why would someone email the plans to your office?---Okay. Well, it wasn't to be direct, it was within the office. Why?

20 Yes. Why would they send them to your office?---Well, I can guarantee you, we probably weren't the only ones. It came in to the office as the owner of the business, which was Frank Mazzotta, and obviously went down to the staff, "We might be having this market sooner or later." We didn't know if it was going to be exclusive or not and this is how it's come on the table, this is how they start taking place.

So, Mr Mazzotta told that to his staff, did he?---Yes, obviously, yes. And I was emailed by one of his staff, one of the associates that were in the office, yes.

All right. And it included the plans of the site?---Yes, sir. Yes, sir.

30 And were these plans that had been prepared for any particular purpose, such as applications for a DA?---Lodged to the council, yep, yep, yep.

Is that right?---Yes. The, what we knew, there were two DAs on it.

And what did you understand at that time those DAs to allow the construction of?---Approximately 280 units with about 16 shops, over five buildings.

40 Five storeys?---Five buildings. Five separate buildings. If you're looking at the site, there's five lots within one block.

To what height? How many storeys?---Eight storey there. Eight storey.

Excuse me a moment.

THE WITNESS: From what I recall, yes,

MR BUCHANAN: So, do you know whether the plans were for an additional two storeys to an already approved six storey development?---No.

We weren't aware of. We have no idea about the six storey. We know that it was an eight storey, it was something that the council had approved. From there on, we had no idea. The other thing we knew is, there was a section 96 in there to increase another 15-20 units within the actual floor space ratio for make the units smaller to increase more units within the area if you can understand what I'm saying?

Yes.---Yes.

10 But you weren't aware of a - - -?---No, I wasn't.

- - - development application to add two storeys - - -?---No, no, sir.

- - - to an approved six-storey - - -?---No, sir.

- - - development?---No idea. No idea about that.

Your memory is of plans for - - -?---Eight storey.

20 - - - an eight storey - - -?---Yes.

- - - development.---Yes.

Is that right?---Yes.

And your understanding was that that application had been approved?---To what we knew of into the council's website, yes, two, there were two DAs in.

30 But you understood that there was outstanding a section 96 application to make modifications to increase the number of units?---Internally, yes.

Internally.---Yes.

And that application was before Canterbury Council, as you understood, it, Campsie being in the Canterbury local government area?---Well, they were lodged and it was within the council but there was never approval on it, to what I understand.

40 Now, once those plans came to your attention - - -?---Yep.

- - - did you do something about it?---No. Forgotten all about it until probably early 2016, some discussion came through with George Vas, Vasiliades, and I said to him, this was on the market, like, wasn't on the market, I was approached, I was given the plans six months roughly ago. He said, "It can't be right because it's not," - - -

Can I just ask you to pause there?---Sure, sure.

I will ask for the whole conversation in a moment - - -?---Sure.

- - - but first of all, in early 2016 there was some discussion with George Vasil.---Yes.

Is that right?---Yes.

10 Who initiated that discussion?---I did, because we had some prospective buyers looking in, you know, they wanted to get a big site.

Did you actually have prospective buyers - - -?---Yes, I did.

- - - at that time - - -?---Yes, I did.

- - - of that first discussion with George Vasil?---Yes, I did, yes, I did.

20 And who were the buyers?---A Chinese consortium that were introduced to me, or they weren't introduced to me, it was through Draco Property, Tony Zigliani, something, I believe I just - - -

Who was Draco, D-r-a-c-o, Properties?---Draco Properties.

Who was that?---Tony, Italian background, he said to me that he had a consortium that were interested in large number of units like a bit lot.

If you just pause there for a moment.---Sure.

30 We'll see if we can help you with Tony's family name, but while we're doing that - - -?---Sure.

- - - what makes you think that this initial discussion with George Vasil about the Harrison's site was in early 2016? I'm not saying it wasn't, I'm just asking you what enables you to fix it at around that time?---It would have been around that time. It might have been late 2015, about 2016.

But what is it about your memory of the event, the conversation with Mr Vasil - - -?---I'm just trying to think now. It's about three years.

40 - - - that makes you think it was - - -?---It's about three years because that's when I started contracting with Ray White Earlwood myself. Again I had left PRD, I left PRD in probably September in 2015 and I started working with Ray White Earlwood in late 2015.

So, sorry, you left PRDnationwide at Bexley - - -?---In 2015.

- - - in September 2015 you told us a moment ago.---Roundabout, yes, sir, yes.

Having left PRD you then went and did something with Ray White Real Estate Earlwood. Is that right?---Okay. I've, I've known Peter Vasil, which is George's brother, for a long time on and off and I was approached, he says, "You're welcome to come to the office if you want to work through here."

10 And what was the actual arrangement that you had by September 2015 with Ray White Real Estate Earlwood?---We put a contract in place. I was a contract or basically, selling normal properties, houses, every day.

Did you work out of the Ray White - - -?---Yes, sir.

- - - Real Estate office in Earlwood?---Yes, sir, yes, sir.

Every day of the week?---No, no, sir.

Well, did you work out of some other office as well?---No, no, no, no.

20 You just - - -?---Out on myself, out on the street, in my office, in and out, but basically I worked there as a contractor, everything.

Did you have another office, apart from the Ray White - - -?---We - - -

- - - Real Estate, Earlwood office?---We had a serviced office in um, with the Estate Property and Asset Management which have got another section that were doing, managing properties which - - -

30 State Property and Asset Management?---Estate Property and Asset Management. I've got a partner there and we've got a property management section there. Also they're licensed to sell properties.

Is that a real estate agency?---Yes, sir. In Jones Bay Wharf, was until recently.

And you had a partner there?---I still have, yep.

40 So, we're talking now about September, 2015, is that right?---Yes, sir. Yes, sir.

So, thinking of that period of time, was it that time or shortly after or shortly before that you had this first encounter with George Vasil about the Harrison site?---It would have been about the time, I'd say so, I'd say so. Could have been very, very late 2015. Yes, it would have been there, I remember, yep.

And who made the approach to whom about the site?---I approached, I approached George.

Why?---About, about – why?

Yes.---I approached George because I thought he had got a bit of knowledge in to, within the council, with the DAs and basically I approach him to know if he knew the owners of the property because we had a potential client, maybe we can go direct to the property, to the owners to see if they were interested to sell.

10 So, when did you first have this potential client that you're speaking of now?---In 2015, Tony, we had a small meeting at the PRD office. He had come, and that's when I, we discussed a lot about that and I told him that there would be a big site around about that time.

And what did he indicate to you that either then or subsequently made you think of the Harrison's site?---Well, he asked me if we've got any big sites you know, with a large number of units and I said, "Could be something in Canterbury Road, Campsie," and he says, "Great, just get me some information. I might have the client." It was a Chinese consortium.

20

He said a Chinese consortium, did he?---Consortium, yes, sir. But - - -

Did he say anything more than that to identify the potential purchasers?
---No, sir.

Now, had you done any work with Tony- - -?---Never.

- - - of Draco Properties before?---No, sir.

30 Was there any particular reason why you were prepared to try to do work with him on this occasion?---There's, there was going to be a sale of the property so eventually it was going to be a sale of the property and we were all going to make some money, yes.

I'm going to ask you whether you had any understanding at any time that the Harrison's property was the subject of an exclusive agency that the owner had given to CBR Ellis, CBRE?---CBRE Ellis, that's right.

40 Did you have an understanding that there was an exclusive agency that the owner had in respect of the Harrison's - - -?---I didn't have.

- - - site with CBRE at any stage?---I found that out shortly after, yes, I did,

When did you find that out?---We saw the big signs erected on the building. Once, once the demolishing had started on the building.

Right. What's your best memory as to when that was?---I would say 2016. Exactly what month, I will be lying to you.

Did you see any marketing or listing by CBRE at the Harrison's site?---Yes, I did. On the internet.

When did you see that marketing or listing by CBRE?---2016, exactly time, again, no.

10 What made you think or understand that the marketing or listing was by reason of exclusive agency that CBRE had with the owner?---What, what – before all this happened, I believe the Chinese consortium had basically, and look, there's nothing to lie, I've been reading some of the information there. I had three potential clients on this particular site of the time.

Just stop. When you say, "I have some information there," what are you referring to?---Yeah, like when I read in to the ICAC website sometimes, when I can. So, I had three potential clients but at that time, we realised that the property was with CBRE, the clients had basically walked away from it, the Chinese consortium. So, that case was forgotten.

20 So, you're saying, are you, please tell me if I've got this wrong.---Sure.

That in the timeline relating to Harrison's and your involvement in it, the Chinese consortium walked away from it before you found out that CBRE had an exclusive agency - - -?---Exclusive, yes.

- - - with the owner of the Harrison site?---That is correct, that is correct.

That's all I wanted to understand - - -?---That is correct.

30 - - - at this stage.---That is correct.

Thank you. So, can we go back then, thinking of the period that there was a Chinese consortium.---Yes, sir.

As you had been told by Tony at Draco Properties. He told you – sorry. He told you that he had these potential purchasers looking for a very big property, is that right?---Yes.

40 And the Harrison's site qualified in your mind as a big property?---Yes, sir.

Is that right?---Yes, sir.

And what did you do in relation to the Harrison's site immediately after that, that is to say, what's the next thing that you did in relation to the Harrison's site after Tony had told you that?---Well, basically we just left it as that and that's when I approached – nothing had happened over the time. It was on and off, it was on and off. Some numbers were coming in.

Nothing eventually took off. That's when I asked George Vasil if he knew the owners of the property.

Pausing there.---Yes.

So we have a period in between your first information that there might be a Chinese consortium from Tony and a time when you had your first conversation with George Vasil - - -?---With George, yes, yes.

10 - - - and you say it was on and off and on and off in between.---Yeah.

What was on and off and on and off in between?---It was on and off about the Chinese consortium. Eventually - - -

No, no, no.---Sorry.

Can you unpack that for us, please.---Yeah.

20 What do you mean by it was on and off?---Like, would they sell, would they not? We were asking, we were trying to find who the owners were, were there contracts, were there DAs so the whole thing just took months and eventually the Chinese consortium, those clients left, just gone away. Then - - -

Pausing there. Did you say six months?---Three, four months, whatever.

30 I'm not saying you're wrong I'm just asking is that what you said?---No, no, no. Could have been three, four, five months, yeah. A period of such space, yes, yes.

And in that time you had not had any contact with George Vasil about the property?---I don't think so. Maybe we were discussing here and there, yes, and I made George aware that when I approached him because again Tony came back again with another consortium which is Nick, I wish I had the paper, Johnston I believe it is from Kannfinch. They're architects. They're in Carrington Road - - -

40 How do you spell the name of the architects?---Kannfinch, K-h-a-n I believe, Finch I think. They're in Carrington Street in Sydney off George Street where the hotel is.

Now, so consecutively you have heard from Tony Draco Properties about two Chinese consortiums each of which was a potential purchaser for the property?---Yes. The one, yes, sir.

I just want to now clarify - - -?---Yes.

Just make clear your understanding of what you were told.---Yeah.

Were these consortia themselves the potential purchasers or were they someone in between the potential purchasers and Tony Draco Properties?
---There was somebody in between. In this case I don't know about the first clients but I do know Tony was the middleman. I don't know who was behind to get to the Chinese consortium in the first. The second one Tony he introduced me to from Kannfinch architecture, the big company in Sydney, they had the clients for that particular site.

10 When you say a second consortium, you referred to Nick Johnston. Are you saying Nick Johnston - - -?---Jamison, Jamison, Jamison. I believe he's Jamison, I'm sorry.

Jamison? Jamison?---J-o-m, there is an "M" in there. I'm sorry. My spelling. I just - - -

Something like Jamison perhaps?---Jamison could be, yes, yes.

20 Okay. I'm not saying it is. I'm just asking.---No, I'm just, yeah, it could be something.

And are you saying he on the information you were given by Tony had this second consortium?---Yes. Because a big architectural company, yeah.

And was the second consortium themselves actually the purchasers or were they in between?---No, they, they were in between again.

30 Was each consortium though actually Chinese as you understood it?
---That was Chinese, yes. Yes, yes, sir.

So the in between people for the first consortium were themselves Chinese?
---Yes.

And the in between people for the second consortium were themselves Chinese?---The purchasers, the potential purchasers were Chinese.

The potential purchasers were?---The purchasers were Chinese.

40 Who were the people in between – sorry, was there someone as you understood it in between Nick Johnston and the potential purchasers comprising the second consortium, was there anyone in between that you understood it?---There were the, I was. Nick was the middleman and then they had potential buyers which I've met.

You actually met them?---Met once, yes. Now, I don't know who was behind that but I've met those buyers.

And did you understand them to come from China?---Um - - -

Or to simply be Chinese people in Australia?---(No Audible Reply)

Or don't you know?---I, I remember I was given a – no, I don't think it was direct from China, they had some relation with Chinese because I've met them once at their office, at the architect's office, Nick's office.

But they were Chinese people, were they?---Yes, sir.

10 And more than once person?---Two there were on the table, there were two, middle age.

And were you given a name for either of them?---I was given a business card, yes, and - - -

And what was the name on that business card?---Oh, I'd be lying to you. I wouldn't even have it now.

20 Norman Ho?---If I say yes I'll be lying, I'm sorry.

Do you know that name in this context?---Hmm, I'd be lying.

Okay. Now, let's just slow down.---Okay.

I'm trying to now just understand where your two separate Chinese consortia, sorry, two separate consortia stand in relation to your first conversation with George Vasil - - -?---Yeah.

30 - - - at Ray White Real Estate Earlwood - - -?---Yes.

- - - about the Harrison's property?---Okay.

That is to say, at that time, just thinking of the time you've first had a conversation with George Vasil - - -?---Yeah.

- - - about the Harrison's property, who in your mind was the potential purchaser?---Okay. As I said - - -

40 The first consortium or the second consortium?---There was, okay, the first time we approached George we had the consortium through Tony Zagliani, whatever that was, okay, there were talking something, we were asking about something, 50, 60, 58, \$60 million-odd. That never took off. Okay. Now, I did mention to George that, about that site and he said to me, "You shouldn't know anything about this site because it's not on the market." I said, "What are you talking about?" I said, "I've got plans." And he was quite surprised that those plans have come to me, and I remember somehow giving him a copy of those plans. Yeah.

But why were you having this conversation - - -?---Because - - -

- - - with George at that time unless you had in your mind - - -?---Yes.

- - - a potential buyer?---And that's what I said to you, that's why we approached George, because we did had a potential buyer and he said
- - -

10 Who was that at that time?---Okay. That client I've never met. That was the first client through Tony. Okay. Now, through that period, because never anything took off, it was forgotten because these people just walked away, they don't want there forever - - -

Just stop, pause there.---Sure.

So at a time when this potential client - - -?---Yep.

20 - - - first consortium was in your mind, you had a conversation with George Vasil about Harrison's.---Yes, yes, sir.

Is that right?---Correct.

How long was it between the time you had that first conversation with George Vasil about Harrison's and the time that the first consortium disappeared in your mind as being potential buyers?---Months, could have been three, four months, within three or four months, a period.

In that time - - -?---Yes.

30 - - - were you involved in any meetings, apart from a meeting with George Vasil, about the Harrison's site?---Not, hmm, I don't believe so, not at the period, I don't believe so, no. Later on, yes.

So let's just, I just want to – I apologise if I seem to be labouring the point, but I just want to make it clear. At the time you first had a conversation with George Vasil about the Harrison's site, you had in mind the first consortium as you've described it.---Yes.

40 The one that never took off ultimately.---Correct, correct.

That you were never party to a meeting about.---Yes.

That continued for about three or four months but then went away. Is that right?---Yep. That would have been probably late 2015.

Okay. But you gave the plans that you had access to, to George Vasil?

---Yes, I did, because he was quite surprised, as I said to you, that I knew something about the site. I said, he says, "It's not even on the market." I said, "I don't know if it is or not, but there's a set of plans."

Did you understand from George Vasil at all or from anything that you knew, why George Vasil knew that the property was not on the market?
---That's what he told me.

10 Yes. Okay. But he didn't indicate to you how he had knowledge of the site and of the fact that it wasn't on the market?---No, sir, no. No, he didn't mention to me, no. He just said, simply said to me, "It can't be on the market." It's just, he knew of the site but it was never officially on the market. He didn't, he says, "It's not even on the market." That was the 2015, yes, it wasn't officially on the market.

Commissioner, can I take this opportunity to tender a ASIC current and historical organisation extract in respect of Draco Property Group Pty Ltd, and one for the witness. Thank you. This is just to assist, sir.---Thank you.

20 I'm sorry, Commissioner. First of all I should actually tender it and then I'll ask the witness a question about it.

THE COMMISSIONER: All right. The ASIC current and historical organisation extract for Draco, D-r-a-c-o Property Group Pty Ltd will be Exhibit 182.

#EXH-182 – ASIC CURRENT AND HISTORICAL EXTRACT FOR DRACO PROPERTY GROUP PTY LTD

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MR BUCHANAN: And if you could go to the second page of that extract, Mr Dabassis, do you see that a director is identified as Antony- - -?
---Gigliotti.

- - - Gigliotti?---Yes.

G-i-g-l-i-o-t-t-i.---Correct.

40 Is that the name of the Tony?---Yes, that is the Tony, yes.

Thank you. That's the only part of that document I'll take you to. It was just to identify the surname of Tony.---Yes. That is correct, a hundred per cent.

Now, Mr Vasil, having told you in that exchange you had with him on that occasion that you know, "How did you get those plans? The property's not on the market." What was the next thing that happened in that conversation

itself? Thinking of the conversation itself, did you explain how you got the plans, did you?---Yeah, absolutely.

And what next was said?---Exactly what I said to you. He's like, "This, this property couldn't be on the market because – how do you know about it?" I said, "What do you mean, how do I know?" I said, "I've got the plans and obviously I gave him a copy and he said, "This property is not on the market," and, "Is this going to happen?" I said, "You're welcome to do so."

10 Sorry, you're welcome to do what?---He says – to, to have the plans, the copy of the plans, A3, a copy and I've left it with him. Months later, Tony approached me again. He said to me, "Is the site still available?" I said, "Available, yes." "Is it on the market or not, or not?" "I don't know," again and this is how we started again with Tony and eventually there was a meeting set up with Nick from Katris Architects, which took place on an afternoon and I came down with George Vasil was in the meeting. That's when I met those Chinese, the other consortium that they had, the second set of clients.

20 And when was it that Tony approached you again about whether you had a big property for potential - - -?---It would have been months later.

- - - purchasers?---We always kept from a phone call, from a - - -

What year?---I would say 2016. I would say 2016.

Is there anything that enables you to be more - - -?---Specific.

- - - precise?---No, sir. No. No.

30 So, Tony approached you and said - - -?---"Is that particular site still on the market or is it available?" I said, "I don't know," and this is when again I approached George, is to or not, what he did, I don't know he went to the owners or not. Somehow we found out it could be on the market, open discussions. We had a meeting in the city - - -

Can I ask you to pause there?---Sure.

40 You've given us a lot of information, I just want to unpack it, please.---Yep, sure.

First of all, he asked you something about is there a developer or, I heard you use the word developer in telling is about the conversation that you had with Tony. Did he ask you something about, "Is there a developer?" or, "Can you find the developer?" What, what did you tell us about that?---He would always discuss about, "Do we know the owners direct of the property?" I said, "No, we don't." Apparently we did find out, there was a big group of, of consortium behind the Abacus Group.

No, no, no, no, no. You're jumping ahead I suspect.---Yes, yes, yes.

I'm just trying to take it stage by stage.---Yep. Okay, sure, please.

So, we'll come to that when the time comes.---Sure.

So, Tony, having asked you that, what did you do next?---I approached George again.

10

And did you have a conversation with him?---Yes, did.

What was said in that second conversation?---If basically, if the property was available.

If the property was?---Was available to be sold.

Available, I'm sorry, I misheard you when you - - -?---I'm sorry.

20 I thought you said developer, you said available.---No, no. Available.

My mistake, I do apologise. What did George say in answer to that question?---He says, "I will find out." He did come back to me. At that time, this is when we found out that the property was erected, it was locked in with CBRE for a short time of period to go out to expressions of interest.

Stopping there.---Sure.

30 You say George came back to you and that's when you found out about the exclusive agency with CBRE?---Yep.

Is that what George told you?---I believe, yes.

When George came back to you?---Yeah. It was signed, yep, yep. Yep. It was only within days. Now, was it pre, was it that, they had expressions of interest. We didn't know what the arrangements are with CBRE, was it exclusive, was it open - - -

40 Can I just – at the moment, I, just trying to get - - -?---Around two thousand and - - -

- - - not so much what you knew or didn't know but rather what happened, okay? So, George comes back to you, tells you that there's an exclusive agency to market the property with CBRE, is that right?---Yes, correct.

Was anything done to find out how long, what the currency was of that agreement?---We knew it was exclusive but we - - -

Did you know how long for?---Usually exclusive period runs over 90 days. I, from memory, agents knowledge - - -

Did you find out at that time you had, after George had come back to you, did you find out when that period had commenced?---We assume, I personally assume it's when the signboard went up. Could have been another six, eight, 10 weeks, we don't know.

10 Had you, by the time George came back to you, had you already seen these boards on the site?---Yes, yes.

At the time you first approached George, this second time around, had you already seen these marketing boards on the site?---Well, not recall.

You're asking your head?---But I wanted to - - -

Does that mean you don't remember?---I don't remember because I knew that - - -

20 No, no, no, no, no, no - - -?---The demolition had started and this is how we starting putting things together sort of thing.

Oh, I see.---Yes. It was a big you know, hardware store, so we knew the demolition was going on. That's what (not transcribable)

Now, George, having come back to you, told you about the exclusive agency. You didn't know when it had started but you knew that there was an exclusive agency?---Yes.

30 What's the next thing that either you did or that happened as far as you're concerned?---We were, somehow we were asked to put our clients through CBRE.

Who asked you to do that?---Through George.

When you say, "Through George," you mean you had a conversation with George?---With George, yes, yes.

40 And how long after he came back to you and told you about the exclusive agency was it that you had this further conversation with him?---Matter of days obviously.

A matter of days and what was it that George said?---Well, there's - - -

What was the effect, what were there words to the effect of what George said?---I remember we were asked to put the clients through CBRE and I said, "I'm not prepared to do that."

When you say, "We were asked," do you mean George said, "You have to put them through CBRE - - -?---Yeah, CBRE.

Or, "I want you to," or - - -?---Yeah. No, no, no. If, "You're going to have," yeah, "You're going to have to go through CBRE." Yes and I said, "I won't do that."

10 And was there – now I'm asking for what was in your mind. Was there a reason why you weren't prepared to do that?---No. It's an agent thing. I mean, if there's a dollar to be made or million dollars, want you to give you the clients and then they weren't offering much commission for us. We were going to the work, then we'd just have to go through that process, you know, exchanging papers, it's nothing and I said, "No, we're not going to do that." And we - - -

Yes, but we need you, Mr Dabassis, to explain to us who don't know anything about- - -?---Yes, sure. This is what I'm saying, yep.

20 - - - real estate marketing. You need to explain to us if you wouldn't mind what was wrong with going through CBRE at that stage as far as you were concerned? There was a financial reason, was there?---Yes, yes.

What was that financial reason?---Of course. Yeah, we weren't going to get paid the full amount of our commission.

30 Because you'd have to share it with CBRE?---We share and CBRE, I remember the listing agent again with an Italian name, says to me, "Usually we don't share commission." I said, "Well, we're not prepared to go through you."

When you say, "Listing agent," you're talking about the person working for CBRE, are you?---Yes, sir. Yes, sir.

What was the next thing – sorry, was there anything more in this conversation with George Vasil- - -?---No.

- - - where you had that exchange?---I don't believe so, no.

40 And what was the next thing that happened as far as you can recall?---Well, we recommended that we will let the agency agreement expire that - - -

When you say we recommended - - -?---Myself, I meant, yeah, myself.

Yes, that's all right. I said, great, I will let this expiring period expire with CBRE.

Did you say that to George or was this - - -?---Yes, I did.

- - - just you - - -?---Yes, I did.

- - - talking to yourself?---No, no, no, I said that to George. Then I said, “If they’re still around I’ll wait for these to expire and then we can approach the owners direct.”

10 When you say if they’re still around, who are you referring to?---If, if it’s still around, no, if the, if the property’s still available for sale, sorry, I should rephrase that, then we can go through the process and we’ll list it under my company and proceed with everything.

And what did George say to that?---He had no objection to it.

Can I ask though - - -?---Sure.

- - - why – I withdraw that. There was no suggestion by George that he would like to be involved through his company?---Through?

20 Ray White Real Estate Earlwood?---No, no, no, there was never, there was never a moment that Ray White Earlwood wanted to be engaged or involved in this deal.

Did you ever understand why?---I have no idea. I wouldn’t, personally I wouldn’t be giving him any, a choice, because it was nothing to do with him. Basically my whole thing was if he knew the owners, apart from that it was never offered, never asked, I never, I never offered, he never asked me.

30 And at that stage, we’re just talking about the time when George has come back to you and there’s been an exchange between the two of you about the - - -?---Yes, yes.

- - - consequence of there being an exclusive agency with CBRE, did you have any understanding that George had any connection with or knowledge about the owners?---Absolutely.

When did you first get that impression?---Well, he made, he made it clear that he knew the owners direct.

40 When did you first get that impression?---(No Audible Reply)

At what, which conversation, if any?---With, with – I don’t recall that, but I do believe this happened within the period that it was still under the agency agreement with CBRE.

And what was it that George said to you that gave you the impression that George had some knowledge of the owners?---Well, he said to me that he knew the owners.

He said that?---Yes, sir, yeah.

Did he indicate how he knew the owners?---Never.

Did he indicate how he communicated with the owners?---Never.

Did he indicate whether it was an owner, singular, or owners, plural?---I'm sorry, make that clear?

10 Yeah, sure.---That's - - -

I'm literally now asking you - - -?---Plural, yeah.

I'm literally now asking you - - -?---Please.

- - - what was the word he used, was it owner or owners when he said, "I know the?"---Well, he specified to owner. We did not, we knew there was group behind it, was it one - - -

20 How did you, at that stage, know that there was group behind it?---Well, we found out, we just (not transcribable) that we found out there was Abacus group. Now, was it one director, was it two, was there three on the board, we have no idea, but he was always referring, he was always referring, like, you know, yes, I do know the owners. Now, but we found out that he knew the person which it was Charlie Demian.

THE COMMISSIONER: So your answer was just he knew the owners?
---Yeah.

30 So he was using the plural?---Yeah, I believe so, yes, yes.

MR BUCHANAN: Well, I just wanted if I can - - -?---Yes, please.

- - - clarify what the Commissioner has asked you, because is it possible that when you use the word "owners," it's the sort of word that you always use
- - -?---Yes.

- - - irrespective of whether it's just one person or multiple people because you're talking about the people on the other side of the transaction if you're
40 for the purchasers?---Yes. I'm talking about the, the owners of the properties.

Yes.---We're always assuming there's a big group because it's, it's such a big property, you know, \$50 million, we always think that there's going to be a consortium behind it, a bit company or a group that has got the site.

When did you first hear the word Abacus in this context?---Within the period, within the period we found out.

Which period?---Within the discussion of the sale, within CBRE, now did that - - -

Was it George who told you the word Abacus or did you hear or read the word Abacus from some other source?---We – I remember reading something about it, a company search, I didn't do it, a copy I must have read, but I (not transcribable) yes, there was a consortium and
- - -

10

And when did you first hear the words Charlie Demian in this context?
---Ah, within the period that - - -

Did you - - -?---Trying to get contact with the owners.

Did you hear it from George Vasil - - -?---Yes.

- - - those two words?---Yes.

20 Charlie Demian?---Charlie Demian.

Did you know Charlie Demian?---Never met the man, at that period, never.

At that period, yes.---Yes, never.

Now, at this stage had you been having – you said no, I'm not interested in doing anything with CBRE or sharing commissions at that stage. Were you in contact with Draco, with Tony Gigliotti at Draco Properties, reporting to him what was going on?---No, no, no. At that time it was all forgotten. We,
30 we did discuss if this starts taking off that we're going to do a conjunction, which is always a - - -

Who is we?---Me and Draco Property through Galazio.

Yes.---If there is an amount of money, there's always within real estate if you've got the client, I've got the buyer, two companies do a conjunction and this one they specify you get 30 per cent of the – excuse me – 30 per cent, 20 per cent of whatever the figure of that commission basically, so everybody's covered basically, that's all. It's a security piece of paper, it's
40 got a conjunction agreement that between the two agencies, so if any money eventually, you know, comes through, you'll get your share upon invoice and I get my share and that's all there is to it.

And when did you and Tony discuss that in relation to the discussions - - -?
---We, we - - -

- - - with George Vasil that you've described to us?---Discuss Tony - - -

Well, discussed that if this came off it would be a conjunction agreement between you and Draco Properties.---That was never discussed with George, was never discussed with George.

I'm sorry, my mistake.---Yep.

What I'm trying to establish is - - -?---Please.

10 - - - did you and Tony Gigliotti simply agree with each other just by saying it, oh, it'd be a conjunction agreement?---Absolutely, always going to be the case, it was always going to be the case, in every real estate agent.

All you needed to do was say that - - -?---Yes.

- - - really, those like, three words - - -?---Yes.

20 - - - and it was understood between the two of you?--- 100 per cent. And I did phrase that to – sorry, I'm just jumping, I said that to CBRE and he says, "We don't do conjunctions." And that was - - -

Yes, you told us that.---Yes. And that was the reason I said, great, then I'm not introducing the buyer.

Now, what was the next thing that happened after the conversation with George in which you told him essentially that you weren't interested in sharing commissions with CBRE or you weren't going to do anything whilst there was an exclusive - - -?---Exclusive.

30 - - - agency with CBRE?---Well, George obviously would have had further discussions - - -

With whom?---Charlie Demian.

Well, just - - -?---Please.

Do you know that he did?---No, I don't, I assume, because - - -

40 Okay. What I'm after is, what do you know is the next thing that happened? ---Okay. We wanted to know that if somehow we knew that there was an offer in about 40-something million dollars from, we found out from CBRE but Charlie Demian never proceeded, didn't accept that offer. We had higher offer and we said we're going to wait. So obviously we understood that George is always in touch with Charlie Demian, hopefully that that period will finish and we can take over with a new agency agreement direct with me.

How did you find out that there was an offer of 40 million from - - -?---It was just word to word, probably from George that it was an offer through CBRE but it was way too low.

And way too low means, does it, that what, that was George's - - -?---To their expectations.

- - - professional opinion or - - -?---No, no, no.

10 - - - he told you that Charlie Demian thought that it was way too low?---To Charlie Demian's expectations.

Did George tell you that?---I believe so, yes, yes.

I just want to be clear though - - -?---Yeah, yeah, I know.

- - - because - - -?---I understand.

20 - - - I don't want you to attribute something to George Vasil if he didn't actually tell you. So where was it you got the idea from - - -?---Absolutely right, absolutely right, I'm putting - - -

- - - that \$40 million - - -?---I heard that number - - -

- - - was an offer that had been made through - - -?---I heard that number.

- - - CBRE that was way too low as far as Charlie Demian was concerned?
---Well, I found out that CBRE - - -

30 Please, just let me finish the question.---Sure.

Where did you find out that \$40 million was an offer that had come through from through CBRE - - -?---CBRE.

- - - that was way too low as far as Charlie Demian was concerned?---Okay. I'll rephrase. I remember that number, 40, 44, exactly who it came from, I don't know. It was within a conversation.

40 Okay. And then the next thing is, where did you find out from that it was way too low as far as the owner was concerned?---I believe George told me that, that Charlie Demian wasn't happy with the offer, yes.

Okay. Now, you say that at that time you had a higher offer?---Yes, sir.

What was it that you had?---Something in late 50s I believe.

And how did you know you had that offer?---Well - - -

What I'm after is a conversation or a piece of paper that you've read.---Yes.
Yes. Um - - -

So how did you know you had that offer?---It was, I don't recall if I had an
email but it did come through. That offer did come in from - - -

From whom?---Kannfinch, whatever that is, the office. They're, they're
second potential clients that came through.

10 So Kann might be spelt K-a-n-n-finch?---Yes, yes.

Is that fair?---Yes, correct, yeah.

Thank you.---Carrington Street, yes.

And secondly is it possible that when you've said Nick Jamison, was it a
Stephen Jamison?---No, Nick.

You think Nick?---Yes.

20

And I'm the person who suggested to you Jamison, by the way, so - - -?
---I've got his surname on my telephone. It's switched off. I can, I don't
have the telephone. I've got his name there.

Well, we might ask you to research it – no, not now, not now, but a little
later when an opportunity - - -?---I'll give you the exact name, yes, I can,
with spelling, yes.

30 Thank you. Can I just ask you, can you explain to us what the role was of –
we'll call him Nick Jamison for the moment. Was he an architect?---Yes,
he is. Yes, he is.

40 But he was playing a role of broker, a purchaser's broker, was he?---Not
necessarily. They're a well-known company. They've got about 50
architects in the office. You know, it's an office probably four times the
size, five times the size of this which I've been there with George, as I said
to you. And because it was their client, his interest was he had seen, after
we show him the plans, and, of, until that meeting took place he wanted to
create something different within the plans to put a statement on that side of
Canterbury-Bankstown area. So that was his basically interest that he was
going to create, redesign the building and create something of his own.

And get fees for providing architectural services - - -?---Absolutely.
Absolutely.

- - - to the potential purchasers.---Absolutely. A hundred per cent. Hundred
per cent.

Now, at the same time as you're in contact with Nick Jamison, were you in contact with Tony Gigliotti? In other words, what I'm trying to find out is what was the role of Tony Gigliotti?---Sometimes, yes. Yes. Basically once I was passed in to the architects, from time to time I'd just keep in touch with him. Could be an email or a text message or a phone call.

Who is "him"? Are you talking about - - -?---Tony, Tony, Tony.

10 Tony. Thank you.---Off, still in process, nothing is taking off, we haven't seen money. We've learned one thing in real estate, show me the money. So unfortunately that's what we do.

But at this stage, then, were some miracle to occur and there to be a sale, the people who might legitimately think of themselves as entitled to commissions would include yourself and Tony Gigliotti, is that right? ---Absolutely.

But not Nick Jamison?---No.

20 His interest was a contract down the line?---Yes, sir.

Now, what was the next thing that happened?---I was always asking George if this is going to occur. We needed a contract, we needed information, DA, CC, construction, everything.

30 This is while the CBRE agency agreement is on foot still? Is that right? But in anticipation of it expiring.---Anticipate expiring, yes, for me to proceed even further, where I was asked to put things in place as first of all an agency agreement, then we need to present ourselves professional and have the contract in place, have the plans. You know, all, whatever work has been done to the site to commence. People want to see that. Nobody's going to spend 50, 60 million dollars on piece of paper and nothing is - - -

Why were you having conversations with George Vasil about these steps that needed to be thought about?---Because he was always in contact, he was always in contact with, you know, he knew director, Charlie Demian.

40 And at this stage was it always your impression that he was in direct communication with Charlie Demian at this stage?---I, no, I wouldn't say so because - - -

What would you say?---I think within the picture, Michael Hawatt came into it.

At what stage did Michael Hawatt come into it?---Early stages. At the time we're talking about, about this stage I believe.

And when you say he came into it, how did he come into it? And I'm not interested – unless he actually turn up in the room. I'm interested in had you heard of him?---No, no. Yes, I understand what you're saying. I understand. Eventually we did had a meeting with Charlie Demian and Michael Hawatt did came into the meeting.

Yes, but before that meeting what was the first indication you had that there was a Michael Hawatt involved on the owners' side of any potential deal?
---Because you knew of the Charlie Demian themselves too. I was told - - -

10

No, no, no. Not the reason why.---Why - - -

What was said, what did you hear, what did you see that led you to believe that there was a Michael Hawatt involved? Did George say something, for example?---Yes, yes, absolutely. Yes, a hundred per cent, yes, yes. George told me, yes.

It was George who said something?---Yes, yes, yes. Of course, of course, of course.

20

What are the words he used or what was the effect of the words that George used to indicate that there was a Michael Hawatt involved?---It was like, "I will ask Michael," yes, a couple of times.

And did you say, "Who's Michael?"---I believe at the time I've heard of Michael because we were involved to trying to do the deal with the hospital site that I had in Revesby. So I knew Michael, but then again we were surprised to find out that Michael was involved in the, with the owners. He knew the owners direct.

30

Tell us now, if you wouldn't mind, please, what it was that George Vasil said that told you that Michael Hawatt was involved?---Well, wasn't involved. "I will ask Michael," basically. "I will ask Michael," yes. "I will ask Michael."

And was there anything more that was said in that conversation about asking Michael?---No. No, no, no, no.

40

You didn't ask George, "Who are you talking about?" and then he said, "Michael Hawatt," and then you said, "Oh, the same Michael Hawatt?"
---No, we knew direct, we knew, we knew Michael Hawatt, Hawatt, yeah, yeah. I knew who he was referring to. I knew who he was referring, he was referring to.

How did you know who he was referring to? I'm sorry to press this but I just - - -?---He probably did mention his surname once out of the 10 times, yes, but when you, it was in my mind that he knew Michael because Michael being an ex-councillor that I found that over the time he knew a lot

of people and this is, you know, with the exception that he knew who Michael. I knew what, he was Michael basically, yes.

When did you find out that Michael was an ex-councillor?---Within the period. Within the period.

What period, sir?---I'd say 2016, early 2016. He was an ex-councillor in Bankstown. I've always thought that he was in Canterbury but then I found out he was, in, in 2016, in, in, sorry, in Bankstown.

10

Did you understand that he had been a councillor at some stage?---After I found out obviously he was an ex-councillor, yes. For how long period, never asked.

When you say "after I found out" - - -?---That he was a councillor.

Right. Was there a time – let's think back to when you were having dealings, tell us if I'm right or wrong, dealings with Michael Hawatt about a private hospital in Revesby, when you were having dealings with him then did you know that he was a councillor or ex-councillor?---No. No. No.

20

You didn't?---Later within the, later on I found out, yes.

And when did you find out?---Like I said to you, would have been late 2015, early 2016.

And what was it you found out?---That he was an ex-councillor, that's all.

But who did you find out from?---Within the conversation. Could have been something that probably even Laki mentioned to me, that he was, Laki Konistis, that he was an ex-councillor or something, something we had discussion. Didn't add interest to it, didn't make any difference to me if he was an ex-councillor or not. Makes no difference.

30

Did you ever have an understanding in your own mind at any of these times that we've talked about – including back when you're talking about the Revesby Private Hospital – that he was a councillor?---Never. No, not enter my mind, no. Never passed my mind.

So you had a conversation with George Vasil in which he said something about Michael, and what was the next thing that happened? Was there any – sorry, first of all is there any more on that conversation that occurred?---No, sir. Not that I - - -

40

Did he come back to you then, said, "Look, I've talked to Michael," or anything like that?---No, no. No, he didn't. No, he didn't.

What was the next thing that happened in relation to the Harrison's property?---The next thing that we found out that CBRE's agency agreement period had expired.

And stopping. When is this?---It'll be 2016. Exactly the month I - - -

When in 2016?---No, I don't, no, I don't, I mean we can find out what time it was advertised but I don't have dates okay to be honest with you.

10 All right. But you have a memory do you of learning that the exclusive agency agreement with CBRE had expired?---Yes.

And what was the next thing that happened?---I, I've sort of contacted again with George that if (not transcribable) proceed again with clients we need to have an agency agreement with contacts. I will not proceed unless I have that in place.

You indicated that to George did you?---Yes, sir.

20 And what did George say?---He says no, I understand, correct. Being a real estate agent himself he understood exactly where it was coming from. We need some security otherwise we're wasting our time, my effort and everything else with it.

We're not real estate agents.---Yes.

Can you explain to us why you would be wasting your time if you didn't have an agency agreement?---Because, yes, I mean I can easily, I was asked who the client - - -

30 Just explain to us as lay people - - -?---Yes. Please, please.

As lay people - - -?---Sure.

- - - why is it you needed - - -?---Okay. Why did I do that it's - - -

- - - a agency agreement to protect your interest?--- - - - because the minute I would say who the group is, and it does happen out there very, very often, unfortunately greed of people, they will go direct to our clients and next
40 minute we've been wiped off, we don't see a cent. So the deal happens, the sale happens, takes place and we as the introducers, as agents wouldn't get nothing out of it.

So you indicated that to George.---Yes.

He said he understood. Was there anything more that happened in that conversation?---No.

What was the next thing that happened?---The next thing happened is once that expires we arrange the meeting with, to meet Charlie Demian.

Now, at this stage, and I'm going to come back to this a few times so just be patient with me.---Sure.

10 Did you have any understanding with George Vasil that he might share in any commission that flowed from a sale of the Harrison's property, just at this stage?---Look, I'm not going to hide it. It always passed my mind why would somebody be helping to do that. There was no proof of what he was going to make. Did it worry me? No, it didn't. Was that a dollar or a million dollars it didn't worry me, didn't affect me. I never asked the question. It never passed my mind that it wasn't.

So at this stage, before the meeting occurred, you had an expectation that you would be sharing any commission with George Vasil? I'm not saying you're wrong. I just want to clarify is that your evidence?---No, not, not at the stage, not at that stage.

20 I see.---No.

But it wouldn't have surprised you - - -?---No, nothing at all. Absolutely.

- - - if you had to share a commission that arose - - -?---Absolutely.

- - - from a sale?---Nothing was going to surprise me. Absolutely.

Thank you.---Yes.

30 Now, what was the next thing that happened? You've told us that there was a meeting organised.---Yes.

Tell us about the organisation of that meeting, please.---Well, George Vasil did arrange that meeting which it took place at a coffee shop in the neighbourhood again, Frappe coffee shop in Earlwood. To my memory it was on early afternoon. It could have been a Thursday or a Friday. I went to the meeting. George was there.

40 Can I just stop.---Sure.

We'll come to that in a moment. Why was this meeting happening as far as you're concerned?---To introduce me to the client, to, to the, to the seller.

Was there something said between you and George to indicate that you wanted to meet the client, was that what - - -?---Well, we found out - - -

- - -was that the reason why?---We found out again that the period with CBRE had expired.

Yes.---So our clients were still, I will use the phrase on a tree waiting, yes, there could be something. So I said great, for us to proceed now, now we've come to the real step that we need to meet the owner and eventually have an agreement between us.

10 And stopping there. Are you talking now about something that was in your head or you're talking about something that you told George Vasil?---I've told George Vasil.

And when you say we, you're talking about yourself?---Myself. I should stop rephrasing that.

No, no, that's all right. We just need to understand who you mean when you use the word we.---Yes. I should stop rephrasing that.

20 That's perfectly fine.---Yes.

So you didn't do anything to organise the meeting?---No, sir. I had no contact.

Who told you where and when it would be?---George Vasil.

And you got to Frappe - - -?---Yes, sir.

- - - at some time in the afternoon?---Early afternoon, after lunch, yeah.

30 And who was there?---George was there already.

Yes.---I got there myself. Within minutes Charlie Demian and Michael Hawatt rolled in basically. There were the four of us at the meeting.

Right. Now, you make it sound as if Charlie Demian arrived with Michael Hawatt.---Yes.

40 But was that right or did they simply arrive at the same time?---Well, they did arrive together.

They did arrive together?---They walked in, yes, yes.

Are you sure of that?---And I'll tell you why I'm sure. Because I've seen them leaving in the same car after the meeting in the black four-wheel drive so that's why I'm saying that. They walked in together so I assume, I'm saying now that - - -

I hear you.--- - - -because they left with the same car that they came together.

Thank you. Now, were there any papers that you brought to this meeting?
---Myself, no. Charlie Demian did. He had the official plans which they're into your possession I believe. Over a year ago I brought them in. (not transcribable) all the plans and everything. He showed me that. We discuss again about prices and everything. I said look - - -

10 No, no, no, no, no.---Please.

You're going to have to take it step by step. What was said by whom in the order in which it was said if you don't mind?---Again we said that, he did ask us if there was clients. I said as far as we believe, yes, there are the clients. They're still waiting. What the real numbers are going to come in, what you're asking me is that. What that number is going to come on the table we're trying to - - -

20 You mean price?---The price, yes. We're trying to push but again before we need to have, because there were so many DAs we need to have proof so I can deliver and say this and based on these. One thing with developers is they're always paid per site unit. Per site I'm talking about. It could be \$200,000 a site. This is the value. So unless I sit down and study that to find out yes, we've got a DA of 200 or 250 they will not establish a price okay and that conversation did happen because we knew there was some extra units to be, a section 96 to be lodged and basically that was the discussion and that was just over a cup of coffee within half an hour.

30 Was anything written down in that meeting?---Written down as a note?

Yes.---No, not that I recall. Not from me. Not from me.

And were you told a price or a price range for per site unit, did Mr Demian indicate what the price - - -?---We're talking about 160/70, no, it was never, we were talking about around about the \$60 million so if I divide it it could have been, you know, \$180,000 plus GST or something. I don't recall exactly numbers.

40 So tell me if I've got this wrong.---Please.

There was no precise - - -?---Price, no.

- - - figure that he provided - - -?---No, no.

- - - either by way of gross price or per site unit but he indicated a range?
---Absolutely. Absolutely. It was always going to be to the late \$50 million mark. Absolutely. We knew that much.

And during this meeting who did the talking?---Michael Hawatt spoke a little bit. George spoke a little bit. Demian did speak very little and I said what I had to say basically.

What did Michael Hawatt say?---All about the site and everything so - - -

What did he say thought?---Again we were assume - - -

10 What was the effect of what he said about the site?---We're just basically discussing things on the site. I've got this, let me rephrase the word that, this thing that whatever was going to happen I have to speak to Michael basically.

Where did you get that impression from?---Over the meeting, yes.

From whom did you get that impression?---From, from, even from Charlie Demian. He did mention also at the time, I don't know if this will help you, that there are consortium behind it through Abacus Group, the second consortium, and as I was always thought there was - - -

20

You already knew that?---Yeah, I knew, yeah. Was he the director, was he the exclusive, the CEO or whatever, I don't know the structure of the company and maybe I'm jumping a little bit and that's why - - -

No, no, no. At the moment just confine yourself to this meeting.---Yes. Okay. To this meeting, yeah.

If you wouldn't mind.---Yeah.

30 He indicated to you something you already knew that he was in some consortium of his own?---Yes.

And did he identify Abacus as a member of the consortium?---Yes, he did, yes, 100 per cent on that.

And did he use the words, "Joint venture"?---He did, JV, yeah.

Did he say JV?---Joint venture, yes, yes, yes, with Abacus.

40 Now, when Michael Hawatt spoke, when you say he spoke about the site, was it a sort of a marketing or promotional spiel that he provided?---Again it came to my mind what every time every meeting we had, Michael Hawatt has to be here, why he's, Michael Hawatt is always involved.

But apart from that, and we'll come back to that later. It what he said and you, and I'm, you aren't able at the moment to say anything more than he talked about the site and so, I'm just taking it another step and asking, well what was the function of what he was saying? Was it like he was marketing

it on behalf of the man, of Mr Demian or - - -?---No, I wouldn't say marketing it.

- - - was it something else?---I wouldn't be saying marketing it because we knew everything available about it, so there wasn't anything that you wanted to sell. Again, I assumed that there was going to be money made it and he was going to make something on it, that's my assumption. Again, why should he be involved in all these meetings and everything and I knew that what he was going to make out of it, if he was going to make never
10 worry me.

But this isn't what he was saying, was he?---No. No, sir. No, sir.

That's right, and so can I just ask you - - -?---Let me rephrase that.

I'll ask you to confine yourself, if you wouldn't kind for the moment to what it was that you heard Michael Hawatt say about the site?---It was just basically on the site. We did ask about this section 96 units, "Yes, no, no, no. We'll get it through."
20

Did he talk about the section 96?---Yes, I did. I said, "Look, we've done research - - -

No, no, no, no, no, no. You're talking about yourself now, aren't you?
---Yep, yep.

I'm after what Michael Hawatt said, if anything, about the section 96?---I probably did ask the question myself.

30 Yes. And then what answer were you given and by whom?---That they were trying to get the extra 17-20 units.

Who told you that?---It was either Charlie or Michael. One of the two after I found out that information within the council's website.

And what were you told about the section 96?---That they were trying to get that extra 17-20 units. I made a comment, I said, "It's silly wasting all this time and all this money when you're selling 280 odd thousand units, 280 units to get 16 units in there or something within the actual floor space
40 ratio." I said, "It's waste of time," but them again I wasn't here, I wasn't there to tell him what to do. They knew their businesses, so I left it at that.

Well, please Mr Dabassis - - -?---Please.

At the moment, I'm not after what it was that's in your head but I'm just interested in what was said at the meeting.---They, they were trying to get the extra units and I said, I said, "Right now we're selling what's DA approved, we're not selling potential." Potential never discusses, when I

say the potential, it's DA approved for 280, 74, 286 units whatever the number was, and that's what we talked about.

So, is this something you were saying?---Yes, I was saying.

In that case you weren't saying, "We're selling," you're talking about, "We are buying"?---Buying, yes.

Or potentially buying or - - -?---The potential, yes.

10

- - - interested in buying?---That's right. That, that out client is going to buy what's been DA approved because there were two DAs.

Right. You made that clear, did you?---I made that clear always. And that's, I believe at that stage we discussed that if this happens and we had long settlement and if these 17 units was going to take place, since we've got our price per unit, it was either going to increase, so basically the price up to three hundred and, let's just say 315 units inclusive of the section 96, if that wasn't going to take place, then we will take per unit those 15-20 units, which was going to be you know, half a million dollars' worth, I mean sorry, \$2 million, \$3 million off the price. Do I make myself clear, yeah?

20

And so you were, tell me if I'm wrong - - -?---Please.

You were saying during the meeting, "Look, if you do get the section 96 approved, then this is the mechanism that we might use to deal with that in terms of price?---Absolutely. It was the fair, it was the fair thing to do, sir.

Right. So, you're talking about a mechanism to adjust the price - - -? ---Absolutely.

30

- - - if the section 96 was approved?---A hundred per cent. Now, did George say anything during the meeting?---Very little. I don't recall what he said but just basically he was there.

And how long did the meeting go for?---A half hour. It could have been a little bit longer, I don't know but it was, it was less than an hour.

And was there anything said on the subject of commissions during that meeting?---Well, there was always a discussion and Charlie Demian didn't want to pay the commission that we were asking.

40

Well, stop, stop, stop. That means that you had already asked, doesn't it? ---Well, we, we discussed on the thing and - - -

What was said first on the subject of commissions?---We were asking for about roughly \$2 million, 1.8, I can't remember. There was always numbers flying around and that was going to share between - - -

No, no, no. At the moment I'm just after what was said. Did you say who would share in the commissions?---No, no.

You did however indicate a figure, a dollar figure for commissions?---Yes, yes.

Not a percentage, but a dollar figure? I'm asking you, you understand?
---Three, three – yeah. Let me just rephrase that. I'm trying to – sorry.

10

Yes, that's okay. It's important, it is very important that you recall - - -?---I would say it would have been, I did put a number on, a percentage or something around about the three per cent. Like, it was probably \$1.8 million plus GST.

Commissions?---Commissions.

And you might have put a percentage on it as well?---Well, that was a percentage, so three percent.

20

It was a percentage?---Based on the sale that was going to happen.

And do you remember that it was three per cent?---I'd say so, yes.

Did you say three per cent?---I'm pretty sure I probably did, yes.

And what was - - -?---The reaction?

Was the – yes.---He wasn't going to pay that - - -

30

Any commission?---He was talking about paying \$1.2 million and numbers were flying around and I said, "No, it's not happening."

So, he was prepared to pay a commission just not the figure that you were nominating?---That I was asking, yes.

Did he nominate a percentage?---He did, yes.

What percentage did he nominate?---I think it was down to \$1.2 million, so two per cent or something, two per cent or - - -

40

You can't remember the actual percentage he nominated but he took the figure down?---It'll be, it'll be, it'll be two per cent that he was nominating.

It would have been two per cent?---Two per cent. Yes, sir. Based on the sale price, yes.

Was anything said in that – sorry, was there any agreement by the end of that meeting as to commission on any sale?---No, no. That was never discussed.

No, no, no.---No. There was no, no, there was nothing said.

There was no agreement- - -?---No. No, sir.

- - - between you and Mr Demian- - - ?---No, sir.

10

- - - about what commission would be paid on any sale, is that right? There were simply figures nominated on both sides, end of story. Is that right? ---In the meeting?

By the end of the meeting?---There was some numbers, something about \$300 thousand.

20

Who used that figure?---It might have been said something by George through to Laki. Laki, over the phone, after the meeting, Laki rang me, I was fuming. I said, I said, “I’m not going to do all the work.”

I suspect you’re jumping ahead.---Yes.

I’m sorry - - -?---I’m just trying to put everything together.

That’s okay but we just need to separate out what you talked about afterwards with what you can tell us about what said at the meeting, that’s all.---Yeah. That was it, that was the end of the meeting.

30

And I just want to clarify then that by the end of the meeting, it was contemplated or it was understood by you and Mr Demian that there would be a commission paid - - -?---Absolutely, yes.

- - - on any sale but the figure of that commission or the proportion of the sale price that that commission provided, was not agreed?---Yes.

Is that fair to - - -?---Correct, correct, correct.

40

That’s your evidence?---Yes, sir. Yes, sir.

Now, you told us how the meeting ended up as far as Mr Hawatt and Mr Demian left together in the same vehicle, is that right?---Yes, sir. Correct.

And how did George depart?---With his one vehicle that was parked in the car park. I came in with my own vehicle.

And you had your own vehicle?---Absolutely.

And was there anyone else present at this meeting apart from - - -?---No.

- - - you four gentlemen?---No. Not that I recall. I remember what they were wearing, yes, but no, no, no.

Now, I'm going to give you a name and ask, by the stage of this meeting, we'll come later to some documents which will assist in terms of when the meeting occurred but we'll come to the documents later, but thinking of that meeting, at that stage, had you heard, in relation to the potential Harrison's deal, the name Pierre?---Okay. Now you're putting- - -

Well, I'll ask a different question.---Please.

In relation to the potential Harrison's deal, did you hear the name Pierre, yes or no?---Yes.

When did you first hear that name in relation to the potential Harrison's deal?---Now I don't, I'll be honest with you and I will, don't the exact time. There was a meeting that, again, George had arranged and we went to - - -

Stop, stop, stop. Is that before or after the meeting at Frappe with Mr Demian and Mr Hawatt and George?---Hands up, I don't recall. I remember it was a late afternoon.

And where were you?---There was a meeting set up and we went - - -

Where were you?---Where was I?

Where? Where?---I don't know where it was but it was scheduled, that meeting.

Yes. Who was present at the meeting?---Yeah, George picked me up with Laki in the late afternoon. We were going to go to Hurlstone Park but eventually we went to a club in Roselands, a little, it was an old RSL club - - -

Lantern?---Lantern, yes, that's right. And we walked in, we walked straight there and there were a few people sitting. I saw Michael Hawatt. We were introduced to this gentleman Pierre, another couple men, and that was the end of that. Then we pulled away and we went to a little meeting with Michael Hawatt again, George, Laki and myself. We sat on a different table back in the dining room. And that was the time that I met Pierre but basically (not transcribable) I said good afternoon, I said good evening, pleasure to meet you, and that was the end of it.

Had you heard the name Pierre in the context of the potential Harrison's deal before that meeting at the Lantern Club?---Never, never, never. Never, ever met the man. Never spoken to the man.

No, no, no. You hadn't heard his name?---Never.

Okay.---Never, never.

And is this your evidence? As you sit there, you can't remember whether that meeting at the Lantern Club with a man who was introduced as Pierre was before or after the meeting at the Frappe?---Yes, I lie to you if I was to tell you what day. I would be lying.

10

That's okay.---Yes. I don't want to - - -

We're just after your best recollection.---Yes.

That's all we're after.---Yeah.

So I'll just focus on that meeting where you're introduced to the man Pierre. You first of all sat at the table with Pierre and Michael Hawatt, is that right?---No, no, no.

20

You and Laki.---We walked in. They were sitting at - - -

Who's we?---Myself, Laki and George.

Yes.---We parked. We walked into the club. They were sitting at the sofa area. You know, the lounge chairs.

Stop there, stop there. Okay.---Yeah.

30

Why were you, Laki and George going into the Lantern Club? That is to say - - -?---To meet up with Michael Hawatt. There was a meeting again.

And as far as you were concerned, thinking of that time, what were you, what was hoped to be achieved?---Again just discussions about the site. Just discussions about the site.

What stage were you at?---It was discussions over the CBRE, obviously, because that's what we are going to be, you know, sort of investing in our time that something will occur over that.

40

So does this mean that that meeting was while the CBRE agreement was current?---Um, I - - -

This meeting at the Lantern Club.---I, I don't think it was current. I could be wrong again but I, I, I'd say it had expired.

Well, once the CBRE – I'll withdraw that. If you could just help us understand the real estate business, marketing business. Once an exclusive

agency agreement was expired, did the agency nevertheless have some interest or was it still a player in the market for a that property in respect of which he had held an exclusive interest, exclusive agency?---Who had, the purchasers?

No, the CBRE in this case.---Yeah, had interest?

10 Yes, were they still a player?---No, I don't think so. Once the – look, once, CBRE had been an international company. Again, like us, once the agreement expires they have nothing. I don't know if they had any interest. I don't know if they're still working on the site. That I wouldn't know. I wouldn't know.

But you think that you just – tell me if I'm wrong. You think that you discussed the CBRE agreement at the time that you were meeting with Pierre and Michael at the Lantern Club?---I don't believe so. I don't believe so. I don't believe so. I don't think it was an issue. I don't think so.

20 So what was discussed with – what was discussed at that meeting where Michael and Pierre were present?---Just basically catching up. There was nothing, it's all about introduction, the company, the site. It was nothing - - -

Which company? Which company?---I'm talking about the company. I'm talking about the site of the Abacus Group and if the site can take off, clients. It was nothing. I don't believe nothing came out of – I, I don't, what I recall, I don't believe anything came out of the meeting. It was just - - -

30 What did you go into the meeting thinking about?---Again, a lot of the times there was meetings, let's go, let's go, let's go, and I thought, half the time it was like, "What are we discussing again?" You know? It's either done or done. Do we sign? Do we proceed or not? But unfortunately that's the time we're investing in.

And did the man introduced to you as Pierre take part in this discussion?
---No, sir, no, sir, no.

40 Only Michael?---Michael, George, myself and Laki, what I recall, yeah. I, I, from that moment on I should be saying then we'll just walk away. We went to the dining area and just sat there, just sat there - - -

How long was it then you were – were you at the same table with Michael and Pierre on that occasion, talking about the Harrison's deal?---No, no, no. As I said, let me rephrase again. We walked in. Pierre, Michael Hawatt were sitting and could have been another one or two people sitting at the lounge area. George took us in. He said, I said, "Michael, how are you?" I had met Michael. He says, "This is Pierre." I said, "Good evening.

Pleasure meeting you. John Dabassis.” Laki, and then within couple minutes we left from there. The four of us left and went and sat into a dining area.

And what did you and George and Laki discuss on that occasion?

---Basically nothing serious again. Again, Michael was telling us, you know, “Don’t worry about it. This will happen. Leave it to me. I’m in control. I will do” - - -

10 I’m sorry, you did say four of us. Do you mean Michael joined you?---Yes, yes. I said that before, yes.

I’m sorry.---Michael, Laki, yeah. Michael, Laki, myself and George Vasil.

So Pierre wasn’t present?---No, no, no, no.

Thank you. And what was discussed between the four of you?---Again, again, we were discussing about the site and Michael said, “Leave it with me. Don’t do anything. I’m in control. I’ll speak to the guys,” blah, blah.

20 Just basically overrunning the same thing again.

Was there any discussion about commissions at that meeting?---I don’t think so.

At that stage what was your understanding about potential commissions?
---Look - - -

At the stage of that meeting.---Yes. Yes.

30 Do try, if you wouldn’t mind, just to think of that. It’s an evening, is it?
---Yes.

It’s an evening?---Yes, sir.

And do you recall whether it’s a week day or a weekend?---It was a week day.

40 And you’re in there. You’re in the club. You’re talking to Michael about these matters. At that stage, what was your understanding about commissions and how it would work if at all?---Again, to me my, my worries were never there about commission because I wasn’t going to introduce again the purchasers unless there was an agency agreement and on the agreement it’s got the amount of money. So I’ve learned my thing, we can talk about billions and millions and thousands in a dollar. Unless they will sign there was never, everything else was irrelevant. Everything was irrelevant.

THE COMMISSIONER: But isn't there another issue when you've got all these other people coming to you in the meeting who might have an expectation of sharing in your commission? Did you turn your mind to that?---I was never told. On the end of trying to say something after the Frappe meeting, there was a number popped out of \$300,000 for a commission and I was going to – I know you did stop me and I, you asked me, because I jumped a little bit. So I, that's, I know you went to this meeting but I don't remember now if the Frappe meeting was after or prior to this. There was a \$300,000 commission and I was, everybody, there were
10 going to be five people that they were going to get \$50,000 in. I said, "This is disgusting." I said, "I'm not, you know, I invested all this time and I'm going to get the same for somebody just," at that time I remember I have told George. I said, "This is ridiculous, because every time I go into some place there's a new guy, and you're telling me it could be the guy might have to share a part of the commission." I said, "What is this, market?" I said something stupid anyhow. So that \$300 was the only number that it was disgusting.

MR BUCHANAN: 300,000?---Yeah. And it was going to broken down to
20 \$60,000 per person. I remember calling, it was either Laki or myself calling Laki, and I was furious and, and Laki, to my own defence, he rang me, says, "Guys, this is very unfair. At least we can do is take \$10,000 each or something and give \$100,000 to John." I said, "Mate, I'm not doing the deal for \$300,000 or even for 60," I said. This is, I, I prefer to go and sell \$2 million house and I'll make, you know, 50, 60,000 dollar commission rather than wasting my time this over the past year. So at that time I didn't even want to know anything about it, you know. I had left it at that. That was the only real time that a real money something was discussed about \$300,000.
30 Everything else, I, I never worried, Commissioner, because if I was just on an agency agreement and under Galazio Property I was in charge of my commission. So I had promised Laki that he was going to get a share and I've always, I'm a man of my word and I was going to pay him that. The rest, never discussed with him. Not to my knowledge, I was going to give him a commission if someone going to ask. I wasn't going to give them anything. I don't understand why should I. And I, I, now to my recollection I said, "If you guys want to make something out of it, go and make it from the owner, from the seller, from Charlie Demian. What you're going to make out of it, I don't want to know. It's none of my business."

40 Can I just - - -?---Please.

- - - ask you to pause there. At some stage you said George Vasil indicated that other people would have to take a share - - -?---Yes.

- - - of the commission.---Yes.

Just thinking of that occasion, where were you when you learned that from George?---Again I'm saying that happened at the table just after the meeting

at Frappe the same afternoon, within half an hour, I don't know, it was a discussion over the phone with Laki and that's when I rang or Laki rang me because he might have called and he says, how did you go with the meeting and everything, so that was, that's when it was discussed about the \$300,000.

So Laki brought it up in a phone conversation - - -?---Yes.

10 - - - shortly after, the same night?---Yes, the same, yeah, same day, yeah, same day, yeah, afternoon.

Same day as the meeting at Frappe?---Yes, yes, I remember.

And what did Laki say to you?---He agreed with me 100 per cent.

No, no, no. What did he say to you?---He goes, he - - -

Sorry, I withdraw that.---He did mention - - -

20 Who introduced the subject of commissions, was it Laki or you in that phone call?---Laki.

And what did he say on the subject?---About the \$300,000 that he was going to cut down into five pieces, \$60,000 each. By that time I assume we would have been - - -

Why five people, why five pieces?---Five, five. Well, that was the question.

30 Sorry, sorry, sorry. Did Laki say anything to indicate who the five participants would be?---I believe he did mention something about Pierre and about \$60,000 because that was the fifth person.

Well, that's one person.---That was the fifth person.

You talked about five.---Five. Okay. There was myself.

Yes.---Laki Konistis, Michael Hawatt, George Vasil and Pierre, that's five.

40 And just slowing down there?---Yeah.

So on the evening or at night of - - -?---That meeting?

- - - the meeting at Frappe - - -?---Yeah.

- - -Laki rang you - - -?---Yes.

- - - as best as you recall?---Yes, to my recollection.

And there was a conversation about the whole thing?---Yes.

And he raised the subject of commissions.---Yes.

Is that right?---Yes.

And he indicated to you a figure of - - -?---\$300,000.

10 - - - \$300,000 and that it would be split five ways. Is that right?---Yes, sir.

And he identified the five people who would be party to that split as including Michael Hawatt, George Vasil and Pierre.---Yes, sir.

Is that right?---That's right.

Now, at that stage - - -?---Yes, sir.

20 - - - had you met Pierre?---This is again, you've asked me the same thing and I don't remember.

Yes, I know, that's why – no, no, no, no, no, no.---Yes.

It's okay.---Yes. I don't - - -

But I'll just ask you to think now, think.---Yeah.

30 If you have a recollection that he said to you in that conversation on the night after the meeting, sorry, in the evening after the meeting at Frappe that there would be a commission of 300,000 split five ways and that - - -?---
Yeah.

- - - one of the five - - -?---Was - - -

- - - would be a man called Pierre, do you have a recollection of thinking - - -?---I don't have.

- - - Pierre who, or do you have a recollection - - -?---I did have a recollection - - -

40 - - - of thinking, oh, yeah, I understand?---I did have a recollection of Pierre, yes, there you go.

You did have a recollection?---Well done, well done for your job.

Well, that's okay, but - - -?---Your memory's better than mine. Well done.

That's okay.---Yes, yes.

But all I'm just trying to do is ascertain, you have a memory, do you - - -?
---Yes.

- - - that when he mentioned Pierre as a person - - -?---Yes.

- - - who was going to share in the commission on the evening after the
Frappe meal, that you didn't think, who's Pierre - - -?---Yes.

10 - - - instead you thought, oh, yeah, Pierre, I've heard of him - - -?---Yes,
yes.

- - - or I know who you're talking about?---Yes, yes.

You did?---Yes, now, now I - - -

Okay. So does that mean – stop, stop, stop, stop. Does that mean that the
meeting in the Lantern Club that you've told us about was before the Frappe
meeting?---Now putting it together, yes, yes, Lantern would have been
earlier, before.

20

Was there any other occasion on which you had learned of Pierre - - -?---
Pierre, no, sir.

- - - apart from the Lantern Club meeting - - -?---No.

- - - before the - - -?---No.

- - - night of the Frappe meeting?---Never met, never heard the man for that
20, 30 second that he was introduced to me.

30

Was there anything that you and Pierre – sorry – anything that you and Laki
talked about in that telephone conversation - - -?---It was all about this.

- - - about why Pierre- - -?---I was, I was, yes.

- - - why is Pierre a member of this five-party split?---I did mention that and
we probably discussed more than once that who is this Pierre, and this is
what I discussed with George, I said, "Every time I go into a meeting there's
somebody, a new name is coming in and he wants to make money." I said,
40 "What is this," I said, I was disgusted with the whole thing," I said, you
know. So - - -

But just thinking of that conversation with Laki, was there any discussion
about why a man called Pierre - - -?---Pierre was going to - - -

- - - that you understood you had met before - - -?---Yes.

- - - very briefly - - -?---Yeah.

- - - in the company of Michael Hawatt, should share in the commission?
---Yeah, absolutely, we both - - -

Was there any conversation about it?---Yeah, yeah, absolutely.

What was the conversation - - -?---Ah - - -

10 - - - that you had with Laki on that occasion - - -?---Yes.

- - - about why a man called Pierre that you had met very briefly once - - -?
---Yes, should have an entitlement, yeah.

Yes.---And that was exact the questions that we both raised to each other,
what - - -

20 And what did Laki say?---Again, basically who is this guy, what is this
about this guy, and he probably did spoke to George about who is this guy,
Pierre, blah, blah, blah.

No, no, no, no, no.---Yeah.

I'm after what you remember Laki saying to you - - -?---That he was - - -

- - - in the conversation.--- - - - surprised as much as I was about Pierre
making a commission out of this, making a, it was going to come down to
himself too, the \$60,000.

30 Okay. Now, in that conversation you didn't say to Laki, why should
Michael Hawatt get anything, is that fair, you didn't say that?---Well, I - - -

In other words, you weren't surprised that Michael - - -?---I weren't
surprised, but then again - - -

- - - be party to the commission?---Yes, I wasn't happy with what was, what
was going on. I've got to be honest with you.

40 I know you weren't, you weren't happy, but you weren't surprised.---No,
not at all, not at all.

Why weren't you surprised that someone would think that Michael Hawatt
should get a share of the commission?---Why would a man be, look, I'm 59
years old, why would a man be spending all this time and interest and
obviously he wanted to make something out of it.

For doing what?---For doing, excuse the expression, bugger all, for being
within the meetings.

No, no, no, no, no, that's your opinion.---Yes, yes, yes.

That's your opinion.---I don't - - -

Someone, according to Laki, thought that Michael Hawatt should be party to the commission.---Yes.

10 And the question is, you weren't surprised at that, and my question to you is, why weren't you surprised that Michael Hawatt would in someone's mind be entitled to part of the commission?---I wasn't surprised at all, nothing - - -

Because he had done something. Is that right?---He had, because he was involved with these - - -

What, what, what - - -?---Yes, please.

20 Thinking of it, at that stage what had Michael Hawatt done? I know your opinion was that it wasn't enough to deserve a commission, but - - -?
---Yeah, nothing.

- - - what had he actually done?---Nothing. Nothing.

He turned up to a meeting though - - -?---Yes.

30 - - - with the owner.---Yes. I'd never called him, I didn't know he was going to be present. All these meetings that we had were arranged by George Vasil. What Michael had to do with the owners, what work was he doing with the owners, what he helped them, what he didn't help them, I have no idea.

Did you at any stage get the impression from George that the person, sorry, that he had dealt with Charlie Demian through Michael Hawatt?---(No Audible Reply)

40 Do you understand my question? I can reframe it?---I understand, I understand. Come to, yes, it had passed my mind, maybe George didn't know Charlie Demian direct and he had met him through Michael Hawatt, yes, it had come to my mind.

Why had it come to your mind, because we need to deal - - -?---Because of all the comments and - - -

We need to deal - - -?---Please.

I'm always interested in what's in your mind but at the moment we need to deal with facts, and the question is, what had happened, had someone said something, had something happened - - -?---No.

- - - in your presence?---Nothing happened. The only thing - - -

What made you think - - -?---Yes, because everything has, I'll ask Michael, I'll, I'll, I'll speak to Michael, I will do this to Michael, so everything was going through Michael Hawatt and, and that's why I assumed that, why do I have to go through this man, like, but I never asked any questions, it was none of my business.

10 And when you say that - - -

THE COMMISSIONER: And George Vasil was saying - - -?---Yes, I'll speak to Michael, I will go through Michael.

Sorry.

MR BUCHANAN: No, no, thank you.---Yes. I hope I'm making my clear - - -

20 Yes, you are.---We're talking about two or three years now and I'm trying to remember.

Yes, I understand. That's fine, that's fine. Okay . Now, can I just go back and ask, you have mentioned a conversation with George Vasil - - -?---Yes, sir.

- - - about commissions.---Yes.

30 Is that right?---Yep.

What is the first time that you spoke with George Vasil about commissions? And I'm not talking about CBRE.---No, no, no, no.

Leave all that aside. What conversations - - -?---We were told - - -

40 - - - did you have with George Vasil about commissions?---Over the period, nothing was really discussed about percentages or the amount of commission, I don't think it was George's business to know what I was going to charge, was he going to find out? Yes. But he was never going to get a cent out of me out of the whole deal, I knew that much, because he was never within that discussion.

But, no, no, slow down, because you've told us that he was in the discussion. He was present at the Frappe meeting.---The \$300,000 - - -

He participated in the Frappe meeting.---Yes. Yes, sir.

And furthermore that night Laki told you that George was one of the members of the five party split of the commission.---Yes, that's correct.

So why did you think George Vasil wasn't going to get a commission?
---Well, because that \$300,000 to me was out of the door. I said - - -

But you're simply talking about the amount of the commission being inadequate.---Yes. About the 300, yes.

10 But you had been told by Laki that there were to be five people who would share in it.---Yes, sir. That's correct and I'll stand on it. I'll stand by.

But you just simply thought that 300,000 was ridiculous.---Absolutely.

Now, in that conversation with Laki you indicated you thought 300,000 was ridiculous.---Absolutely.

20 Did you say anything about whether those five people – obviously including yourself – should actually share in the commission?---I've always said it, yes.

What did you say to Laki in that conversation about - - -?---I said why should they get paid for, what, just to introduce us to the client? I thought that was outrageous. It was - - -

Well, can I slow down?---Please.

30 Leave aside the 300,000. Say someone had said it's going to be 5 million. If someone had said that and then said it'll be split five ways, would you have been happy? Especially if you got, say, half of it.---Absolutely, I would have.

You'd be happy?---Absolutely.

And you wouldn't mind that these others were sharing in it?---I had no idea. I wasn't going to pay, yes.

40 Hadn't George done something, though? He had been, hadn't he, an intermediary who had introduced you – through Michael, as you understood it – to the owner.---I'm sorry, rephrase the first part.

Hadn't George done something to earn a commission, a part of a commission?---Yes. Yes, he has, yes. I've always, we never discuss that he was going to make money from me. I said if there was something for you to be made, a dollar, take you out to dinner or offer you breakfast, that's got something to do with it, you go direct to them. Now, how the negotiations were going to come, I don't know.

But, no, no, no, hadn't he done you a favour?---Absolutely.

You would have had no contact with the vendor - - -?---Absolutely. He had done me a favour.

- - - unless you had George Vasil, correct?---A hundred per cent. You're a hundred per cent, yes, sir.

10 So he had contributed something to the deal, the potential deal?
---Absolutely. Absolutely.

And furthermore, if what George said was right – and it sort of was corroborated by the fact that Michael turned up – Michael had contributed something to the deal because he had been an essential intermediary between George and Charlie.---And Charlie. Yes, sir.

Is that fair?---Correct, very fair.

20 So in one sense they had done something to deserve - - -?---Yeah. Yeah, contribute, yes.

- - - participation in a commission?---Hundred per cent.

And I just want to – I know it must sound like I'm having an argument with you now.---No, no, no, please.

30 I'm not trying to have an argument with you now to get you to agree with me. I'm asking about your understanding at the time about what would have been a fair thing provided the commission would have been big enough for you?---Well - - -

Do you understand?---Yes, yes.

So that's the sense in which I'm asking you - - -?---Great.

40 - - - George and Michael would have done something to deserve participating in a commission. At that time that would have been a fair thing because they had done something to deserve - - -?---Absolutely, yes, sure.

- - - participating in a commission, is that fair to say?---Yeah. Correct. Correct, yes.

Right, okay.---I do agree with you.

Excuse me a moment.---Sure.

Had you received from Tony Gigliotti an actual offer, a precise offer that you could provide to the owner at some stage?---Yes, I had.

Do you remember, did you get more than one offer?---I do believe from – one was direct, the first one from Tony, which never occurred. The second one was from Nick from Kann-whatever. Came in, two numbers. I believe it's an email that I produced in the late 40s, \$50 million. Actually would have been the 40-something which eventually they didn't accept that too.

10 What was the offer that you received through Tony?---In the beginning we were talking about in the \$60 million, nearly 62, 64 million, I believe, the first one.

And did you pass that offer on to the owner - - -?---No, never.

- - - whether directly or indirectly?---Indirectly. It was - - -

20 Who did you – sorry, did you give it indirectly to Mr Demian?---No, no, no. I, I, I didn't know Mr Demian at the time, the first offer. I didn't know Mr Demian.

That offer was never passed on to Mr Demian?---Never.

At the meeting at the coffee shop Frappe, was a particular offer passed to Mr Demian?---Yes. We were talking about - - -

What was that offer?---In the late 50s, by memory.

30 Where had you received it from? Who was making that offer?---It was coming again, I believe, from Nick Jamison, Jamison. Kannfinch.

And were these real offers?---I assume so, yes, because we had an expiring day on the Friday at that time, yes. What I assume so, yes, after we met the offer, the clients, yes, yes. At that time, that offer was given because I have met with Mr Demian at his office.

We've jumped ahead a little bit, I suspect.---I know. Yes.

40 That's okay, that's fine.---I'm trying to help.

After the Frappe meeting – that was the meeting you had with Mr Demian – what was the next time you saw him?---I was at, I, I screamed about, oh, well, raised my thing about having an agency agreement. Again - - -

No, no, no, no, no. No, no. When was the next time you saw Mr Demian? ---Okay, I will tell you that. I've asked George, I reckon, within a week.

Of the Frappe meeting?---Of, of the Frappe meeting.

And I'm going to come back to it in some detail, but just thinking of that meeting with Mr Demian, was it in Parramatta?---Yes, I was driven there by George. George picked me up. We drove to Charlie's office. I believed there was something arranged about 4 o'clock but it was rescheduled verbally for later on through the night because I remember it was winter and we reached there basically night-time. We went to Mr Demian's office. We sat on the boardroom table. He had one of his people there which eventually left the meeting. We sat there with George and Charlie Demian.
10 Again we discussed money and commissions.

What price?---Again in the late 50 million dollars. About 58-something, to my recollection.

Where had that price come from?---Again from the architects. As, yeah, Kannfinch.

Was it the first time that offer had been provided to Mr Demian?---Charlie Demian, officially, yes, yes, in writing, yes.
20

And when you say in writing, was it in your agency agreement, your draft agency agreement?---No, it wasn't. He kept on asking me, now, there was him, yeah, I will tell you after. Okay. No. There was no, there was no information about the customers. I will come to it when you ask me questions. Yes.

So at the moment we're just thinking about a figure that you think might have been around 58 million?---Yes, about \$58 million, yes.

30 And that offer had come from - - -?---Kannfinch.

Kannfinch. And had it been provided to Mr Demian before that meeting? ---Through, probably through George, yes, to set up the meeting, yes.

So now let's go back to how the meeting got set up.---Okay. It was set up through George.

Why? Who initiated it?---I've asked George. Now, according to what, I knew that Michael Hawatt was going to be there again. Nothing surprised me. I was picked up by George Vasil with his - - -
40

You told us you were driven there by George.---Yes, we went to the office - - -

No, no, no. No.---Stop.

A moment ago you said Michael Hawatt was there again.---Yes. Not, I didn't say he was there. Assuming he was going to be there again.

You were expecting him?---Thought I was, yeah, what I was told by George.

That Michael Hawatt would be there.---Was going to be there also.

But in fact he was not.---But in fact he was not, yes.

10 Did you have an understanding from George as to why Michael Hawatt would be there again?---He did mention that to me.

What did he say?---That he says, "Great, we're going to meet up with Michael and Charlie, Wednesday/Thursday night, whatever, 6 o'clock, 7 o'clock, whatever the time."

And what did you understand – now I'm after what was in your mind at the time – what did you understand was the reason - - -?---For the meeting.

20 For – no, for Michael Hawatt being there. What was the function he would perform as far as you understood?---Again, he, I, I had no idea. I thought he's the middleman again. Some relations with Charlie Demian. Maybe he wanted to be involved into the meetings, to be - - -

Okay, you've made it clear.---Yeah, you're right, sorry.

30 Thank you. Now, why did you ask George to set up the meeting?---Because that's the time that we were really crunched down to the number and we've asked for the agency agreement, so the meeting was done that I meet up with Charlie Demian to sign the agency agreement.

Now, what agency agreement?---An agency agreement from Galazio Properties with Charlie Demian.

And who prepared it?---I did myself.

And you went to the meeting and you were with George and you had the agency agreement?---Yes, sir.

40 The agency agreement stipulated a price for the sale of the property?
---Absolutely.

Is that right?---You do have I believe - - -

We absolutely do and I'll be taking you to it after morning tea.---Yeah. Sorry. I'm just trying to remember for this document. It's two and a half years ago.

And it had stipulated in it a commission.---Yes, sir.

Do you remember that?---Yes, sir.

2.2 million?---I believe it was something \$1.8 million something plus GST or, yeah, it would have been.

10 And what happened at that meeting?---Again I stressed with Mr Demian, prior to that, if I can help you again, I was messaging through Michael and George that I want to make sure when I reach there that Mr Demian is a director and the only director of the company because otherwise my agency agreement becomes invalid and if he is the sole director I need a letter from his solicitor specifying that he had every right to sign the agency agreement so it can be valid, to be valid basically.

Yes.---So we did go there. We had a small discussion.

How long for?---I'd say half an hour, a good half hour between myself and George.

20 And Mr Demian, was he there?---Of course. Myself and George and Mr Demian, of course, of course.

Right.---He was present of course.

And was it a social occasion as well, was there - - -?---It was a social - - -

30 - - - refreshments?---He did offer us a beer. I don't think I had one myself but he was a lovely man. Officially that's when we really opened up and we discussed about the property. I did ask, I did again ask him about the site, the DA, the section 96 and everything. We need (not transcribable), we need hydraulics, we need this, we need this and I've asked for seven days exclusive for people to do the due diligence and we needed a period to sign again the agency agreement only for two or three weeks because - - -

When did you want him to sign the agency agreement?---Well, I was expecting - - -

Thinking of that meeting with him in Parramatta - - -?---Yes.

40 - - - when was it that you wanted the agency agreement signed?---On, on the day, on the day.

On that day?---On that evening. Yes, sir. Yes, sir. So - - -

Did he sign it on that day?---No, he didn't.

Okay. We'll come to when he signed it later. Was there any discussion at that meeting about commission?---Again we had the commission and - - -

What was said in that meeting about commission?---I believe now, I'm trying to recollect my memory on the commission. I had on it 2 million plus GST. He was arguing, no, I'm not paying that much money. I'm going to pay less like, you know, two per cent or something, 1.8 or 1.6 or something. There was no further discussion on that. I did, meeting eventually finished. He did give me the binded floor plans, everything which I believe is in your possession.

10 A binder?---A binder. It's a big - - -

Yes, I understand.---Yeah, and it's in your possession. And I left with that and - - -

And you left him with the agency agreement?---With the agency agreement. Now, approximately a week later that agency agreement, I got a call from George Vasil that the agency agreement was in his own possession. I went to his office and picked it up. The number had changed from 2.2 to 1.8 I believe and he giving us - - -

20

And why did George have it, as you understood it?---Obviously Charlie Demian rang him to come and pick up the agency agreement because I kept, we kept on asking George about the agency agreement. We kept on asking him what's happening to the agency agreement, what's happening to the agency agreement. May I rephrase? Maybe it'll help you. Within that period there was emails, a couple of emails between me, Nick and Charlie and I believe it was on a late Saturday night that he wanted to know who the clients were and I believe that might have happened just before he signed the agency agreement.

30

Did you know who the clients were?---Yes. It was introduced because at that time, now it's coming all to me. There's so much happening. Kannfinch disappeared with the second offer. The third offer that it came to that has come from, again Tony Gigliotti was involved from JLL - - -

When did the third offer - - -?---That's the offer there on the table that it was real this time.

Stop, stop, stop.---Sorry.

40

Were any of those offers on the table when you were dealing with Mr Demian in his office in Parramatta?---It was the last offer. It was the last offer.

The third offer?---The third offer, yes. Now I'm trying to - - -

Now, now, now. Okay. What was that offer?---At \$58 something million I believe.

And it was from JLL?---Yeah, Gary Mason.

Gary Mason at JLL?---Yes, sir.

How had you received it from JLL or Gary Mason?---Okay. I received it in, in writing I believe.

10 Why did it come to you?---Okay. Again that, Tony had put me through Gary Mason and Gary have these prospective clients. We did had a conjunction agreement between us with Gary Mason.

When did you form that conjunction agreement?---Prior to the meeting of Charlie Demian.

THE COMMISSIONER: Sorry, who was the conjunction agreement between?---Galazio Properties with JAL, Gary Mason.

20 MR BUCHANAN: JLL?---JLL, the commercial, they're in the city, George Street.

Gary Mason?---Yes, sir. Yes.

And the client on this occasion was identified to you?---Yes, sir. By email to Mr Charlie Demian. Direct email because we exchanged business cards.

And do you remember who that was?---It's in writing. You have that.

30 Yes.---I don't recall.

Norman Ho?---It could have been. It was again Asians that you got your name, you brought up again. So officially we did specify the company names and everything so - - -

Now, I note the time, Commissioner. Would this be a suitable moment?

THE COMMISSIONER: Yes, it would be. We're going to have our morning tea break.---Sure.

40 During the morning tea break could you have a look at your phone. You were going to check the name of I think - - -?---John, Nick Johnston.

- - - Nick Jamison.---Jamison or whatever. I'll give you the correct name, yes. Yes, ma'am.

All right. We'll adjourn for the morning tea break. We'll be back at 5 to 12.00, please.---In 15 minutes. Excellent.

SHORT ADJOURNMENT

[11.36am]

THE COMMISSIONER: Now, just while Counsel Assisting is having a look at that, please take a seat. Mr Dabassis, everything that's said in the courtroom is being transcribed. When people talk over each other, it makes it more difficult for the transcribers to get the transcript right and at times Mr Buchanan hasn't finished his question and you're very, you're here, 10 you're very eager to give evidence, you start answering the question before Mr Buchanan's finished the question. Could I ask you to try and wait for Mr Buchanan to finish the question?---Yes Commissioner.

And then give youth answer.---I will do.

Thank you.---Thank you.

MR BUCHANAN: Mr Dabassis, over the morning adjournment, you have written on a Post-It note, "Nick," N-i-c-k, "Jonmundsson." I'm sure I 20 mispronounced it and I apologise in advance, J-o-n-m-u-n-d-s-s-o-n. ---Correct.

Of Kannfinch, K-a-n-n finch, new word, at Carrington Street Sydney and in addition, you have written on the note, "First offer at \$64 million in writing, given to George Vasil, "Told too early," by George Vasil." Is that what you wrote on the note?---Yes, sir.

Rightio. And so, Nick Jonmundsson was a person at Kannfinch with whom you were dealing that I have been calling Jamison, I apologise to Mr 30 Jonmundsson for that.---Apologies.

Now, when you've written here, "First offer at \$64 million in writing, given to George Vasil, "Told too early," by George Vasil," what do you mean? ---I'm sorry. I just wanted to refresh the first offer that, when I approached George Vasil about the site, it was for \$64 million and we had it in writing from Tony Gigliotti from his client but I never took off because the Abacus Group, basically the feedback that prior to I believe CBRE, they weren't ready to go on the market as yet.

40 Prior to?---CBRE.

The agreement expiry?---Yes.

Prior to the agency agreement - - -?---Prior to the agency agreement - - -

- - - which CBRE had - - -?---At that time, I don't believe they were engaged with any agent and that's when I approached - this happened before CBRE was as a listed agent. Just wanted to - - -

And so might this have been in 2015?---I'd say so, yes, sir.

Thank you.---Just thought maybe it would help you a little bit.

That's all right, yes, it is.---Okay.

And you have said in the note that George Vasil indicated it was too early?
---Well, he got feedback from the owners that it was too early to go on to
10 the market. Obviously they were waiting for something from the council.

It was too early, as you understood it, for the owner to accept that offer?
---Correct.

What, to even negotiate in respect of that offer?---Never discussed it. It just
would be too early, the one discussed in – they weren't open for discussion.

I see. Are you saying that that was the way that first offer ended?---Yes, sir.
Correct.
20

Thank you. I understand.

THE COMMISSIONER: And can I just check, to get Mr Jonmundsson's
name, you checked the contacts on your phone?---I, I've got his contact on
my phone and - - -

But these extra details - - -?---I just, I don't know if I did the right thing and
I'm happy to tell you, I just rang Laki and I said, "Could you please refresh
my mind about the 60, the first offer?" I just wanted to give you a bit more
30 information to be correct.

All right. So you spoke to Laki, did you?---I just spoke to Laki and I have
nothing to hide, yes, because he was involved at the time too and I felt
maybe it will help you with something because I wasn't clear.

MR BUCHANAN: Commissioner, it'll be my application in a moment to
have the Post-It note marked for identification. We're just going to attach it
to a A4 sheet of paper so it doesn't get lost and I'll then provide it to the
commission for that purpose.
40

THE COMMISSIONER: In preparation for that, could I enquire probably
through you - - -

MR BUCHANAN: Possibly MFI 3.

THE COMMISSIONER: Yes. Thank you. Right.

**#MFI-003 - POST-IT NOTE KANN FINCH CONTACT FROM
DABASSIS**

MR BUCHANAN: Now, while that sheet of paper is coming, can I take you, sir, to a document. Can the witness please be shown Exhibit 69, volume 23, page 227. Is that a copy of the front page of the agency agreement for you, which was the subject of the meeting with Mr Demian and Mr Vasil at Mr Demian's office in Parramatta?---Yes, sir.

10

Can I just ask you some questions about it, please. The first question I'm going to ask, but I'd like you to look through all four pages of it before you answer, is that there is a date on it for June, 2016, which appears on the first page at the top and also on the last page against the signatures but someone has crossed out in one place on the last page, page 230 of volume 23, the 04 and substituted 14. My question is, is 5 June the date of the meeting?---Yes. I would say so, yes. That's the day of - - -

Who prepared this document?---I did myself.

20

And I'll take you to some initials. First page, under the heading Agent's Remuneration, paragraph 2, do you see some initials before the word "two", t-w-o? Are they your initials?---One of it is in the middle. It's got JD on it, yes.

Yes, in the middle, exactly. Before the word, the handwritten word "two", t-w-o, correct?---Yes. Correct.

30

And then there is an initial of yours against the small Roman numeral "iii" on the right-hand side.---Yes, sir.

And can I just ask then, before we go down to some more initials, can you help us understand the changes that have been made to the agent's remuneration? It looks as if something else was written there, \$2,700,000. ---Yes. That's correct.

And someone has changed it to \$2,200,000, is that right?---Correct.

40

When did that change get made?---While it was in the hands of Mr Demian.

Before or after you left the room?---After I left the room.

Had you agreed that it would be changed to 2,200,000?---No, sir.

Well, just pause, though, before you say that. You've agreed that they're your initials against the word "two" in the middle of the page, in the middle of paragraph 2(i). And that is a change from the word "seven", can you see that?---Yes.

And so it looks as if you have initialled the change from seven to two.---No, no, no. I, I've initialled the \$2.2 million and then the seven was changed to two and it's got "C" on it by Charlie Demian, if you see.

Yes, but – I see. So when did you put the initials against - - -?---Prior

10 - - - to acknowledge the change from 2.7 to 2.2 million?---I, I've always initialled my writing. At the time I presented the agency agreement, 2.7 million, 2.2 million - - -

I don't understand your answer, sir.---Sorry. Okay. At - - -

Did you make that change?---No.

20 Okay. Did someone else make that change? Who made that change?
---Okay. My agency agreement, it specifies on section two \$2.7 million written and initialled by me. Now, the letter, the, the, the number 2.2, it's been overchanged by Mr Demian and his initial on top, and he's also initialled the word "seven" to "two" and he's also initialled on top.

But it looks as if you have initialled the change from 700,000 to 200,000 because your initials, you've agreed, appear before the word "two", t-w-o. Do you see that?---Yeah, no, those initials are always done by me. The seven one I had – I had 2 point - - -

30 But there's no need for you to initial something that isn't a change. You would only initial a change, correct?---You could say that but that's, what I do is, you look down in the bottom I've got (not transcribable) initial. Underneath it I've written "none", you know, I've, I've initialled those pages. Again on the last, second-last page I've initialled again – I always initial every page.

Well, can I be clear about this, when you left the meeting, did you leave it in the company of Mr Vasil?---No, sir. I left - - -

You left Mr Vasil sitting there with Mr Demian, did you?---I left with Mr Vasil.

40 You left with Mr Vasil?---Mr Vasil back, yes.

And you had left the agency agreement behind with Mr Demian?---Correct.

And the document was filled in already in your handwriting?---Correct.

And had any changes been made to the handwriting on that document before you left the room?---No, sir.

So are you telling us that the changes that are being made to the handwriting have been made after you left the meeting with Mr Demian?---Correct.

Did you agree to the changes being made?---Yes, I did. Once the agency agreement was presented to me by George Vasil approximately a week later, yes, I did. I thought, you know, we're all going to make less money so we just wanted the deal to go across.

10 THE COMMISSIONER: And, sorry, before Mr Vasil about a week later presented you with the signed agency agreement, did you realise that Mr Demian had decreased the proposed - - -?---Yes. Yes.

So you'd been told that beforehand?---I've seen, because he handed me over the agency agreement.

MR BUCHANAN: No, no, no. That's not what the Commissioner asked you.---Sorry.

20 Commissioner is asking, before Mr Vasil gave you this document, were you aware that the amount that you had stipulated of \$2.7 million was going to be changed to \$2.2 million?---No.

Had Mr Demian indicated to you during the meeting that he wasn't happy with a commission of 2.7 million and he proposed that it should be 2.2 million?---We were talking numbers but it was never discussed, a real number. We just left it as it was.

30 But there was a real number. It was written down on the page.---Yes. That was my number. He sort of, "Oh, I don't want to pay so much," but we still left it at that at the time. I left the agency agreement as it was. And could I, on paragraph, just below the two where it says 58, 58 dollars million commission only, again you can see to your right-hand side I've written \$2.7 million and I initialled it again, if you look at your right-hand side. A very small initial. And then it was, underneath it was changed to \$2.2 million.

So that change was made after you left the meeting with Mr Demian as well, was it?---After I left Mr Demian, yes.

40 And it's his handwriting, is it?---Correct.

Or you assume it's his handwriting.---I assume, yes.

Which says, at the point you've just pointed out, "\$2.2 million including GST".---Yes, sir.

And that initial by you, you tell us – please tell me if I've got this wrong – it's your evidence that those initials were not acknowledging that change by Mr Demian but were the initials that you'd put there when you left, you put

there when you were drafting the document.---I had drafted document prior to his office, yes. Yes.

Yes. But I'm after your evidence about when those initials against the small Roman numeral "iii" on the right-hand side of the page, when were they applied?---When I drawn, when I filled in this agreement.

And before you entered the room with Mr Demian?---Prior, prior to Mr Demian, yes, sir.

10

And why did you put initials there?---Again just correcting myself. 58 million commission from settlement. I've written "2.7 commission, GST inclusive" and I've initialled just above it. I always do that.

Can I take you to the second page, that is to say page 228 in volume 23, against clause 8 there is a striking out of that clause and an initial that appears to be Mr Demian's.---Correct.

20

Was that struck out when you left the agreement with him?---After I left, yes.

Thank you. On page 4, page 229 of volume 23, there's an initial by you against, on the right-hand side, of the words "principal's authority". Was that initial there when you left the document in the room with Mr Demian? ---Yes. That initial was done prior, sir, yeah.

30

Turning then to page 230 – that is to say the fifth page of the agreement – there are changes that are made to the date against the field or the box for signature of principal. Do you see that?---Yes, sir. Yes, sir.

And what was written on that page at the time you left the document with Mr Demian?---04/06/2016.

There is something else that is in that part of the box that would take the day of the month, isn't there, that looks like a 20 or something like that?---Well, yeah, I must have, obviously I've done a mistake of the 20th and then I've corrected it to "04", which is my writing above it.

40

Then against the box where "Sterling Linx Pty Ltd" has been written in, you had written in "04" and that's been struck out and "14" substituted, is that right?---Yes. Correct.

And then your signature appears in the box for signature of agent.---Yes, sir.

And that date remains unchanged.---Correct.

And at the time you left the document in the room your signature was under the heading Signature of Agent together with John Dabassis selling agent Galazio Properties?---Correct.

THE COMMISSIONER: Can I just ask you, could we go back to page 227, please. You were probably asked this. Right at the top, paragraph 1 - - -

MR BUCHANAN: I didn't ask, Commissioner. Thank you.

10 THE COMMISSIONER: You've got for a period from and it was in your handwriting the 04/06/2016?---Correct.

And when you left the document originally with Mr Demian it had the typed words "until such time as the property is sold or the agreement is terminated" and then that was struck out by Mr Demian?---Correct.

And he inserted "until 26 June, 2016"?---Correct.

20 MR BUCHANAN: Was the document that Mr Vasil gave you an original document?---Yes, sir.

It actually had ink on it as against a photocopy?---Absolutely. We always ask for the original copy, yes, yes. Could I just - - -

Yes.---It might help you.

Yes, please.---This is an open agency agreement. Just for you to understand as you mentioned before about real estate.

30 Yes.---It's an open agency agreement. Obviously you couldn't understand it. Open agency agreement extends, we don't basically lock the client within a period, it's not exclusive. So I always present my clients with an open agency agreement which it doesn't give me an expiring date so basically it covers me with an introduction of my client. Maybe they'll come back in a month or two or three so at least I've got a cover open agency and that is the correct thing to do rather than exclusive.

Now, the price is on the first page, 226 - - -?---Yes.

40 - - - of 58 million inclusive of GST.---Correct.

Was that the price you had conveyed to Mr Demian?---Correct.

And was that a price that you had been given on behalf of a client?---Correct.

By whom had you been given that price?---Gary Mason from JLL.

Was a contract executed by the vendor and a purchaser for \$58 million?
---That was never on the contract. We were sent, I was sent the contract from Mr Demian obviously blank at the front and it was emailed, I forwarded direct to Mr, to JLL.

When did Mr Demian provide you with that document in relation to the day for example that Mr Vasil gave you the agency agreement?---It would have been just prior to this, days prior to this.

10 So in between the meeting with Mr Demian - - -?---Yes.

- - - and the meeting where Mr Vasil gave you the agency agreement, Mr Demian sent you – you're not sure?---Mr Demian, yeah, Mr Demian did send me an attached contract which was a link to it with some further information to my email which I forwarded to JLL.

Now, you understand that no contract was executed for that amount of money?---Yes, sir.

20 What's your understanding as to why no contract was executed for that amount of money?---Well, usually when contracts executed we're known by the solicitors. We usually get feedback from the solicitors that the property has officially exchanged with a 10 per cent deposit or a five per cent deposit according to what the agreement is on and us as agents we need to be notified by the solicitors.

Yes, but what's your understanding as to why no contract was executed?
---I'm sorry, the word executed, there was no contract.

30 Lawyer speak. I apologise.---Yes, yes.

Why were no contracts exchanged?---Why weren't?

Yes.---Again things just didn't fell in place over discussion prices and everything so obviously again the whole thing just went under the bridge.

But what I'm trying to understand is you had been told that there was an offer on the table of \$58 million.---Yes. Correct.

40 Given that you have been told that why didn't the purchaser sign a contract?---Obviously they needed due diligence, a period to do their homework. Why didn't it again with the price. Maybe they looked at it again and they've decided against it and that was basically what happened.

Are you saying basically you don't know?---Basically, yeah, I don't know.

I need to test you on that.---Please.

I'm just asking.---Please.

Literally you don't know why a contract was never signed by the potential purchaser or do you have some idea and - - -?---I, I remember that the numbers weren't stacking up and again they didn't want to proceed with the \$58 million. I believe again they were considering about a lower offer and the whole thing was (not transcribable)

10 So how firm was the offer that you were conveying to Mr Demian of \$58 million?---Well, firm to us is, as I mentioned earlier on, nothing is sold until we see the money on the table. Firm was that we had a letter from the company and their offer on the table.

Where was that letter?---It was either emailed from JLL direct to us and forwarded to Mr Demian I'd say or given to Mr Demian.

20 When was it forwarded to Mr Demian or given to Mr Demian?---Within the emails that we had done, the conversation that we had, we had \$58 million, yes.

THE COMMISSIONER: And sorry, was that offer subject to the proposed - - -?---It was always - - -

- - - purchaser being able to undertake due diligence?---Yes. Things weren't clear again about the site, how many units, providing all the information to it.

30 MR BUCHANAN: Now, can I ask you to take a step back. You've given us an account of various events that have occurred with three different offers and a number of meetings and you've talked to us about Laki Konistis but I want to ask you a general question now. Did Laki Konistis play a role in any of the negotiations at all?---No. No, sir.

Did he have a function to perform as far as you were concerned in attempting to get a deal over the line?---No.

40 Well, the Commission has got an awful lot of evidence that Laki Konistis was communicating with George Vasil and Michael Hawatt.---I'll rephrase that. Yes.

And indeed even Charlie Demian. Do you know why he was - - -?---It was for his - - -

- - - making those communications if he had no role to play?---It was on, it was for his own interest to get this deal through because obviously he was going to make some money out of this.

Why was he going to make any money out of it?---Because he officially introduced me, we went through George and we put all this together, to George Vasil.

You were a friend of Laki's weren't you?---Sure.

But was there a formal relationship that you had with Laki Konistis about or in relation to this particular potential deal, was there anything written?---No. Through the process I said whatever we'll make we'll split absolutely.

10

And why was that as far as you were concerned?---I like to share, I mean I shouldn't say that but he introduced me to something. It was up to me the licensee to engage an engagement with an agency agreement and hopefully this can take place and if we can get paid I'm happy to share a commission with him.

20

And what was Laki Konistis contributing to the exercise as far as you understood?---Basically he's just, not the negotiation, just getting push, asking George get contracts to, we need to meet up with Charlie Demian. Just basically helping me out with the process through George Vasil. He never met Charlie Demian. I must point that out again.

THE COMMISSIONER: Sorry, can I just confirm. You said, "he introduced me". What introduction - - -?---Basically introduced me. Okay. I spoke to Laki about the site. He says we'll ask George Vasil because they've known each other. Laki knows the Vasil brothers, the office for the past 30 years.

30

So he was the contact with Peter - - -?---Yes, to, with George Vasil officially.

MR BUCHANAN: But you knew George Vasil?---I knew George Vasil on and off. I knew his brother off better but George never discussed business with him. I knew of him but it was through Laki that he started putting arrangements with George Vasil to help us out, to find the owners of the development, of the site and everything since he had interest or connections and I was made aware that, I also knew that his son was also working within the council, one of his sons.

40

Which council?---Canterbury Council.

Did you understand that Laki Konistis was talking to Michael Hawatt about this potential deal?---Yes. They had his number, yes.

And did you understand that Laki Konistis had a role to play in talking to Michael Hawatt about the potential deal?---Absolutely, yes.

What was the role that you understood Laki Konistis had to play in dealing with Michael Hawatt about this potential deal?---Well, the same interest as mine, is to help the whole process just to eventually put in place and let it happen you know, so we can all make some - - -

And what was your understanding as to why Laki Konistis was talking to Michael Hawatt to try to make the deal happen?---Again, please ask me.

10 That's okay. You understood that Laki Konistis was talking to Michael Hawatt about the potential deal to try and make it happen?---Sure.

20 What was your understanding as to why Laki spoke to Michael Hawatt to make this potential deal happen rather than somebody else?---There was nobody else that would speak to rather than Laki to put me, I get to go through Michael Hawatt. I always like to put, if we create a consortium, if we create something, I don't like jumping through people and going direct to the person, so if I say, "Laki," may I, if I can explain myself, "please ask Michael. We need to get this agency agreement. We need to get the contract. We need to get information." So, I will always refer to Laki and then Laki will chase it, more than likely through George or direct with Michael Hawatt which I believe he made through George.

And you referred earlier to understanding that Michael Hawatt was the intermediary between George and Charlie Demian. Is that why you understood that Laki was dealing with Michael Hawatt?---Yes, yes.

30 Excuse me a moment. Can I take you back now to the meeting at the office of Mr Demian at Parramatta and the subject of commissions. What was said at that meeting on the subject of commissions?---We were asking for that particular amount, he wasn't happy about it. Was he going to sign? Was he going to – he did object to it, then again, it was nothing of serious matter. I, I couldn't understand why they were offering \$58 million. We knew personally that he got a lot more money than what any other offer was on the table even from CBRE and we thought, we'll ask him for \$2.7 million.

40 And that \$2.7 million was on top of, if the owner hadn't agreed, it would have paid on top of the price to be paid by the purchaser?---Not on top, not on top. It's always a commission comes out of the price. It's a gross figure and he pays that amount to us and he'll probably net that \$65 thousand, \$65,300,000 comes off.

Now, did you have any discussions with anyone about the fact that it, I'm sorry, about the \$2.2 million after you got this agency agreement from George Vasil and saw that that change had been made?---With, with Laki yeah, more than likely I did discuss - - -

And what did you and Laki talk about?---Again, we weren't happy about it but we thought, let's proceed. It better to make some money rather than no money if that was going to be the key to, to, to go to the next level, yes.

10 And what was your understanding, by the time you got this agency agreement in your hands and you could see that the commission at 2.7 million had been changed to \$2.2 million, what was your understanding of how that commission would be split if it was paid?---To, what I was aware of, that commission, the 2.7, the \$2.2 million we're going to split in to three parties, a third of – three parties.

Sorry, would be split between whom?---Between myself, Galazio Properties, Laki Konistis, his company and JLL.

Yes. And in what proportions?---A third each.

Sorry?---A third each.

20 One third each.---One third each.

Excuse me. \$733 thousand each?---Yes, sir.

Is that what you understood?---Yes, sir.

And where did you get that understanding from that it would be split those three ways?---That was basically the agreement that we had talked about and I - - -

30 Who had that agreement?---Myself, Laki and also JLL.

Gary Mason?---Gary Mason, yes.

Now, you haven't mentioned George Vasil or Michael Hawatt or – were they to share in the commission as you understood it?---No. Not in that amount, no.

40 Why not?---It they were going to make anything, as I said to you, that was their business. They have to speak to Charlie, whoever's going to give them something. I, it, it wasn't my concern at the time.

Well, what do you mean, "If Charlie was going to give them something"? Did anyone say anything to you about Charlie giving them something? ---No, no. Never discussed, no, no. Not at the time, Charlie was going look after anything, no. There was no - - -

No, no, no, no. I do apologise. I'm asking you did anyone say anything to you about Charlie giving them something, not just Charlie telling you? \ ---No, no, no.

Did Laki tell you anything about the possibility that Charlie might give George Vasil something or - - -?---I don't, I, I, I don't recall. No.

- - - anyone saying - - -?---I don't, I don't think so but I don't recall but I doubt it very much. No.

10 You don't recall Laki saying anything about any possibility of Charlie Demian giving \$300 thousand in top?---Well, that was the \$300 thousand that we've talked on at the coffee shop.

Right. We're talking now about the second offer, correct, at the Frappe meeting? That's the second offer?---No, it wasn't the second offer. That was at the third offer because once we went to the Frappe, then we went to Charlie's, within a week later, we went to Charlie Demian's office and we had to deal with this.

20 I apologise. Thank you for correcting me.---Yes. So, it was the third, it was the third offer.

For the third offer, right. So, \$300 thousand had been discussed at Frappe? ---Yes.

And was that amount still something that was in play that might be paid or possibly paid?---Yeah, it was going to come from Charlie Demian, it was going to come from Charlie Demian.

30 What were your courses of information that led you to believe it was going to come from Charlie Demian after that meeting was over? Sorry, that's an ambiguous question, I apologise. After that meeting at Frappe was over, did you have a belief that Charlie Demian was going to pay \$300 thousand to anyone on respect of this potential deal?---I'm sorry for popping early sometimes. It's a habit of mine. No, at, at the meeting that was never discussed while I was there anything to do with \$300 thousand commission.

40 After the meeting?---No. At the meeting that I was. After the meeting, that's when Laki rang me and he said to me something about the \$300 thousand. So, I believe that discussion took place with Laki and George Vasil over the phone because Laki wasn't there.

Was there anything that was ever discussed with Charlie Demian?---I – no, not to my knowledge. No. Not I believe no. No, not a \$300 thousand. No.

THE COMMISSIONER: When Laki rang you after the Frappe meeting, the 300 thousand that was going to be divided five ways, was it put to you that that was going to be all the commission or was there going to be more commission on top of that, that you, Laki and JLL would - - -?---It was, no, it was nothing to do with JLL. It was just a number, it just came over the

phone and I said, "Ridiculous." This came from George Vasil to Laki over the phone and then Laki called me.

MR BUCHANAN: Excuse me a moment, please.

THE COMMISSIONER: You said Laki was a schoolteacher?---He is a schoolteacher, he's also a registered real estate agent.

10 And I think you said he was interested in getting involved with property deals.---Well, he's always into property with, we always talk about sites, he knows people that might have a development site, do I know anybody, this guy wants to sell, so this is basically how we sort of got together over the years.

And was this the first - - -?---No.

- - - property deal that you dealt with Laki?---We've dealt before but nothing has come out of the whole thing in the past years, nothing.

20 You've just had discussions?---We have talked about discussions about other properties, about development sites, and again things fall apart because it's subject to DA, it could have been DA, it could have been this or, it's not the first one, and we have even more even after that, we have I can tell you numerous and numerous of times, yeah.

MR BUCHANAN: Laki Konistis was a real estate agent?---He is a real estate agent, yes.

30 Was he in - - -?---At the time?

- - - 2015-16 - - -?---No, no.

- - - a licensed real estate agent?---No, no.

40 Excuse me a moment. Can I make an application, Commissioner, to vary a section 112 order made in respect of the evidence given by this witness on 30 November, 2016, page 523, commencing at page 523, just to establish context, line 10, page 524 to the bottom of the page. Would you just excuse me a moment just while I check something. As well page 526, line 20 and concluding at page 527 line 5.

THE COMMISSIONER: Just excuse me for a minute.

MR BUCHANAN: Yes.

THE COMMISSIONER: Can I just confirm on page 527 which line was it?

MR BUCHANAN: 5.

THE COMMISSIONER: So finishing with “no man?”

MR BUCHANAN: Yes, correct. Commissioner, can I just look at whether I need to expand the application. I think I need to expand the application frankly to include all of page 525, which really means that the application is in respect of 523 commencing at line 10 over to 527 at line 5.

10 THE COMMISSIONER: Right. The non-publication order made on 30 November, 2016 in respect of the evidence of Mr Dabassis will be varied to exclude the evidence given as recorded at transcript page 523 commencing at line 10 and concluding at page 527, line 5.

VARIATION OF SUPPRESSION ORDER: THE NON-PUBLICATION ORDER MADE ON 30 NOVEMBER, 2016 IN RESPECT OF THE EVIDENCE OF MR DABASSIS WILL BE VARIED TO EXCLUDE THE EVIDENCE GIVEN AS RECORDED AT TRANSCRIPT PAGE 523 COMMENCING AT LINE 10 AND
20 **CONCLUDING AT PAGE 527, LINE 5.**

MR BUCHANAN: Mr Dabassis, you gave evidence to the Commission on 30 November, 2016 about these matters. You’ll accept the date from me? ---It’s been that long. Yes, of course (not transcribable) obviously, yeah, I remember it was about a year and a half.

30 Thank you very much. And what I’m going to do now is read to you a portion of the transcript of that evidence, and if you could listen and then I will ask you about that after I have read it out to you. It’s a bit long, so if you could just be patient with me, please.

40 Question, “And were there any discussions with George about how any commission would be split in relation to this first offer? Answer, “No, not that I recall, not that I - - -” Question, “Did George whether there was anybody else involved in the deal that would need to make some money out of it?” Answer, “No, no, no. All that came into the second one when we had something solid in our hands and we really were talking about money, yeah.” Question, “What was the difference between the first and the second offer?” Answer, “Why was the second,” – I’m sorry. Question, same part of the question, “Why was the second offer more solid than the first?” Answer, “Because this is when, as I said to you, this is when the Chinese introduction, that they, the people they introduced the Chinese purchaser to JLL, they said, ‘We want to make some money too,’ so they asked their client, it’s not \$60 million, it’s for instance 62, because they wanted to take a cut on it,” I’m sorry, “Make a cut on it.” Question, “They were going to make quite a significant amount of money for - - -” Answer, “Yes.” Question, “And you were only going to make \$100,000?” Answer, “Yeah.”

Question, "And you say you were the only one doing all the running around?" Answer, "Look, from there on I'm content with what I make. I would love to make \$1 million but I can't put gun to people's head, so if the other party says I want to make \$1 million, I say great, bring it above and we'll still get that today from developers, you know, I want \$10 million, if you want to sell it for 11, good luck to you, keep your meeting." Question, "Okay. So you said that, is it true, that you were the first to suggest the \$2.2 million figure in the figure with Mr Demian?" Answer, "Yes." I apologise, I'll read that question again. Question, "Okay. So you said that, is it true that you were the first to suggest the \$2.2 million figure in the meeting with Mr Demian?" Answer, "Yes." Question, "Mr Demian didn't suggest the figure of 2.2 million?" Answer, "No. We wanted 2.2. He wasn't happy with that. I believe he wanted to come down to 1.9. He was only going to give us the 300 and then we wanted to push it up, but that's the number that I mentioned with him which is on the agreement." Question, "Why did he suggest the number \$300,000?" Answer, "For us." Question, "So just for the five people that he knew were involved with the deal?" Answer, "Well, that's my real figures. You know, I, I would like to make millions but unfortunately I can't, so we did explain to them because the offer was pushed to 2.2, and he said, 'You can keep the \$2 million. You pay whoever you want. Obviously you can seek conjunctions between Draco Properties and JLL specifies the 600-something thousand dollars in it.' So, and we were only left with the \$300,000, that's all." Question, "So I'd like to get a better understanding of how those negotiations worked. You came to Mr Demian and suggested \$2.2 million. Is that what you're saying?" Answer, "Yep, ah hmm." Question, "And what did he say to you in relation to that figure?" Answer, "He wasn't happy. In the end, he agreed to it." Question, "What words did he use?" Answer, "He did ask me that it was a lot of money." Question, "He said it's a lot of money. What did you say to him?" Answer, "I said, 'Look, if we're bringing your price, what about that? I don't think you should worry about it, but then again it is your call if you want to proceed because it'll be your call, so at the end of the day.'" Question, "And what did he say?" Answer, "In the end he agreed but he did say to me, 'Leave it here. Leave the agency here. I'll think about it,' and, you know." Question, "Was there a discussion about the fact that the \$1.9 million would be going elsewhere?" Answer, "He wasn't aware. Oh, he knew that, yes. We did mention that." Question, "How did he know that?" Answer, "We told him there's a consortium behind it." Question, "You," Answer, "Which eventually JLL made contact with Charlie Demian through emails and conversation, and I do believe Gary Mason from JLL even went to his office and they had further discussions about the sale." Question, "Who raised the \$300,000 figure first in that meeting." Answer, "I would, I would." Question, "You did. What did you say to Mr Demian about the \$300,000?" Answer, "That we'd like to make \$300,000." Question, "Who would like to make \$300,000?" Answer, "I would like to make \$300,000 and we need to pay other people." "And what did Mr Demian say to you?" Answer, "He was fine with that." Question, "Well, you've just told us he said everybody has to make money out of it. Is that right?" Answer, "Yeah,

he did. He was fine with it. He said that's fine. He says everybody needs to make money, so." Question, "Okay. But you said that you understood the statement 'everybody needs to make money' to mean that a number of people had to make money out of the arrangement, is that right?" Answer, "Well, I knew that, at that time I knew it was Michael, it was George." Question, "Stop there just for a second. Is it right that you understood the statement 'everybody needs to make money' to include a number of people and not just yourself?" Answer, "I assume so and I." Question, "Why did you assume so?" Answer, "Because they were the people that I got
10 involved to get me to the stage." Question, "Why would you assume that Mr Demian wouldn't just be talking generally about people needing to make money out of deals?" Answer, "The minute I said we were going to make some money and I said everybody needs to get paid, he was aware of that and obviously I knew that." Question, "Who said everybody needs to get paid? Was it you or Mr Demian?" Answer, "I said that to Mr Demian, that everybody needs to make some money, yes." "What did he say to you?" Answer, "He did say to me, 'That's fine, you know. Whoever you want to get paid, that's fair enough. That's your business. I'm going to pay you, for
20 instance, because we've got an agreement between us. What you do from there on is your business.' But he knew that I was going to pay George and Michael and Laki." Question, "Why did he know that?" Answer, "Because the introduction was happening through them. I told them that, you know, everybody's going to make some money on it. I had told him that." Question, "When did you tell him that?" Answer, "Probably at Frappe, at the meeting when we had it." Question, "At Frappe? As early as that?" Answer, "I'm sorry?" Question, "That was your first meeting with them." Answer, "Yeah, yeah, yeah." Question, "So you told him at that meeting that everybody was going to make some money?" Answer, "Well, I said I'm
30 happy to share some money because, you know, everybody is putting the help in it, and we've reached to this stage and I was happy to do that." Question, "Right. That was in relation to the first offer, was it?" Answer, "Yeah, yeah." Question, "I thought you - - -" Answer, "And obviously the conditions fall to the second offer." Question, "Mr Dabassis, you told us that at that first meeting at Frappe you didn't have any discussions about fees or commission or anything like that. Is that right?" Answer, "Yeah, we didn't. I don't think we discussed the \$300,000. I don't recall." Question, "Okay, not specifically the \$300,000. Did you have any discussions about people making money out of the deal with Mr Demian?" Answer, "No, not that I can recall." Question, "Right. Well, you have also just told us a few
40 minutes ago - - -" Answer, "Yeah." Question, "- - - that you said to him at the meeting at Frappe that everybody was going to make money." Answer, "Well." Question, "Which is it?" Answer, "Which I was with Laki and George at the time." Question, "Well, you said Mr Hawatt was also at the meeting at Frappe." Answer, "Yes, he was at, he was at the time. Yes, he was at the time. Yes." Question, "Right. And was there a conversation at that meeting at Frappe about everybody making money out of the deal?" Answer, "I don't recall but I would say no, I would say no." Question, "Well, you just told us that there was." Answer, "I'm sorry, it's just - - -"

Question, "And those terms continued through to the second deal." Answer, "Yeah." Question, "It's important that we clarify - - -" Answer, "I understand. I understand." Question, "- - - what your evidence is." Answer, "You know, you ask me, I deal with this every day and, you know, I understand you. What I'm telling you is what you're hearing, but I do deals every day of the week, so I would like to get, to go back and, you know, word to word and, you know, give it to you, give the information, but I just, yeah, yeah." Question, "When was the first time you were involved in any discussion about Mr Hawatt receiving money in relation to this deal?" Answer, "I would say it was after Frappe because there was a discussion with Laki and Mr Hawatt." "Where was that discussion?" Answer, "About the numbers, it was over the phone." Question, "Were you there when - - -" Answer, "That they wanted to pay me only \$50,000 also. Sorry, 60. They wanted to be split in five ways and Laki said to them it is very unfair for John to make the same money when he is doing all the work. So it was after the Frappe, yes." Question, "So there was a conversation between Mr Konistis and Mr Hawatt over the phone?" Answer, "Yes, yes." Question, "How did you hear that conversation?" Answer, "Laki told me that." Question, "He told you about it afterwards?" Answer, "Yeah, yes." Question, "Were you there when he was having the conversation?" Answer, "No (not transcribable)" Sir, you've heard me read that extract from the evidence that you gave on 30 November, 2016. Do you recall giving that evidence?---In 2016?

Yes.---Yes, I was, yeah.

And it's different from what you've said today on the subject, particularly about the \$300,000, isn't it?---\$300,000, yeah, it was a, the difference was, when it was discussed at the table or (not transcribable) at which point there, I'm sorry.

Well, today you have said there was no discussion in which you were involved involving \$300,000, but when you gave evidence to the Commission on 30 November, 2016, you indicated that there had been a discussion about \$300,000.---At the meeting or after the meeting? I'm sorry, I'm asking you.

You said, I'm reading from page 523, line 41, "Mr Demian didn't suggest the figure of," I'm sorry, question, "Mr Demian didn't suggest the figure of \$2.2 million?" Answer, "No. We wanted 2.2. He wasn't happy with that. I believe he wanted to come down to 1.9. He was only going to give us the 300 and then we wanted to push it up, but that's the number I mentioned with him which is on the agreement." Question, "Why did he suggest the number \$300,000?" Answer, "For us." Question, "So just for the five people that he knew were involved in the deal?" Answer, "Well, that's my real figures. You know, I, I, I would like to make millions but unfortunately I can't, so we did explain to them because the offer was pushed to 2.2 and he said, 'You can keep the \$2 million. You pay whoever you want.'

Obviously you can seek conjunctions between Draco Properties and JLL specifies the 600-something-thousand dollars in it.' So, and we were only left with the 300,000, that's all." That's not the evidence you gave today, is it?---Obviously it's different, yes.

10 And so can you help us, is part of one of those versions correct, what you said today or what you said previously? Or what is the case? As you sit there now, in your best memory, please.---I'll be, I, I just don't recall at the table discussing money. I remember Laki calling me. They had a discussion with George and obviously with Michael Hawatt. He, I think he did rang him that he was disgusted. I was also disgusted.

But this was something you were told.---Yes, over the phone.

Over the phone. So, stop, if you don't mind. Did you ever hear in the context of this potential deal a suggested commission of \$300,000 being mentioned?---At, at the table?

20 Anywhere, any time, by anyone. Did the figure 300,000 ever come up?---I did mention that, yes, I did. From Laki. I, I, sort of, I think I told you it was from Laki.

No, no, no, no. No. Who first mentioned 300,000?---That I'd be lying. That I don't recall. I remember from Laki but I don't recall if it came out on the table at the meeting at the café.

30 So are you saying that Laki was the first person to mention \$300,000?---I remember the conversation that I had over the phone, yes. I just don't recall the \$300,000 being discussed at the table.

Okay. And when you say at the table, you mean at Frappe?---Yes, sir.

I note the time, Commissioner, but before we rise can I just clear up one thing?

THE COMMISSIONER: Ah hmm.

40 MR BUCHANAN: In that evidence that, that extract of evidence that I've just read out to you, you spoke of the first offer and the second offer, but here you've given evidence about three offers.---Yes.

The first one being one in late 2015 that went nowhere, the second one that was discussed at Frappe and the third one that was the subject of the agency agreement that was left with Mr Demian by you and George at Parramatta. Is that right?---I believe the discussion of the third offer was the one that took place with Mr Demian at Frappe, and then as I mentioned before, two at Parramatta. That is the solid offer that we had the \$58 million. I'm confusing you, aren't I?

Yes. I do apologise and I'm sure it's my fault. There was an offer that was being discussed in late 2015 that went nowhere, the first offer.---Draco, first, yes, gone.

So that's the first one. Anything after one is a higher number.---The second offer came, yes.

10 So what was the offer that was being discussed - - -?---40-something million dollars which came from - - -

Please, at Frappe.---Yes.

What was the offer that was being discussed then, necessarily the second offer?---It wasn't the second offer.

No second offer?---No.

20 No offer being discussed at Frappe, is that what you tell us?---There was an offer but it was a third offer.

THE COMMISSIONER: I think the evidence now - - -

MR BUCHANAN: I'm sorry, Commissioner - - -

THE COMMISSIONER: - - - may be that there's no second offer, there was a - is this correct, Mr Dabassis, that - - -?---Yes, I - - -

30 - - - there was a first offer which went nowhere and then the second, what we heard this morning about a second and a third offer, there was just actually a second offer which was raised at Frappe and also raised at Parramatta?---Second offer didn't get placed again. It was from Kannfinch, if you recall.

Oh, okay, that's right.---You've missed that point. Kannfinch was the second offer and the third offer came from JLL.

40 MR BUCHANAN: Okay. Now, let's just pause there. Was either of those two offers in your pocket when you were meeting Mr Demian - - -?---The third offer.

- - - at Frappe?---The third offer.

At Frappe?---At Frappe.

At Frappe.---Frappe.

Which offer did you have in your pocket at the time - - -?---The third offer.

- - - you were talking to Mr Demian?---We were talking about the third offer.

The third offer.---Yes.

And so when you were talking to him at Parramatta with George Vasil - - -?
---The third offer.

10 - - - the same offer?---Sir.

So this second offer from Kannfinch was never the subject of any negotiations with Mr Demian, is that right? Whether through an intermediary or otherwise.---It could have been through Michael and George, but it didn't take place because he came out low again at 40-something million dollars from Kannfinch. That's when I met the agents at their office with George Vasil.

20 Which office?---At Kannfinch office, Carrington Street, when I went down there with George Vasil.

So I just want to be clear about it. It could have been communicated to Mr Demian through George and Michael?---Yes, yes.

But did you want it to be communicated to Mr Demian, the second offer?
---If we had a, yeah, we had an offer, yes, of course.

30 So as far as you're concerned, it would have been communicated to Mr Demian through George and Michael?---Absolutely. Absolutely, because - - -

But it didn't otherwise go anywhere, is that right?---It didn't go anywhere, yes, sir.

Excuse me a moment.---Sure.

This might be a suitable time.

40 THE COMMISSIONER: Just before we break, have we got a new appearance?

MS BERGLUND: Commissioner, I'm Berglund. I appear for the Office of Local Government.

THE COMMISSIONER: And you've replaced Mr O'Gorman-Hughes?

MS BERGLUND: For this week, yes, Commissioner.

THE COMMISSIONER: For this week?

MS BERGLUND: Yes.

THE COMMISSIONER: All right. Thank you.

MS BERGLUND: Thank you.

THE COMMISSIONER: All right. We're adjourned until 2 o'clock.

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LUNCHEON ADJOURNMENT

[1.07pm]