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INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC  
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

Reference: Operation E15/0078

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 23 JULY, 2018

AT 2.00PM

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

<JOHN DABASSIS, on former oath

[2.05pm]

THE COMMISSIONER: Mr Dabassis.

MR BUCHANAN: Commissioner, can I provide for marking as MFI 3 the Post-it note which the witness provided to the Commissioner after the morning adjournment.

10 THE COMMISSIONER: Yes.

MR BUCHANAN: The original and two copies. Would you care to mark it on the record, Commissioner? I do apologise.

THE COMMISSIONER: Sorry, I'll wake up in a minute. I apologise for that. All right. The handwritten note that Mr Dabassis produced after the morning tea break this morning with the name of Nick Jonmundsson from Kannfinch and some other information will be MFI 3.

20

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

MR BUCHANAN: Mr Dabassis, have you still got in front of you volume 23?---No, I handed it in.

30 Page 227. Can I just clarify for my own understanding what this document meant. Looking at that first page, the fee, the agent's fee is at paragraph 2 or clause 2(i) of \$2.2 million, or \$2,200,000. Is that right?---It's been adjusted to 2.2, yes.

Yes. You walked in with 2.7 written there but - - -?---Yes, sir.

- - - it was subsequently adjusted to 2.2?---Correct, sir.

40 Small Roman numeral three, so clause 2(iii), "The agents remuneration in the event of a sale at the agent's estimated selling price would equate to," and then it's got a dollar sign and 58 million, but that's not the agent's remuneration, is it, that's the estimate - - -?---No, that's the selling price.

That's the estimated selling price. Thank you. And so the words that have been inserted there after commission upon settlement and 2.7 million's been crossed out and 2.2 million including GST has been inserted, is a reference to the agent's remuneration again.---Correct.

Okay. Thank you. And again can I just go back to this commission was to come out of the 58 million. Is that right?---Correct, correct.

And so the vendor would net 55.8 million?---At this, after the correction, yes, correct, it'll be yeah, 55 point, that's right, 8 million, that's right, after the adjustment, yes.

And can I go back again to the question of a reference to \$300,000 by way of commission, there was a conversation with Laki that you had - - -?  
---That's right.

10 - - - in which a fixed sum commission was discussed. Is that right?  
---\$300,000, yes.

And did you understand that that was to be over and above the 2.2 million that was in the agency agreement?---Yes, yes. Had nothing to do with this, yes. Had nothing to do with the agreement.

Right. Now I just want to go back then to the amount in the agency  
agreement of 2.2 million. Who was going to share in that?---Well, ah, there  
was JLL, I believe I said that to you, and it's going to be between Laki and  
20 myself.

And I apologise if I have asked you already, but in equal thirds. Is that right, was that your understanding?---I'd say, yes, yes, correct, correct.

Was there ever a situation where \$1.9 million of that 2.2 was going to go to the Chinese consortium?---Maybe there was, maybe there wasn't, but not to where I was in, in sort of, no, not that I was aware of, no, because I was, I would have been basically control of that money if it come to our trust account or into the solicitors.  
30

Was there an arrangement contemplated of which you're aware that \$1.9 million of the \$2.2 million commissions would go to your contact, that is to say as you've told us now, Gary Mayson at JLL and the Chinese consortium, leaving \$300,000 left over to be shared?---To what I recall, the only \$300,000 ever came to my mind was to be split by five parties. Again, nothing to do with consortium, nothing to do with JLL. It was between myself, Laki, Vasil, Mr Hawatt - - -

Hawatt and Pierre?---And Pierre. That was the only time the 300.  
40

But I'm trying to clarify whether the 300,000 as contemplated was on top of the \$2.2 million and therefore as it were, a present by Mr Demian to you to be dispersed as you saw fit?---To my knowledge, no. I don't think it had anything to do with the commission. I don't know. Maybe there was, maybe it was his understanding but to what I recall, I, I, I'd be lying to you now.

You'd be lying if you said what?---If I was to tell you, yes it was involved within that commission or about.

Sorry?---The 300,000.

As far as you understood, the 300,000 was to be above the 2.2, is that right?  
---Yes.

10 And not left over after \$1.9 million was taken out?---No, not at all. To what I understand at the time, yes.

Did you have an understanding that there was a Chinese consortium that were the introducers between the potential purchasers and the Australian agent to whom you were speaking that you'd identified as Gary Mayson?  
---Yes.

There was a Chinese consortium of introducers, is that right?---Yes, yes.

20 And there was no arrangement whereby 1.9 million of the 2.2 million would go the Chinese consortium of introducers and to your Australian contact, as you've described it, Gary Mayson at JLL, with \$300,000 being left over to go to you to be distributed as you saw fit?---There was a conjunction signed by myself and JLL. I don't recall something in it six, seven hundred thousand dollars. What JLL, Gary Mayson was going to do with that particular money, who he was going to share it with, not aware of.

Sorry what were the terms of that conjunction agreement?---The, the third.

30 One third?---Yeah, yeah. I don't remember the number on the conjunction but that money was going to go to JLL for introducing buys. You know, what he was going to do with that particular commission, how he was going to share it, not aware of.

Well, where would the Chinese consortium of introduced get their fee from out of the one third split, yourself, Laki Konistis and JLL?---From JLL. JLL's commission.

40 So, JLL would have to pay the Chinese consortium out of their \$733,333?  
---Absolutely, yeah. We don't know who they were, I don't know what was discussed with them, how much or whatever, yes.

And would you or Laki have to pay Michael Hawatt and George Vasil and this man Pierre out of your one third each?---No. Not that I'm aware of.

How were they going to get their cut?---It was never raised a question what, how they were doing to get it. I don't know who they going to get - - -

But that doesn't sound right, does it, Mr Dabassis? These men, as you understood it, were expecting a commission or a share of a commission. Where was it going to come from as you understood it?---As I understood, it had to come from the, from the, the, the, the seller, Mr Demian. He was going to eventually, everything came from that. I not, not in my hands. I, I, I, I could - - -

10 So, this \$300,000 that had been mentioned, was it your understanding that it was going to be split between George Vasil, Michael Hawatt and the name, Pierre?---Yes. And, ourselves again on top of that. There were five.

I'm sorry?---Myself and Laki.

20 Hang on. You who are both getting each one-third of the 2.2 million so there was no need for you to get anything of the 300,000?---No, it was just a number that was mentioned to us. I, that's what I'm confused about the \$300,000, was it going to come off, was it going to be on top of the 2.2, was it going to come down to 1.9. I'm sorry, but I can't, I understand what you're asking me but I just can't - - -

THE COMMISSIONER: I thought you said your understanding was the 300,000 would be on top of it?---On top. According to my, yes.

According to?---To my agency agreement, yes, because the 2.2 was going to come to us and then obviously there was another \$300,000 on top which it was going to be - - -

30 And your understanding that you would get a third of the 2.2 million?  
---Yes, Commissioner.

Plus you were going to get - - -?---Another 50 or 60.

- - - a fifth of the 300,000?---Yes. And I assume that's why he probably dropped the number from 2.7 to 2.2 or whatever the case was going to be.

MR BUCHANAN: But your source of this understanding was solely a conversation or conversations that you had had with Laki Konistis. Is that right?---Yes.

40 About this \$300,000 that was going to be paid by Mr Demian on top of the 2.2 million. Was your source of information anything other than Laki Konistis?---It was only discussed by myself, yeah, with Laki Konistis about the \$300,000.

You didn't understand from Laki Konistis that he had spoken to Mr Demian about this did you?---I don't think Mr Konistis ever spoken to Mr Demian. I don't think they know each other.

What was your understanding therefore as to where Laki Konistis got this idea from that Mr Demian would or might pay \$300,000 on top of the 2.2 million that you would be entitled to under the agency agreement?---It was a phone call that was made after the Frappe Café, a phone call between Laki and George Vasil.

That was your understanding?---Well, that's what I was told. Now, if he has spoken to Mr Hawatt too at the time I don't know but it was a phone call that he told me.

10

Can I put this scenario to you and ask you to contemplate it. That there was to be a commission of \$300,000 of which you would get \$100,000 and then \$50,000 each would go to Laki Konistis, George Vasil, Michael Hawatt and this man Pierre?---Yes.

Does that ring a bell at all?---Yes, it does but Mr Konistis argued the point that John should be making a little bit more since he's putting all the hard effort to it.

20

Be making a little bit more than?---The 50 each or the 60,000 each.

But that's a small amount of money compared to the \$733,000 that you've told us about that you understood you would be entitled to under the agency agreement?---Absolutely. I don't think Mr Hawatt or whatever knew what money was going to come to Galazio or to JL. I've never discussed it with, with them what money was going to split and how many parties were going to get paid out of the \$2.2 million.

30

You never discussed it with Laki Konistis?---No, no, sir, with George Vasil and Mr Hawatt or whatever. The \$2.2 million there were never, I don't believe I ever discussed to Mr, I'll rephrase that, to Mr Vasil or Hawatt the \$2.2 million how it was going to be divided.

George Vasil never showed an interest in your conversations with him about what commission he might receive and how?---He knew about the \$2.2 million. I'm sorry if I'm out of the question. But how it was going to split never asked the question to what I recall, no. I don't think he was concerned.

40

So there wasn't anything that George Vasil ever said in your presence that indicated he understood he would get anything?---Not apart from the 50, \$60,000 whatever it was discussed. Nothing - - -

Hang on, hang on, hang on.---Sure.

What 50, \$60,000 that was discussed?---I'm talking about the \$300,000.

Where as far as you know did Mr George Vasil get the idea from that he would get 50 or \$60,000?---Well, that's what I was told by Laki over the phone that it was discussed by Laki Konistis and George Vasil that it was going to be split into five shares, one-fifth each.

10 And you're quite sure that it was never your understanding that about 1.9 million of the 2.2 million in the agency agreement would go to the Australian contact and the Chinese consortium and the \$300,000 left over from that would be split between you, Mr Konistis, Mr Vasil, Mr Hawatt and Pierre, that was never your understanding?---Never my, no. I thought we were going to get the \$2.2 million.

It certainly seems a lot more – I just want to put this argument to you.  
---Please.

That as an argument it seems a lot more certain, that is to say, if there's a sale then you know that \$2.2 million is going to be paid whereas - - -?  
---100 per cent.

20 - - - this \$300,000 that you've told us that Laki told you about is very airy-fairy because it's whether or not Mr Demian agrees to give everyone a present.---Correct.

30 That doesn't make much sense, does it, that there was no discussion about the money coming out of the \$2.2 million?---I don't recall anything coming out of the \$2.2 million. My, as I said before, my, my, my peace of mind was the \$2.2 million was going to get paid to Galazio and how it was going to be transferred was up to me with the other two parties, with JLL and Laki Konistis, nothing to do with the \$300,000. As you said, it was words in the air and I don't think ever that, if that was going to occur or not, it was going to take place or not, I, I'd never, I was never concerned so much about it.

Can I just ask you this, just to go back a little bit.---Sure.

At the time you prepared the agency agreement and wrote those figures in it - - -?---Yes, sir.

40 - - - that is to say before you took it to the meeting with Mr Demian - - -?  
---Yes, sir.

- - - you went to with George Vasil - - -?---Yes.

- - - and that meeting was on 4 June, 2016, correct?---Um, might have been the 4<sup>th</sup> or the 5<sup>th</sup>, I don't know. I remember the day I prepared that because it's got a date on it, did it take place the same date, I don't know if – I've prepared the agency agreement on that particular day that I've written, was the meeting the day after or two days after, I don't recall, but I remember

taking that agency agreement with me, so I had that, prepared that agency agreement on the date, I don't - - -

But surely you wrote the day in it - - -?---Yes, sir.

- - - 4 June, 2016.---That's when I filled in the form.

10 You wouldn't have expected to present Mr Demian with an agreement and have him sign it on the basis that it had existed for a day or so previously, would you?---Nothing unusual about it, no doubt about it.

Isn't it more likely that you wrote the date, 4 June, 2016 in it, knowing that that was the date that you were going to meet with Mr Demian and hoping that he was going to sign it on that day and you'd take it away with you?  
---Big possibility, like I said to you.

It's much more likely, isn't it?---More likely.

20 Yes.---Under the assumption, yes, yes, correct.

And therefore the likelihood is that the meeting with Mr Demian was on 4 June, 2016. Is that fair to say?---Correct, yes.

Right. Now, at the time you wrote it however, where did you get the figure 58 million from?---From JL.

30 Where did you get the figure \$2.7 million from?---It's what the commission they wanted, everybody wanted, everybody wanted to make more money and we put a number up there with a percentage of 2.7, 3 per cent or whatever that was going to come to.

Do you mean to say you calculated the figure off your own bat, working out what - - -?---Yes.

- - - everyone would need?---Yes. Because we were agreed that anything about \$50 million that we're doing, we thought if we can make more money we'll put it 2.7, we thought, we were discussing sometimes even up to \$3 million, but we thought we're going with 2.7 inclusive of GST.

40 And who is we in this case?---Myself, Laki, you know, from time to time.

You talked to Laki.---Yeah.

So you and Laki. Anyone else to come up with \$2.7 million as the commission that would go into the agency agreement?---I probably had a discussion with Gary Mayson about his third share, whether 600 or 700 or 800 was going to be fair for his share.

Was anything written down as to what the shares would be of the \$2.2 million, I'm sorry, \$2.7 million which was first initially written in as the agent's remuneration?--If there was going to be a share it would have been a conjunction agreement with JLL, Gary Mayson.

Yes, but does that mean that Laki Konistis was party to a conjunction agreement with JLL?---No.

10 How come then Laki Konistis was going to get a third of it, was that - - -?  
---Because he, he, he was within the whole process.

Yes, but was that written down anywhere?---No.

That Laki Konistis was going to get any of it - - -?---No.

- - - let alone a third of it?---Oh, I had promised him that he was going to make a share, yes, sir.

20 I'm not saying you didn't promise him that he was going to get a share,  
what I'm asking is, was any record made - - -?---No.

- - - of the idea that he would get a third of \$2.7 million?---No records.

Was any record made of the idea that you were going to get a third?  
---I was aware of because I made the agreement, yes, but no record, no record, no.

30 Well, did the - - -?---Verbally, yes, I've told Laki and JL that I was going to make a third of it, yes, we all knew that.

Are you saying then that there was a conjunction agreement which indicated that JLL would get a third, would get \$733,333 and you would get \$733,333?---I was going to get the two-thirds, how I was going to disburse it, he obviously didn't care at the time too, JLL.

JLL wouldn't care - - -?---No, because he - - -

40 - - - how it was disbursed?---Well, if JLL was happy with the \$700,000, if I was going to make 2 million he was going to make 1, obviously wasn't his, it wasn't the issue.

So the conjunction agreement didn't say anything about \$2.7 million?---No, I don't think so.

And there was a conjunction agreement, was there, which said that JLL would get \$733,333?---There was a conjunction agreement, yeah.

And you, or Galazio properties would get \$733,333. Is that right?---If it wasn't that particular number it would have been two to one or one to -- I don't recall that agency agreement.

Was anyone -- I withdraw that. In the conjunction agreement was there any other party than you and, I'm sorry, than Galazio Properties and JLL?  
---No, usually it's only between the two parties.

10 Excuse me. Excuse me a moment, Mr Dabassis. So you say that at the time you wrote the first page of the agency agreement, you envisaged that JLL, you and Laki Konistis would split the \$2.7 million. Is that right?---Correct.

What did you envisage, if anything, would be paid to George Vasil for his work or Michael Hawatt for his work?---Nothing.

20 Why didn't you consider that either of them would be entitled to a share for their work?---I, I, I don't think it was any of my concern. Like I said before, if there was any money to be paid from the vendor to them direct, nothing to do with me, it was all about how much we were going to make, I was going to make with introduce all of the clients.

Did you have a conversation with George Vasil to explain to him that he was going to get any of the 2.2 million?---I don't think we ever did, no. I don't think he was expecting to, but I don't think, no, I never discussed it with him.

Did you say anything to Michael Hawatt to indicate he wouldn't get anything of the - - -?---No, not that I'm - - -

30 - - - agency agreement?---Not that I recall, no, no.

So basically you had decided, had you, when you were drafting the agency agreement, that you were going to cut George Vasil and Michael Hawatt out of any remuneration that they might otherwise feel that they're entitled to for their efforts in enabling you to get your money out of the owner whom you wouldn't have met if it hadn't been for them. Is that right?---Correct.

40 That doesn't sound right, does it? It sounds like George Vasil and probably Michael Hawatt would be beating down your door very, very quickly if they found out you were going to cut them out of the deal.---Not that bad, but  
- - -

What it suggests is that your evidence about the contemplated share in the commission is possibly wrong. What it suggests is that if we know that there are these various people who would feel they had an entitlement, as you understood it, at the time you were writing this document to a share in the commission then it's likely you thought there was going to be a split of this \$2.2 million which would ensure that everyone who thought they were

entitled would be taken care of. Isn't that likely to have been the case at the time you wrote this document?---No. I never thought that way. I never thought that way. I understand what you're trying to tell me but I never thought – and that's why I gave a third out of the whole amount to JLL out of the whole amount. If I ever thought that there was going to be five shares, I would have split in, I would have been split the commission in to five shares and I would put JLL involved as a fifth share in it but as you can see with JLL, I gave them a third.

10 Well, maybe you can help us on that. Can you have a look at this document, please. Is this the conjunction agreement?---Yes, it is, of course.

It's dated 23 June, 2016 on the third page?---Yes.

And just for the record, it indicates that Mayson in the name Gary Mayson is spelt M-a-y-s-o-n. Is that right?---Yes, sir. Yes.

Excuse me a moment. Is this the only conjunction agreement that you entered in to with JLL?---Yes, sir.

20

It's dated a serious amount of time after the agency agreement that you wrote contemplating it would be entered in to on 4 June, 2016?---Yep.

So, how could you have contemplated that the \$2.7 million commission which you wrote in to the agreement and took with you to Mr Demian almost certainly on 4 June, 2016 would include any share for somebody with whom you had no agreement at all to share in it?---Well, at the time that I took the agreement, I was already in talks with Mr Mayson.

30 Yes. How come this agreement wasn't executed earlier that 23 June?---It's – Mr Mayson had the clients and obviously he wasn't going to expose the clients until obviously he had something in his hands so we always talk about conjunction agreements and agency agreements but it all comes down to releasing that particular client from, in this case, from Mr Mayson. So, I could have written it two weeks early or not, I believe this agreement was signed by me prior to Mr Mayson exposing who the clients are. So, anything before, anything beyond that point, so prior to that, I don't believe anything, anything could have gone wrong, anything could have gone wrong if I hadn't had that in place. Mr Mayson could have said, "Look, I haven't received any, I haven't received anything. I'm not prepared to  
40 release the name of suppliers.

But there was no agreement, is this the case, at the time, there was no conjunction agreement with JLL that had been written at the time you drafted this agency agreement?---Correct.

Well, it doesn't make sense, does it, that you contemplated that any share of the \$2.7 million that you were writing in as the commission for that agency agreement would go JLL, does it?---I'm sorry - - -

10 It doesn't make sense at all that they would share, as far as you were concerned in any part of the \$2.7 million commission that you were contemplating at the time you drafted this agency agreement?---I think yeah, they would have contemplated because they, they were, they, they were going to be people that were introduce the client as, as conversations and emails that they had the client in place. So, if Mr Mayson was happy with that particular number that we've agreed on, which I've drawn the Galazio, from Galazio Properties, he was happy with that amount and this is when he introduced the clients after that.

What amount?---The \$666,000.

So, you're talking now about the conjunction agreement?---Agreement. Yes, sir.

20 And can you just explain to us how this works? This is the first page of the conjunction agreement. Just bring it up on the screen, thank you. In about the middle of the page it says, "Date of conjunction, 23 June, 2016. Conjunction basis \$666,000 inclusive of GST. Paid to," which is blank, "\$666,000 inclusive of GST upon settlement (pending on conditions)."  
---Yes.

Whose document was this? Did you draft this?---Yes, sir.

30 You drafted it?---Yes.

Well, it looks as if you drafted it on 23 June, 2016, doesn't it?---Yes, that's correct. If that's got the date on, yes.

40 Why didn't you draft it any earlier, given the evidence you've given us? Do you see the difficulty, Mr Dabassis? Can you understand the difficulty that I'm having in understanding this and, I'm going to be suggesting, that the Commission might have in understanding your evidence that, as far as you were concerned, JLL had any expectation of sharing in the \$2.7 million commission that you wrote into the agency agreement dated, at the time you drafted it, 4 June, 2016? Do you understand why there might be difficulty in understanding this?---I understand where you're coming from. I understand.

Now if you understand that there's a difficulty, can you help us as to how we can reconcile this?---Look, yes, I, I understand. You want to get – obviously there was discussions with JLL and, yes, obviously in the conjunction all this process is going on. Again I'm staying strong that this, the (not transcribable) client that has come from JLL had happened, I

believe, after the agreement was signed by Mr Demian on the 26<sup>th</sup> or whatever he's changed the date of.

THE COMMISSIONER: Well, he signed on the 14<sup>th</sup> and the amendment he makes suggests that your agency agreement is going to end on 26 June.--- You're correct. Correct, Commissioner. Yes, I'm sorry. Yes, correct. Yes, correct. Correct.

MR BUCHANAN: So that would give you three days.---Correct.

10

I'm sorry, no, that would mean - - -?---13.

Yes, that would give you three days in which you could share in the fees, the commission upon a sale being effected with JLL, is that right?---Correct.

Three days. Doesn't seem worth executing the document. Why did you bother signing this conjunction agreement?---This security to JLL that if this place, if this takes place he will collect that amount of money off if this exchanges.

20

Did Mr Mayson know that the agency agreement that you'd received back from Mr Demian expired on 26 June, 2016?---I don't think he was aware. I do know we were asking for extension on it, to what I recall. We asked for another week or two extension on it.

And as far as you know, Mr Mayson had no agreement with Mr Demian. ---Not that I'm aware of, no.

30

And probably had never met him.---I, I believe he said to me that they were in discussions over the phone, yes. Probably never met him but I do remember something that Gary Mayson said to me, he is in discussions with Mr Demian.

Wasn't the whole point or the advantage of this conjunction agreement, as far as Mr Mayson was concerned, was that you had the agency agreement with the owner?---He was aware of that, yes.

40

But isn't that the advantage of it? Why otherwise would Mr Mayson bother having a conjunction agreement with you?---Absolutely. Of course he (not transcribable)

That you were the one who had the agent - - -?---A hundred per cent.

That was going to go for three days.---Well, obviously it's taken 10 days for Mr Demian to sign the agreement and then I probably received it, yeah, a day, two days later or whatever, yes. If you can see, I've signed it the 4<sup>th</sup> and Mr Demian signed it the 14<sup>th</sup>, so we already had lost about 10 days, and

I remember, I recall that I've asked for Mr Demian – more than likely through George – that I wanted an extension on the agency agreement.

THE COMMISSIONER: When you said to your knowledge Mr Mayson was in telephone discussions with Mr Demian, when was Mr Mayson in telephone discussions with Mr Demian?---After, probably after we introduced Mr Mayson that he was the agent with the interested party.

10 So you were cut out of the picture then were you?---Yes. Unfortunately, yes. Sometimes, yes, this what happened because there is no point telling me something and next minute I go back to Mr Mayson, to Mr Demian or whatever so he did, I remember something that he make contact with Mr, because emails were exchanged and contact numbers and everything so I do believe that Mr Mayson referring to me that he has made contact with the, Mr Demian more than likely direct and discussing business everything because I have nothing to worry about because again I had my agency agreement in place. Unfortunately this is what happens usually within real estate big deals rather than going, explaining something and then going to the next hand to the next hand so - - -

20

MR BUCHANAN: Did you introduce Mr Mayson to Mr Demian?---Not in person. I told him who he was.

Did you give him Mr Demian's contact details?---Absolutely I think. Yes, sir.

30 When did you do that in relation to these various dates, like the, say the conjunction agreement date?---I believe I, emails were forwarded I would say after the agency agreement and I remember it was on a Saturday afternoon, late Saturday afternoon that I had asked Mr Mayson to expose his client and then I forward that email to Charlie Demian and then backwards and forwards with the email, yes.

Can I just go back to the conjunction agreement then. In the first page in the middle it says that the conjunction basis is 660, sorry, I apologise, \$666,000 inclusive of GST.---Yes, sir.

40 And I just need to understand who was going to get the \$666,000?---Gary Mayson.

From whom?---From me.

From you?---Yes, sir.

And where would you get the \$666,000 from?---Once the property was exchanged out of the \$2.2 million.

So you had to nett at least \$666,000 out of that commission of 2.2 if you were to not make a loss?---Not necessarily. This is depending upon conditions, depending upon, it's always depending upon sale of property. So if the, obviously the property didn't get sold, Mr Mayson didn't get nothing or myself.

Commissioner, I tender the conjunction agreement which is headed Galazio Properties Pty Ltd and dated 23 June, 2016.

10 THE COMMISSIONER: The conjunction agreement headed Galazio Properties Pty Ltd dated 23 June, 2016 will be Exhibit 183.

**#EXH-183 – CONJUNCTION AGREEMENT HEADED GALAZIO PROPERTIES PTY LTD DATED 23 JUNE 2016**

THE WITNESS: Can I interrupt?

20 MR BUCHANAN: Yes.---I'm just looking at my front page. I put a date on it 23 June but somehow Mr Mayson had signed 23 June, sorry. I thought it was, the 16<sup>th</sup>. Apologies, I thought it was the 16<sup>th</sup>. I'm sorry.

No, no, it's the same date.---I'm sorry. I'm sorry. Apologies.

That's okay. That's okay.---I thought, it somehow came to me that it was the 16<sup>th</sup>.

30 That's okay. That's fine.---So I'm sorry.

Just to clarify though that you were simply referring to the handwritten date on the third page - - -?---Yes, yes. I thought for a minute it was the 16<sup>th</sup>. I'm sorry. Mistake.

THE COMMISSIONER: Can I just ask why hasn't Mr Mayson signed the first page? He seems to have signed the JLL component - - -?---He, yeah, he just signed the second page. Yes, I know. He should have signed what I've written, the second page but no, he didn't sign it he just signed the bottom, the left, the second page.

40 MR BUCHANAN: My attention has just been drawn to the identity of the property on the first page of the conjunction agreement.---Yes, sir.

And it's that it's 548-580 Canterbury Road.---Yes, sir.

And if we look at the agency agreement - - -?---548-568.

Yes.---Yes.

A smaller amount of land.---Yes, yes. There was always a confusion with the property because it's such a big lot. It covers four, four streets.

Confusion is not a good enough explanation, Mr Dabassis.

THE COMMISSIONER: It's actually corrected on the second page though.

10 MR BUCHANAN: Well, perhaps I should just ask, and do you see that on the second page?---Yes, I do.

Where did you get the idea from that the property might include 570-580 Canterbury Road, Campsie? See, I'm not saying you're wrong. I'm just asking you - - ?---No, no, no. I understand. I understand and I'm happy.

20 - - - where did you get that idea from?---This is the block which covers four street. On the corner there was a car wash and there was another block that has already been built, exists for the past year and a half. We're assuming that it was the whole street but then we found out that excluded that section there, which is about 50, 60 units. It was, I remember it was in discussions. It couldn't be involved in the whole sale but eventually it was under different entity, so that could be one of the reasons that I've corrected the address once I received official documents having the correct address on it.

30 But did you know that the owner of 570-580 Canterbury Road was the same owner as the owner of 548-568 Canterbury Road, namely Charlie Demian? ---I, I assumed that it was the whole, yeah, I assumed it was the whole block but then we found out that it wasn't on the corner, and that's why it's been built for the past year and a half. Yeah.

I don't quite understand how this conjunction agreement on the first page included 570-580 on the explanation you've given us. Is there anything else that you can assist us with as to how come all of a sudden it extended to 580?---Well, I assume it was from 548 obviously to 580. Through the process then we found out, looking at the, you know, the correct document that the official address was 548-568, and that's where I've corrected in the back.

40 Yes, but my question is, where did you get the idea from that the property the subject of the conjunction agreement extended to include 570-580 Canterbury Road?---I don't recall that. Maybe it was just an address we were giving or something. I, I, probably googled it or google it, but I never had anything solid in my hand at the time and obviously when we looked at - because the official address always comes on the contract and doesn't matter what everybody - - -

Can I ask you a different question now?---Please.

Can I go back to the two times when you have spoken with Mr Demian in a meeting, once in the Frappe coffee shop and the second time we think on 4 June, 2016, at the office of Mr Demian in Parramatta. Did Mr Demian ever say that the maximum contribution he would pay would be 3 per cent?---He did mention something, something to record, yes.

On which occasion did he say that?---Based on the money we were going to bring, the 60-odd probably million dollars.

10 Yes, I understand what you're saying but I'm at the moment trying to work out when Mr Demian said that. Did he say it on one occasion or the other or both occasions?---On the second occasion. When I was in meeting with - - -

On the second occasion?---Yeah, which I was at his office, yes.

And you think Mr Demian said on that occasion something to the effect that the maximum commission he would pay would be 3 per cent?---3 per cent. I, I don't remember correct if it was plus GST or inclusive of GST, but I remember something about 3 per cent, yes.

20

Thank you. The sale price stipulated on the agency agreement is \$58 million and that didn't get changed.---Yes.

3 per cent of \$58 million, according to my calculation, is \$1,009,200, which is not a figure we've heard before today.---58 by 3, it's 1.7-something million dollars.

30 It's still not a figure we've heard before today.---Obviously I just put a number up there. Again, like I said to you before, it was all depending on the number of units were in the DA. We put a number up there. He wanted to pay \$3 million, which would have been closer to probably the \$1.9 million inclusive of GST at 3 per cent. There was never, that number kept on changing because of the number of units were approved by the council.

Are you saying – I'm just trying to reconstruct.---Please.

40 You tell me if I've got this. I'm just offering this as a possibility, that you went in there saying \$2.7 million. He came back with something to the effect that he'd only be prepared to pay 3 per cent.---3 per cent, yes.

But ultimately he agreed to pay \$2.2 million.---Obviously the agreement that he agreed on, it was after I saw the agency agreement.

Yes.---Correct?

I appreciate that.---Yes. So I, at that stage it was commission up, down, 1, 3 million, 2 million, 1 million. It was discussion but nothing until the agreement came into my hands. That's when I saw the figures what had

changed. So if I put the 2.2 million again, it's a little bit more than 3 per cent. 3, 3, could be, yeah, 3 per cent plus GST. It probably makes that amount. I haven't got a - - -

Excuse me a moment. Can I make another application, Commissioner, to vary the nonpublication order made on 30 November, 2016 to earlier transcript than the modification order made this morning. Excuse me a moment. I'm looking at page 519 but I'm just trying to work out where. I think line 22 on page 518 over to page 520, line 21-22.

10

THE COMMISSIONER: I'll just quickly read it.

MR BUCHANAN: Yes, Commissioner.

THE COMMISSIONER: All right. I vary the nonpublication order made on 30 November, 2016 to exclude the evidence of Mr Dabassis which is recorded at transcript 518, commencing at line 22 and concluding at page 520, line 22.

20

**VARIATION OF SUPPRESSION ORDER: I VARY THE NONPUBLICATION ORDER MADE ON 30 NOVEMBER, 2016 TO EXCLUDE THE EVIDENCE OF MR DABASSIS WHICH IS RECORDED AT TRANSCRIPT 518, COMMENCING AT LINE 22 AND CONCLUDING AT PAGE 520, LINE 22.**

30

MR BUCHANAN: As before, I'm going to read you transcript of evidence that you gave on 30 November, 2016. If you would listen please as I read it out and then I'll ask you about it afterwards. Question, "What discussion did you have with Mr Hawatt about \$50,000?" Answer, "Well, we discussed the \$300,000 how it was it going to be split." Question, "When?" Answer, "Once we had the agreement in place." Question, "So what agreement are you talking about?" Answer, "Well, the agency agreement that we signed with Mr Demian." Question, "So, you signed an agency agreement with Mr Demian?" Answer, "Well, yeah. I left the agency agreement signed by me at his office." Question, "Okay." Answer, "And that was given to George Vasil a week or ten days later with a period on it like it was expiring within 14 days." Question, "Okay. And there was this \$300,000 amount?" Answer, "Yeah." Question, "How did you land on that amount of money to be left over for you?" Answer, "Well, that's what he wanted to pay us, Mr Demian insisted on." Question, "That's what Mr Demian wanted to pay you?" Answer, "Yeah, that's what he wanted to pay us." Question, "All right. When did he say that?" Answer, "At the meeting." Question, "At the meeting?" Answer, "At the meeting." Question, "At his office at Parramatta?" Answer, "Yeah." Question, "Or at the meeting in his office, sorry - - -" Answer, "In his office at Parramatta." Question, "Or at the meeting at Frappe?" Answer, "No, no, no, at

40

Parramatta.” Question, “And did he tell you, did Mr Demian say anything to you about how he wanted the money to be split?” Answer, “Not that I can recall, no.” Question, “So where did you get the idea that Mr Hawatt was going to receive \$50,000 out of that money?” Answer, “Well, because everybody was involved and I thought everybody is going to make some money. There was a phone call, Laki was also speaking to Mr Hawatt I think via phone call and you know, he said that, you know, we’re all going to make some money, this is what we expect, and to what I remember, Laki told me is that he said, ‘It’s only fair John is going to make some more  
10 money because he does all the running.’” Question, “So you said you’re going to make some money out of it. Did Mr Konistis also say Mr Hawatt was going to make some money out of it?” Answer, “What I’m aware of, well, that’s what the agreement was, 50,000.” Question, “I’m trying to understand, Mr Dabassis, how that came about, how it was suggested, who suggested that Mr Hawatt would receive \$50,000?” Answer, “Well, it was from Mr Demian. He said to me that everybody is going to make some money. It’s going to, you know, you guys need to split it up, everybody needs to make some money. I said, ‘That’s fine, I’m happy to share with everybody.’” Question, “So Mr Demian said everybody has to make some  
20 money?” Answer, “Well, yeah, obviously, because he said to me - - -” Question, “When did he say - - -” Answer, “You know, you’ll be speaking to Michael from now on.” Question, “So this is at, we’re going back to this meeting in Parramatta at Mr Demian’s office?” Answer, “Yeah.” “And was that where Mr Demian said to you all negotiations must go through Mr Hawatt?” Answer, “Yeah.” “And did he tell you why that was?” Answer, “No.” “And what else did he say to you about the commissions at that meeting?” Answer, “Didn’t discuss further.” Question, “Well, you just said to us that he said everybody has to make some money. Is that right?” Answer, “Yeah, it’s true. And we were talking about the \$300,000. Yes.”  
30 Question, “You were talking specifically about the \$300,000?” Answer, “Well, yes.” Question, “Remaining?” Answer, “Yes.” Question, “And what did Mr Demian say to you about that money?” Answer, “He just, he didn’t care basically how it was played but he did mention everybody must make some money. He made to me a point that he was even going to make because for his time that you know he was at the meeting and everybody should make some little money, and I said, ‘Fine, I’m happy to split.’” Question, “Who did he say had to make some money?” Answer, “He said everybody, so obviously it was George Vasil, it was Michael Hawatt. I wasn’t aware of, because then Mr, I believe Hawatt said to me there’s some  
40 Pierre guy and I said I wasn’t aware of.” Question, “Did Mr Demian say any names to you when he was talking about the \$300,000?” Answer, “No.” Question, “Why would you understand that Mr Hawatt would have to make some money?” Answer, “Because Mr Hawatt was involved, you know, at the meetings, so I thought when he puts the thing everybody’s got to make some money, of course we’re all going to split the money.” Now, did you hear me read that extract from the transcript?---Yes.

The evidence you gave on the subject of \$300,000 being mentioned on 30 November was different from the evidence you've given here on that subject, wasn't it?---Yes, you mentioned that before.

Which was the case, did Mr Demian talk about there being a commission payable with a view to it being split of \$300,000 or did someone later like Laki talk to you about \$300,000, or is there some other account that you can give us?---I am trying to put year and a half, two years behind me. I remember, as I said to you, Laki, was that discussed on the table with Mr Demian, I don't believe I recall that, I'll be honest with you, I don't recall, I don't, I don't remember discussing money at that time, the \$300,000 at the table. Maybe that's what I said, but I do remember Laki discussing that with me after he spoke to George and, and Mr Hawatt.

Did Mr Demian say anything to the effect when you were in the office with him in Parramatta, "You'll be speaking to Michael from now on?"---Yes.

At what stage of the meeting was it that he said that?---Look, it took, took about half an hour, whether at the beginning, it would have been towards the end, we had some discussion we talked about commission, about the building, plans, all this, so it would have been close, you know, halfway through after the meeting, before, just before we sort of broke the meeting up, it would have been somewhere there sometime.

And you told the Commissioner on 30 November, 2016 that he didn't say why it was his wish that all negotiations must go through Mr Hawatt from thereon but did you have any understanding of why Mr Demian indicated at that meeting that all subsequent negotiations should go through Mr Hawatt?---Obviously I knew Mr Hawatt, I thought that Mr Hawatt would know and you know, he would know the site. Obviously those two have connections with each other about the site and everything so I was appointed to speak to speak to Mr Hawatt from there on and that's what we did. Never had - - -

Mr Hawatt wasn't at the meeting with George and Charlie at Parramatta on were think 4 June?---No. No, sir. I was instructed I wait and that's what we did through the process, the, with respect to Mr Hawatt.

And did you speak with Mr Hawatt subsequently about negotiations or - - - ?---Mainly I was talking to Laki and Laki will go through George and Mr Hawatt, yeah but maybe in the odd occasion or something, if we had met with each other or something, we, we, we were talking from time to time with Hawatt because at the time we also put a, a, another site together, a private hospital as I mentioned before.

The Revesby site?---Yes. I know, I'm going out of the subject. Again, it was a concern with the commissions down there because we've experienced what I was afraid of, that we're never going to get paid because I've

introduced the client for that hospital site. Mr Hawatt had come as a co-agent and my worry was how could he become a co-agent, I mean he's not a co-agent and that again, I approached the owners through, sorry, I'm going out of the subject completely now. I'm talking about the hospital owners.

Yes, you are.---Yeah, yeah. It was through that - - -

10 What you're saying to me and as I understand it by way of answer to my question is, yes you did have contact with Mr Hawatt but more I'm relation to the Revesby property than in relation to the Harrison site?---Yes because I wasn't dealing - - -

But, do I understand your evidence correctly, you were leaving contact with Mr Hawatt in relation to the Harrison site to Laki?---Yes, correct, correct.

20 Because he was dealing with George and Michael?---Correct, correct and from time to time we will ask, you know, like, how are we going, everything's all right, leave it up to me, leave it to me and that's where I was. So, I didn't want to say that I wasn't in contact with Mr Hawatt on few occasions over the hospital but from time to time, we would discuss how we were going with that but like I said, all these final, finished within 30 days basically the whole - - -

Who was saying, "Leave it to me, leave it to me"?---Mr Hawatt.

To you?---No, he was saying to me leave it up to him.

30 Leave what up to him?---About the who discussion about this going through Harrison's?---Harrison's and at the hospital too at the same time.

So, can I just explore that. Your agency agreement came to an end. Did you enquire through Mr Hawatt as to whether it could be extended?---No. I - Mr Vasil, yes because it came 10 days later and I said, "That give us four five, one week to put everything together," and I said, "Can we extend." "Yes you give us another week," but the in writing.

40 Sorry, are you saying Mr Vasil said yes, he will give you another week? ---We, I will ask, yes, and then he said yeah, we've got another week and I thought sort of it was a joke because - - -

Hang on, hang on. I think you're truncating a whole lot of conversations in to a very short sentence. You had one conversation or more than one conversation with George Vasil about extending or possibly extending the agency agreement?---Could have been one or two, wouldn't be more.

So, you enquired of George as to whether it was possible to extend the agency agreement?---Yeah, because I - - -

Now, what did George say in response?---He understood where I was coming from because it took him 10 days to sign an agency - - -

Yes, yes, yes. What did George say in response?---Yes, he would try to get that extension.

10 What happened next in relation to trying to extend the agency agreement?  
---Verbally he said it'll be all right and verbally we'll probably discuss that again a couple days later that yeah, he will give us another week or two.

Hang on. Are you saying that George Vasil came back to you in some way later, after you had made the inquiry of him, and said, yes, it was possible to extend the agency agreement?---Yes. Yes.

20 Was he indicating to you that he had spoken, whether directly or indirectly, with Mr Demian?---He didn't. I don't know if he spoken to Mr Hawatt, go direct to Mr Demian or only spoke to Mr Demian direct. I don't know that. I never asked.

So George came back to you and indicated what?---That we, we, we can have an extra week or so just to put this, hopefully it will put this together.

And what happened next in relation to extending the agency agreement?  
---We were trying, still trying to put all this together. Obviously things didn't occur and the whole thing just fell apart again.

30 So did you ask Mr Vasil to organise a second extension of the agency agreement?---I've asked for extension, yes, I did. Yes, I did.

A further extension?---No, once I've asked.

Only once? Okay.---Only once. Only once. Only once.

40 THE COMMISSIONER: Were you given that first extension?---The first extension I was for about a week or so verbally by Mr Vasil, yes. I never ask for a second extension, no, no. I remember I said it's a joke when you give somebody three months to put this together, and we were given a number of days to do this. This is a, you know, \$200 million project. It's not - - -

MR BUCHANAN: Well, I just want to understand if I can, and we'll go through it in a moment, but the Commission has a lot of evidence that indicates Mr Hawatt, for example, was told that there was a purchaser that was very willing and able to sign a contract, and that it was essential that a contract be obtained and provided so that the purchasers could sign it. And one characterisation you could give to the communications with Mr Hawatt was that there was pressure put on him through or from Laki Konistis to get

the owner to provide the documents required in order for a very anxious purchaser to complete a contract.---Complete, correct.

Well, if that's the case, why wasn't the contract completed?---I, I don't, I don't know if all the evidence, all the, all the right documents were delivered to JLL, because like I said to you, it's not just a contract – first of all the contract had gone in through a link. We couldn't open up the link to find out what the contract was on it. Was it with our name on it? Was it an existing contract with CBRE as the agents? That's one of my main, our main  
10 concern. Secondly, below the contract it's got to be DA, CCs, hydraulics, demolition clauses. There's, there's a million things. The contract (not transcribable). So how long did it take for that? Did it deliver all the documents in time or not? We've lost time and just the whole thing, just dismantled. The whole thing just – this is one - - -

So I need to ask, was there ever a real purchaser?---Absolutely. I've never met the purchasers. As you can see in offer from JLL by email to me, forward to Mr Demian, we exposed the company that were interested to purchase the property.  
20

Well, a name was provided to Mr Demian.---Yes, sir. Yes. And it's provided to Mr Demian - - -

But no contact details. Just a name, Norman Ho.---Just the name of the company, yes, and probably the director. I can't recall exactly. But there was, of course it was.

What was Mr Demian meant to do with the name Norman Ho?---Well, we specified the purchasers and their solicitors. We pass it on to Mr Demian.  
30 From there Mr Demian obviously passed it on to his solicitor. From there on what - - -

Mr Demian says otherwise.---I know on my part what I've done. I've delivered the name of the company with contact solicitors from Mr Gary Mayson, which it was emailed to me, and that email was forward because Mr Demian was requesting that. Emails don't lie. I don't have it. I don't know if I have given you a copy.

Well, all I want to do, you see, I'm not trying to have a go at you. What I'm  
40 just trying to test is you genuinely believed there was a purchaser, did you?  
--Hundred per cent.

And indeed three different purchasers over the time, late 2015 through to June 2016, is that right?---Yes. Yes.

Excuse me a moment. And was it the case that you were keeping Laki Konistis informed of whatever you understood about prospective purchasers and how anxious they were to - - -?---Well, basically we talk - - -

- - - make a contract?---Well, basically we talk basically just about daily with Laki Konistis. Having him in seeing what is, exactly what's going on. A lot of emails were forwarded back and forwards just to be open with each other. That's how I do business with Laki and everyone else.

10 Can I ask that we, volume 21, page 165 of Exhibit 69. If we could have a look at item 321, please. Mr Dabassis, this is a schedule of text messages extracted from Mr Hawatt's telephone by the Commission and they've been listed in chronological order in this schedule that extracts messages relating to this particular transaction and item 321 is a message from you to Mr Hawatt and probably other people on 11 May, 2016 at 8.35am, and can you see that it reads, "Gents, good morning. Great seeing all at the meeting last night and thank you for your time. After further discussions with the purchasers they have stated" – they have decided, is that what you meant to say - - -?---Yes.

20 - - - "not to increase their offer. They can see the market is going backwards and the risk is high. Paying for more than they've offered. They have asked me the below. The offer for Canterbury Road, Campsie stands at \$54 million inclusive of GST till 5.00pm Friday, 13 May, 2016. Regards, John Dabassis, Galazio Properties." That sounds like you sent it the morning after the meeting at the Frappe Café. Would that be fair to say? --- (No Audible Reply)

30 You talk about a meeting last night and you've sent it to amongst other people Michael Hawatt and the offer is \$54 million which sounds as if the meeting at Frappe Café was on 10 May, 2016. You're worried about whether it's the right date are you?---Correct.

Okay. Well, let's just go back a little bit. Volume 23 if we could, please, page 181. This is another schedule and it's again text messages extracted from Mr Hawatt's telephone but this time they're all to Mr Demian.---yes.

40 Can I ask you to have a look at the third one, item 3 and the date is 10 May, 2016, the time is 4.14pm. The text reads, "Spoke to George. Meeting at Frappe Café near car park the bus terminus. Please bring proposal with you. Michael." So taking that text in conjunction with yours sent to the next day it's pretty clear isn't it?---Yes, sir.

The Frappe Café meeting was in the late afternoon of 10 May, 2016. Would you accept that?---Correct. Yes.

Thank you.---According to this, yes.

Can I just go back to your text, volume 21, page 165, number 321 of 11 May, 2016 at 8.35am. You said, "Purchasers have decided not to increase

their offer.” How did you know that?---If their offer hadn’t, it will come through JLL (not transcribable) they weren’t my clients in the first place.

So had you had a conversation with Gary Mayson in between the meeting at - - -?---99 per cent - - -

- - - Frappe Café and that text?---100, 100 per cent I wouldn’t, I wouldn’t be writing something that I wouldn’t have it from Gary Mayson, yes.

- 10 Who else did you send this text to?---Maybe I put Laki in there and George Vasil. Maybe they were cc’d on that. Common sense would tell me yes.

Can I take you then to page 166 of this volume, message number 325. This is a message from you at 12.35pm on 12 Ma, 2016. “Hi, gents. Sorry about that.” And above it there’s a series of attempts to send the same message and - - -?---Yes, I (not transcribable) forwarding.

- - - you got it right the third time round.---Yes.

- 20 We’ve all had the same experience. “Once again I wish to confirm that my clients are not small - - -?---Consortium.

- - - consortium and the money is on the table. Again I wish to stress the final offer after spending hours with them, final offer is at \$56 million.” Well, that’s 2 million more than the day before isn’t it. Is that right?---Yes.

“Total commissions are 4.5 million as we’ve all took a cut. Since the last offer the sellers are better off by \$3 million, \$2 million for purchasers increasing their offer and \$1 million from us.”---Correct.

- 30 “Personally I believe in a five letter word called greed. Sellers will lose big time. We all know what the offers are and whereby,” sorry, “we’re buy 20 per cent above that. Offer still stands till Friday 13, 5.00pm, 2016. Regards, John Dabassis.” Now, it sounds from that text as if there had been discussion at the meeting at Frappe Café on 10 May, 2016 about commissions doesn’t it?---Yes.

Do you accept that?---Yes.

- 40 Well, okay. Previously though you have said that your memory was that there wasn’t discussion about commissions at that meeting.---The percentage commissions on my agency agreement?

No, no, no. Previously you have indicated to us that you didn’t have a memory of commissions being discussed at the Frappe Café meeting. ---Right.

But here you're saying total commissions are \$4.5 million as we've all took a cut.---Right.

So the suggestion from that is that there had been previous discussions about commission. Correct? Is that right?---Obviously, yes.

Had there been discussions about commission at the Frappe meeting with Mr Demian?---Again the only discussion we're talking about is commissions paid to Galazio.

10

So who was going to share in the \$4.5 million contemplated by the text you sent on 12 May, 2016 at 12.35pm?---When we're talking about when I said personally I believe a five letter word, \$2 million increasing their offer, to what I recall, I believe the purchaser's introducing the clients which was a Chinese consortium they introduced to JL. They also wanted to make a cut out of it.

20

Yes.---Because the direct person selling obviously wasn't the direct person with JLL. They had Chinese people presenting that and they wanted to make a cut out of it too. It usually happens. This is how the Chinese work.

Now, the words "total commissions are 4.5 million as we've all took a cut". It sounds as if the commissions previously discussed were more than 4.5 million. Doesn't it?---Yes. According to this, yes.

THE COMMISSIONER: And it would suggest that they were actually \$1 million more because you go on and say \$1 million from us.---Yeah, 20 per cent, yes. Yes. Yes.

30

MR BUCHANAN: So \$5.5 million had previously been discussed as commissions, is that right?---I don't remember the number, but obviously according to this, yes. There were numbers flying everywhere, people asking for this, people asking for that.

Well, yes, except that the words you used are "total commissions are 4.5". ---Yes.

40

Not that we're seeking 4.5.---No, no. I accept that. I accept that. I wrote that, yes.

Well, I'm trying to ask you your memory of what occurred now that you see the text message of two days later as to whether there was any discussion about, at the Frappe meeting with Mr Demian, about commissions in the order of \$5.5 million.---I don't recall that. I don't think any discussions were at the Frappe talking about \$5.5 million discussions. I don't, I don't, I don't think there were, no.

And the \$4.5 million contemplated at 12.35 on 12 May, 2016, was that all going to go to the Chinese consortium and JLL?---No. We were going to make a cut, Galazio was going to make a cut, and Laki and myself. From there on what was happening obviously was going to come down again to agreements. You see all these numbers were coming in. Everybody's talking about millions and everybody thought it was peanuts. So again what I'm saying, I knew I had to make some money. What was going to (not transcribable) I have no idea, but I knew before the crunch I had to put some numbers up there for myself. But I do know the Chinese consortium  
10 representing the company also wanted money. Now, the majority, yes, was going to go to JAL - - -

JLL?---Yes.

Yes.---What he was going to pay, to who, people that I didn't know – it wasn't my concern again.

Well, JLL wasn't going to pay Michael Hawatt or George Vasil or Pierre, were they?---No, sir. No, sir. No, sir.  
20

No. So were you going to disburse a share to Michael Hawatt and George Vasil and this man Pierre?---Not out of this.

As at this stage?---No, no. Never discussed. Never. Never discussed.

And so your evidence is, is it, that as far as you were concerned George Vasil, Michael Hawatt and this man Pierre weren't going to get a red cent out of it despite whatever efforts they'd made?---Not out of me. Not out of me. I'm not here to defend anybody, but not out of me. What they were  
30 going to make from Mr Demian or whoever, it was their business and wasn't, I was only there for myself and to protect Laki for the work that we were doing.

That doesn't make any sense.---Absolutely, of course it doesn't. I totally agree with you. But it wasn't my concern.

No, no, no, no, no. If evidence doesn't make sense it tends to suggest it might be incorrect. You see, it doesn't make sense given that you knew you wouldn't get anything if you hadn't been introduced to the owner by George  
40 Vasil and Michael Hawatt, correct?---Correct, correct.

And you've heard of an introducer's fee, haven't you?---Yes.

Yes or no?---Yes, I have.

And you knew that Michael Hawatt had negotiated an introducer's fee on the Revesby deal, didn't you?---A hundred per cent.

And do you mean to say that as at 12 May, 2016 you had no contemplation that Michael Hawatt might think he was entitled to an introducer's fee on the Harrison's deal given that he had introduced you to the owner, he and George Vasil?---Never passed my mind that he would, yes.

That doesn't make sense, does it? You'd accept that? It doesn't make any sense, your evidence?---That he was going to make some money, he would be asking me for some money out of this, correct?

10 No, it doesn't make any sense that it never crossed your mind that these two men might think they were entitled to a share in any commission because they had brought about the situation whereby you might get a commission in the first place.---It passed my mind that they will ask for a commission, yes. It has passed, yes, of course.

It passed your mind that they would be entitled to ask for a commission.  
---Entitled, yes, yes, yes.

20 Is that right?---Correct. I would say yes, I'll stand by it.

And if that was the case, then surely it was contemplated by you that in some way, shape or form those two men would get some of the total commission.---Yes, sir.

30 Well, where does that leave your evidence that it wasn't contemplated that neither of them would get anything of the \$4.5 million that was contemplated on 12 May, 2016?---Again, we never had numbers. Were they going to ask me for a dollar? Were they going to ask me for a hundred thousand, two hundred? It was never, that, that, all this numbers, you've got to understand, I was dealing with - - -

It's not a question of numbers, it's a question of shares.---Yes, yes.

The split. That's what I'm asking you about.---Yes.

What did you understand the split would be?---I didn't understand anything.

40 Forget whether it was five million or five cents, did you think that these two men who had done work to ensure that you would be entitled to a commission would get a share of the commission?---Yes, it passed my mind they would, they'd be asking. There was never nothing in writing. I had no doubt that they will ask me. To how much, again, like I said to you, there's 10 people dealing with me and everybody's thinking about themselves, everybody wants me to put a million on top, 2 million on top, and it was just numbers thrown at me.

You must have contemplated as at 12 May, 2016, and earlier I might add, but certainly by no later than 10 May when you finally met Mr Demian in

Mr Hawatt and Mr Vasil's presence, that they would get a split of the commission, George and Michael. Was that not your thinking?---Not out of the \$2.2 million. I know this is all confusing to you and it's all so confusing, not because what we discuss here a month later, a few days later, whatever, it was down to 2.2, so what, why was the commission dropped from 4.5 to 2.2? Again I don't know, but I was covered at the 2.2 that I can pay Gary Mayson money, Laki and myself. What they were going to make, why the difference of the 4.5 down to 2.2, I don't know. And then that's when the \$300,000, what was going to be paid, what was the arrangement  
10 between them, I had no idea. I have no idea.

You see the fact that the commission might reduce in quantity in dollar terms, doesn't mean that the split changes, does it, it just means everybody takes a cut, takes a shave off - - -?---Correct, correct.

- - - what they would otherwise have got.---Correct, yes, correct.

Yes.---Yes.

20 And if it was the case that you contemplated by the 10<sup>th</sup>, 11<sup>th</sup>, 12 May that those two men would be sharing in the commission at a time when the commission was high, doesn't mean to say that they wouldn't have got a cut when the commission was reduced in total value, does it?---No.

It just means that everyone gets less.---Yes, but again it's back of my mind, because it was such a variation between (not transcribable) the \$3 million got lost out of the commission from 4.5 to 2.2, where they were going to get, I don't think in my mind past that, the 2.2 they will come and ask me for a share out of that particular commission.

30 You would have made an enemy out of George Vasil and you would have made an enemy out of Michael Hawatt if you'd cut them out of the commission, wouldn't you?---They would become, yes, absolutely, yeah, totally, 100 per cent, totally 100 per cent.

You wouldn't want to make an enemy out of those two men, would you?  
---I didn't know what they were going to make, I don't think there was any, any time that they were clear with me what they were going to make out of that, if they were going to make money or what they were going to make out  
40 of me, I didn't care, I didn't ask, it was all, you know, I had to protect myself, I had to protect myself. Will they be made enemies, yes, obviously it's gone that, to this stage right now, that's why we're here today.

Can we have a look, please, at volume 23, page 188. This is a text you sent on 13 May, 2016 at 11.07am. I apologise. It is a text Mr Hawatt sent on 13 May, 2016 at 11.07, but what he has done is forwarded a text you have sent to him and George Vasil.---Yes.

“George and Michael. Just had another meeting with the potential purchasers and again they’re confirming the below.” And then some dot points. “Purchase price \$56 million inclusive of GST. 10 per cent deposit upon exchange subject to contract. Three months’ settlement. Payable commissions \$4.5 million inclusive of GST.” And then you tell them when the deadline is for the offer and you say, “I’m happy to talk to Charlie once you’ve sent me his number.” Do you see that?---Yes.

10 Why were you bothering to tell George and Michael that payable commissions would include \$4.5 million inclusive of GST, unless you well understood that they would think they’re going to get a share of that?  
---Basically I wanted to – I’m not looking for reasons – basically again to me it’s showing that I wanted to close this deal so I can make some money. Obviously when I discuss with the potential clients I would have spoke to Gary Mayson, the offer is still on the table, if they want to proceed this is the deal and this is what I’ve sent as the last message that the deal is on until Friday, the Friday whatever it was coming, hopefully I can make some money and close the deal.

20 But why were you telling them that there’d be \$4.5 million commissions if they weren’t going to expect that they’d share in that?---I, I, I understand where you’re coming from, the point you want to make but it was never discussed that I will pay commission out of the 5.5 or \$4.5 million to them. They were - - -

But as far as you knew when you sent that text message to Michael Hawatt and I’m told we have that text message. Volume 21, page 166, number 327. When you sent that text message to Michael Hawatt you understood that he understood he was going to get a commission, is that fair to say?---Where is  
30 this message, I’m sorry? What - - -

327, it’s towards the bottom of the screen. Sent at 11.06am and it’s addressed, “George and Michael.”---Yes. I talk to - - -

At the last dot point, “Payable commissions, \$4.5 million inclusive of GST.”---Yes, that’s the same message that read about - - -

Yes, that’s right. You sent it to both George and Michael, correct?---Yes, correct, correct.

40 How could they not have understood that they were going to get a share? How could they be under any delusion that they were going to not get a share?---I, I can’t answer that. There, this - - -

But you can because you’re the person who sent it.---Yes, yes. I totally agree with you. What was in the back of the mind, yes, maybe they weren’t thinking that they’re going to get some money out of it but - - -

But why did you say that there would be \$4.5 million in commissions to these two men at all?---Good point, good point.

Unless they were to be led to believe that they would get a share of it?  
---That there would be something. I understand but again I don't recall me promising or discussing with them that they were going to get – I, I understand you're trying to make that point and what you want me to say but I again, I would like to say that I, at no stage we ever discussed what they were going to make on that on this particular, on this, this deal. At the  
10 hospital, yes, there's evidence, here's there's nothing, no evidence, never a discussion with them and again, this was wiped off as you can see because it came down to that, so, to, to, to the agency agreement.

If we could play a recording please. I'm going to ask that a recording, a telephone conversation be played. You are not a party to I to it. It's a conversation. I'm going to ask you whether you recognise the voices of Michael Hawatt and Laki Konistis in this conversation.---Okay, sure.

Commissioner, the recording is LII 10030 and it was recorded on 27 May,  
20 2016, commencing at 2.13pm. If you could listen to this recording being played, sir.

**AUDIO RECORDING PLAYED**

**[3.34pm]**

MR BUCHANAN: Commissioner, I tender the audio file and transcript of that recording.

30 THE COMMISSIONER: The audio file and transcript of the recording LII 10030, recorded on 27 May, 2016 at 2.13pm will be Exhibit 184.

**#EXH-184 – TRANSCRIPT SESSION 10030**

MR BUCHANAN: Did you hear that recording, Mr Dabassis?---Yes, I did.

40 And did you recognise the voices of Michael Hawatt and Laki Konistis?  
---Correct, I have.

27 May, 2016, obviously, is before 4 June, 2016, you'd accept that?  
---Correct.

This information that Laki was given, where he and Mr Hawatt had agreed on a split of \$300,000, with you getting \$100,000 of it and then the remaining 200,000 being split, that had been conveyed to you, correct?  
---Yes. By Laki.

It was conveyed to you before 4 June, 2016, correct?---Correct.

10 So doesn't it seem to you that when you wrote in your \$2.7 million as commissions in your agency agreement that you presented to Mr Demian that you contemplated that part of that would be shared with Michael Hawatt and Laki Konistis and George Vasil and possibly this man Pierre as well as yourself?---As a third share, yeah, I probably did contemplate it, yes. But it was never discussed again, never discussed by anybody, out of my share, out of the three shares from JLL, Laki Konistis and myself, or the two shares that we're going to pay Michael Hawatt or George.

But that's what you contemplated at the time you drafted your 4 June, 2016 agency agreement?---Yes, yes, it did pass my mind, contemplated whether they're going to ask me or not.

20 That Michael Hawatt and George Vasil, at the very least, would get a share, if not also this man Pierre?---I don't think, never came into the picture. I don't, I never met Pierre. I was never going to worry about it. I was never going to pay any Pierre or anybody I don't know.

No, no, no, no. This morning you told us you had met Pierre.---No. I met Pierre as a handshake, yes.

30 Yes.---But through the conversation I was never going to pay Pierre because I didn't even know who that man is. I was introduced to Pierre. What he had to do with it, I, I don't know what was involvement within the whole process, who he was. Was he one of the owners, was he – I, I don't know. I don't know and till, to this day I don't know.

Well, if we go to page 4 of the transcript - - -

THE COMMISSIONER: Just before we go there, page 3.

MR BUCHANAN: Yes, sorry. Yes.

THE COMMISSIONER: The second entry, Demian.

40 MR BUCHANAN: Commissioner, you would be suggesting an amendment to out copies of the transcript so that that entry reads Konistis?

THE COMMISSIONER: Yes.

MR BUCHANAN: I with respect, agree. Going to page 4 of the transcript, so after Laki had persuaded Mr Hawatt that you should get \$100,000 out of the \$300,000 commission being discussed, Mr Konistis said, "And the rest of us, give the rest of us 50." So, that's four people getting a quarter share each of \$200,000, you understand?---Yes.

And so, what was contemplated appears just on the face of it from what Mr Konistis is saying, is that he, George Vasil, Michael Hawatt and some other person would get each a quarter share of \$200,000?---Yes.

Who could that fourth unnamed person be apart from this man, Pierre?  
---Well, there was Laki Konistis.

Yes, \$50,000.---Yes. Mr, Mr Hawatt.

10

\$100,000.---Yes, George Vasil,

\$150,000.---And Mr Pierre, whatever - - -

So that's the fourth share - - -?---\$200,000.

- - - as you understand it, making, trying to make sense out of what we put in front of you here?---Yes, sir.

20

Now, if we could then go to volume 21 of page 168 in Exhibit 69. So, that telephone conversation, if I can just remind you was at 2.13pm, commenced at 2.13pm, the one that we heard played, okay?---Yes.

Then if we go to item 346 on this part of the schedule of text messages extracted from Mr Hawatt's phone, where the cursor is, is item 346 and you can see at 2.37pm, not long after that telephone call, Laki Konistis texted Mr Hawatt to say, "The deal is accepted. He said let's move on it."

30

THE COMMISSIONER: It the other way around.

MR BUCHANAN: I'm sorry, my mistake. That is, that he is Mr Demian, you would understand? Can I take you back, I withdraw that question. Can I take you back to the telephone conversation and do you remember Mr Hawatt was talking about what would work and he's talking about what would work with Mr Demian, that's a reasonable construction of what Mr Hawatt was saying?---When he was talking with Mr Konistis, correct?

Yes. And what Mr Demian might agree to, is that okay?---Correct.

40

Do you read that text message, number 346 at 2.37pm from Michael Hawatt to Laki Konistis as an indication to Laki Konistis that Mr Demian had indicated to Mr Hawatt, "The offer is accepted. He said let's move on it"? Is that a reasonable construction?---Correct.

Given that so shortly afterwards - - -?---Yes. I, from when thought it was from Laki but it is from Mr Hawatt to Laki, yes.

Thank you. Now, if we could go to volume 23, please, pages 205 and 206. This is a two-page document.---Ah hmm.

If you'd just have a very quick look at the front page, you'll see it's addressed, "Dear Michael," it's dated 27 May, 2016, and it has terms in it and if we go to the second page, which is page 206 of volume 23, do you see that it has your signature block at the bottom?---It's got my email, yes, Galazio Properties, yeah.

10 Now, did you have anything to do with the drafting of this document?  
---(No Audible Reply)

Can I take you back to the first page.---Yes.

Sorry, if we could have a look at the first page, and I'm going to ask you in particular about that second paragraph and third paragraph and fourth paragraph.---Yes.

20 So did you write this letter?---I, I don't recall. Maybe it came from Laki direct to me.

Did you dictate it to Laki or indicate to him what you want said in the letter?  
---No, I don't think so.

Did Laki Konistis from time to time write letters for you or polish off the language that you used in a draft?---Probably, he's a schoolteacher, yeah, but um, in this we probably had a discussion over it but I believe this letter has probably come from Laki, yes, to me.

30 You don't recall framing it?---No, not the way it's sort of constructed, no, no, I don't think so, no.

"Once again it was a pleasure seeing you all." That isn't your language?  
---Um, 27 May ah, yes, I usually use that, unless there was another meeting involved and Laki was involved there and he's wrote it, but yeah, he wrote that, yes, but I believe that has come from Laki.

40 Okay. Now, have you seen it before?---I will be lying. I don't recall. Maybe yes, maybe no. I probably have seen it before. Um - - -

Did you intend that it be sent to Michael Hawatt?---100 per cent I would have sent to, yeah, if Laki has drawn that, yes, to, to be sent out to Michael Hawatt, yes, yes.

So the second paragraph reads, "Following to our meeting last week with Charlie, Lakis has advised me that the group has agreed on the sale price and payable commissions being 2.2 million for the consortium and only 300,000 for us."---For us.

“\$300,000 for us.” Do you see that?---Yes, yes.

Had Laki told you that?---(No Audible Reply)

Is that a true statement as far as you were concerned - - -?---Yes, it is a true  
- - -

- - - as at 27 May, 2016?---Yes, yes, it is a true statement, yeah, yes.

10

“So the group has agreed on commissions being \$2.2 million for the consortium and only \$300,000 for us.”---For us, correct.

The consortium is a reference to the Chinese consortium of introducers?  
---Yes, and JL and everyone else, yes.

Well, no, no, no.---Yes.

Let’s be careful about this.---Please.

20

Who is it, apart from the Chinese consortium?---Again in that consortium the \$2.2 million should be myself, Laki Konistis and JLL.

But it goes on to say, “And only \$300,000 for us.”---Yes.

Which would tend to indicate that you thought you were going to get some of that \$300,000 and were not happy about it.---Also, also, yes, because I don’t believe that Mr Demian knew where the \$2.2 million were going to disburse to the consortium, as he mentioned that he couldn’t care less where the \$2.2 million, but the \$300,000 was on the table for us.

30

No, that doesn’t make any sense because you’re talking to Michael Hawatt not Charlie Demian. So as far as the person who reads this is concerned they’re being told that there’s 2.2 million for some third party out there - - - ?---Yes.

- - - and there is \$300,000 for a group of people which includes you.  
---Correct.

40

Which then suggests that you’re not going to get any of that \$2.2 million as far as you’re concerned when you write this letter?---Well, the \$2.2 million was a consortium that involved me because the \$2.2 million was based on the agency agreement that he will sign again.

No, the agency agreement was the following month.---I understand. These are - - -

This is May not June.---Yeah, yes, yes, I understand that but this is a discussion, what we were discussing it's taking us so long to come to the agency agreement. See again I've written down here \$58 million inclusive of GST. Again different numbers were coming up.

10 But that's not the point. You see I'm not talking to you about numbers right now. I'm talking about the spilt and what was being split and what I'm drawing your attention to is that the language that you used in this letter was language which suggested that you're only share of the commission would be a share of \$300,000 that you would have to share with other people.  
---According to this that's what it says.

That's the language that's being used here.---Yes, yes, yes, yes, yes.

Now, I can inform you that this is a document that you produced to the Commission when you were required to produce documents.---Yes, I probably would have had a copy. Obviously I would have a copy of that, yeah.

20 Why would you obviously have a copy of it?---It was on the same date - - -

I'm not trying to be funny. I'm just asking.---No, no, no. It was either, like I said, it looks like Laki were giving me a copy and I would have and I produced it again.

Can I just point out to you that the – I withdraw that. Did Laki Konistis write all your correspondence?---Not all of them, no.

30 Because the language that is used and the way it is formatted, particularly using inverted commas around emphasised passages, bolding and the layout of the terms is very similar to other documents which have your name on them in these negotiations which then suggests a common authorship which then raises the question were you the author, was Laki the author, was it a combination of the two?---I don't believe I was the author of this. I don't believe I was the author of this.

40 And you don't believe that you provided the inspiration for the ideas expressed in it and the amounts of money stipulated in it to Laki Konistis if he wrote it?---We probably have discussed between us the numbers, yes.

He wouldn't have put in here something that - - -?---Yes.

- - - he didn't understand you to agree with would he?---No. Correct. Correct.

So the likelihood is that you agreed with everything that's in the letter?---Yes. Based on the \$58 million, yes, I would agree.

The third paragraph, "Please understand that we all came into this as a team and we all need to walk away with some money. Laki has told me that the commissions are only \$300,000 after he had spoken to you." You know where that came from now that you've listened to the telephone conversation between Michael Hawatt and Laki Konistis?---Michael Hawatt.

Correct?---Correct.

- 10 But Laki Konistis had told you what had been said between him and Michael Hawatt hadn't he?---Yes. I said that previous. I did mention that to you.

You went on to say "I personally believe that everyone in this deal needs to make at least \$100,000 each as there are five of us."---Right.

Could you tell us who those five are, please?---Again myself, Laki Konistis, Mr Hawatt, George Vasil and Pierre the fifth person that was mentioned.

- 20 So there's no doubt about it is there given what's written here you contemplated at this stage that Pierre was going to get a share of the commission. Correct?---Correct. Yes.

And so someone had given you that idea even though you had no idea why Pierre would be entitled to any share at all?---Correct.

And that someone was who, George Vasil or Michael Hawatt or Laki Konistis? It's really only three possible candidates that are a source - - -  
---Who was going to pay - - -

- 30 No, as to who had said Pierre has to get a share?---It would have come either from Mr Vasil or Mr Hawatt.

- Then in the next paragraph you said, "I also spoken to George and he confirmed that there was \$500,000 in commissions previously agreed upon." Had you spoken to George and had he confirmed that there was \$500,000 in commissions previously agreed upon?---I remember speaking to him about the \$500,000. But things, like I said to you, changing by the hour, basically. Every, every, every couple of hours, every day or two  
40 things were just changing again, yes.

Can I go down to the paragraph commencing, "Please go back to Charlie." "Please go back to Charlie, and in this case, to what I understood – and I don't know if Charlie is a shareholder or just the front man – he needs to go back and ask for the extra \$200,000 previously agreed upon so that everyone can benefit and walk away with a smile." Just pausing there. What extra \$200,000 previously agreed upon are you referring to there?

---Well, looking at this, it's between the 300 and the 500 that it was agreed on at the beginning. That's the differences between the 500 - - -

And tell us a bit more about the \$500,000 that was agreed upon in the beginning. What beginning?---Well, previously. Obviously it was the \$300,000 originally would have been up to \$500, \$500,000, and then probably because of the price dropping down or something, whatever, it came down, Mr Demian only offered \$300,000.

- 10 Was the agreement as to \$500,000 commission an agreement reached before or after the Frappe Café meeting on 10 May, 2016? So were you walking into the Frappe Café meeting thinking there's \$500,000 to be split between us if we have a successful meeting? Or did the \$500,000 first get mentioned after the Frappe Café meeting?---I, I don't recall myself going there and thinking about the \$500,000. I, I don't think it was an issue. I don't think it was my, my, my focus at that time to discuss \$500,000.

- 20 So if I can then take you to the paragraph above the bolded passages. "In saying that, we will need the following confirmation on the commissions being a total of \$2,700,000 inclusive of GST."---Correct.

And that, of course, is the figure that a few days later ended up in the - - -?  
---Agency agreement.

- - - agency agreement that you drafted, dated 4 June at that stage.---Correct.

Do you remember how the meeting at Parramatta was organised?---George Vasil organised that.

- 30 Could we have a look at volume 21, page 169, please. If we go to item 368, just above the cursor. It's a text message from Michael Hawatt to you on 1 June, 2016, so three days before 4 June. It's at 11.55am. And Michael Hawatt says, "Hi, John. Do you want to go together to see Charlie in Parramatta? Michael Hawatt." And you responded, item 369, at 12.00pm the same day, "Michael, happy to do once we have commitment. I need a signed contract and matching signature on the agency agreement to be signed for \$2.2 million. If I cannot have that, we're wasting our time. Thanks." See that?---Ah hmm.

- 40 Does this prompt a recollection as to how the arrangements to meet at Parramatta started?---I've requested, again it came down to the agency agreement. I've spoken to George about it, no doubt about it. Maybe I made contact with, by phone with Mr Hawatt. I, I don't think I did. Maybe George had made contact with him and he asked me if I was happy to go too. It wasn't my concern. My concern was just to get that agency agreement signed.

Yes, but my question is, how did the arrangement to meet Mr Demian at Parramatta, how did that get rolling and – you thought it was with George, but what I'm just pointing out to you is it seems that Michael Hawatt might have had something to do with it.---He has, obviously, here. So between that point, unless George had spoken to Michael, yes. I don't recall but more than likely that George Vasil has spoken to Michael Hawatt. In this case I would say yes because Mr Hawatt never came to the meeting.

10 Could you have a look, please, at this document. This is an email from Laki Konistis to Charlie Demian, cc to George Vasil, dated 16 June, 2016. Now, I asked you earlier about whether Laki Konistis was communicating directly with Charlie Demian and you indicated that you didn't think he was. So does this come to you as a surprise? You can see that it's got Laki's - - -? ---Yeah, I wasn't aware if there's an email direct to Mr Demian from Laki Konistis, no.

You weren't aware?---No.

20 Now, could you just have a read of it to yourself, and the question I'd like to ask is, did he send this to Mr Demian on your behalf?---The question, was aware of this email?

Well, that's a good start. Were you aware of this email?---I don't recall.

Now that you see it, do you think it was sent on your behalf? That is to say, there's a number of different ways you could look at it.---Yes.

30 One is that Laki Konistis was simply trying to do something off his own bat in your best interest?---That I have asked him. No, no, no. I, I, I would, no, no, not at any moment. Not on any moment Mr Konistis will do something without my consent or with a – more than likely I was aware of, yeah, and he wrote it the behalf of me, yes.

Were you at this stage negotiating with JLL, with Gary Mayson?---June 16 - - -

The conjunction agreement is dated 23 June.---Yes, I, yes, of course would have been talks with JLL.

40 But is it the case that at the same time you were trying to get a contract out of Mr Demian so that you didn't have to go through with the conjunction agreement with Gary Mayson?---That was always, that was always the case that we didn't want to go through CBRE because we had (not transcribable). I did, I believe I mentioned that before earlier.

Did you get a reply to this email?---I, I don't think so because, no, I don't think we did. We never knew when the expiring day was with CBRE. We never knew Mr - - -

Expiry date of?---Of CBRE's agreement with Mr Demian. What expiry date was and that's why we were asking, just to get one because you've got to understand that if Mr Demian has signed an agreement with us also and if this sale was to commence, he would have to pay double commissions to both parties. That's the loophole with - - -

10 But, I'm sorry, didn't you understand from the very fact that he supplied you, he Mr Demian, supplied you with an agency agreement on 16 of June that the CBRE exclusive agency agreement must have expired by then otherwise he would have had to have paid two commissions?---I just mentioned that, yes. Correct,

Yes. So, that means that you understood well before – I'm sorry. You understood by this date that CBRE's agency agreement must have expired? ---Yes. According to what he told us, yes. According to him it should be it wasn't going to benefit him at all because he was going to lose in the long run.

20

I tender the email from Mr Konistis to Mr Demian dated 16 June, 2016.

THE COMMISSIONER: The email from Mr Konistis to Mr Demian dated 16 June, 2016 will be Exhibit 185.

**#EXH-185 – EMAIL FROM LAKI KONISTIS TO CHARLIE DEMIAN WITH A COPY TO GEORGE VASIL TITLED NEW AMENDED CONTRACT: CAMPSIE DATED 16 JUNE 2016**

30

THE WITNESS: Excuse me, if I can interrupt. According to this letter, I believe he's trying to say that the contract only was sent to us by link, it had CBRE's name on it and we were just trying to correct the name. I think I mentioned that before that we should get a proper contract with Galazio Properties on it.

MR BUCHANAN: So, you were went, or someone was sent - - -?---I went sent a link.

40

- - - a web link or a Dropbox link?---Yes, sir. It was.

In order for you to access documents and plans relating to the Harrison's property for the purposes of the agency agreement, is that right?---Correct, correct.

And there was a contract in there, was there?---I believe, yes there was a link.

And that contract had CBRE's name on it?---CBRE on it because even all the information that I will have with pictures and everything else, it had then CBRE on it. That's what we were sent by Mr Demian and that's what I believe this letter is, so I have spoken to Laki about it, that we need to have the correct contract in place.

Now, can we have a look please at volume 23, page 252.

- 10 This is an email from Laki Konistis to George Vasil, CC to you, dated 21 June, 2016 headed, "Letter of offer for 548-568 Canterbury Road, Campsie. It reads, "Dear George, as discussed here is the letter of offer from John. Could you please arrange for the contract for sale of the above site to be forwarded to John as a matter of urgency?" Do you see that?---Ah hmm.

- And then over the page, page 253, is a one page letter with your signature block at the bottom. It's addressed, "Dear George," the letter's dated 21 June, 2016 and in the second paragraph, "Subject to agreed terms and conditions of the contract of sale, we make the following offer of \$58  
20 million inclusive of GST, provided that the proposed plans and DA for this site consist of," and then you identify what you understood the approved development to consist of, is that right?---Correct.

Then you go on to say, "We note that the proposed site amendments are still in council for determination" Which amendments were those, the ones you spoke of earlier in relation to the section 96 application is that right?---Correct.

- 30 And then you say, "Should this not be approved, we propose that our offer will be revised to reflect the approval for," and then you identify two DAs and one section 96 modification consent?---Correct.

And then it says, "The purchasers details will be released once then have a proper contract forwarded to them so that they may commence their due diligence." Is that right?---Correct.

- 40 Was that what you intended to do if you received the contract?---Yes, because even the information again I remember mentioning to you before, there's like 350-something units here and it wasn't what we have seen on the actual council website because there was never a third DA for those extra units, so that's why we've asked for the amendments again because I believe the whole thing was in two DAs and there were like, I thought there was 270-80 units plus the shops, so reading through the DA they were saying that they've got so many units but there was never a third DA because it was subject to the council approval.

Thank you.---Yeah.

Now, can I ask you about the Revesby site.---Yes, yes sir.

That was an address of 297-299 Canterbury Road, Revesby. Is that right?  
---Correct.

And it was a potential development by constructing a private hospital on the site.---Correct.

10 The owner of the property, the family name of the owner of the property was Elcheikh, E-l-c-h-e-i-k-h. And the purchaser, potential purchaser was SGC Asset Management Pty Limited.---Correct.

And the person that you were dealing with at SGC Asset Management was a Steve Spiridonidis.---Spiridonidis.

Spiridonidis, thank you.---That's okay.

If you'll just excuse me a moment.---Sure.

20 Can I show you, please, an SMS that Mr Konistis sent to Mr Hawatt in volume 21, page 147, a series of SMSs.---Ah hmm.

While that's coming up can I just ask you this. Do you remember having a meeting at Salvatores café in Earlwood in relation to the Revesby meeting?  
---100 per cent.

Do you remember one meeting or more than one meeting?---(No Audible Reply)

30 I'm not suggesting there was more than one, I'm just asking to make sure. ---Could have been two or three meetings but I do know there was one meeting, no, it would have been, yeah, three, about three or four different occasions, might have been two with Mr Hawatt involved and Mr Vasil.

Right. So did you ever meet at Salvatores café with George Vasil and with Laki Konistis?---Yes.

About the Revesby - - -?---Yes.

40 - - - potential deal?---Sure. 100 per cent.

And what role was Mr Vasil playing in relation to the potential Revesby deal?---Okay. Give you a rough lead-up. We introduced - - -

No, no, no, no.---The role again?

Yes, yes, please.---He's a mediator. Mr Konistis - - -

A mediator between who?---Between me again, okay, Mr Konistis was aware of the site that was potentially going to go on the market through a gentleman of Gary Singh, an Indian gentleman, that he was running the business within the actual property in babywear, you know strollers and everything else.

10 Yes, yes.---So over these years I've been speaking to Laki and I said I do have a client that specialise in private hospitals and (not transcribable) Wollongong Private Hospital and they might be interesting to do another site. So we're all smiling, we thought, great, maybe we can get something here. So this is how the whole thing started. I made up an appointment with Mr Spiridonidis and he was my introduction to the site, as my client SGC - - -

SGC Asset Management?---Asset Management, that's right, yes. We sort of presented to Mr Vasil and then somehow - - -

20 Why to Mr Vasil?---Because again he has a bit of knowledge with the site, maybe he will - - -

How did you know he had a bit of knowledge with the site?---We were always aware of, through Laki I was aware of that you always have a bit of knowledge, with the council, as I said before, you - - -

30 This is Bankstown Council now?---Yes, yes, because his son was in Canterbury Council and he knows height restrictions, FSR, blah, blah, blah, and so on. We did ask if he knew the owners direct, and I'm just trying to put things together for you, yes, he was, he will find out, again Mr Hawatt came in to the picture.

For what reason as you understood it did Mr Hawatt come into the picture at that point?---As representing again, again we were told that he was representing the sellers again.

Right. Who told you that?---Mr Vasil.

And where were you when he told you that, was it before a meeting with Mr Hawatt?---More than likely, yes. More than likely, yes, yes.

40 And did he, George Vasil then make an arrangement for you and Laki to meet Michael Hawatt in the capacity as a representative of the owner?  
---Yes, sir.

Now, was Mr Hawatt present at a meeting at Salvatores café with you and George and Laki?---I do remember it could be in a couple of occasions. I'd say it would be one, I remember clearly it was on a Saturday afternoon about 1 o'clock we discussing again numbers and commissions and him presenting the company, presenting the sellers.

Can I just check with you now the venue. Are you sure it's Salvatores café because I want to show you - - -?---100 per cent.

I just want to show you another document if I can.---Yeah.

10 An SMS in volume 21, page 147. Again these are text messages extracted from Mr Hawatt's telephone and if I can take you to number 5, please, to where the cursor is moving around. You can see it's from Laki and it's to Mr Hawatt. It's dated 21 September, 2015 at 2.47pm.---Yeah.

And the message reads, "Confirming our meeting with buyers of Revesby site tomorrow 1.00pm at La Plaka", P-l-a-k-a - - -?---Yeah. Correct.

- - - "café, 258 Burwood Road, Burwood. Are you ready?"---Yes. Yes, that meeting took place. That was there. I'm sorry about that.

20 And who was present at that meeting?---Mr Hawatt, George Vasil, myself, would Laki have been there or not and Mr Spiridonidis.

If we can just scroll to number 10. You can see it's a text message from Laki Konistis to Mr Hawatt on 22 September, 2015 at 10.44am.---Yes.

"Don't forget at 1.00pm today La Plaka café, 258", and he gives the address again. So it would seem that the message, sorry, it would seem that that meeting was on 22 September, 2015 at La Plaka café in Burwood. ---Correct. Correct.

30 Now can you go through who was at that meeting?---Again I don't recall if Laki was there but Mr Hawatt was there, George Vasil and myself and Mr Spiridonidis.

And what happened at that meeting?---Basically we talked about the site, if we can and Mr Hawatt was going to help us with whatever the requirement is to take this off if it was to happen.

Was Mr Spiridonidis showing interest potentially in going further in exploring - - -?---100 per cent. 100 per cent.

40 - - - the suitability of the site - - -?---100 per cent.

- - - for a private hospital?---100 per cent. At that time we had introduced in formal letter to Mr Hawatt that I have introduced a buyer from AGC Management to Mr Hawatt, that there is a client.

From AGC Asset Management?---AGC Management, yes. I have introduced official letter that it was my client had come to me and this is how we went to the next meeting and everything.

Now, was there any discussion about whether one of the things that needed to be done to take the matter further was to obtain an indication of support from Bankstown Council?---Correct. Yes, there was through the - - -

10 And what was done in that regard?---Well, I remember speaking to, Mr Spiridonidis did ask me and I said great, we'll ask Mr Hawatt if he can do that. We did get a support letter I believe from the council as far as I knew and I think I believe the letter was given to me at the last meeting I had here. From there on there was going to - - -

And just stopping there. Where did you understand that letter came from? ---I knew that Mr Hawatt was going to get the letter somehow through the people that he knew.

At Bankstown Council?---Yes, sir.

20 And the letter was obtained, is that right?---Yes, I believe you do have a copy, which (not transcribable) shown to me. I've never seen that letter.

Well, can I just ask that we see an SMS in volume 21, page 147, number 43 and subsequent SMSs. So volume 21, page 147, if I have the right page. If we could just – not the right page, obviously.

THE COMMISSIONER: It's 149.

MR BUCHANAN: If we scroll to page 148. Might be 149. Sorry. So can you just have a look at number 43?---Yes, sir.

30 It's a text from Laki Konistis to Mr Hawatt on 30 September, 2015, which reads, "Hi, mate. Buyer is not comfortable divulging his plans yet for Revesby to council until he has letter of support first from them to use to go to see State Government and get all approvals. Please just get letter first step and meeting will occur later on. Need both letters and contracts ready by Friday, mate."---Ah hmm.

40 Is that the sort of text you expected Laki Konistis to send to Mr Hawatt? ---Yes, under my authorisation from there, yes. I was requested that from the customer he will need eventually support from State Government as from hospitals and local council, and I've asked Laki again to be in contact with them (not transcribable)

And what are the contracts that he mentioned there as you understand it? ---We're talking about contracts as selling contract again in place.

Contract for sale of land?---Contract for sale of land, correct.

From the owner of the property?---(not transcribable)

That you were seeking from Michael Hawatt?---Yes, sir.

Is that right?---Correct.

If we go to page 153. Let's hope I've got the right page this time. Item 113. Thank you. Can you see where the cursor is around item 113?---Ah hmm.

10 It's a text from Laki Konistis on 11 November, 2015 to Mr Hawatt and it reads, "Agreement ready tomorrow for signing, mate." And we'll just stop there. What agreement – I appreciate I might have made it a bit difficult for you by cutting out a whole lot of stuff.---That's okay.

But did you have an understanding that there was an agreement with Michael Hawatt that needed to be signed in relation to his role in putting the deal together?---Yes. I believe you do have a copy.

20 Yes.---We've met a couple of times at the Italian restaurant, I'm sorry, again. The - - -

Salvatores.---Salvatore. There were some numbers thrown in again about 1.2-something million dollars in there as commissions, and at that time contract was given to us by Mr Hawatt but Mr Hawatt had his name on there as a co-agent. Can I keep on going or - - -

30 Yes, please.---Yeah. My concerns is that we weren't going to get paid a cent because we don't know what Mr Hawatt, who Mr Hawatt (not transcribable) worth a dollar or a hundred million dollars. Secondly, he was never an agent. He was never a co-agent. He was representing the sellers but not as a co-agent. Now, we had drawn a - - -

Please keep going.--- - - - an agreement with Mr Laliotis, a solicitor, which we were taken there by Mr Vasil to protect of our commissions.

Yes?---Yes, and the letter again, we had squeezed Mr Hawatt in a lot of places. He wasn't happy with the letter, so he's drawn his own agreement, simplifying it in page, page and a half, which were all signed. I believe you have a copy of that.

40 Yes, if the witness can be shown Exhibit 69.---Within the process – yes - - -

I do apologise. I withdraw that.---Sure.

Can I just enquire, could I have a look at Exhibit 97, please.

THE COMMISSIONER: Oh, the introducers remuneration agreement?

MR BUCHANAN: Yes, yes. If that could be shown to the witness, please. Do you see it on the screen, Mr Dabassis?---Yes.

It dated 10 December, 2015 and it's between Michael Hawatt and Galazio Properties.---Yes, sir.

And it is indeed three pages in length. If we could go to the last page, please. That's your signature?---Yes. Up the top, yes it is.

10 And in the middle Mr Hawatt's signature?---Yes.

And is that Laki Konistis' signature underneath?---As a witness, he was, yes. Correct.

And is this the agreement that you were talking about?---Yes, sir. Yes, this I, this is the final agreement which was prepared by Mr Hawatt. The original - - -

20 There were earlier drafts, were there?---Like I said to you, there was an original document drawn by the solicitor, Mr Laliotis. Mr Hawatt wasn't comfortable with it and he went to his own solicitor. I somehow believe they're, they're, they're sharing the same, they've got the same solicitor as the, as the sellers of the property.

Sorry, who are you talking about?---Okay, Mr Hawatt had got the same solicitors as the owners of the property of Bankstown.

Oh, Mr Elcheikh?---Yes.

30 Same solicitor?---I believe so, yes. If (not transcribable) okay? So, this was brought back to us with another meeting with Mr Hawatt and we signed it.

Now, can I take you back please to the text message at volume 21, page 153, item 113. The first part of the text message Mr Konistis sent to Mr Hawatt on 11 November, 2015 read, "Agreement ready tomorrow for signing, mate." And that's a reference to that agreement that we've just looked at, is it? Exhibit- - ?---No. I would say it will be the agreement for Mr Laliotis' solicitors, the first agreement.

40 Oh, I see. That's when Mr Konistis was aware of it. We weren't aware of it of this. It was varied because of - - -

Now, the next, the next passage reads, "Can you please urgently follow up minister meeting for Steve as he is full steam ahead?" What is that a reference to?---Getting the support later, obviously.

From whom?---From the health minister.

And had there been discussion about that?---That's all we were asked, that he would need further support from the health minister.

Who asked that?---Mr Spiridonidis. Yep.

And who was to organise that?---Mr Hawatt was going to do that again.

Why Mr Hawatt?---Well, we didn't have connections of anyone so he said he was - - -

10

And what connections did you understand Mr Hawatt to have that would enable him to get a letter from the minister?---Well, since, since he was in council, with councils all these years, he'll have a much quicker connection rather than us just ringing the office to say, "Look, this is what we're presenting." But at the same time, it was to his own interests as a selling agent which was, as wrong.

20

So, you did understand in November, 2015 that Mr Hawatt was not an ex-councillor but a current councillor?---Again, I never asked the question, never came in to my mind and I never thought to me it was important, was as ex or was he involved, I didn't know at the time. I, I, I - - -

But you said to us a moment ago it's because he was a councillor that he was going to make that approach.---Well, I'll rephrase that. Being a councillor, I should maybe I should have said, being a councillor or was he, I could have used any of those two words. So, I wasn't aware of if he was a councillor, wasn't he, was he at the time, was he prior, I don't know. I just used the word, yes.

30

And what was his connection that enabled him to get letters out of Bankstown's city council as you understood it?---Since he was involved with the council, still or was involved in past, he will have some connections going to the right person and speaking to the right person and we were told he would look after that department sort of thing.

40

Excuse me a moment. Can I show you volume 21, page 164, please. If we look at item 298, this is another text message extracted from Mr Hawatt's telephone, where the cursor is sitting at the moment. It's from Laki Konistis on 29 April, 2016. It reads, "And from John, dot, dot, dot, g'day, Laki. It's important to get Michael to put pressure by ringing his solicitor or Steve to find out if they are exchanging today. It's not working from my end."--- Yes.

Do you remember sending the text that appears to have been forwarded by Mr Konistis to Mr Hawatt?---More than likely I was very, yes, because at that stage it had (not transcribable) Michael's, in Michael's hand and I, I wasn't happy, yes, what's going on because - - -

What weren't you happy with or what weren't you happy about?---This, this agreement with Mr Hawatt.

The introducer's remuneration agreement?---Yes, because I don't believe this letter ever should have been in place from Mr Hawatt because he wasn't the co-agent. I introduced the buyer and I needed my, I believe somewhere along the line I did specify that Galazio has to be on the selling contract since I'm the introducer of the purchaser.

10 Can I ask you, when you say co-agent is that a technical term? If you could help us understand what you mean by co-agent?---Okay, sure. In real estate terms co-agent is like what I did with JLL if my name was going to be on - -  
-

The conjunction agreement?---No, no, no. I'll rephrase. I will explain to you. An agent is on the contract, okay?

A co-agent is on the contract?---An agent is on the contract.

20 An agent is, yes.---Yes. I was giving the listing. A co-agent is the third person that introduces the purchaser, okay?

Yes.---And usually his name goes up there to show that he's a part of the sales or he's entitled to a share of the commission, correct?

30 THE COMMISSIONER: So such a co-agent, did you say, his name or her name would go on the contract?---Usually, yes, or it could be a clause within the contract that, to specify that the purchaser was introduced by the co-agent. In this case the purchaser, co-agency, I didn't need to be in place because I was the, I was the contract with the client and I was asking the sellers to sign direct a contract under Galazio Properties. Am I confusing you there?

MR BUCHANAN: Not necessarily.---No.

40 But can I just understand, wasn't Mr Hawatt performing a real function in introducing the owner? Because without the owner the purchaser didn't have anything to purchase and you, as the agent for the purchaser - - -?---Correct, correct, correct.

- - - wouldn't have had the opportunity of garnering commissions.---In this case Mr Hawatt should have been the selling agent, okay? Correct? And as the selling agent should have an agency agreement in place. So - - -

If he wasn't a licensed real estate agent, did that prevent him from having a selling agent's agreement?---Maybe yes, maybe not. If there was something to get paid, will have to get paid again from the owners direct. In, in my case I wasn't happy with the whole process because again my name was on

a piece of paper that it meant nothing to me because Mr Hawatt wasn't even an agent, and through the process I was expressing that I was never happy and I wanted an agency agreement between myself, my company and the owners of the property.

So I appreciate that you're not referred to in the introducer's remuneration agreement, Exhibit 97, but you did sign it.---I did sign it, yes.

10 Why did you sign it?---Because I had no other option. He knew the (not transcribable) direct. Yes, I did sign it but I did make him again, even at the time I met him, understand that I wasn't happy with this piece of paper which meant nothing to us, because - - -

All that's doing is protecting his interests, not yours.---Exactly right. To me, because I've done the introduction, he took over and, and I, I'm happy to go just a brick further down. Mr Hawatt took control of the whole thing with Mr Spiridonidis. Eventually the property did exchanged.

20 It did?---It did exchange. It has exchanged.

Using what agents?---Wasn't me. Now, within the - - -

Was it Mr Spiridonidis who bought it?---Yes, sir.

And it was Mr Elcheikh who sold it?---Yes, sir.

30 And did Mr Hawatt get anything out of that exchange?---That I'm aware of, no, but I do know that there was half a million dollars, it was done on an option for two years, there was a half a million dollar exchanged money as a deposit and I do believe I - - -

40 An option fee or a deposit?---It's an option fee, it's a deposit, that deposit gets lost if they don't proceed, either way that deposit gets lost. Now, I do know out of the \$500,000, \$200,000 was released to the vendors obviously. What happened with the money, I'm not aware of. I wasn't happy when I found out from a third party that was exchanged and very disappointed to find out from both party of solicitors that didn't involve us because I have an agency agreement and I believe I have given to you, you've got in that, eventually yes, I did lie and I said to the vendors, "If you're not going to sign this agency agreement direct with me the deal's not going to grow." They weren't aware of, I did set up a meeting with Mr Elcheikh, I left it with him and that agency agreement was sent to me back a couple of weeks back because he was waiting for his brother to come from overseas. So at that stage I was more comfortable because now I've got an agency agreement in my hands that, showing me that I had talking with the vendors and there was a solid letter from the agency, from REI, the Real Estate Institute, that he has basically admitted that I have (not transcribable) these

customers, and if this sale eventually gets approved I will make my commission.

I just want to go back.---Yes.

What did Mr Hawatt get out of that, if anything?---I, I don't know. I do know that there was half a million dollars exchanged on and I'm pretty sure the solicitors are aware of.

10 Which solicitors?---Um - - -

Whose solicitors, sorry?---Tom - - -

Zreika?---Zreika, yes, because he was the acting agent of, on the contract and obviously the purchasers' solicitors. So as I said to you before, going back to the other, as agents we're always hoping that the agent, the solicitors will do the right thing because by rights that money should have come to our trust account, unless specified in the seller's or the owner's or whatever, they want to exchange direct with their solicitor's trust account, but either  
20 way we should have been notified and say, look, property will exchange or has exchanged, your deposit, the holding deposit (not transcribable) is within our trust account. We've never received a letter, never a phone call, and - - -

Thank you.--- - - - then I got worried because I'd like to say this, because Mr Vas said to me, "You're not going to get a cent out of this."

Mr Vasil?---Yes, George Vasil said to me.

30 And what did you understand him to mean when he said that?---That I'm not going to get a dollar out of this.

Out of - you're shaking the - - -?---The agreement.

- - - introducer's remuneration agreement.---The introducer's remuneration agreement.

Exhibit 197.---Yes.

40 And that's what made me really even more going after for that agency agreement which you do have in there, it's a green colour.

Commissioner, I note the time.

THE COMMISSIONER: Yes.

MR BUCHANAN: I haven't quite finished with the witness I'm afraid.

THE COMMISSIONER: Right. Mr Dabassis, will you be back here at 9.30 tomorrow morning.---I have to, I have to, don't I. I know it's short notice but I have to, I have to.

We're adjourned until 9.30 tomorrow morning.

**THE WITNESS STOOD DOWN** [4.39pm]

10

**AT 4.39PM THE MATTER WAS ADJOURNED ACCORDINGLY**  
[4.39pm]