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INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 24 JULY, 2018

AT 9.30AM

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

THE COMMISSIONER: If you take a seat, Mr Dabassis.

MR DABASSIS: Sure.

THE COMMISSIONER: I'm sorry, Mr Boatswain.

MR BOATSWAIN: I apologise, Commissioner, I should have waited. Mr Pararajasingham can't make it this morning so I'll be appearing on behalf of Mr Stavis.

10

THE COMMISSIONER: Right. Thank you.

MR BOATSWAIN: Thank you.

THE COMMISSIONER: And, sorry, Mr Buchanan?

MR BUCHANAN: No administration.

MR BUCHANAN: Commissioner. Mr Dabassis, before we adjourned yesterday you were telling us about the events involving the potential Revesby deal. Remember that?---Yes, sir.

10 And you told us yesterday, transcript page 3020, that there would have been three or four different occasions where there were meetings, might have been two, with Mr Hawatt involved and Mr Vasil, that's line 34, and this was in – excuse me a moment – in response to me asking you questions about meetings at Salvatores café. And do you remember as well you told us about a meeting where we showed you that there were text messages indicating that the date on which it occurred was 22 September, 2015 at La Plaka Café in Burwood?---Yeah.

20 Which came first, meetings at Salvatores café or meetings at La Plaka or a mixture or what?---To my memory I would say Plaka, because the purchaser was involved, Mr Spiridonidis was involved.

But you also had meetings in the absence of Mr Spiridonidis, is that right? ---Absolutely, correct.

And were they at Salvatores café?---Yes.

And who did they involve, who did those meetings involve?---On a couple of occasions myself, Laki Konistis, George Vasil and Mr Hawatt.

30 Is it possible that those meetings occurred before the meeting that involved Mr Spiridonidis?---Is it possible? I'm sorry, reframe.

Yeah. Is it possible that you and Laki and Mr Hawatt and Mr Vasil were exploring the potential for a deal before you actually brought your client in, Mr Spiridonidis?---Ah, no, no.

40 He was there at the outset, was he?---Everything we discuss it was after the event that we knew we can put a hospital, we had gone far into the interest of Mr Spiridonidis, it was after we sort of met Mr Spiridonidis, there was interest and everything, so that's when we had discussions with Mr Vasil and Mr Hawatt.

I'll approach it another way.---Please.

Were there any meetings of which you were aware about a potential Revesby deal before Mr Spiridonidis was present at such a meeting? ---Yes, I would say, before Mr Spiridonidis, yes, yes.

And where would – do you remember where such a meeting was held?---
There would have been a few. I'd say the majority would have been at the
café.

Which café?---Again - - -

Salvatores or La Plaka?---Salvatores, Salvatores, yes.

10 Salvatores, yes. And why do you say that?---Because that's all I can
remember right now. I'm just trying to rephrase a meeting that we had at
the Lantern Club - - -

Who is we?---We, like George Vasil and Mr Hawatt was there and Laki
Konistis.

Yes.---I can't remember now if that was the reason we went there for the
hospital, we discussed the matter for the hospital, so I just want to put that in
there, if it helps you.

20 THE COMMISSIONER: Was that the meeting where you were introduced
to Mr Azzi?

MR BUCHANAN: The man, Pierre?

THE COMMISSIONER: Sorry.

30 THE WITNESS: Yes, yes, yes, yes, yes. But after that also remember I
said we went into a separate table with Mr Vasil and Mr Hawatt and I
believe we did discuss the hospital at that time, at that, yeah.

MR BUCHANAN: What I would like you to do if you can, please, is think
about at what stage or what happened for the potential Revesby deal to go
beyond your awareness that there was a site which potentially could go to
the market that you were made aware of by Gary Singh, so you had that
awareness for some time, correct?---Very short time, yes.

A very short time?---We checked within the council's website and we knew
that particular area, we can establish a hospital on. It was on the council
website.

40 Who was it that you next met or spoke with to take it to the next level.---The
next level. Mr Vasil.

Right. And was it after meeting with Mr Vasil that on the next occasion or a
subsequent occasion, you met with Mr Hawatt?---Correct. Again, Mr
Hawatt got involved, yes.

And then on a subsequent occasion to that, Mr Spiridonidis was involved and that was at La Plaka Café in Burwood on 22 September?---Yes. Can I just make, I, I am aware that there were other meetings between Mr Hawatt and Mr Spiridonidis that I wasn't involved, that I didn't even know about it but I knew that took place of.

10 Just pausing there. When you say between Mr Hawatt and Mr Spiridonidis, you mean between the time that Mr Hawatt came into it and between the time that Mr Spiridonidis came into it or do you mean that you're aware that those two men had meetings in your absence?---Yes.

Which one?---It's the second one. In my absence, yes. After obviously the introduction had happened.

Right. So, after La Plaka café?---Yes. So, after we introduce and we ask for the support letter from the council, the Health Minister, I know that quite a few meetings had happened between which I wasn't aware of and I found out.

20 And just for the record, you mean that you know that there were meetings between Hawatt and Spiridonidis where you were not present?---Correct.

And Mr Konistis was not present?---Correct.

30 Thank you. Excuse me a moment. Now, thinking of Mr Spiridonidis, was there ever an indication of which you are aware that Mr Spiridonidis was interested in the Harrison's site?---It was, I had – I'll rephrase this. None for what I'm doing with development sites. He was asking me, he said, did say to me that, "If there's any big sites, let me know," and I said, "Fine." One day I went to his office at Marrickville and he did mention to me, somehow it slipped out of his mouth that he was introduced to that site by Mr Hawatt and he did make an offer of \$40 million I believe it was, if I'm correct, and I smiled at him, I said, "How did you (not transcribable)?" and then I found out from him that Mr Hawatt has taken, had taken Mr Spiridonidis across to Mr Demian, I assume, and he lodged an offer and I smiled at him and I said, "You will never get the site," and he said, "Why?" I said, "Why would they give it to you for \$40 million?" and I'm correct on that now, I'd like to – a hundred per cent.

40 Don't worry about looking back in retrospect, just tell us what happened, please.---Yes, yes. So, I said, "You will never get it for \$40 million because we've offered 50-something million and they have, and sort of it's been rejected." So, and basically it was left like that but I did find out that he had gone with Mr Hawatt to, and he'd been, he was introduced to the Harrison's site. I don't know where the meeting, what, how exactly it happened but he did mention that to me.

Was there anyone else present when Mr Spiridonidis told you that?---No, sir. It was between me and him.

Mr Konistis was not present?---No, sir. No.

10 And when was it in the stages of the negotiations over the Harrison's site that you had this conversation with Mr Spiridonidis at his office in Marrickville?---It would have been between you know, the offers, that it was happening, I would say the 2nd and the 3rd, the 3rd offer that we had. It would have been about there somewhere. It would have been about there.

So possibly around March/April, 2016?---I'll be lying for the, I just don't recall the date.

20 Okay.---I went through just to, sorry again, I'm just trying to help you out. I just went, I rang Steven. I said look, I'm going to be in the office and one of the reasons he's, where he was working off my accountant has got an office in there and I said, I just popped into his office, how are you, just to catch up to find out what is happening with the hospital.

Was there any further discussion with Mr Spiridonidis either on that occasion or on any other occasion about his potential interest in the Harrison's site?---No. It was left at that. It was left at that.

Did you hear from Laki Konistis anything about Mr Spiridonidis's potential interest in the Harrison's site?---Not from Laki. I, I did mention that to Laki, yes, myself.

30 Right. But he didn't indicate that he had any other knowledge in relation to that?---No. Mr Spiridonidis met Laki on a couple of occasions through me but they never had basically contact between them, no.

And did Mr Hawatt ever say anything to you about Mr Spiridonidis or his company potentially being interested in the Harrison's site?---Never.

40 Were you ever present when anything was said by Mr Hawatt indicating that he thought AGC Asset Management or Mr Spiridonidis or a company like that might be interested in the Harrison's site?---Not that I'm aware of, no.

You never were present when Mr Hawatt said anything to the effect that there might be an investor who has previously invested in private hospitals who might be interested in the Harrison's site?---I don't, no, I don't recall. I don't think so because if there was a gentleman who, or hospitals it was a gentleman that I introduced, it was the purchaser for the hospital so when he told me there is somebody who does hospitals the minute I already had introduced the gentleman purchasing the hospitals. You understand? The

introduction of Mr Spiridonidis and Hawatt was made by me. They never knew each other prior to that. Am I confusing you?

No. I'm just trying to check that I understand what you're saying.---Okay.

10 After you had as it were introduced Mr Spiridonidis to Mr Hawatt, did Mr Hawatt say anything in your presence or on the phone to you to indicate that it might be a good idea to interest Mr Spiridonidis or some investor with an interest in private hospitals to Mr Demian?---Not that I recall. To my memory, no. Not that I recall.

That is the examination of the witness. Sorry, excuse me a moment. Could the witness please be shown Exhibit 69, volume 21, page 171. These are two text messages extracted, this is numbers 386 and 387. These are two text messages extracted from Mr Hawatt's mobile telephone.---Yes.

20 Number 386 is from you to him on 7 June, 2016 at 6.55pm and it says, "Dear George, Michael and Laki."---Ah hmm.

So obviously you'd sent it to all three.---Correct.

"Just as I expected, the meeting was a total waste of time." Now, can we just pause there before I take you through the rest of it. You had met with Mr Demian at his office at Parramatta with George Vasil on 4 June, 2016. Is that right?---Correct.

30 This is three days later. Looking at the rest of the message, is the meeting, the reference to a meeting being a total waste of time in your text message on 7 June a reference to the meeting that had occurred on 4 June with Mr Demian?---Correct, yes.

40 So we keep on reading. "I have been honest with you all from the outset and explained to you that \$2.2 million commission was for the consortium. The vendor this evening has agreed to this \$2.2 million commission which basically means that not one cent of our commission is secured if the agreement is signed at that price. After speaking with the purchasers tonight they have asked me to proceed and as such I'll be telling Charlie," I'm sorry, "I'll be letting Charlie know tomorrow to sign at \$2.2 million inclusive of GST. I'm very disappointed that all this time you told me you controlled the owner and now it is up to you two to make sure he lives up to whatever promise he had made to you. I will not lose my credibility in front of such people and will be proceeding with the commission as it stands. They deserve to secure the site at the price they have said. I will however ask them for a small payment of \$10,000 just to cover my expenses and my time. I trust and hope that you gentlemen will be able to deliver a better outcome for all of us as promised to you I suspect. Regards, John Dabassis." Do you recall sending that text message?---I would say yes if

that's what it says here, yes. I don't recall but obviously it has come to me.
Um - - -

It refers to the vendor this evening having agreed to the \$2.2 million commission.---Right.

Was that a communication you'd had with Mr Demian?---Yes um - - -

10 Or had you had a communication with someone else saying that Mr Demian had agreed to \$2.2 million?---(No Audible Reply)

I'm not saying it's one or the other, I'm just asking you - - -?---Yeah, I'm just trying to - - -

- - - what's your memory?---Yeah, I'm just trying to put my memory together, you know, it's such a long time. Basically what I read here it'll be based on the agreement that it was signed or was told by Mr Demian.

20 But something happened that evening, something happened before 7 o'clock on 7 June, 2016, which is in between the meeting you'd had with Charlie Demian and George Vasil at Parramatta - - -?---After the meeting.

- - - and 14 June when George Vasil collected the agency agreement.
---Yeah, it was always a discussion about numbers, it was always a discussion about commissions, he didn't want to pay this, he didn't want to pay that, less commissions, less percentages and that's what it was, I believe that's what I was trying to explain to them, things were changing daily, by the hour basically.

30 Why did \$2.2 million commission mean that basically, "Not one cent of our commission is secured?" Because of a reduction of \$500,000 from 2.7 million to 2.2 million, is that what you meant by that?---Yeah, I'm trying to think. Again it was never, it was never, I'm trying to find the word, that Mr Demian was the sole director of the company that he signed the agreement, I was never, it has never come to my, is he the director, is he the authorising, again the agreement had come to me but I, probably I remember asking the question, is he the director, is he the person that he's liable for commissions, is this, is this agency agreement valid, and I think that's what I was trying to tell.

40

But it was an agency agreement drafted by you at that stage?---Yes. But when the signature came back to me signed.

But that's days later.---Yes.

Days after this text message was sent.---Yes.

So, I'm just trying to ascertain your thinking at the time you prepared and sent this text message to Laki and to George and to Michael Hawatt. There's nothing in here saying you didn't know whether Charlie controlled the vendor or whether he was the vendor and, in fact, can I just make this suggestion to you, there's nothing in any of the documents we've seen that indicates a concern on your part that Charlie Demian was not the actual vendor or didn't have complete control over the potential purchase of the site. I'm sorry, the potential sale of the site.---Yes. I had requested if the agency agreement was to be signed and if it was with Charlie and he was the sole owner on it. If he was or not, I have requested a proof, a letter from his lawyer that he's the sole director of the company or, if not, that he had every right as authority to sign that document in a text message.

You say in this, "I am very disappointed that all this time you told me you controlled the owner." What was it that had been said to you by George and/or Michael to indicate to you Michael that they controlled Mr Demian? ---Well, the owner, because Demian the owner, and, "Don't worry about it, leave it up to us, you know, leave it up to me and I'll fix this." Usually that will come from Mr Hawatt, the same story as the hospital. "I know the, you know, I know the owner, don't worry about it, leave it up to us, leave it up to me, leave it up to me."

You went on to say in the text, "And now it's up to you two to make sure he lives up to whatever promise he made to you." What's the promise that you had in mind there?---We were talking about the commissions obviously for the sale to go through, yes.

Yes. Is it a commission over and above \$2.2 million?---Well, we were talking about the two point – obviously we were going in with the 2.7 and then it was reduced down to \$2.2 million.

Yes. And your reference here, though, is to whatever promise he made to you, that's to say George and Michael in relation to commissions. So, you remember yesterday that there was a conversation between Laki and Michael Hawatt about an extra commission, \$300,000?---Yes, correct, correct.

Is this a reference to that or something else?---I assume so, yes. I assume so, yes.

Can I take you then to item 387, which is a text message at 10.19 the same night, on 7 June, 2016. This time to Mr Hawatt from Laki Konistis. He says, "Folks," so it sounds as if he's talking to someone as well as Michael Hawatt but, "Folks, the \$2.2 million commission, which also includes the 300, is accepted. John is to receive 100 of this and I am sure nobody will begrudge the effort he has put into his project. Mike and George, you two must now pick up John's signed agency agreement plus the contract plus all other documents requested by John urgently tomorrow for the purchaser.

Please collect from Charlie tomorrow and let's meet up tomorrow afternoon when you have all the documents to hand over to John." So, that's not the same as what you said in your text, where you said that, "The vendor this evening has agreed to this \$2.2 million commission, which basically means that not one cent of our commission is secured if the agreement is signed at that price," because he, Laki replies, "The \$2.2 million commission which also includes the 300 is accepted," and then he goes on to say that your share of that would be 100. Do you see that?---I'm trying to work out, you're trying to tell me the difference between the \$2.2 million plus or the \$2.2 million inclusive. Is this your question?

Well, I'm trying to – yes, except you're the one who sent the text at 6.55 on 7 June, sir.---Yep. Scroll down.

And you say in the text, "The vendor this evening has agreed to this \$2.2 million commission," and you then go on to say basically, "Not one cent of our commission is secured." Is that a reference to a commission over and above that is not written down anywhere but is simply some sort of handshake agreement, as you understood it, between Hawatt and Vasil on the one hand and Demian on the other hand? Or is it a reference to, "We get no commission at all because \$500 million had been taken out"? I'm sorry, \$500,000 has been taken out. You can't assist us?---I just, I just - - -

I don't want you to make anything up so, please, Mr Dabassis - - -?---Yeah, I don't want to and that's why I don't want to speak because now - - -

- - - don't try and make up evidence to - - -?---No. No, no, no, I won't do it. I won't do it. If I can't answer I'll prefer not to because it's just so confusing right now for me, you know. My brain is just, we're going back two years or something and I understand you want, you'd like to get an answer. Just I don't understand right now what I've done there. I just, yeah.

But it does suggest that that evening you've had a communication from Mr Demian - - -?---Demian.

- - - either directly or indirectly, that it wasn't going to be a commission of 2.7 million as you'd written into the agency agreement.---I remember discussing that.

Who told you that it wasn't going to be 2.7 it was going to be 2.2?---It was Mr Demian on the night. I remember he was refusing to pay the 2.7 million.

So there was a phone conversation?---No, no, no. That was at the meeting. I never discussed \$2.2 million or any, or any further discussions with Mr Demian. I don't think we ever, to what I recall I don't even think we ever spoke over the phone with Mr Demian. The only time I really had a discussion it was over, in his office over the commission when I presented

the agency agreement. I could be wrong but 99 per cent I don't think I ever had any discussions - - -

And you can't help us as to what your reference to "the vendor this evening" means?---No.

10 Because it does tend to suggest that there had been a communication, directly or indirectly, between you and Mr Demian.---No doubt about it, it would have been on the night, no doubt about it, but it wouldn't have been after hours. I can guarantee you just about that.

Was it Mr Hawatt - - -?---Mr Hawatt wasn't there.

- - - telling you that?---Mr Hawatt wasn't at the meeting.

That's correct, but you knew - - -?---Could have been - - -

20 - - - that he was a person - - -?---Yes, could have been something would have - - -

Excuse me. Excuse me. Excuse me.---Sorry.

You knew that Mr Hawatt was the person that you've been told by Mr Demian at that meeting to talk to for future - - -?---Correct.

- - - negotiations.---Correct. Correct.

30 And so I'm just asking was it Mr Hawatt who conveyed to you the news on the evening of 7 June, 2016 that Mr Demian wasn't going to agree to \$2.7 million it was going to be \$2.2 million?---I, I don't believe that would have come direct from Mr Hawatt. It might have come direct from Mr Konistis through Mr Hawatt. I don't remember me having the conversation with Mr Hawatt over that. So it would have come from Mr Konistis, the property - - -

But Mr Konistis would only have got it from Mr Hawatt?---Absolutely. Absolutely. Because he doesn't know Mr Demian at all. Never spoken to him. Never met him.

40 And I just want to confirm something that you mentioned a moment ago. Is it the case that at the meeting on 4 June, 2016 at Parramatta Mr Demian had indicated that he wasn't prepared to pay \$2.7 million or that he was unhappy about paying a commission of \$2.7 million?---He was never happy to pay all that money, no. We always knew that. Even when we had a meeting at - - -

Frappe.--- - - - Frappe, you know, that he wasn't prepared that much money. He wasn't prepared and we always said we're giving you more than what you were asking but the more we gave him the more he was asking so - - -

Sorry, what do you mean by that?---The more we were offering the more
- - -

10 That you were offering what?---For the site.

Oh, yes, the higher the price.---Yeah, for the higher price. You know what I mean?

Yes.---So nobody's happy to pay \$10 everybody wants to pay nothing, but he was never happy and again it was a dealing no, I'm not going to pay 2.7 I'm going to pay this. We were talking about 1.8, we were talking about 1.9. I remember all these numbers were coming in.

20 This is at the Parramatta meeting?---This is at the Parramatta meeting.

Thank you. That's my examination of the witness. Thank you.

THE COMMISSIONER: Yes, Ms Bulut?

MS BULUT: No questions, Commissioner.

THE COMMISSIONER: Mr Neil?

30 MR NEIL: Thank you, Commissioner. Mr Dabassis, I appear for Mr George Vasil. Do you understand that?---Yes, sir.

I just want to ask you a few short questions. You were very interested in obtaining an agency agreement for the Harrison properties were you not?
---Correct.

There would be a lot of money in it for you if you could become the agent, correct?---Absolutely.

40 And the CBRE I think it is, had, when you first made inquiries, an agency?
---At the time that I was, yes, correct.

And that it was important to you to, if possible, once their agency expired, obtain an agency for yourself, correct?---Of, I'm sorry, reframe.

Once their agency expired it was important for you to try and obtain an agency for yourself.---An agency agreement, correct.

You did not at that time know Mr Demian. Is that right?---Correct.

You came to understand, did you not, that Mr George Vasil knew Mr Demian, right?---We assume he probably knew the owners and that's why we went there.

Yes. You initiated contact with Mr Vasil, did you not?---Correct.

In order to enlist his support to introduce you to Mr Demian. Correct?
---Once we found out (not transcribable) yes.

10

Yes. The aim being that if he could introduce you to Mr Demian you might be able to get from Mr Demian an agency agreement for yourself.---Correct.

By the means, by the words yourself I mean Mr Demian or his company or you or your company. Do you understand that?---Correct.

And indeed as it turned out, you did obtain from Mr Demian or his company an agency agreement for the Harrison property. Correct?---Correct.

20

Now, you told my learned friend, Mr Buchanan, that you're aware of the phrase, "introducer's fee." You're aware of that, aren't you?---Yes, I am.

And is that a fee that could be payable to a person who introduce an agent to a vendor?---Correct.

Which is what happened, isn't it.---Correct.

Mr Vasil introduced you to - - -?---The vendor.

30

- - - the vendor.---Correct.

And you would expect that Mr Vasil would be expecting, would you not, some possible remuneration for doing that?---Yes.

And you agreed to him receiving some money in relation to that, didn't you?---He receiving some money, from?

You agreed to Mr Vasil and other people - - -?---Yes.

40

- - - receiving some remuneration for the introduction?---If they were to ask for it, yes.

And if you were going to pay them some money for an introduction, the most logical place it would come from would be from any commission on a sale that you might get as agent if you were able to introduce a purchaser who bought. Correct?---Correct.

Yes, thank you. Now, if you have a look, please, at volume 21, if the witness could be shown volume 21 at page 171, which my learned friend has just been asking the witness about. Do you still have that, do you still have in front of you a volume that's called 21, page 171 and has some text entries, 386 and 387, do you see that?---Now I have, yep.

10 Thank you. Now, would you agree that the phrase in entry 386, "The vendor this evening has agreed to 2.2 commission," is that a reference to Mr Demian at the Parramatta meeting saying he wasn't prepared to pay 2.7 million but one of the figures that he might have been prepared to pay was 2.2 million?---Yes, sir.

Thank you. And this text of yours was dated 7 June, correct?---According to this, yes.

And it talks about what Mr Demian had said that evening, doesn't it, or that afternoon, one or the other?---Yes.

20 Because is it not the case, it would appear from this document, that you are reporting as soon as possible after the meeting to your colleagues about the very important matter of commission that had been discussed with Mr Demian, correct?---Correct.

And you're reporting as soon as possible, aren't you?---Correct.

You're not waiting three days to report, are you?---No.

30 Now, would you look at your calendar and will you agree – no, I'll ask you this first. This meeting at Parramatta was on a weekday, was it?---To my memory, yes.

And you're sure of that?---Pretty sure.

Wouldn't be a Saturday, would it?---No, no, no. It was through the week.

Well, if you look at your diary, you might find that 4 June, 2016 was a Saturday. Would you mind having a look at your diary or could Counsel Assisting agree to that, please.

40 MR BUCHANAN: Yes, that is correct.

MR NEIL: Thank you. And will you agree and/or Counsel Assisting would agree it follows, 7 June was a Tuesday?---Right.

And on Tuesday you're reporting to your colleagues as soon as possible after the meeting what had happened about the commission discussions with Mr Demian, correct?---Correct.

That would tend to suggest, would it not, that the meeting at Parramatta took place on Tuesday, 7 June, 2016, would it not?---Yes, sorry. I remember it was through the weekday, yes. Yes, it was on a weekday, yes.

Yes. Late in the afternoon?---Yes.

And then at 6.55 that evening after that meeting, you're reporting to your colleagues, correct?---Correct.

10 All right. and you're reporting that 2.2 million is a figure mentioned by Mr Demian because he wasn't going to pay 2.7 million, correct?---Correct.

The next entry on page 171 at entry 387, Laki is stating that the 2.2 commission includes the 300,000, correct?---Yes.

Was that not the case that it was to be 1.9 million component and a 300,000 component?---Yes.

And who was to get the 1.9?---Galazio Properties obviously.

20

THE COMMISSIONER: Sorry, who?---Galazio Properties, that's right.

MR NEIL: All right. And which you would share with some people?
---Yes.

All right. Now, I just want to ask you something a little further. If you would look please, if the witness could be shown volume 23 of page 227. This is the agency agreement which you obtained, if you could have a look at that. Now, you drew this document up in its original form and presented
30 it to Mr Demian at the Parramatta meeting, correct?---Correct.

There was some discussion about commission, he wasn't prepared to do 2.7 but he mentioned he might go to 2.2, is that right?---Correct.

Subsequently you received this signed and amended by Mr Demian via Mr Vasil, correct?---Correct.

And Mr Demian's signature appears at page 230 against the date 14 June. Do you see that?---Yes, yes.

40

Did you receive this document either on or shortly after 14 June?---Shortly after, yes.

Yes. Within a day or two?---I don't recall. Yeah, I would say, well from the day of signature, yes, it was a day or two. Yes.

It still gave you about 10 days until 26th to introduce a purchaser, correct?
---Correct.

And as we see from clause 2(i) on page 227, a fairly conventional clause I'd suggest that you were to be entitled to your fee if during the agency period, it says they, meaning the agent, effectively introduce a purchaser to the principal who subsequently enters into a binding contract. Do you see that?--Correct.

10 Now, all that means, does it not, that if at any time before 26 June, you introduced a purchaser to Mr Demian who subsequently bought, you'd be entitled to your commission, correct?---It seems so, yes, according to this.

Yes. And there was no complication about that, I'd suggest. If you had a purchaser, All you had to do was introduce that purchaser to Mr Demian, right?---Correct.

And if the purchaser subsequently entered into contract, even if it was weeks or months later, you'd get your commission, correct?---Correct. - - -

20 Correct?---Correct.

Yes. That's the conventional way it happens, isn't it?---Correct.

And you had, I think, I think you've told my learned friend that you made some arrangements whereby following the meeting with Mr Demian you would directly introduce any purchaser that you had to Mr Demian. You wouldn't go through anyone else to do that, would you?---No.

30 In other words you agree that you would directly introduce the purchaser to Mr Demian.---And I did that.

And if you had a purchaser, if you had a purchaser, all you had to do was to introduce that purchaser to Mr Demian at any time in the 10 days between when you got this, approximate 10 days between when you got Mr Demian's signed contract and 26 June, correct? Do you agree?---Correct, correct, yeah.

That's all you had to do, isn't it?---Correct.

40 There was no need for any extension of time, was there? Because if you had a purchaser, all you had to do was make the introduction, do you agree?---Correct.

And I want to suggest to you you had no discussions with Mr Vasil about any extension of time, do you agree?---No, I don't agree. I remember asking Mr Vasil for extension of the agreement.

There was no need for one. If you had a purchaser, all you had to do was introduce.---That purchaser I did not direct. That purchaser had to come from JLL.

Are you saying you really didn't have a purchaser?---I'm sorry, I'll rephrase. The purchaser was always there and he was introduced. He was, the details were sent to me by JLL, Gary Mayson, as I said before, and that email was forwarded to Mr Demian because he was insisting that he needs to know the purchaser, that there is a purchaser.

10

Well, are you saying you actually did the – are you actually saying that you actually did the introduction? Is that what you're saying?---I did the introduction that we did had a purchaser, but it came through a third party.

All right. Well, you didn't need an extension, did you, because you'd done the introduction. Agreed?

20

THE COMMISSIONER: When did you do the introduction?---I don't remember but it was done by an email requested by Mr Demian. I'm sure you have loads of records. That email was requesting from Mr Demian that he must know who the purchasers are. I've requested that from JLL, Gary Mayson, and I do believe it was on that particular Saturday night, on a Saturday night, that it was sent to me and I did forward it to Mr Demian. Now, I don't know if it's in, within that period or just before or after, but the records aren't showing - - -

30

MR NEIL: Well, Mr Dabassis, as soon as you got this agency agreement, you were pleased, were you not?---Absolutely, I was pleased because somehow I thought my commission will be secured.

And you moved as soon as possible to fulfil your part of the agreement by introducing a purchaser, didn't you?---Correct.

You didn't hang around, did you?---No, no reason to.

You got onto JLL and got whatever details you could get out of them and sent them off to Mr Demian as soon as you could.---Yes, sir.

40

Correct? You must have done it well before 26 June in that case, do you agree?---I just, I would like to rephrase again. I don't have the date but there is a chance I, I personally think it would have happened straight after the meeting that I had with Mr Demian persisting that he needed to know the purchasers.

Were you aware of any contact between Mr Laki Konistis and Mr Demian direct?---No.

All right. Could the witness be shown Exhibit 185, please, Commissioner. This is an email of 16 June, 2016 from Mr Konistis to Mr Demian. Do you see that?---Ah hmm.

Asking for contract. Do you see that?---Ah hmm.

Now, were you aware of Mr Konistis contacting Mr Demian?---As I said before, everything was happening. Yes, I would be aware of that.

10 What I want to suggest to you is that Mr Vasil's involvement with you in this matter related to the introduction, and thereafter you and Mr Konistis took up communications with Mr Demian, and Mr Vasil was no longer involved. Do you agree with that?---I'm sorry, can you ask me the question again?

After Mr Vasil went to this meeting with you at Parramatta, made the introduction, you and Mr Konistis carried out communications with Mr Demian thereafter.---Correct.

20 And that Mr Vasil was no longer involved. That's what I'm putting to you. ---Correct.

Other than sending this contract to you.---Correct.

Right. And he was not a person who would be involved in getting any proposed extension. Do you agree?---Extension of?

30 Of the contract of agency.---I had requested but from there on, yes, Mr Vasil wasn't much involved, yes.

And do you have any actual recollection of the date of the meeting at Frappe with Mr Demian?---I do have some recollection to what - - -

Was it in May of 2016?---No. I'm sorry, I would be lying there. I remember it was in early afternoon around about lunchtime as I mentioned yesterday. Yes, I don't remember the exact date. All that happened before I believe the agency agreement and the meeting him.

40 All right. Just one thing – no, I won't pursue. They're my questions thank you, Commissioner.

THE COMMISSIONER: Thanks, Mr Neil. Mr Andronos?

MR ANDRONOS: No questions, Commissioner.

THE COMMISSIONER: Ms Berglund:

MS BERGLUND: I have no questions, Commissioner.

THE COMMISSIONER: Mr Drewett?

MR DREWETT: Yes, I have a few questions, Commissioner. Sir, I'm the barrister instructed on behalf of Mr Hawatt. You understand that?---Yes, sir.

10 You were just asked a question by my learned friend as to whether or not you can recall the date of that meeting at the Frappe Café and you said you couldn't. If I was to suggest to you that it was probably on 10 May, 2016, that seems to be the likely date of it according to the evidence we've heard as recently as yesterday, do you accept that proposition?---I would say so, yes.

All right. So the meeting at Frappe would have taken place some two days before the amalgamation of council. Are you aware of that?---I'm sorry, I can hardly hear you.

20 Sorry. The meeting at the Frappe Café would have taken place some two days or so before the amalgamation of council?---I'm not aware of amalgamations of councils so I have no idea.

As I understand your evidence, even though you can't recall the specific date of that meeting at the Frappe Café I understood your evidence to be that my client, Mr Hawatt, never mentioned to you or never spoke to you about the subject of paid commissions. Do you agree with that, that was your evidence?---Not to me, no.

30 You agree that he didn't speak to you about commissions?---No, no, not on the day, no, no.

THE COMMISSIONER: Not, sorry?---Not on the day. Is this what you're rephrasing?

MR DREWETT: Yes. I'm asking about that meeting at the Frappe Café? ---No. I - - -

40 THE COMMISSIONER: So not at the Frappe Café meeting?---No, not that I recall. I don't think we're discussing money at that meeting with Mr Demian and Mr Hawatt.

MR DREWETT: So if we accept the proposition that that meeting was on 10 May, 2016 your evidence would be that in that meeting on 10 May, 2016 there was no conversation between you and my client in relation to the issue of paid commissions. Is that right?---To what I recall, yes. I'm trying to think now.

And when I put to you the proposition that there was no conversation between Mr Hawatt and you at that meeting at Frappe about paid commissions I would also put to you the proposition that there was no conversation that you would have overheard between Mr Hawatt and anybody else at that meeting in relation to the subject of paid commissions. Do you agree with that proposition?---Correct.

10 And it was only some days later, after that meeting on 10 May, that you get a call from this person who we know as Laki Konistis and he told you about a conversation that he had had supposedly with my client. Is that right?--- According to my memory I think it was in the same afternoon.

All right.

THE COMMISSIONER: Sorry, when you say the same afternoon - - -?
---Yeah, after the meeting I - - -

20 At Frappe?---Yes, hours later. To what I sort of trying to put in my mind, yes, I believe it was the same day, yes.

MR DREWETT: Your – I'm sorry, Commissioner.

THE COMMISSIONER: No, that's fine.

MR DREWETT: Your recollection though of dates and times, will you agree with this general proposition, isn't that clear. Do you agree with that?
---Correct.

30 And I think you've said on a number of occasions or the effect of what you've said on a number of occasion is it's been quite a struggle for you to look back, given the period of time that's elapsed?---Natural thing, absolutely, yes.

So if I was to suggest to you that the conversation that you're referring to that you may have had with this Laki Konistis might not have been on that afternoon, it might have been the following day or even the day after, you would agree with that being a possibility, wouldn't you?---It could have been, but my mind always goes in the same afternoon again.

40 All right. And as I understood the evidence that you gave when answering questions put to you by Counsel Assisting yesterday, you made assumptions, and I think the word assume was your word, you made assumptions that my client, Mr Hawatt, was going to be paid a commission, didn't you?---Of the \$300,000, yes.

And I think your words were, "Why else would he be there?" Can you recall saying those words in effect, "Why else would he be there," to

questions put by Counsel Assisting?---I'm trying to remember, like everyone else, yes, I would say that, yes, I probably did say.

So is it the situation that your evidence is that you, following the meeting at Frappe Café, you made certain assumptions that Mr Hawatt would be paid a commission because why else would he have been there? Is that a fair way to put your evidence?---Correct, yes, I would say.

10 Okay. And I think – and these are your words – and if I misheard then I apologise, but you used the words that he would be getting a commission as far as you were concerned for doing, for doing, “bugger all.” I think those were your words. Do you agree that you said those words first of all, to make sure I'm not in trouble?---Yes, I do remember, yeah.

20 All right. So in your mind, even though the issue of commissions had not been raised by my client, Mr Hawatt, and even though this was an assumption that he would be paid a commission because why else would he be there, my client would be getting paid a commission for doing, “bugger all.” That's your evidence, isn't it?

MR BUCHANAN: I object. The first premise is somewhat more expansive than the evidence of this witness. This witness has agreed that he didn't hear Mr Hawatt say anything at the Frappe meeting about receiving commissions and he didn't hear Mr Hawatt talk to anyone else about receiving commissions at that meeting, but that qualification wasn't present in the first premise of the question.

THE COMMISSIONER: Yes.

30 MR DREWETT: I agree with that, Commissioner. I'll withdraw the question and I'll ask this question. You agree that you gave evidence yesterday, and I don't want to mislead you in terms of the context that it was given, that you said that you believed that my client would be receiving a commission for doing, “Bugger all.” Can you recall saying that?---Correct.

What do you mean when you use that expression, that Mr Hawatt will be getting a commission for doing, “Bugger all.” Can you explain that?
---Well, out of the \$300,000, out of the \$300,000 that it was discussed.

40 Is it the situation when you use that expression, that my client would be getting paid a commission for doing, “Bugger all,” that you were conveying to this Commission that you believe that he would not have earned a commission because he wouldn't have done anything? Is that what you were trying to convey to the Commission?---Yes, until the (not transcribable) taking place, yeah, yes.

Yes, okay.

THE COMMISSIONER: Until the what, sorry?---Until the actual deal was happening, yeah.

MR DREWETT: I want to take you now to a proposition. It was a question put by Counsel Assisting yesterday in relation to this purchaser that you say you had for the Harrison site and the sum of \$58 million was put forward as a purchasing price. Can you recall being asked quite a few questions about that over the last day or so?---Yes.

10 Sir, have you in your years as a real estate agent ever come across the practice or practices of real estate agents who approach potential vendors pretending that they have a buyer for their site? Have you ever come across that in your experience as a real estate agent?---It happens very often.

Happens very often, doesn't it?---Yes. People speculate that they can afford or whatever if the price is right, yes.

Let me be more specific. Have you ever come across the scenarios or the practices of real estate agents telling potential vendors they have buyers for
20 their sites in circumstances where the real estate agent doesn't have a genuine buyer for the site?---Yes, I have come across.

Yes. Would you describe those sort of practices that I've just described or outlined that you've come across in the past as sharp practices? Do you understand what I mean by that?---I, I do understand what you mean, what you're saying but they weren't sharp. What, what - - -

All right. That would be deceitful. Do you agree with that?---Yes.

30 And dishonest?---Correct.

Sir, I'm going to suggest to you that you didn't have a buyer for the Harrison site, did you?---We, personally no. Through the third party, we did, yes.

I'm going to suggest to you that when you tried to muscle in on this potential deal at the Harrison site, you knew - - -

MR BUCHANAN: I object. That hasn't been accepted by the witness.

40 MR DREWETT: I'll withdraw it. I'm going to suggest to you, sir, that you were trying to push into the Harrison's deal in circumstances where you well knew that you didn't have a genuine buyer, didn't you?---I know what you're rephrasing. It's only, we did had a buyer months prior because we did present a buyer in the first deal with Draco Property Group. So, there was always a buyer there. Now, if the deal didn't happen for the first time with Draco Property Group and then the second consortium came in with Kannfinch and then the third one discussing again with Draco Property Group through JLL, they did, they did, confirm with me that there was a

buyer interested. So, and that's why we went in to the Harrison's timber proposing that there is a buyer to purchase the property.

You wanted to convey to Mr Demian that you had a buyer in order to secure an agency agreement for yourself?---Correct.

10 And I'm suggesting to you that you knew that you didn't have a bona fide buyer and that when you tried to convey that to Mr Demian, you were being dishonest.---I wasn't dishonest because we did had a buyer through JLL and we presented it.

20 What due diligence, given that we're talking such large amounts of money, \$58 million, what due diligence did you take to ascertain the bona fides, the authenticity of this buyer? Can you take us through the processes that you went through to make sure, one, that this buyer had money and, two, that they were serious about this particular site?---This happens every day in real estate. With CBRE, with, with big international company, there's people every day, there, there are people like me working for a big firm and they have some connections and they've been approached, that we're looking for big sites of 2-300 units and obviously they're presenting themselves that they've got a, a buyer and obviously no one had a, very, very rare, a person will know direct somebody with multimillion company. So it's always referring, I know somebody (not transcribable) and this is, I can tell you now, 99 of mergers and acquisitions. I worked mergers and acquisitions for three years, selling businesses, and unfortunately this is how it happens. It's from one person to the other. Eventually the deals happen. It's a very, very small percentage that somebody will know Mr Packer direct, can I bring an example, that he will go in and close the deal direct with Mr Packer or whoever.

30 Thank you for that rather long answer, Mr Dabassis. I'll ask the question again. What due diligence did you take to ascertain the bona fides - - -? ---I've spoken with JLL, Gary Mayson. Came from (not transcribable) Property Group that they do have the buyers, and I spoke to Mr Mayson and he told me that the money in the company was there and they were ready to purchase if the - - -

40 So you were told that there was money in the bank or that there was a property portfolio that could be liquidated?---Yes, interested party, yes.

I'm sorry?---An interested party that had, yeah, possession, had the money to proceed with the purchase.

With respect, an interested party would have to have \$58 million in the bank, wouldn't they?---Yes. Correct.

What due diligence did you undertake to ascertain whether or not this interested party that you had heard down through the grapevine had \$58

million?---It's the same acquisitions that we do every day by selling a house. Somebody is interested and he's putting an offer there for \$2 million and we assume that he's got the money until the day he exchanges contracts and he puts 10 per cent down. Nobody knows. We work blindly until the day, as I said yesterday, no, no deal is done until money is on the table and a contract's signed.

10 So you were operating blindly, I think, to use your expression, and no-one knows. When did you communicate that to Mr Demian in relation to the Harrison's site that you've been given this name through this chain but nobody knows and you've done no due diligence and you're operating blindly. Was that ever communicated to Mr Demian?---No, I don't think it was any of his concern. At the end of the day we knew there was a group with money to purchase, what I was told through my communications with Mr Mayson, and this is how we approached the client.

20 Well, you say you knew that there was an interested party. You didn't know, according to your evidence. You were operating blindly.---Well, I can I, I don't think, sir, at any case when somebody approaches me and he says, "Can I (not transcribable) again? I want to purchase a \$2 million house." He'll show me his bank book that his money is at. It's, it's a normal practice I will do every day. Again, I would like to rephrase. Nobody knows by selling a property that the prospective buyer is coming approaching us that he's got the real money in the bank until the day it comes on the contract. And that's why we ask for the deposit in the contract.

30 And is it the situation that Mr Demian made it quite clear to you very early in your communications, either with him directly or through third parties, that he simply didn't believe you? He didn't believe that you had a genuine buyer. Is that a fair way to describe the attitude, as you saw it, from Mr Demian?---I would say so. I would say so. Usually it's the case of an amount of money for purchase of a property like this. He would have had the same experience through CBRE. I'm sorry, I'm going a little bit out of the - - -

40 He thought you were just trying to push in on a deal and that you didn't have a buyer and you were pretending to have a buyer just to get an agency agreement, didn't he?---I'm sorry, I, I'd like to insist on what I said before. We did, I had enough proof to say that we did had a purchaser (not transcribable) a prospective buyer, and we did introduce that.

Sure. But the impression you were getting from dealing with Mr Demian is that he didn't believe you. Do you agree with that?---At one stage. And it's something, we're all think that there's probably another agent and he thinks he's, you know, he's going to have a prospective buyer.

And the impression you would have got from Mr Demian, I suggest, was not only that he didn't believe you but that he didn't really want to have any dealings with you. Is that a fair way to describe - - -?---Not really. If he didn't want to have any dealings, he wouldn't be signing the agreement. At the end of the day, he did sign the agreement. He wanted to have a dealing. He wanted to make sure that there is a possibility he, you know, that there is a possibility he would be selling the property.

10 And the agreement you're talking about lasted for a very, very short period of time, is that right?---I'm sorry, he, I - - -

The agreement that he signed with you - - -?---Absolutely.

- - - and presumably that was just so this so-called purchaser, this real purchaser could be included and the deal will go through. Is that right? ---And I had that, yes, correct, and I had that discussion with him.

But there was no real purchaser and the deal didn't go through did it?

20 THE COMMISSIONER: Well, there's two propositions there.

MR DREWETT: I'm sorry. Thank you, Commissioner. Some questions were put to you by Counsel Assisting as to why this deal didn't go through with this purchaser you say that you've been told about that had \$58 million. Can you just say again why it is in your understanding why that deal didn't happen?---Well, the numbers kept on changing. The market kept on coming down. Money, we're talking about money then they, they changed their mind. The offer was lower. There was a lot of things that, you know. They thought no, we're not going to invest in the area. It is 30 Canterbury Road. A lot of the, a lot of dwellings were going up. A lot of approvals were going up and they probably realised no, it's not a secure site for us to, you know, invest our money in so - - -

And presumably these communications about the market changing, the properties going up or down and no longer wishing to invest in the area, these would have been communications made to you by this potential buyer. Is that right?---The feedback from JLL, yes.

40 And you have those emails?---No, I don't have emails. It could be verbal discussions that we had.

Do you say that those discussions in terms of why this \$58 million deal didn't go through, the reasons for it, that nothing was ever communicated by way of an email or a text message or anything of that nature?---That's true. My philosophy, I'm an old school. I prefer to speak to people and rather than going backwards and forwards with emails and discuss somebody five minutes and we get the answer rather than having emails. We've got better things to do than sitting on a desk.

Is the reason why there are no emails or text messages or letters in relation to the reasons why this purchaser decided not to go ahead because there was no purchaser and those discussions were never had?---Well, sir, I'm trying to understand what you're telling me and I do, and I do clearly I understand what you're trying to tell, what you're trying to tell me and what you want me to answer, but if I was misled by JAL [sic] that there was a purchaser and I invested all my time I'm sorry, apologies for that but, you know, they cost me time and money for all the time that I spent. Now, if I wasted
10 Mr Demian's time again I do apologise but unfortunately this is how the deals happen every day of the week and I'm sure he went through the experience with CBRE when he was locked in for three months and he spent 30, 40, 50, \$100,000 in marketing and nothing came out of there so it's, these are the experience that we all go through every day and I'm pretty sure Mr Demian was told the same story by CBRE that they had purchasers. And I remember I did mention that to him. He said to me, "Who are you that you think you might have a buyer?" I said, "There's a possibility." I said, "You invested money with CBRE and obviously they didn't perform." I remember telling him quite clear. I said, "Who's CBRE?" I said to him
20 and he just looked at me.

So can you describe your relationship as it is as of this particular day with this person we've been hearing about, Mr Laki Konistis. How would you describe your relationship with him?---Very good.

You're friends?---Yes, we are.

Yesterday when you were giving evidence, just before morning tea you were asked some questions. Can you recall that?---Yes.
30

By Counsel Assisting, and then after morning tea as soon as we came back you gave a document to Counsel Assisting which has been marked for identification and as I understood your evidence that was information that had been provided to you over the morning tea adjournment by Laki Konistis. Do you recall that happening?

MR BUCHANAN: Well, Commissioner, I don't recall that being the burden of the witness's evidence. I do recall what he said before the morning adjournment and that is that he wanted to consult his phone and
40 then after the morning adjournment we were provided with MFI 3.

THE COMMISSIONER: My recollection was that on MFI 3 there was the name of, and I've gone blank.

MR DREWETT: Can I ask the question in a different way, Commissioner.

THE COMMISSIONER: All right.

MR DREWETT: Because I think I'll – that was a clumsily-worded question, I apologise of that. Can I ask this. At morning tea yesterday, and you understand what I mean by morning tea, there was a break at about half past 11.00, did you telephone Laki Konistis?---Yes, yes, I did mention that, yes.

Why did you do that?---Um, I did mention it, I'm sorry, I just, right now um, I did ask um, please help me here, you've got - - -

10 No, no, no, no.

THE COMMISSIONER: Would it help if I give you - - -?---Yes, yes.

MR DREWETT: I'm sorry, Commissioner, that was very rude of me. I think he was addressing something to you.

THE COMMISSIONER: Would you - - -?---Now I remember, it was something to do with Mr Jamison's telephone which you've requested the exact number, the exact - - -

20

My recollection was you were asked to check your phone for Mr Jamison's name - - -?---Yes, yes.

- - - but if we hand you MFI 3 - - -?---Yes.

- - - there was some additional information I think down the bottom as recorded on the Post-it note.---Yes, I recollect that, yeah.

30 MR DREWETT: Now, I haven't seen that document, it's not my document, sir, but do you accept that you did call Laki Konistis - - -?---100 per cent.

- - - during the course of your giving evidence yesterday?---Within the break, yes, of - - -

40 Okay. And can you tell this Commission why it was that you called Mr Konistis at a time when you were giving evidence and at a time just before Mr Konistis is to give evidence?---For the simple reason, to find out if the first, if – somehow the whole, we, we were all confused about the offers because we had three offers, and I did ask that the first offer that was a letter, there was an (not transcribable) that we had delivered to Mr Vas at the \$64 million. I couldn't remember.

Sir, how long were you on your telephone - - -?---Um - - -

- - - yesterday to Mr Konistis at that time?---30 seconds, under a minute.

Did you talk to him last night?---Yes, I did.

All right. What time did you call him last night or yesterday afternoon or last night or - - -?---After here, Mr Konistis was here from yesterday afternoon.

Okay.---He was called in to be a witness and we spoke on a couple of occasions, yes.

Okay. So you spoke to Mr Konistis yesterday following the close of play, when we finished about 4.30 yesterday. What time did you speak to Mr
10 Konistis?---Straight after. We left together, to be quite honest with you.

I see.---We went home in the same, in the same train.

On the same train. When you say you spoke to Mr Konistis, obviously if you travelled together you would have been speaking to him, did you communicate with him at any stage yesterday, let's say from 4.30 in the afternoon until let's say 9.30 this morning, are there any phone calls, if you were to check your phone here today?---Yes, there was.

20 How many phone calls did you make to Mr Konistis?---I don't remember, could have been three or four phone calls.

Okay.---Arranging, talked about what happened today and yesterday and again we stated that we're here to say the truth, we stated that I was going to pick him up in the morning so we can ride down because we're going to catch trains.

I see. So you not only left with Mr Konistis yesterday, you came to this
30 Commission here this morning with Mr Konistis. Is that right?---Correct, correct.

And I think you – and I definitely don't want to put words in your mouth, sir, but do I understand it from what you were just saying that you were speaking to Mr Konistis about your evidence and about what had happened and things of that nature?

I'm sorry, Commissioner.

40 THE COMMISSIONER: I'm sorry, Mr Drewett, could you just break it up? There may be a difference between different parts of that question.

MR DREWETT: Yes, yes. Well, can I take you through first of all, and I'm being mindful of what the Commissioner said, that was a long question with a few propositions put into it. I think you said three or four telephone conversations. Is that right?---I'd say so, yes.

Would you be able to turn your phone in if the Commissioner allows and just check, if you're able to, if it's the same phone, to tell us exactly how

many calls you made to Mr Konistis say from 4.30 yesterday afternoon until 9.30 this morning? Commissioner, would that be okay if he turned his phone on?

MR BUCHANAN: Commissioner, can I object? In my respectful submission, the witness has made it perfectly clear that there were multiple and on some occasions lengthy opportunities for the evidence to be discussed and indeed it was discussed. Why we need to go further than that in exploring the extent of the opportunities, I am not sure.

10

THE COMMISSIONER: He has agreed that he caught the train home yesterday with Mr Konistis, then there were three to four telephone calls, then I believe they caught the train again this morning.---I - - -

Oh, I'm sorry.---Yes, no. Correct. I did picked up the gentleman from next suburb from his house and we drive to Marrickville train station and we arrive together.

And you caught the train in.---There's nothing to hide.

20

I think that does establish that if they were going to discuss things, there was ample opportunity.

MR DREWETT: Yes, Commissioner. As a matter of credit, I would like to explore the truthfulness or otherwise as to whether or not it was three or four calls. Could the phone be turned on just to ascertain the number of calls. I take Counsel Assisting's concession and I think the Commission would be satisfied that there has been plenty of opportunity but the evidence is specifically three or four calls. I would, with respect, like to explore whether or not that was a truthful statement given by this witness under oath.

30

MR BUCHANAN: Is it suggested there would have been less than three or four?

THE COMMISSIONER: I think there might be a suggestion there might be more.---Could have been more, one more. I can, I can tell you.

MR BUCHANAN: I'm still not quite sure where this is taking the Commission, with the greatest respect, because given that there's evidence of ample opportunity and there's been a concession that the evidence was discussed, what more can be sought other than them going into well, what was discussed?

40

THE COMMISSIONER: I think that if you want to pursue, that's your next question.

MR DREWETT: Can I say this, if it is the situation for example, that it was not three or four but it was nine or 10, that would be a matter of credit in relation to this particular witness who's given evidence on oath and that is a matter with, with respect that should be explored.

10 MR BUCHANAN: But it doesn't matter with the greatest respect. If there is a clear concession that there was ample opportunity and that the evidence was discussed, it's not going to assist the Commission to find out that it's either less or more than the estimate the witness has given of the number of times that they spoke on the telephone last night.

MR DREWETT: I can't argue it any further, Commissioner. It is something that we would like to test. It is relevant, it is a matter that goes to the credit of this particular witness as to whether or not he has a propensity to telling truths. It may be that there are three or four calls there. It may be that there's a lot more but without a very simple - - -

THE COMMISSIONER: All right.---I can present the phone to you.

20 Could you just look at your phone?---Sure. I will let you have a look at it.

No, no, no. I don't want to have a look at it. Could you look at your phone and yesterday how many calls did you make to Mr Konistis?---6.55, there's a phone call from me to Mr Konistis. That's all I have and there were three done this morning but they were missed calls, trying to arrange a time basically to pick him up.

30 So, there was one call yesterday at 6.55?---Yes. According to this. I'm happy to show you.

No, no, no. And then there were three this morning when he - - -?---Well, they were missed calls, so he rang me, I rang him and I rang, he rang me.

Right.---So, at 6.55 and the other phone call that I got here was with him 11.43, I believe when we went on a break to get his information for you.

40 All right. And I just checked your evidence on that, you said that you rang Laki and said, "Could you please refresh my mind about the 60, the first offer?"---Yes, the \$64 million. I did ask, I didn't want to mislead you or say something that I shouldn't be saying.

All right. Mr Drewett?

MR DREWETT: Yes, thank you, Commissioner. So can you turn your phone off so it doesn't ring.---Yes.

In relation to – I'll just wait till you've done that. Is that done?---Correct, yes, thank you.

In relation to the conversations that you've had with Mr Konistis following the conclusion of the hearing yesterday afternoon at 4.30 or thereabouts, I think you said you caught the train home with him, is that right?---Yes, we did.

And how long was the trip home?---Approximately 20 minutes. I would have spent, from the time we left from here, roughly about 40 to 45 minutes with him.

10

And you discussed various aspects of the evidence in relation to this particular matter. That's obvious, isn't it?---Hundred per cent.

And do I take it therefore that Mr Konistis was asking you about certain questions and answers that you had given?---Maybe the odd question but I, I, I'd like to be, once again, to give you the – Mr Konistis went out there from early afternoon, as he was to come in as a witness. He was very happy that the gentleman did ask us some questions about the hospital and we wanted to state this down that Mr Spiridonidis was introduced by our firm, by me, by Galazio Properties. So we're very ecstatic that this conversation came in because it's something we want to establish because off our, if this eventually takes off for the private hospital. That was our main discussions that we had even within the train, person to person.

20

THE COMMISSIONER: Concerning Revesby?---I'm sorry?

Concerning Revesby?---Concerning Revesby, yeah, concerning Revesby, yes, yes.

MR DREWETT: Is it fair to put it in these terms, sir, that you, as a result of those conversations with Mr Konistis, you have a pretty good idea as to what he's going to be saying in terms of his evidence when he comes to give evidence here today?---I don't think so.

30

MR BUCHANAN: No, I'd object to that, Commissioner, unless there's a bit more specificity.

THE COMMISSIONER: Yes.

MR DREWETT: I withdraw that. All right. So you've had conversations with him yesterday on the way home and presumably you've had conversations with him about questions and answers on your way here this morning, is that fair to say?---We had conversation. Not, not, I wouldn't say in discussion to questions and answers. As I said, he was, I'm sure it can be heard outside, we didn't discuss. Again (not transcribable) with the hospital, our concerns that – I don't know if I want to go into the detail – Mr Hawatt had taken over the whole thing and we were left in an empty corner. We didn't know what was going on. We found out from a third party that the

40

property was exchanged. Money was released. We didn't know about these things. I know I'm going out of the subject, but we were happy that this subject was brought up in the courtroom, in, in - - -

Is it, is it - - -

THE COMMISSIONER: Can I just - - -

MR DREWETT: I'm sorry, Commissioner.

10

THE COMMISSIONER: - - - stop for a minute and just make an inquiry of Counsel Assisting, and maybe you could check with - - -

MR BUCHANAN: Those who control the technology.

THE COMMISSIONER: Yes. If somebody is sitting outside waiting to be called, is it being – the proceedings here being broadcast?

MR BUCHANAN: I'm informed so, yes.

20

THE COMMISSIONER: So, Mr Drewett, did you realise that?---Yes, I did, Commissioner. There's a difference – anyway, that's a matter for submission, so I'm sorry, Commissioner, but, yes, I'm aware of that. Do I take it that if you have had conversations with Mr Konistis in relation to evidence in relation to leaving yesterday and coming here this morning that it's reasonable to assume that you would have had conversations with Mr Konistis in recent months about evidence that may come up in the ICAC inquiry?---In recent night?

30

MR DREWETT: In recent months, over the last few months.---Yes, we've always talked about it and until recently we were called again, yes, we spoke. We never spoke about evidence, what we're going to say. We, I've been here before, both of us, I believe, and I, I'll be quite honest, I was, we were both quite surprised that we're back in here again to basically re-asked again what happened in the first event a year and a half, two years ago. I found it very difficult because we're not young anymore with our memories and everything, so we're just hoping it would again, we'll just give you the right information that you need to do, you need to know.

40

I'm not quite sure I understood your answer there.---Yes, we have discussed. We have discussed.

You have discussed this matter?---Absolutely. There's nothing to hide. Yes.

And you've discussed with Mr Konistis evidence that you would have given at a private inquiry in relation to these particular allegations or this particular subject matter?---Yes. Evidence, yes, what we're asked. Yes, of course. We both are.

And presumably Mr Konistis – I didn't want to cut you off there. Was there more you were going to say?---No.

10 No. And presumably Mr Konistis has discussed with you the evidence that he may have given in his private inquiry when he may have come down?

MR BUCHANAN: I object.---We, we didn't - - -

THE COMMISSIONER: Sorry, stop.

MR BUCHANAN: I object.

THE COMMISSIONER: Sorry, Mr Dabassis.---I'm sorry.

20

MR BUCHANAN: In my respectful submission the witness is being asked to contravene the law by breaching an order of the Commission in that question and he should not be required to do so.

THE COMMISSIONER: Mr Drewett?

MR DREWETT: Commissioner, I'll leave that as a matter for you. I understand my learned friend's concern. It is certainly, if it hasn't already trespassed over the mark then it's very close to doing so. Commissioner, I
30 have no further questions.

THE COMMISSIONER: Thank you. Mr Boatswain?

MR BOATSWAIN: I have no questions, Commissioner.

THE COMMISSIONER: Mr Stewart? You're right down the back.

MR STEWART: No questions, Commissioner. Thank you.

40 THE COMMISSIONER: Mr Buchanan?

MR BUCHANAN: Could I show the witness a document, please, and this is a fresh document. We'll bring it up on the screen. It's a three-page document. It's an email conversation. Could you start at the end of it, please, and just read your way through it.---When you're saying on the end of what?

So you start at the bottom of page 2.---Yes.

Go over to page 3 and then go back to the bottom of page 1. Go over to page 2 and so on.---Thank you.

Do you see that it is an email chain of emails between you and Mr Demian?
---Correct.

10 Commencing with an email from you to Mr Demian on 29 June, 2016 and concluding with an email from Mr Demian to you on 6 July, 2016?---Yes.

Can I just take you through the conversation, please.---Ah hmm.

The email from you to Mr Demian of 29 June, 2016 is set out on the back page, the third page. When you said, “They are in town and they wondering what is happening”, are you referring to the potential buyer’s solicitors?
---I’m referring to the potential buyers.

The potential buyer?---Yes.

20 Who was that?---The consortium that JLL help. I assume they were Chinese consortium.

How did you know that they were in town?---Obviously I was told but - - -
- - - and wondering what was happening?---Obviously the information would have come from JLL that the buyers are in town.

30 When you say that, was there a conversation or - - -?---It would have been a conversation, yes, over the phone, yeah, by Mr, from Mr Mayson, yes.

To you?---Yes, sir.

And this was sent on 29 June after the expiry of your agency agreement, is that right?---Yes.

40 Why did you send it after the expiry of your agency agreement?
---Obviously nothing happened between, as I said before, there’s hundreds and hundreds of documents that somehow I always believed there was never enough information given to us about the site, about the construction site, DA approvals and height restrictions, hydraulics, engineering, demolition clauses, soil contamination, all these things. So saying that, that the buyers was, what I was referring is that the buyers were still interested on the site. Obviously we needed more, there were questions and more documents to be sent, that’s all. That’s what obviously he’s been referring to.

And did you believe that the provisions of the agency agreement would apply if a sale took place to the potential buyer that you refer to in your

email of 29 June, 2016? Do you understand my question?---Sorry, you're trying to tell me if I was still entitled after the - - -

I'm asking whether you thought you were still entitled.---Yes.

The potential buyer - - -?---Into real estate law it states once we introduce the client to the, our purchaser to the seller, irrelevant if the agency agreement has expired. We've done the introduction. We're always entitled to a commission.

10

Before I go to the next email, can I ask you, in the cc line, the carbon copy line, in the header to the 29 June email you've copied in Gary Mayson and also Tony Gigliotti.---Yes, sir.

Why did you copy in Tony Gigliotti?---It's something maybe I should have said, because originally the - - -

Did you just say, "It's something I shouldn't have done"?---Maybe I should have, have been clear or whatever because I don't recall if I did mention.

20

Tony Gigliotti has introduced me to JLL and Gary Mayson. I don't know if I had made you aware of that.

Did that mean that Tony Gigliotti was entitled to a commission?---Yes, sir. I was going to be a share of the commission too.

So this is Draco Properties?---Draco Property, yes.

So Draco Properties and JLL and yourself would be entitled to a share of the 2.2 million?---Correct.

30

And were you always aware of that?---Yes, and I'm trying to refresh my mind now. I don't know if yesterday I already mentioned, if I mentioned to you that, did I mention Draco Property Group into JLL, myself and Laki Konistis?

I don't think you did.---Okay, I'm sorry. There you go. Something refreshed my mind now according to your question, yes.

But why did you need an introduction to the JLL Property Group?

40

---Because they had the clients. So Draco Property Group knew JLL and they had the clients which Draco Property Group officially put me through to Mr Gary Mayson from JLL.

So can I just check that I'm understanding this correctly? You were introduced to JLL as a real estate agency that had a potential buyer?---Yes.

And the person that made that introduction was Tony Gigliotti?---Yes, sir.

And because Tony had made that introduction, he became entitled to any commission on any sale?---As I said before, everybody will make some money, yes. Nothing out of the ordinary of it.

10 When you say “everybody would make some money”, I just want to take a step back now from that particular introduction and just ask you, I know you said that yesterday, but what do you mean when you say “everybody”? In any given transaction, what do you mean “everybody would get some money”?---I mean there was myself. There would have been Laki. There would have been Tony Gigliotti and JL, Mr Mayson.

Well, what is it about all of those people, or what they have done, that meant they were part of the “everybody would make some money”?---Well, everybody was involved so everybody will make some money because of the introduction, a fee. Spotter’s fee, introduction fee, being involved into three meetings or 20 meetings or – I, I knew I was going to do most of the work but unfortunately this is how it ends, this is how it goes.

20 And did that extend, I know we went over this yesterday but I need to raise it with you because you didn’t just mention them, did that extend to Mr Hawatt and Mr Vasil because they had performed an introduction?---As I said yesterday I believe, and I’m trying to recall if there was a fee to be paid upon request it was something I will consider, again it was going to be something in an invoice with ABNs and everything, I was never asked, I was never asked by them, never promised or never discussed that.

30 THE COMMISSIONER: But you’re sending text messages to them where you’re complaining about the 300,000 not being - - -?---I’m not talking about the \$300,000, this is - - -

This is separate - - -?---This is, yes.

All right.---The 2.2 million.

Is this the 2.2?---Yes, ma’am.

All right. Sorry.---Yes, Commissioner.

40 MR BUCHANAN: And by reason of evidence that you had given on I think 22 November, 2016, yesterday it was drawn to your attention that you have given evidence that the \$300,000 you had said on a previous occasion was part of the 2.2, that is to say there was 1.9 for the Chinese consortium and JLL - - -?---Yeah.

- - - and yourself, and maybe Draco Properties - - -?---Yes, yes.

- - - but then there was \$300,000 left over.---Yes, out of the 2.2, yes.

And there had been discussion about that being split five ways.---Yes, the \$300,000.

So the \$300,000 has at different times in your evidence been on top of the 2.2 or part of the 2.2. Is that fair to say? I'm trying to characterise your evidence.---Yes. I can't remember if I answer that, if it was on top or not. I would say it would have been on top. I would say it would have been on top.

10 Can I now go to the email of 6 July, which starts on the bottom of the first page of these three sheets of paper, and it's from Charlie Demian to you. And do you see that it says, "I've become aware that you may have provided agency conjunctions with a number of real estate agents to market the property at Campsie which is contrary to my understanding where you assured me you had a potential buyer interested and ready to proceed. It appears that was never the case. Your agency agreement was provided for a fixed period of time between 14 June, 2016 until 26 June, 2016, hence the agency has expired on that date and is not extended. During the agency period you have nominated Norman Ho as a potential purchaser and at this
20 stage no interest is being expressed. I will keep you informed of any progress." There's another paragraph but I'll just pause there.---Ah hmm.

What was Mr Demian referring to in the paragraph where he said, "During the agency period you have nominated Norman Ho as a potential purchaser?"---Yes, sir. Obviously was the client that we introduced, there were details exchanged for both solicitors regarding the site, purchaser's solicitor and seller's solicitor.

30 Who was the purchaser when you said purchaser's solicitor a moment ago?
---Ah, I want to say Norman Ho. I don't know if it was a direct purchaser or his group or his company, so I, I do believe that it was his solicitors or the solicitors of his purchasers that were introduced or were giving names, evidence to send to Mr Demian's solicitors.

And where did you get Norman Ho's name from?---Ah, from the meeting that I had with JLL and it was given to me by JLL, yes, Mr Gary Mayson.

40 And if I can take you to your email on the first page of 6 July, 2016 to Mr Demian.---Ah hmm.

"Hi, Charlie. Thank you for your email. I wish to confirm that I have not signed conjunction agreements with multiple agents and only with Gary from JLL."---Ah hmm.

"Saying that your property was never advertised by our agency as we were never authorised."---Correct.

“At the same time thank you for the update.” Now, can I just go back. Speaking for myself, I understand the first paragraph, first two paragraphs, I don’t understand the paragraph which reads, “saying that your property was never advertised by our agency as we were never authorised.”---Yes.

What did you mean by that?---Okay. Just to make it simple for you, because you did ask me about real estate.

10 That's what I need.---CBRE were engaged and there were money paid to CBRE to take the property to the market and that’s what, what I mean. Now, at, at no stage we advertise somebody’s property to take it to the market in website, in any media, in any form of media unless we authorised to take it to the market.

I understand what you mean. So, you’re simply saying in that sentence, “We were never authorised to take it to the market and we never did”? ---Because, yes. Because Mr Demian - - -

20 Is that right? Is that what you’re saying?---Yes. Mr Demian I believe said somewhere that - - -

That’s all I wanted to know. I just want you to understand that paragraph. ---Yep, yes.

Thank you. I tender the email chain between Mr Dabassis and Mr Demian commencing on 29 June, 2016, concluding on 6 July, 2016.

30 THE COMMISSIONER: All right. The email chain between Mr Dabassis and Mr Demian during the period 29 June to 6 July, 2016 will be Exhibit 186.

#EXH-186 - EMAIL CHAIN BETWEEN MR DABASSIS AND MR DEMIAN TITLED ‘CAMPSIE UPDATE’ FROM 29 JUNE 2016 TO 6 JULY 2016

MR BUCHANAN: That's the examination of the witness.

40 THE COMMISSIONER: Can I just ask you about this?---Please.

Was it your understanding of the agency agreement that you signed that you introduced Mr Ho as a potential purchaser during the period of the agency agreement and if subsequently he did enter into a contract and bought Harrison’s site, you would have got some kind of commission?---Correct.

If they were going to be the purchasers. We do know the site has been sold. To who? I have no idea.

All right. Thank you, Mr Dabassis.---Thank you for your time.

MR BUCHANAN: The witness can be excused.

THE COMMISSIONER: Yes, you're excused.---Thank you very much.

THE WITNESS EXCUSED

[11.22am]

10

MR BUCHANAN: I note the time, Commissioner.

THE COMMISSIONER: Did you want to take an - - -

MR BUCHANAN: Would it be convenient to take an early morning adjournment?

20 THE COMMISSIONER: Yes. And if we could commence again at about twenty to 12.00, we'll adjourn for the morning tea break.

SHORT ADJOURNMENT

[11.22am]

MR BUCHANAN: Commissioner, could Mr Konistis be called, please?

30 THE COMMISSIONER: Yes. Mr Konistis. Now, do you take an oath or an affirmation?

MR KONISTIS: Oath.

THE COMMISSIONER: If you could stand, please.

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

Mr Konistis, you understand that I can make an order under section 38 of the act?---Yes, I do.

10 And do you wish - - -?---Yes, please.

- - - me to make such an order? I have to emphasise that the protection given by an order under section 38 does not protect you in you gave false or misleading evidence to this public inquiry. If you did that, you could be prosecuted for an offence against the Independent Commission Against Corruption Act. It's a very serious offence. It brings with it a period of imprisonment.---Thank you.

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

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

40 THE WITNESS: Thank you.

THE COMMISSIONER: Mr Buchanan.

MR BUCHANAN: Commissioner. Sir, could you give the Commission your full name?---Laki Konistis.

And your occupation.---Secondary teacher.

Mr Konistis, what do you teach?---I currently teach ESL and retail services.

Now, have you been present outside the hearing room whilst Mr Dabassis has been giving evidence?---Yes, I have.

And were you outside the hearing room when he commenced giving his evidence yesterday?---No. I arrived in the afternoon.

And was the evidence that Mr Dabassis gave audible to you while you were outside the hearing room?---Yes.

10

And have you been outside the hearing room this morning whilst Mr Dabassis has been giving his evidence?---Yes. I was called this morning.

And was Mr Dabassis' evidence this morning audible to you outside the hearing room while you were waiting?---Yes.

And after Mr Dabassis finished giving his evidence yesterday, did you see him or talk to him?---We went home together.

20

Yes. And was there any discussion about the subject matter of Mr Dabassis' evidence?---It was more John venting. I saw him clearly rattled and he was just venting, just sort of you know, going through the day and I basically, just saying to him, "Look, it's a harrowing experience that we've both got to go through but you know, we need to go through it and you know, just tell the truth," and you know, that was that.

And was there any telephone communication between the two of you last night?---Last night, yes, there was a phone call to organise coming in together this morning.

30

And how long did that phone call go for?---Five minutes, three minutes, something like that.

And did you come in together this morning?---Yes, we did.

Was there any discussion this morning of the subject matter of Mr Dabassis' evidence or your evidence?---There was general, just general discussion about the day again. John actually took a phone call for most of the trip, trying to sell a property I believe in Newtown to some other agent. So, it was, as you can appreciate that time of the day, there's a lot of commuters on the train, so there wasn't really much opportunity to discuss anything but
- - -

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Now, thinking of what you have heard of the evidence given by Mr Dabassis, either that you have heard by sitting outside or that you have heard of from Mr Dabassis talking to you, is there anything in particular that occurs to you that you think needs to be corrected, where you think Mr Dabassis said something that you think, I'm not sure that's right to anything

like that?---Okay, it's just personal opinion. I think John was clearly, clearly rattled. In particular - - -

No, no, no, no. That's not the question I asked you.---Okay, there is one particular aspect and that's the commission of \$2.2 million. I think he's clearly made a mistake as to the division of that \$2.2 million.

10 Now, we're talking, are we, about the commission that was specified by Mr Demian in the agency agreement at the time it was signed by him and given to George Vasil and then given to Mr Dabassis?---That's correct.

Right. And what's the correction that needs to be made about that evidence that Mr Dabassis gave?---My, my understanding was the \$2.2 million included a 300,000 component of which was going to be split five ways and I, that was going to be by John Dabassis, George Vasil, myself, Michael Hawatt and a guy called Pierre.

20 And where did you get that understanding from?---I had a conversation with Michael I think, one of the few conversations that we actually had about it, after the meeting. There was still no - - -

Which meeting?---There was a meeting that I think John attended with Michael at Charlie Demian's offices trying to finalise the amounts, the agreements and I think Michael contacted me to basically ask me what figure, what would you guys be happy with in terms of a commission.

When you say "I think Michael contacted me", what's - - -?---I believe he did.

30 - - - what's the basis for your thinking that or believing that, where do you get that idea from?---Because I think it was through Michael that we negotiated, there must have been some sort of discussion before he came to me because I think - - -

Before who came to you?---Michael.

40 Yes.---Before Michael came to me and contacted me to basically tell me that they're, Charlie would be happy to pay a commission of maybe 50,000 per person, equating to, sorry, a total commission of 300,000.

And when you say there must have been conversation, between whom must there have been this conversation?---Between Michael and Charlie.

And why must there have been such a conversation?---Because the impression that I got from Michael is he was relaying a conversation that he must have had before he came to me with Charlie regarding the commission.

And when you had this conversation with Michael, was it over the phone or was it face to face or in what circumstances?---I think it was over the phone. I believe it was over the phone.

All right. So I'll come back to that later. Can I start at the beginning, please. In 2015 what were you doing for work?---Okay. I was employed as a full-time school teacher but sort of had an interest in property. At the, at the time a lot of development was going on. There was, I was quite interested, became interested in property.

10

And when had you – I withdraw that. You knew Mr Dabassis?---I knew Mr, I knew of him but we never had any dealings up until the Revesby property deal.

And how did you know of him?---I, I think it was through my brother. He just said look, you guys should have a coffee together, et cetera, and that's where the sort of friendship started and that was in 2015.

20

And what was it that you were wanting to do? You were wanting to earn some money from being involved in property deals, was that it?---Yes, yes.

And did you know Mr Hawatt in 2015?---I knew, I knew of him but again I never really had any dealings with him.

Until when?---Until the Revesby deal.

And how was it that you and Mr Dabassis in the first instance – no, I withdraw that question. With whom did you first have contact in relation to the Revesby deal, Mr Dabassis or Mr Hawatt?---Mr Hawatt.

30

What was that contact?---Okay. The, the context of that - - -

The contact?--- - - - the contact - - -

Was what?--- - - - was through George Vasil.

What was the contact that you had with Mr Vasil in relation to that?---The contact was through a meeting that was arranged by, or I was called to a meeting by George Vasil one evening.

40

Why – I withdraw that. So I need to ask you then did you know George Vasil before that call?---I knew of George Vasil but again we never had any dealings, property dealings or anything like that as such.

Did the call from Mr Vasil come out of the blue?---Yes.

And do you know why he rang you?---Yes, I do.

Why did he ring you?---I'm sure I would have mentioned to George Vasil that we have go this guy who's looking for a hospital site. They had finished a site down in the Wollongong area and they were looking to replicate that project here in Sydney. So George was aware that there was, you know, there's a client who was interested in basically securing a property with a view to creating a private hospital on the site. And one evening I recall George calling me, I was at home, it was late, when I say late, 6.30's late for a schoolteacher, about 6.30-ish, he said, "Look, what are you doing, would you like to come up to Frappe for a coffee?" So I obviously left home, it's not far away, and that's, that was the first time that I was introduced to the possibility of a site being available.

And can I just pause there. How would or did Mr Vasil get the idea that you might be a person who should be spoken to about that?---Because George knew that I knew John who was looking for a hospital site.

How did George know that?---Well, George knew John Dabassis as well.

Yes, but I'm still trying to understand, why would George ring you rather than John - - -?---Um - - -

- - - in that instance? I'm trying to find, I keep on, I'm asking questions about what's in another person's mind.---Sure.

What I really want to know is, what event occurred or what contact was there that explains how George Vasil got the idea that you were a person that would be worth his time talking to about such a potential deal? ---Because as I said to you before, before that actual meeting I said to George Vasil that we have someone who's interested in doing, creating a private hospital, so that would have been - - -

What were the circumstances in which you had that conversation with George Vasil?---Oh, possibly, possibly maybe even in George's office. I from time to time would pop in, say hello, very good friends with his brother, Peter Vasil, so I may have mentioned it there and while they were sitting around a coffee table one evening this opportunity may, they thought maybe there's an opportunity.

So are you saying that because of a friendship you had with Peter Vasil you were in the habit of dropping into the Ray White Real Estate agency Earlwood from time to time?---Yes. I'd say hello and that was basically it, just say hello. We'd go for coffees, we're still very good friends with Peter, our - - -

When you say "we're" still very good friends with Peter - - -?---With Peter Vasil.

- - - who, who do you mean by we?---Me, I mean, me. We're, Peter and I are very good friends.

And is that the context in which you first met George Vasil?---Yes. But I knew of George Vasil obviously before but I never really had much communication with George.

10 And what did you know of George Vasil before?---Oh, I think he had the, he was, seemed to be a knowledgeable person who knew about planning and, you know, all that sort of stuff that was going on at the time, you know.

Okay. Now, you say that there was this call one evening from George Vasil - - -?---Yes.

- - - and wanting to talk to you.---No, inviting me, inviting me to come up to Frappe.

To his office?---No, to Frappe Café.

20 Frappe Café.---Yes.

And when was it that you received this call?---It was one evening in September.

Of?---2015.

30 How do you know it was September? I'm not saying it wasn't, I'm just asking, how do you know it was September?---Because after, I, I recall that it was towards the end of 2015 and I know that after that we had some additional meetings with um, or I organised some meetings for these guys to meet at ah, with a potential purchaser, so it was around early, early to mid-September.

Now, Mr Konistis, I'm going to ask you this now, but it applies to the rest of the evidence you give an answer to the questions I ask you.---Yes.

40 I would like you, please, to tell us where you, the answer you're giving to a question is influenced by what you have heard of the evidence that Mr Dabassis has given.---The evidence I heard makes no difference. I'm here to tell the truth.

No, that's not, that's not what I'm asking you and I'm not suggesting you're not. It would be surprising if a person in your position with your relationship to Mr Dabassis and your joint involvement, your shared involvement in particular matters were not to be influenced by someone saying something, for example, such and such happened on such and such a date and you're thinking, oh, I've forgotten about that, but that's right. Do you see what I mean?---Yes.

That's only human.---Yes.

And so I just need you, if you wouldn't mind, please, where you're giving an answer to a question that is informed, let's use that word, informed - - -? ---Okay.

10 - - - by something that you've heard Mr Dabassis say in the evidence he's given in the inquiry or in his conversations with you outside of the Commission, if you would just tell us that - - -?---Okay.

- - - so that we know and so that we can then try and sort out, okay, to what extent is your evidence informed by what you've heard of the other evidence in this Commission or something else like a memory or some other matter.---Understand.

20 So, I'm going to ask you now, when you say it was in September 2015 that you had this meeting at Frappe Café with George Vasil, is that because you've heard evidence about the Revesby deal having some formation in the month of September 2015 in the evidence of this Commission?---No. Because if you go back, I, I, I believe in my, at the closed hearing, I think I said the same.

No. I'll just pause if you don't mind. You were given a direction about that, weren't you?---Yeah.

30 You are to comply with the direction unless someone says otherwise so I'm not interested in what was said on a previous occasion, I'm interest in the facts that are in your memory.---Yeah.

Now why do you say it was September 2015?---Because that's when it was. I don't understand why - - -

But how are you able to say it wasn't August or October as alternatives, say? Why do you say September 2015? I'm not saying you're wrong, I'm just asking where do you get the idea from that it was September 2015?

40 THE COMMISSIONER: Look, sometimes people will say, "I remember that because it was by birthday," or, "It was the day after my birthday, my birthday is in October," or something like that. I think that's what Mr Buchanan's asking you, whether there's - - -?---I understand but I can't pinpoint the reason why other than I know that it was around that period, around September.

So, that's your recollection as you sit here today?---Yes, that's my recollection.

MR BUCHANAN: Are you saying that you're a person who's got a good head for dates?---Fairly good, yes. Fairly good.

So, there was a meeting all right Frappe Café, what happened?---Okay, I was in, I, I went up and I was introduced to, at that meeting was George Vasil obviously, who made the phone call to me, a guy called Gary Singh and Michael Hawatt.

10 And roughly what time of day was the meeting?---Evening. About 6.30.

And you didn't have any notice that the meeting was going to occur before the call from Mr Vasil?---No, no. Absolutely no idea.

And how long after the call was it that you turned up there and the meeting started?---Oh, maybe, I, I, would have been up there within the next, within the next 15 minutes.

So, were they already there?---They were already there sitting.

20 And what happened at that meeting?---Like I said, I was introduced to Michael Hawatt, introduced to a guy called Gary Singh and George was there who made the phone call and we, there was a discussion about Gary running a baby business out of an industrial site, a factory site out at Revesby at the time and they said, "Look, this might be a possible hospital site." I noted the, the address.

And who suggested it might be a possible hospital site?---I think it was Gary, Gary, the business owner.

30 Yes. Why - - -?---I don't know where he would have got that information from but when I went home that evening - - -

What's wrong with it being a factory site or what's wrong with it being something else? Why does it have to be a hospital site?---As I said to you, we were, we had a person who was interested in replicating what they did in Wollongong up here, so we were obviously trying to find a hospital site for that individual.

40 And when you say, "We"?---John and I.

And when had you come across this person?---John Dabassis, you mean?

When had you come across this person, this other person?

THE COMMISSIONER: The person - - -

MR BUCHANAN: You're talking about Steve Spiridonidis?---Oh sorry, yeah. Sorry. I was introduced to him later on, late, late September, I believe, through a meeting that we has with John, myself and him.

But it's after this meeting with Mr Hawatt and Mr Vasil?---Yes. After the, definitely after this meeting.

And so, when you say, "We had"?---John and I.

10 But you'd never met this person?---Never before, no.

So, on what basis do you associate yourself with John Dabassis in saying, "We had this potential buyer"?---Okay. After that, after, after the meeting at Frappe, I went home and started to look on the council website - - -

No, no, no, no.---This is how - - -

I'm trying to understand your evidence that at that meeting with Mr Vasil and Mr Hawatt and Mr Singh, you already had, you've told us, with John
20 Dabassis, a potential buyer, a person who had done a private hospital in Wollongong.---Yeah, yeah.

You already had - - -?---Not, not we. John, John had someone who was looking.

How did you know that?---John told me.

When had he told you that?---Obviously before the Frappe meeting.

30 And what had he told you - - -?---He told - - -

- - - in that regard?---He told me that he's got a guy who's looking for a site to do a private hospital.

All right. So then coming back if you wouldn't mind to the meeting with George Vasil and Michael Hawatt and Gary Singh - - -

THE COMMISSIONER: Can I just interrupt, sorry. And John told you that then when you had popped in to see Peter Vasil at the real estate agency - - -
40 ?---Not at the agency. At the café.

No, no, sorry. I thought you gave evidence that you had mentioned to George Vasil before - - -?---Oh, sorry, Commissioner. Correct. Correct.

- - - that you knew a guy who was interested in a hospital site?---Yes.

And you said that to George Vasil at his real estate agency?---Yes, yes.

And was that when you've popped in to see Peter?---Yes, yes, and it was like a general, you know, hey, George, we've got someone. If you know of a site that's coming up as a possible hospital site let me know.

And that was based on what John Dabassis had told you?---Correct. Correct.

And then that led to the out-of-the-blue telephone call - - -?---Correct.

10 - - - from John?---Correct.

Sorry, just confirming in my mind.

MR BUCHANAN: Thank you. Can I just explore what at this stage was the nature of your relationship with Mr Dabassis?---Still just purely friendship more than anything and look, trying to, you know, put a deal together somewhere that was, there was no relationship other than just a friendship.

20 But you make it sound as if the two of you were business partners.---No, no such thing.

We had a potential buyer.---Well, when I say we, John always tried to include me his dealings so he made me feel like we were a team. That's, that's where I got that from.

And you wanted to be a member of a team or saw yourself as a member of a team with John Dabassis, is that what you're telling us?---Part of a team. Like, a smaller role than what obviously John was doing. I mean all the
30 dealings John was doing, it was just sort of keeping me in the loop.

Did you at that stage have a particular function in that team compared to John?---Yeah. John, John more often than not would get me to convey his messages or send his, what his thoughts across to other parties. Sometimes he would even get me to draft letters for him. His, his English is not as good I guess as mine so sometimes he would say Laki, can you have a look at this, can you fix it up for me, that sort of stuff. So I felt, I felt more like a admin/secretarial type role for John. That was the role that I sort of saw myself as.

40

And could I ask, thinking not just about September, 2015 but further forward as well in time, would you make contacts with other people in relation to potential deals in which John Dabassis had an interest where that contact had not been something you were instructed to do by John Dabassis?---Very, very rarely. Very rarely. Very rarely.

So are you saying that most of the contacts you had with third parties, that is to say people other than John Dabassis - - -?---Yeah.

- - - where related to a potential deal involving John Dabassis was on Mr Dabassis's suggestion or instruction or request?---Most of the time. Yes, most of the time.

What happened now at this meeting at Frappe Café - - -?---So - - -

10 - - - with George and Gary Singh and Michael?---Yeah. I was, I was introduced to this possible site on Canterbury Road, Revesby and I said good, okay, well, let's, let's, let's look at it. So I, I obviously took the, I didn't stay long. I wasn't there long at all. Maybe another 15 minutes I was there. The, the actual meeting didn't last long. It was just them presenting a possible, a possible site. I remember going home and getting onto the Bankstown Council website and sort of going through to see what the land use of that industrial site was and one of the interesting things that I noticed was it said for hospital purposes. So it seemed to me that maybe this is possible hospital site especially if, you know, in the council's own papers it said for hospital purposes. So I got excited. I rang John. I told him about this site and then things started to roll from that.

20

What was the next thing that happened?---I think there was a meeting arranged at La Plaka.

Who arranged that?---I think John did because John knew, John knew, sorry, John knew Steve Spiridonidis who was the eventual purchaser of, of the site, so he would have instructed me, look, can you organise a meeting to get everyone there so we can move this forward. So I believe it may have been me that started the, the meeting. I don't know if I actually attended that first one but I most certainly helped put it together.

30

So if the witness could be shown Exhibit 69, volume 21, page 147, please. This is a schedule of text messages extracted from Mr Hawatt's mobile telephone and it's set out in chronological order, and the first item, if you read it from left to right, indicates under the name Party, the party sending the message to Mr Hawatt's telephone. Do you recognise your mobile number?---I do. Can I, can I at this point just say, because you asked me about being informed - - -

40 I did?--- - - - I know that this stuff, these messages were on the website, ICAC website, so I've actually seen the messages, so I'm aware of the messages.

Thank you. Thank you for telling us that.---So I'm more informed now after seeing all these messages.

That's the sort of contribution I would like you to make so that we understand where your memory and your information is coming from. ---Sure.

Thank you. This is dated 21 September, 2015 at 9.20am and the message reads, "Tuesday, 1.00pm, La Plaka Café at 258 Burwood Road, Burwood. Laki." So is that - - -?---Yes, that was, that would have been their first meeting together.

10 Okay. So if you could just have a little read down the page. Number 5 on the 21st at 2.47pm, confirming a meeting with buyers of Revesby site tomorrow at La Plaka Café.---Okay. So that would have been John making sure that Steve Spiridonidis was available and letting me know so I could obviously get Michael to attend as well.

Were you sending the same message to Mr Spiridonidis?---I had nothing, I didn't have Spiridonidis's mobile number so it would be, it would be more John liaising with that side.

Why would that have been the case?---Because it was John's purchaser so, and John knew Steve Spiridonidis, I didn't know who he was.

20 Now, can I just ask, going back to the first one of 9.20am, where did you get Mr Hawatt's mobile telephone number from?---I think it was given to me at, at the meeting that we had.

Are you sure or are you just reconstructing?---I'm trying to reconstruct where I would have got it.

Okay. You think that's the likely explanation?---I think, yes.

30 Right. Did you have Mr Hawatt's telephone number before the Frappe Café meeting?---I don't recall, I don't recall.

You told us that before that meeting you had heard of Mr Hawatt.---Yes.

In what circles or in what context had you heard of him?---I knew that he was on the council, on Canterbury City Council.

Right.---I knew he was a councillor.

40 And in what context had the fact that he was on Canterbury Council come up?---Oh, just, you know, at elections you see his name, you see his face over the, in the community, you know, billboards.

THE COMMISSIONER: So you lived in his, that area?---I, I, yeah, I lived in Earlwood so you would see, you know.

MR BUCHANAN: Thank you. Now, item number 12 on the next day, the day of the meeting, 22 September, 2015, 11.15am.---Yes.

“Be ready, they may ask you how quickly you can get contract to them.”
---Okay.

Why did you send that?---Okay. Because that was a discussion again with John who indicated to me that Steve was quite excited at the fact that it could possibly be a hospital site and that he may be asking for a contract. So I sort of, to speed the process, sent that message to Michael to see if he could, you know, start thinking about getting a contract for Steve Spiridonidis.

10

Can I ask you about the next text? No, I withdraw that. Before I do that, what happened at the meeting at La Plaka café?---Oh, it seemed to go quite well.

Who was there?---I believe because I, I wasn't - - -

No, no. Oh, I'm sorry.---I wasn't there.

I apologise, I forgot you did tell us that.---I wasn't there.

20

Did you get a report of the meeting?---Yes, from John.

And from John did you have an understanding as to who was at the meeting?---At the meeting was himself, Michael, Steve Spiridonidis and I'm not sure, I can't remember if George Vasil was also at the meeting.

Did you get a report from John as to the outcome of the meeting?---Only that it was a positive outcome and that they were moving forward with it.

30

The next text, number 13 on this page, is 23 September, 2015 at 8.33am. you say to Michael, “Hi, mate. Can we meet up with George today?” Was there a reason why you sent that?---Yeah, I was trying to keep in touch. Like, I, I, would get a lot of the information from John, from his side, but just touching base with the other side if you like, just to see what the thoughts were - - -

What is the other side that you're talking about?---The other side, George Vasil and Michael Hawatt. There were four of us involved in this Revesby project.

40

And are you indicating that you and John were on the purchaser's side and George and Michael were on the owner's side?---Well, Michael in particular was with the owner's side and George would fluctuate between both.

What was it that was the source of your understanding that Michael in particular was on the owner's side?---Because Michael said he knew the owners, he was aware of the owners and that he would, you know,

obviously work on that side with the owners to get, try and get a sale for Revesby.

And was this something that you heard him say at the Frappe Café meeting?---I don't recall. Possibly. I don't recall, but - - -

10 Just thinking then, where or when was it that Michael indicated that he knew the owners and he would work on it, on the potential deal from the owner's side?---I think that might have been at that meeting at La Plaka, where he mentioned it to Steve and mentioned it also to, to John who was present.

But you weren't there?---No, but I wasn't there. So, it may have been reported back to me by John.

20 What was the role as at 23 September, 2015, that you understood that George Vasil could play or would play given that you already had Michael Hawatt as you understood it representing the owner?---Well, I thought it was a team. I thought just because it, it, by mere introduction of George Vasil from John Dabassis' client to Michael Hawatt and the owners, it sort of felt like it, it was, a team was being assembled but - - -

But what was the contribution to the team or the work of the team that George Vasil would make as you understood it at that stage?---Just mere, mere introduction and just being involved where, wherever possible, however possible, whatever that might be. I don't know.

30 You can't identify a particular thing that Mr Vasil could do at that stage of the negotiations?---No. It was, it was more Michael taking over the project at that, you know, and moving - - -

What do you mean by, "It was more Michael taking over the project"? ---Well, I think Steve requested, for example, some letters from Michael to support the possibility.

40 Where did you get that understanding from?---From John, again from John, that we was looking to get two letters of support in particular, John had told me that Steve, before Steve goes away and spends all this money on a possible hospital at the site, he was looking for support with the possibility of establishing a hospital on the site and then - - -

THE COMMISSIONER: Sorry, support from who?---From council, Bankstown Council, Bankstown City Council. That they would support a, the possibility of a hospital in their community.

MR BUCHANAN: You hadn't met Steve at this stage?---No.

When was it you first met Steve Spiridonidis?---I think a couple of, maybe a week or so later. John and I went to see him again. I think he called John. Actually it would have been a little bit longer than later because he had already started the plans, he already had a concept which he was showing John. So - - -

Were you present when he showed it to John?---Yes, yes.

10 And what was it you saw him show to John?---Like preliminary sketches, design of a possible hospital on the site. So Steve, Steve - - -

On that particular site, Canterbury Road, Revesby?---Yes, yes. He'd already started spending some money with architects getting a design up with a view to creating a hospital there.

Excuse me a moment.

20 THE COMMISSIONER: Can I just ask you, you spoke about the team being formed. Was the team, did it consist of the four of you?---Yes. It felt like a team.

Okay.

MR BUCHANAN: If you could turn to page 148 of volume 21, please. At the top of the page, item 16, is another text on 23 September, 2015, this time at 5.52pm, and you said to Michael Hawatt, "Want me to arrange meeting for next week once you have letters et cetera?"---Yeah.

30 That sounds as if you thought Michael Hawatt would understand what you meant by "Once you have letters et cetera."---Yes.

Where would Michael Hawatt by 5.52pm on 23 September, 2015 have got an understanding of what you meant by "Once you have letters et cetera?"---Because there would have been discussions before that as to what letters exactly Steve Spiridonidis was looking for in order to assist with the project.

Yes.---So I'm just conveying, again, I'd say it might even be from John saying, look, can you find out where Michael is with the letters.

40 How did you know that letters of support were being thought about at that stage?---Because Michael was asked if he could see if he could get some letters of support.

How do you know that?---Because John told me that's what Steve was looking for.

And so are you saying that this was something John told you that had been canvassed at the meeting at La Plaka café on 22 September, the previous day?---Yes, or another meeting.

Or another meeting.---Yeah.

When you say another meeting, at the moment we've only heard of two from you.---Yes, yeah.

10 I'm not saying there's anything wrong with that.---Yeah.

But are you saying that as you understood it there might have been other meetings that John had had with Michael Hawatt and Steve Spiridonidis?
---Possibly, possibly.

In any event, your source of information for the idea that Michael Hawatt might have a role to play in obtaining letters of support was John Dabassis?
---Correct.

20 Excuse me a moment. Can I take you, please, to, excuse me a moment, please. Just excuse me, Commissioner. Can I take you to item 27 on page 148. It's a bit further down the page. It should be on the screen in front of you. And this is a text from you to Michael Hawatt on 29 September, 2015 at 8.22am, and it reads, "LOL. Okay. George and I are meeting for Revesby today as well at 1.00pm. We'll catch up after that if you can." You had had a conversation, had you, with someone indicating that George and you were going to meet up in relation to the potential Revesby deal?
---Yes, probably John Dabassis.

30 Rather than you and George being in communication?---Yeah, yeah, yeah.

So I just want to make it clear, make sure I understand this. At that stage who had the closer relationship with George Vasil as you understand it?
---Oh, from me and John you mean or John and I.

Yes.---I probably did.

40 But you think that idea that you were having a meeting with George that day about Revesby would have come from John?---Well, John might have had some more information or whatever. I may have, like I said, arranged a meeting again for us to catch up and just, you know, keep, keep the conversation going with Revesby.

I just want to pause now. The language you're using, the vocabulary you're using, suggests that you actually don't remember and what you're doing is saying, "This is what I believe would have happened or would have been likely the case." Is that right?---Yes.

So I just want to be clear if you wouldn't mind, for all the questions that you're asked, where you have an actual memory, tell us. If you don't have an actual memory but you say, "This is what I believe is likely to have been the case because of all the circumstances, because of the history of the matter, because of what I know about these people," then we need to know that. You understand the difference between the two?---Yes. Yes.

Now, item 30 on the same page is a text at 2.16pm on 29 September to Mr Hawatt. "Need to deliver two letters and contracts." Do you see that?
10 What did you mean by that?---It meant that I, I – I don't recall exactly how that came about. If you, if you want me to have a guess at it, I will.

Well, can I just ask you this? Can I ask you this? From time to time, you were in the habit of giving Mr Hawatt reminders of what needed to be done.---Yes. That came from John. John reminding me to remind Michael Hawatt.

And is the likelihood that what you were indicating in this text was that for the deal to progress there was a need for two letters and contracts to be
20 provided?---Yes.

Is that right?---Yeah.

Now, when you say "two letters", what two letters? We've heard about a letter of support, is that right?---Yeah. From what John, John had told me regarding the two letters, one was for the, which I think I've conveyed as well, one was a letter of support from Bankstown City Council to say that they would support the creation of a private hospital in their community, and the second one was that the Minister would support a private hospital.
30

So had you, before 29 September, 2015, had any conversation with Michael Hawatt about who those letters of support needed to come from?---I don't recall. I don't, I don't think so. I don't think I did who, but - - -

So this has all come from John Dabassis?---Yeah.

THE COMMISSIONER: And, sorry, your expectation was that there would be a letter from somebody at Bankstown Council saying, "We would support a hospital built on this site."---Yes, yes.
40

And then there would be another letter from the relevant minister that the relevant minister would support.---If they thought it worthy, that a letter would be forthcoming. Otherwise the gentleman, why would the gentleman go and waste his money? If, if Bankstown City Council said, "We're not interested in a private hospital," it'd be silly for the man to proceed, you know, spending hundreds of thousands of dollars, so - - -

And those two letters were going to be arranged by Mr Hawatt.---By Michael.

MR BUCHANAN: And sorry if I've already asked you this. Where did you get the idea from that they were going to be arranged by Mr Hawatt? ---Because John had told me that Steve had requested it from Michael, those two letters of support. For the project to continue, he needed some sort of support.

- 10 Can I take you, please, to item 43 on 30 September. This is over the page, on page 149 of volume 21. This is a text from you to Mr Hawatt at 6.51pm on 30 September, reading, "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 see State Government and get all approvals. Please just get the letter, first step, and meeting will," emphasised, "will occur later on. Need both letters and contracts ready by Friday, mate." Why did you send that text?---Again we were just pursuing the two letters. Michael at that time I think was more interested in having another meeting with Steve Spiridonidis. John I don't think was too comfortable yet because I suspect it
- 20 was his agency agreement hadn't been signed or there was no discussion about, you know, how it was going to all fit together. So, and as that SMS clearly indicates we've obviously seen the plans, John and I would have already seen the plans as well so there were plans that obviously he didn't want to make public or anything like that yet. He wanted, Steven wanted the project confidential until, you know, obviously the letters of support came in.

- And as you understood it, as at 30 September, 2015 was there an agency agreement that John had with Steve Spiridonidis?---No.
- 30

And are you telling us – sorry. Is that something that John spoke to you about, that is to say, did he say anything about wanting to get one?---Well, John, John, not at that point in time. John at that point in time was more interested to see if the project had legs but he was definitely under the impression that he was the agent and he had the buyer and, and he should be recognised for that.

And can I just pause there.---Sure.

- 40 And I appreciate this might seem like a really dumb question but you have to understand we're not in the real estate business. We need people who have been involved in it to explain it to us.---Sure.

Why were you and John going through all of this, was there an expectation of a benefit at the end of it?---Obviously John, John as the agent - - -

Yes.---John as the agent, if he was listed on the contract of sale for example as the agent responsible for introducing the purchaser then he's obviously

entitled to a commission. So therefore of course, that's, you know, the reason why.

And you personally?---Look, that was up to John. John's contract or agreement with the purchaser, if he was paid a commission, if John wanted to give me a commission that was totally up to him.

10 Well, slow down a moment. As at 30 September, 2015 what was the relationship like with John, was it one where you had an expectation that if you had been involved in doing work to assist John in getting a commission that John would share it with you?---Yes.

Now, item 49 on page 149, a text that you sent to Mr Hawatt on 30 September at 9.33pm reads, "We're almost there, mate. Only you can get the last piece of this puzzle." This is after an exchange between the two of you about him getting a letter?---Or possibly the contract.

And possibly the contract?---Yes.

20 Why did you continually try to get a contract?---Because John was concerned that he wanted to appear on the contract as the agent for the reasons that I explained previously. Being a listed agent you're, you will get a commission so - - -

But the contract had to be issued by the vendor?---Correct, and hopefully the vendor knew, would have known that John's the listing agent who has the potential buyer of that site.

30 Now, going over to page 150. Item 50 is a text to you from Mr Hawatt that evening at 9.36pm on 30 September, 2015 and he forwards to you a text that he says he has sent to GM. You understood to be GM of Bankstown Council did you?---General manager. Yes, yes.

Addressed, "Hi, Matt".----Yes.

Is that right?---Yes.

40 Did you understand from that text that Mr Hawatt had had some form of communication already with the person Matt?---Correct.

Excuse me a moment. Excuse me a moment. At item 59 – I withdraw that. Can I just go back, I apologise. Same page, item 51, a text to you from Mr Hawatt the same night, 9.37pm, "Call me re Gary site at Burwood," and you responded at 9.38pm, "LOL, no buyer, buddy." Was that about another potential deal?---Correct, correct.

That you and Mr Hawatt and been previously talking about?---Gary, Gary had introduced another site which I passed on to John because that, I don't

have people, purchasers et cetera. So, I, I would have passed that site to John.

Why was Mr Hawatt asking you to call him about the Gary site at Burwood?---Probably an update, where are we with it.

But you haven't told us that Mr Hawatt was involved at all. You told us about John and Gary. Where was Mr Hawatt's knowledge coming from that - - -?---From Gary.

10

Who was Gary?---Gary Singh, the, remember the first gentleman that we met at - - -

Yes. Same Gary?---Yeah, same Gary.

And what was the site at Burwood?---I can't recall but it, as you can see, it didn't last, it wasn't, nothing came of it,

But I'm still - - -?---Gary, Gary had us - - -

20

Had you been, had you been present when there had been any discussion involving Mr Hawatt and another deal at a site at Burwood involving Mr Singh?---No.

So, did this come out of the blue to you, this text about calling him re Gary site at Burwood?---Well, there was a site that we would have been shown or John would have been shown regarding Burwood to see if he had a potential buyer for a Burwood site.

30

But as you understood it, why was Mr Hawatt saying to you, "Call me re Gary site at Burwood"?---To get an update. Where are we at with it.

But that suggests that he had some foreknowledge of it, he had, he already knew something about it.---Yeah, from Gary. Gary had the site.

How did you know that he knew from Gary?---By, I just presumed that they were friend because they were the same people that were at the Frappe meeting in the first place.

40

Who was Gary Singh?---Gary Singh was the business owner. He ran a business out of Canterbury Road, Revesby.

THE COMMISSIONER: The baby business?---Correct. I think it's called Love N Care.

Why did you answer, "LOL"? That's "laugh out loud", isn't it?---Yeah because there was no buyer, there was no buyer. It was a waste of time.

MR BUCHANAN: But it was a site at Burwood that the man, Gary Singh, had apparently, according to the information that you had, is that right, in addition to the site in Canterbury Road, Revesby?---Yes, yes, yes.

Thank you. Can I take you to item 59, 1 October, 2015, a text by Mr Hawatt to you at 8.56am, “Hi Laki. Spoke to GM this morning. Can you sent me details of previous hospital projects, especially in Wollongong with the name and address of the hospital? He wants to refer to it in his letter which will be ready tomorrow. I have the contract competed with me.
10 Today I will finalise my end,” and you then, at item 61, sent a text at 9.11am, providing the address in Wollongong of a private hospital there, is that right?---Yes. I got that from John.

Thank you. Now, did you see the contract that he was referring to in his text at 8.56am?---No.

Did you ever see it?---No.

Then at 9.15am the same day, you sent a text saying, “Moving fast. In the
20 city meeting funders as we speak,” do you mean by that that you were speaking to Mr Spiridonidis?---Yes and that, that, that could, that could possibly be a message as well from John that I’m forwarding as well.

And if I can go to item 64 at 9.16am, you say to him, “What a team.”---Yes.

What did you mean by that?---Well, as I said from the outset, it looked like it was a team of four that were working towards the sale of the Revesby site.

But it conveys, doesn’t it, some enthusiasm?---Definitely. I was excited that
30 the project had legs, it was up and running, that it looked like it was going to progress, that, you know, finally there was going to be a sale.

And who was the team?---Ah, Michael Hawatt, George Vasil, myself and John Dabassis.

And was it your expectation that just as you, sorry, just as John Dabassis would receive a commission if he was the agent for the purchaser on a completed sale and you might share in John’s commission, so too on the owner’s side, at least Michael Hawatt would be working towards a share of
40 a fee of some sort - - ?---Correct.

- - - for his role in bringing the owner to the table.---Correct. And that’s, that’s what John, that, that was John’s concern, that because – John had told me that Michael Hawatt was the agent and that’s where John was concerned that he had introduced the buyer yet we, when I say we, John wasn’t aware what arrangement Michael Hawatt had from a commission point of view with the owners.

And the owner would be the person providing the contract?---Yes.

And the contract would stipulate commissions?---No, the, the, an agency agreement would stipulate - - -

An agency agreement would.---But, you know, like I said, we, we weren't a party to what discussions were held on the other side.

10 Thank you.---And that's why John was frantically trying to get an agency agreement signed.

Can I take you to another volume, volume 29, please. Sorry, my mistake, I withdraw that. Commissioner, I apologise, it's not a document in evidence, I will be tendering it. So a document's come up on the screen, Mr Konistis, entitled Commissions and Compensation Agreement. And you can see that at the bottom there is a name, Sterling Legal.---Yes.

20 And if we go over the page, the page number, the third page, there's pagination in the bottom right-hand side.---Yes.

You can see at the top it says, "This agreement is made," and then in handwriting, "2 October," - - -?---Yes.

- - - and then in print, "2015."---Yes.

And the parties are identified as Elcheikh Pty Limited - - -?---Yes.

30 - - - and Michael Hawatt. Elcheikh Pty Limited vendor, and Michael Hawatt, the intermediary. Do you see that?---Yes.

Before this Commission's investigation had you seen this document before?---No. No, first time.

Is this the sort of agreement that you thought might exist between Mr Hawatt and the owner?---Exactly what we suspected.

40 So if I just take you through, there's a recital E, there's a reference to the intermediary, Michael Hawatt, will be entitled to a commission, and then as to the operative provisions, on page 4 the item 12, sorry, clause 12, "The signatories agree and acknowledge that the intermediary is not a registered real estate agent and he is not acting in any such capacity." Can I just pause there. Did you ever understand Mr Hawatt to be a licenced real estate agent?---Well, I presumed when John told me that he listed himself as an agent on the contract that he was an agent.

That you assumed he was a, what sort of agent?---An agent, a real estate agent because how, why would you put your name next to agent on a contract when you're not a real estate agent.

Which contract are you talking about now?---The contract for sale for Revesby.

And did you ever see that document?---I didn't see it but John - - -

When were you told this by John Dabassis?---When we finally saw the actual, sorry, when John was given a copy of the contract to give to Steve Spiridonidis.

10

When was that?---I don't recall.

Are we talking – when were you given the information that Michael Hawatt's name was there as agent on the contract, when were you given that information?---I'm going, look, I don't want to guess but it would have been - - -

We talked about September, 2015.---Yeah.

20 And here we are today July, 2018. Where is it in that spectrum?---Late October/November.

2015?---Yes.

THE COMMISSIONER: One of the documents you were asking Mr Hawatt for in addition to the two letters of support with the contract, was that the contract that you - - -?---Where we're, that, the contract that we were waiting for. Correct.

30 Right. And that had eventually been provided to Mr Dabassis?---To John Dabassis.

All right.---Who then saw the agent listed. He was furious. John was furious.

So John told you that the agent - - -?---Yes.

- - - listed on the contract was Mr Hawatt?---Was Michael Hawatt.

40 And this was around you think - - -?---End of October/November.

All right.

MR BUCHANAN: And what did John tell you he had done or was doing with that contract?---Delivering it to Steve as the, as the agent for the, for the purchaser. The purchaser wanted a contract. An agent delivers a contract to the purchaser.

Commissioner, I tender the document which has the pagination 2 through to 6 that has been shown on the screen which is Commissions and Compensation Agreement dated 2 October, 2015 between Elcheikh Pty Ltd and Michael Hawatt.

THE WITNESS: Sorry, am I out of line to ask how much the commission was?

MR BUCHANAN: Yes.---Okay.

10

THE COMMISSIONER: Sorry.---Sorry, I don't know. It was so quick. I was looking for it. Sorry.

I have no say in that. Sorry. The Commission and Compensation - - -?
---You don't want to ask me - - -

MR BUCHANAN: You'll be able to see it on the Commission's website tonight.---Oh, lovely.

20

THE COMMISSIONER: Sorry.---I will definitely be looking at this document.

Sorry. The Commissions and Compensation Agreement dated 2 October, 2015 between Elcheikh Pty Ltd and Michael Hawatt is Exhibit 187.

**#EXH-187 - COMMISSIONS AND COMPENSATION AGREEMENT
BY STERLING LEGAL DATED 02/10/2015**

30

MR BUCHANAN: Excuse me a moment, please. Can I take you then to another page. It'll be shown on the screen. First of all I'm showing you an email from at the top of the page Michael Hawatt to you. Is that right?
---Yes.

Dated 2 October, 2015 at 6.02pm.---Yes.

40

And it reads, "Hi, Laki. See attached letter from council and more information." Below that there is a forward of an email from Matthew Stewart with the email address of matthewstewart@bankstownnswgovau. Do you see that?---Yes.

Did you understand him to be the general manager of Bankstown City Council? If we can just scroll down to the bottom of the - - -?---Yes, yes.

- - - Mr Stewart's email.---Yes, yes.

Thank you. Do you recognise this email as an email you received from Mr Hawatt?---I don't recall it but obviously it was sent to me.

And then if we could go over to page 8, please, there is a copy of a letter from Mr Stewart to Mr Spiridonidis, dated 2 October, 2015 and if you – have you see that before?---Yes, I've seen this before.

And is that a letter of support of the type you've contemplated?---Yes.

- 10 So, I tender the email by Mr Hawatt to Mr Konistis, dated 2 October, 2015 at 6.02pm and the attached copy letter from Mr Stewart at Bankstown Council to Mr Spiridonidis dated 2 October, 2015.

THE COMMISSIONER: All right. The email from Michael Hawatt to Mr Konistis, dated 2 October, 2015 with the attached letter from Matthew Stewart, also dated 2 October will be Exhibit 188.

- 20 **#EXH-188 - EMAIL FROM MICHAEL HAWATT TO LAKI KONISTIS TITLED 'LETTER OF SUPPORT – 297–299 CANTERBURY ROAD' DATED 2 OCTOBER 2015 WITH ATTACHED LETTER FROM MATTHEW STEWART**

MR BUCHANAN: And could I take you then to page 11 – I'm sorry. I'll show you another email. This is an email that purports to be from Michael Hawatt to himself, dated 28 October, 2015 at 10.06. Do you see that? ---Yes.

- 30 And then underneath it, it appears to be a forward of an email from Michael Hawatt to the then minister of Health, a Ms Skinner, also dated 28 October, 2015 but at 5.10pm. Is this the sort of contact with the minister's office that you contemplated that you describe earlier as being the sort of outreach for an expression of support from the State Government as well that Mr Spiridonidis was looking for?---He was looking for some sort of support.

I tender that email.

- 40 THE COMMISSIONER: The email from Michael Hawatt to Jillian Skinner, minister, dated 28 October 2015 and the accompanying email to himself will be Exhibit 189.

#EXH-189 – EMAIL FROM MICHAEL HAWATT TO JILLIAN SKINNER MP TITLED 'CONSTRUCTION OF A PRIVATE HOSPITAL' DATED 28 OCTOBER 2015

MR BUCHANAN: Can I take you back to volume 21, page 153, please and can I ask you to have a look at item 113 in the schedule of texts extracted from Mr Hawatt's telephone. This is text from you to Mr Hawatt on 11 November, 2015 at 5.11pm and you said, excuse me please, "Agreement ready tomorrow for signing, mate. Can you please urgently follow up minister meeting for Steve as he is full steam ahead." You sent that text?
---Yes.

Do you recall sending it?---Yes.

10

What agreement are you talking about?---That's the introducer's remuneration agreement that were, was going to be signed between Michael Hawatt and John Dabassis to at least prove that John Dabassis was the agent and should be paid his commission accordingly.

Did Michael Hawatt know at that stage of your understanding that such an agreement was going to be put in front of him for him to sign?---Yes.

20 Where do you get that understanding from?---Because the document was signed that, sorry, the 11th of 11th, oh maybe I've got it wrong. Sorry, I, I thought it was December, I've, I've made a mistake.

That's okay.---Because the document was signed in December.

No, no. I'm just asking.---I looked at the date, that's why.

That's okay. It's absolutely fine.---Sorry. There was an agreement that was being prepared which John wanted signed.

30 Yes, you've told us that but your text message suggests that you believed when you sent that text message that Mr Hawatt would be understanding what you meant when you said, "Agreement ready tomorrow for signing"?
---Yes.

40 Where would he have got the understanding from about this agreement?
---Because there would have been discussion about John being paid and I know, I recall George Vasil taking John and myself to a solicitor's firm in Earlwood, Laliotis and Co, with a view to drafting up a remuneration agreement which basically, the hope was to secure John's commission. So that would have been the preliminary stages of that agreement being finalised and ready to sign.

But how would Mr Hawatt have already known that that was in train?
---Because there would have been definitely discussions about an agreement being prepared for him to sign, for John's commission.

And you were also chasing up from Mr Hawatt the, what you describe here as "Minister meeting for Steve." Why were you addressing that to Mr

Hawatt?---That, that was the second letter of support that we were still waiting for on behalf of Steve. The Minister's letter.

And if I – I apologise if I seem to be labouring the point - - -?---Sure.

- - - but why were you directing this to Mr Hawatt - - -?---Ah, because - - -

- - - rather than somebody else?---Because Mr Hawatt was the one who was going to be following up with those two letters as - - -

10

And how did you know he was going to be following up with those two letters?---Because he said he would follow it up.

How do you know he said that?---Because that's what we were, that's what John told me when they had their meeting, that when John presented the fact that there were two letters needed to be letters of support, so it goes back to that original meeting.

At La Plaka café or - - -?---Or, or - - -

20

- - - Frappe?--- - - - a little bit after that.

A little bit after La Plaka?---Yeah, yeah, they might, they would have had another meeting.

THE COMMISSIONER: Is that actually a letter or is it a suggestion of a meeting with the Minister?---No, a letter, letter of support.

30

All right. Though you've used the words, "Follow up Minister meeting for Steve."---Yeah, I don't know, I - - -

Your understanding it was still waiting for the letter from the Minister. ---Yeah, letter.

MR BUCHANAN: Well, can I just pause though. You're obviously more likely to get a letter out of a Minister if the Minister has been persuaded that the letter should be written, you needed to persuade the Minister that the letter should be written, correct?---Well, that's, that was Michael's area that I had nothing to do with.

40

I know, but it just stands to reason, doesn't it, that you needed to persuade, someone needed to persuade the Minister that the letter should be written? ---Well, or least make an approach to see if the, if the State Government would support that project, yes.

What I'm just asking is, is there a possibility that what you had in mind at this stage was that for the Minister to be persuaded to write a letter of support there would need to be a presentation to her by Steve Spiridonidis?

---Possibly. I, I don't recall.

Well, that makes sense, doesn't it?---Yeah, it makes sense but I don't, I don't recall it like that.

Except that you've used the language, sir.---I know, I know, I know what it says.

10 "Follow up Minister meeting for Steve." So if you used that language then what we're seeking from you is either a memory explaining it or if you haven't got a memory, what is your best explanation as to - - -?---I, I don't - - -

- - - what is likely to have been - - -?--- - - - have a memory of a meeting, I don't recall any Ministerial meeting. I don't recall.

In contemplation?---Maybe that, I meant to write letter, it could be a mistake in the SMS.

20 Would this be a suitable time?

THE COMMISSIONER: Oh, sorry. Yes. We'll have the luncheon adjournment and we'll resume at 2 o'clock.

LUNCHEON ADJOURNMENT

[1.04pm]