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24/04/2019

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INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

Reference: Operation E15/0078

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 24 APRIL, 2019

AT 9.30AM

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

THE COMMISSIONER: Any administration?

MR BUCHANAN: No, Commissioner.

THE COMMISSIONER: All right, Natasha.

THE COMMISSIONER: Mr Buchanan.

MR BUCHANAN: Mr Hawatt, yesterday we saw an agreement called Commissions and Compensation Agreement that you made with Elcheikh Pty Ltd.---Yep.

- 10 That was dated 2 October, 2015. That was of the two agreements that we've looked at, the one in respect of the Revesby land under which you stood to gain a commission if certain conditions were satisfied.---Yep.

When was it in your life that you first became involved in real estate transactions by trying to garner, obtain any sort of fee for introducing a purchaser to a land owner? When did that first happen in your life?---It's been going from, probably from the day I was born, you know. It's something that's in our blood, to, to make transactions and business transactions and, or trading developments in Morocco, I'm doing something
20 there. It's just the way it is. It's, it's a business transaction that most people, even professionals, do. Whether that could be doctors, lawyers, everybody tries to, to try to do some, some sort of a transaction in, in this regard, including myself. But, because I'm involved in finance and I do a lot of financing for, I, I used to do a lot of financing for various projects, development projects and over the years, of course, you build up your, your connections and contacts and you see how, how people operate and how they do business based on the financing that I do, the commission I charge to finance. So it's all interlinked with my work in, in finance.

- 30 And were you doing that sort of work, of trying to – I'm not suggesting you weren't successful when I say trying, I mean setting up arrangements whereby you would gain a fee if you succeeded in introducing a purchaser to a property owner, were you doing that before you became a councillor? ---I, I was doing it way before, yeah.

And you were doing it during the time that you were a councillor on Canterbury Council?---Oh, just, oh, oh, I'm a – look, as a councillor, I'm part-time. It's not a, I'm not permanently full-time. We have a job, and we have a job to run, and I have a job to, to do, to perform. So I'm not a,
40 committed to council on a full, full-time basis. I am committed to my work, because I need to survive, as a, a, as self-employed, and I, I do finance and, and other, other opportunities that, that comes along, as a, as a finance broker, as a person who runs their own small business.

And were you a finance broker for development proponents, people who were trying to develop land or obtain land for development?---Oh, look, for years, people asked me – I've, I've done –people asked me for various financing for developments and, and others, it's just, I, I get, I get a lot of

enquiries for various funding. And I've done that, you know, for, from day one.

And was that one of the functions of Ozsecure Home Loans?---Yes.
Correct, yes.

10 But – and I'm not suggesting that anything particularly significant attaches to it, I'm just trying to understand this – the agreement that you entered into with Elcheikh Proprietary Limited in 2015 was in your own name, not in the name of Ozsecure?---Because I'm the finance broker, I have the licence under my name, not, not Ozsecure. So I'm the, I'm the licence holder of Ozsecure Home Loans, for the, for, as, as the, the finance broker, I have the licence in my name.

20 THE COMMISSIONER: But that agreement wasn't a financial broking agreement.---No, it's, it's, there, there's, there's a, there's a few things missing. It's actually part of, it's a consulting financing. So I, I was also – the, the funds that'll come in, it'll be commission that I charge for that as part of – it's all mixed together.

So that was an additional agreement, was it, or an - - -?---No, no, it's, it's part of it. But I, I mean, sometimes I talk about consulting, but it's, it's actually consulting in finance as well. And, and I do finance loans.

But that's, that – I'm sorry, Mr Buchanan, I've interrupted.

MR BUCHANAN: No, no, no, no, please, Commissioner.

30 THE COMMISSIONER: No, no, no, you go ahead.

MR BUCHANAN: Well, what was it that meant that you would put a transaction involving fees coming to you from a land transaction, some other party's land transaction, through Ozsecure as against doing it in your own name? What was the criteria?---Because, because of the, I hold the licence under, under my name, that's why. And when I do financing, it's, under the finance I have to use the licensee, which I'm the licence holder, even though, even though the vehicle is, Ozsecure is my vehicle, the company, but my licence is under my name, personal name.

40 Thinking, though, of transactions where you entered into an agreement with the, a view to getting fees if a potential purchaser in fact bought a potential vendor's land for the purpose of development, was that something, though, that you would have put through Ozsecure, given that you weren't actually advancing or arranging for finance to be provided?---Well, no, well, the finance has to be provided anyway, so it's, it's a, it's an indirect – I mean, if, in order for somebody to buy something, the finance has to come through, so I'm coordinating the two projects, including the financing to purchase the property. So my role, as, as being a consultant is order, also that includes,

because in order to sell something, you're going to buy it, with, with financing.

But that's two different transactions then.---No, they're, I, oh, to me, I use them as the same, because the consulting includes my, my position as in finance, and I still use the same sources in, in regards to getting financing for various projects.

10 THE COMMISSIONER: But you'd be providing the finance to the purchaser.---To the, to the, to the, to the purchaser, sorry, to the – I'm getting confused.

MR BUCHANAN: Yes, must be to the purchaser.---To the purchaser, yeah, sorry.

20 THE COMMISSIONER: But the agreement's with the vendor.---Yeah, the vendor is the owner of, of, of the land, so I had a cross, a cross agreement where I saw an opportunity in regards to earning some, some fees out of, out of the transaction.

But that would, the agreement with the purchaser or the potential purchaser, that would have been a completely separate agreement and that would have been under your licence as some kind of financial broker.---It is, but the agreement is based with the seller who owns the land because he's getting the funding in order to, to get the sale done and I was coordinating - - -

Sorry, the vendor's getting the funding to - - -?---Well, he's getting the, the sale, he's also getting - - -

30 He's getting money.---He's getting money, that's right, so that transaction, I got the person who's going to come in and buy the property off him, so that was, that's part of - - -

So they need money.---Yes, correct.

And you as a financial broker is going to assist him with that.---Yes, yes.

40 But this agreement with the vendor on its face is a standalone with you as an individual, it doesn't refer to any financial broking licence that you have, it doesn't nominate a licence number, and indeed the tasks that you have agreed to provide are things like networking, introduction and facilitation services, which on their face don't seem to have anything with financial broking.---It does, it's, it does, indirectly it does, because that's what I do, that's my job, especially with the source that I use, it's the same source it's coming from as well. I do a lot of inquiries for the funding and that same process.

MR BUCHANAN: If I could just try to understand it myself, Mr Hawatt, and just for the record the agreement we've been taking you to is Exhibit 187.

THE COMMISSIONER: Thank you, Mr Buchanan, yes.

10 MR BUCHANAN: I think I understand what you're saying, but can I just make sure I do understand it. What the Commissioner has pointed out to you is that in the case of the commissions and compensation agreement with Elcheikh Pty Limited of October 2015 there is no finance broking component of the agreement.---Correct, it's consulting.

You accept that?---Consulting but, that was consulting.

Well, yes, but consulting's a very, very broad term.---Correct, that's why it's, exactly, that's why consulting is used, because it's broad and it covers all these things under the consulting.

20 But you weren't going to get fees through this agreement for arranging for a loan to the potential purchaser, were you?---That's part of the package, it's all, it's a package. To me, I introduce the buyer, I knew the seller and I knew what's, what the negotiated agreement and I was working towards that, and as far as I'm concerned, and that's, that's - - -

You were working towards that?---Towards that, getting that agreement tied up together.

30 But - - -?---Financing and, and also acting as a consultant on behalf of both parties.

Okay. Can I just take a step to one side.---Yeah.

In the case of the Revesby deal, and I appreciate it didn't go through, but if I can just call it that for the moment.---Yeah.

In the case of the Revesby deal, you didn't end up arranging finance to Mr Spiridonidis, did you?---It hasn't, it hasn't finished.

40 I appreciate that.---That's all right.

And I do understand, but all I want to do is just stake out what we know and what we don't know and try to understand what the evidence tells us. ---Correct.

And as far as the deal had got, no financing for Mr Spiridonidis had in fact been organised, that had been a goal of yours. Is that a fair summary? ---Correct, yes, sir, would have been a goal of mine.

And if you had been able to persuade Mr Spiridonidis to accept your services in arranging finance for him in purchasing the Revesby land, would that have been something you would have done through Ozsecure?

---Ozsecure's always been the vehicle but because of, whenever there's a credit finance I'm going to use my name because Ozsecure doesn't have the, the licence.

I understand.---Yeah, so that's why sometimes I use my name, depending on the situation, sometimes I don't.

10

If I can return to chronologically going through the material that the Commission has. We've seen a letter of support that you obtained from Matt Stewart at Bankstown Council dated 2 October, 2015, Exhibit 188, but there was a second letter that was obtained from Mr Stewart as well. If I can show you, please, Exhibit 192, maybe 193 in the first instance. Looking at the bottom of this page, you can see that there is an email there from Mr Spiridonidis to you of 15 February, 2016, in which he said that he required a letter to the effect that councillors in support of the concept for a private hospital and would look favourably to the additional FSR proposed, subject to the developer submitting a planning proposal, and you forwarded that to Mr Stewart in your email of 15 February as we go up the page.---Yep.

20

And after corresponding a little bit with Mr Stewart about to whom the correspondence should be addressed, Mr Stewart told you on 17 February, 2016, that he had sent you a copy of a letter mailed today and emailed to Mr Spiridonidis. And if we could go to Exhibit 192, please. And this is an email of 17 February, where you forwarded to, I'm sorry, where Mr Stewart forwarded it to you, the letter he had sent to Mr Spiridonidis, and if we go over the page, that is the letter. The question I have is really quite a simple one, it's why was there a second letter that was required as you understood it?---Oh, they just needed to, to be official for Steven, in order for, he's got investors as well that's maybe participating in the project and I think they requested something formal.

30

But the previous letter we saw was also on council letterhead, also signed by - - -?---Yeah but they, they weren't happy with it. They wanted something in order to move on, to move forward with it.

It just seems a little strange because it's difficult to understand the difference between the two letters.---Well, that's what they requested. You can see that, you can see from Steven he wanted something a bit more formal for him. So this is - - -

40

He wanted something to indicate that council would look favourably on increasing the FSR allowed for the site.---Well, they needed to know if they're going to go ahead with it or not and, and they need some assurance and the only assurance they can get was from Bankstown Council and for

such a project, a hospital project, it would be a, a fantastic opportunity for the community to move forward with it and, and - - -

Did you talk to Mr Stewart about whether he could provide any comfort that council would look favourably upon a submission for a planning proposal to increase the FSR for the site?---Oh, look, I don't recall that. I, I don't recall. All I recall is just asking him if they have any appetite for, for having a hospital on that site basically.

10 But we knew that from the previous letter. What I'm after is, what conversation did you have with Matthew Stewart at Bankstown which caused him to provide this second letter, what was the conversation?---I, I don't recall. I must have sent him an email or something. I don't know. Normally I corresponded with emails to Mr Stewart and, and I think the council looked favourably on this. That's, that's the only thing I remember from that.

20 But Mr Stewart was a person that you spoke to from time to time personally, didn't you, not just by email?---Yeah. No, no, yes, correct. That's why I, I knew him.

Did you talk to him personally to try to implement the request as you understood it from Mr Spiridonidis?---I, I don't, I don't recall. I really don't recall. All I, all I recall is that request via email. I don't recall having, meeting him face, face-to-face. I don't recall it.

30 Can I take you to Exhibit 194, please, and to item 45 in this list of schedule of text messages extracted from your mobile phone. In this case they're between you and Mr Zreika, and item 45 – excuse me a moment. Item 44 might be a better bet. If I can just draw your attention to that, please. You texted Mr Zreika on 16 March, 2016 at 2.12pm, "Hi Talal/Tom. A final inspection by the chairman re your site is planned for tomorrow around lunchtime. Everything is okay and ready to exchange after this is done. I will get a phone call tomorrow from them." Signed Michael. Who was the Talal to whom this was co-addressed?---This is Elcheikh.

Not your son-in-law?---No, no. Nothing to do with him.

40 And when you referred to the chairman, who was that?---I think Steven.

Of his corporate vehicle that he was using for this exercise?---Correct, yes.

And so if we go to item 46, that's a text at 12.05pm on 5 April, 2016. "Hi Tom." You indicate you're going to be overseas and then you say, "The exchange for Revesby will take place this week as agreed with Talal. Can you transfer my payment of 250,000 to my company account?" And again, the Talal is?--- Elcheikh.

Talal Elcheikh. Can I just ask, what was the relationship between Talal Elcheikh and Terry Elcheikh?---It's the same name. It's the anglicised name.

And was he the actual owner, as you understood it?---Yeah, he's one of the, he's one of the brothers. It's, it's a combination of seven brothers and he's the one who's the coordinator between all the brothers.

10 Thank you. Can I take you back to that text message, please, item 46 in Exhibit 194. When you said to Mr Zreika, "Can you transfer my payment of 250,000 to my company account," why was the sum 250,000?---I can't recall why that's the amount.

You were entitled to \$5 million, weren't you?---No, nothing went through. It all collapsed.

20 I know it didn't but that was your entitlement under the - - -?---Yeah but I, I'm not sure whether that was part of the, the original - I think it's to do with the deposit and maybe part of the, the exchange, if there was an exchange based on the 10 per cent and that could have been the per cent they'd agreed to.

So can I just ask a question about that. Had a deposit been paid by Mr Spiridonidis's company at that stage?---No, nothing. Nothing happened. It all collapsed after this all collapsed.

30 Okay. And I'll just explore that answer you gave a moment ago. What was the \$250,000 a proportion of?---Proportion of the deposit. I think it's to do with an exchange, so the exchange, exchange which is the 10 per cent on the, on the value, and that must have been the, and then it was agreed that they'll give me the 250 as part of that initial deposit.

And did you understand that you were liable to pay a proportion of that to John Dabassis pursuant to the agreement you had with him?---Correct, yes.

THE COMMISSIONER: Did you ever get the 250?---No, no, it all - - -

It all collapsed.---It's sort of up in the air.

40 MR BUCHANAN: Are you able to say in like a short pithy sentence what went wrong or why it didn't go ahead?---Oh, look, it just - - -

As you understand it?---Yeah, there was lots of back and forward with John and I think Steven just really was ready to pull out at one stage and he wasn't interested.

Who was?---Steven. Steven was ready to pull out. He didn't want to have any dealings with anyone and it just, it just dragged on and on and it just fell, over time it just - - -

I understand, but can I just get your opinion on this.---I think Steven was really getting annoyed with the actions of, of John and, and, and Laki and, and you know, it just - - -

10 But for whatever reason it was a lack of willingness on the part of the potential purchaser - - -?---Yeah.

- - - rather than a lack of willingness on the part of the potential vendor. ---That's correct, that's, yeah, that's correct.

Now we've talked about land that was located outside the Canterbury local government area, as Revesby was, were you ever involved in trying to introduce purchasers to the owner of property located in the Canterbury local government area?---No, no.

20 Not at all?---Not, I do not deal, I always had it in the back of my mind, anything to do with Canterbury, anything to do with Canterbury I try to keep a complete arm's length because I don't believe I should get involved, and, and that's my policy on that. I don't get involved with, with anything to do with Canterbury with any potential, if there was any potential conflict I would not be dealing with Steven, if that was the case.

But are you talking about the period while you were a councillor?---Period while on the council, yeah.

30 So talking about – and just for clarity's sake then, thinking of the period 2014 through to 12 May, 2016 when amalgamation proclamation was made - - -?---After amalgamation was made I changed my attitude because I had nothing to do with council anymore.

Okay, but just focussing if you wouldn't mind on the period 2014 to 12 May, 2016 when the amalgamation proclamation was made, were you involved in trying to introduce a purchaser or purchasers to the owner or owners of property located in the Canterbury local government area?

40 ---If there was inquiries made on behalf of Laki, as I said before, Laki and John and they've been pushing and I've introduced them to people like Charlie Demian and we spoke about that before, but as far as personally getting involved, I keep an arm's length.

I'm sorry, but are you talking about the period there of 2014 through to 12 May, 2016 when amalgamation was announced?---Well, that would, that would be the period, yeah, that – well, after amalgamation, as I said, I changed my, because just, you know, I'm no longer a councillor then it became opportunity to, to do any business that I can.

What was the change that occurred?---After the amalgamation.

Yes, but tell us what happened after amalgamation.---Well, I had, there's no more obligation to council, I have nothing, no links.

Yes, but you're giving us a reason.---Yeah.

10 What I'm asking is, you've said a change occurred. What change occurred?
---The amalgamation.

20 Yes, but what change occurred in your getting involved in trying to introduce purchasers to the owners of property located in the Canterbury local government area after 12 May?---Well, if there was inquiries on behalf of, you know, from John or anybody else regarding any links or connections with someone else, then yeah, I made an effort then because I had no real obligation in regards to being a councillor anymore, I can't make any more decision, I can't vote on anything, it's finished, so I was a bit more open in order to, to follow up with people asking me to, to link them with, with others.

THE COMMISSIONER: What, link or introduce?---Or introduce or whatever, yeah.

30 MR BUCHANAN: But you said you were more open. Did you get involved, after amalgamation, in trying to introduce purchasers to the owner of property located in the Canterbury local government area?---Well, you know I did with Daryl Maguire. There was a phone call in regards to linking him to, to, he wanted the existing DAs, and I, I've introduced him to Charlie Demian at the time. Yeah.

And is that something that you actually did after amalgamation?---There were some enquiries before, but I kept at arm's length. But after, during that period of the amalgamation, end, after we basically there was no more meetings, then I, I made the, the contacts between, between, between Charlie and, and Daryl at the time.

40 Sorry, so you just spoke a moment ago, did you, of the period after 12 May, 2016?---But (not transcribable) during, correct.

Is that right?---Yes, during, just on and after.

THE COMMISSIONER: But he - - -?---Just on and after.

MR BUCHANAN: And when you say - - -

THE COMMISSIONER: But you also said that he made some enquiries before amalgamation but kept at arm's length.---Correct. This is when,

when John and, and Laki were pushing me to meet, what's the name, Charlie Demian, and I just, and I think, well, it went, ended up going through George, because I couldn't, I couldn't participate in anything like that. I just introduced them, and pulled back.

10 MR BUCHANAN: Well, so you were involved while you were a councillor in trying to introduce purchasers to the owner of property located in the Canterbury local government area, is that right?---This, all this is during the period when the council was finished (not transcribable) council, there were, there's no more meetings, there's no more debates, and no more discussions regarding anything, so, I, I made some introduction. But there was no, there's nothing happened with those either.

20 No, I'm picking up on the answer you gave to the Commissioner. We're talking now about the period before amalgamation. You were involved, were you, in trying to introduce purchasers to the owner of property located in Canterbury local government area while you were a councillor, is that right?---No, not to make any money, not to make any financial benefit, but to introduce the people who wanted to meet up with, with Charlie Demian at that time. And then, just during that period, they were negotiating and talking themselves, and just making introduction. Afterwards, when the amalgamation occurred, during that period, then I made a bit more introduction to Daryl Maguire. But again, nothing happened. There's no, there was no financial benefits. It, there's no gains, nothing. A, just an introduction, and, and, and that's how, and that's what happened with it.

30 So you're saying that while you were a councillor on Canterbury Council you were involved in trying to introduce purchasers to the owner of property located in the Canterbury local government area, but you were not doing it for a fee?---I made introduction, I, yes.

Why did you do it?---Because people, oh, because I knew, I knew a person. I knew Charlie Demian. I knew George and I knew these people, they just asked me, pushing me, pushing me, and I said, look, you know, towards the end I even told Charlie not to deal with.

40 Well, that's an answer to the question, what allowed you to do it, what enabled you to do it. It's not an answer to the question of why you did it. ---Just an introduction. People ask me and I introduce them.

Yes, but why did you do it?---Because I was pressured on these people. Sometimes you feel quite embarrassed to, when people, oh, you know, let, I want to meet this guy, I want to meet this guy, I want to meet this guy, and I just give them the phone number and they can communicate and, and George Vasil was more handling it with these guys, because I said to him I don't want anything to do with them.

You said to George, "I don't want to have anything to do with them"?
---Correct.

And what were the circumstances in which you said that to George?---Well, because I was getting pressured from these guys and I just got sick of it.

When was it that you said that to George?---I don't recall. I don't recall the date. But I remember discussing it.

10 Was it on the phone or was it face-to-face?---Could be face-to-face, I don't recall.

Where were you when you said that to George?---Oh, just during that period when this Laki and, and, and John were pressuring me to introduce them to Charlie. I don't recall the exact date.

Pressuring you to - - -?---To, to meet Charlie.

20 To introduce who to Charlie?---George, John and, and Laki.

And that was while you were a councillor?---Yeah, that was towards the end, yeah.

So you did some work to introduce a purchaser or purchasers to the owner of property in the Canterbury area while you were a councillor, but at some stage you said to George Vasil, "I don't want to have anything to do with it," and that was during the time that Laki and John Dabassis were pressuring you to introduce them to Charlie Demian?---That's - - -

30 Is that your evidence?---Directly, yes.

40 What was it that had happened to cause you to say to George Vasil, "I don't want to have anything to do with it"?---Well, it started off firstly with Revesby, they kept on going on about Revesby, they kept backstabbing Steven and kept saying we've got other buyers introducing buyers and then, and then they said, oh, we've got buyers, we want to meet up with Charlie, we have buyers and, and it just became, like, constant sending text message and, and, and hassling and even when I spoke to, to Charlie, I said, "Charlie, look, please, I, I've given you introduction, meet these guys but I don't trust them. It's got nothing to do with me, you handle them. I don't want to have any responsibility because I don't trust them and it's up to you." Basically, also I mentioned that to, to, I mean, to me it's like the worst thing I did was introducing him to, to, to Charlie and, and that was- - -

Are you saying that you mentioned that to Charlie Demian as well?---Yeah, not to deal with - - -

That you didn't want to have anything to do with it?---Absolutely, yes. I, I said it to him and I said I don't, I don't trust them.

At what stage or when did you say that to Charlie Demian?---Oh, a lot during that same period, during the same period.

Was it in 2015, 2014, 2016?---I, I don't recall the, the timing.

10 How long before you stopped being a councillor was it that you said to Charlie Demian that you don't trust them, it's up to you, you didn't want anything to do with it?---It's during that period at the end of the, the council.

So are you talking first half, sorry, the first five months of 2016?---Probably the, towards the end, yeah, before the council finished. Just before.

Just before amalgamation?---Yeah.

20 And what did George say to you when you said to him that you didn't want to have anything to do with it?---I, I think George understood that these guys were, became real bully and pushy.

But did he try to persuade you to continue being involved?---No, no. Look, George understood that these guys were full of hot air basically, what you can say and they're wasting his time and everybody else's time. So, everybody realised these guys are just, just all talk.

30 Well, what had happened by way of introduction up to that point in time? ---Nothing. To me it's like, whatever happened, happened between them. I, I, I didn't know what was going on.

Had you physically introduced a purchaser or - - -?---No, no, no, no.

- - - potential purchaser to Mr Demian?---No, no. Never.

In any way?---No. Never.

40 Had you purported to represent Mr Demian in any sort of meeting or negotiation with Dabassis or Konistis?---No. They just, they got their numbers and they made their own communications together.

So when you said to Mr Demian that you didn't want to have anything to do with it and that you didn't trust them and it was up to him, that suggests that by that stage you had actually introduced Dabassis and Konistis to Demian. ---I might have. I might have. That's what I'm saying, I introduced them, I gave him the number, but after that, well, I just realised these guys are, became pushy and I said, look, I don't – and I think even Charlie didn't like them either. So he also didn't want to have anything to do with them.

So you had given Charlie Demian the number, the phone number of someone?---I can't remember. I can't remember how it was done but there was some, some correspondence communication that was made.

And this is all while you're a councillor?---Well, this is all towards the end, so I don't know the period.

10 But it does sound as if you had been involved in trying to introduce purchasers to the owner of property located in the Canterbury local government area while you were a councillor, doesn't it?---I just, no, I just made – people ask me for the, for his number, I gave it to him,

20 Please. What you're trying to do is mitigate it or give us an explanation. What I'm trying to establish is, you accepted, do you, that while you were a councillor, you were involved in trying to introduce purchasers to the owner of property located in the Canterbury local government area?---No. I wasn't trying to introduce anything. I just made a, an enquiry, I gave a guy his number and, and, and that was it. I made a, I made a, a, an enquiry to, to
20 Demian and said, look, these are they guys that, they wanted to, to speak with you and this is their number and that was it. So - - -

What property was the enquiry about?---I think it was, they kept talking about Harrison's. So, I don't know, they brought up the Harrison's site.

30 And so you told Charlie Demian and George Vasil, did you, that, well, to the extent that George didn't already know, Charlie Demian is the owner of Harrison's and I know him and I can introduce you to him?---Yeah, well, well, Charlie - - -

40 Is that what happened?---No, that's not the case. Charlie cannot deal directly with people like, like John and Laki and, and even George. He had a process to follow, he had his own people, partners with him and they had to follow their normal, their normal process, so as far as I was concerned it's, this is the guys that have been asking for you, they want to talk to you, this is their number, and that was it. There's nothing as anything else besides saying they wanted to meet up with you, this is the guys who want to talk to you. It's like an introduction. There he is, that's it. So I wasn't involved in any direct dealings or negotiations, like nothing, just they wanted your number, this is their, this is their number. That was it.

So you didn't take part in any meetings say in which you had parties on the purchaser's side on one side of the table and the parties on the vendor's side on the other side of the table?---No, not, not, not came to negotiation. There was ones that tried to meet in Earlwood, I'm not sure if even Charlie turned up, so I don't even remember. And that was it, that was the introduction and, and it's up to them to talk to each other. This is your phone number, talk.

Well, there was once or twice a meeting in Earlwood and you don't even know if Charlie turned up. Is that right?---I don't think, I don't think Charlie turned up because these guys were, these guys were there but I don't remember seeing Charlie there.

And so you were there?---We were just having coffee, we socialise there.

10 Yes, but obviously you were there because you've told us.---Yeah, I'm always there.

Yes. And where were those meetings in Earlwood?---I can't, could be Frappe, I can't - - -

When you say could be Frappe, why do you fasten on that venue?---Because we, we, there's a number of shops, coffee shops we meet at. I don't, I don't remember exactly which one it was.

20 Well, you've read the evidence given to the Commission about this topic, haven't you?---I read some of it, yes.

And you've seen that there's evidence of at least one meeting at Frappe? ---Yeah, but I don't remember Charlie being there, I just can't recall that.

But you can remember the meeting?---Oh, there was a, there was a meeting with John and, and, and Laki or could be just Laki, I just can't - - -

And George?---And George. I just can't remember exactly but it's - - -

30 Who was there to represent the owner?---There's no owners there. There was no one there. It's just like a very flimsy hot air discussion.

How productive could it be if there was no one there to represent the owner? ---Well, it's not productive, there's nothing to be productive about, all it is, is just talk, they just wanted to, to talk and, and, and what they want to do and meet up with Charlie and that's all it was.

40 But you were the one who knew the owner.---I just gave them the phone number.

Did you represent the owner?---I don't, no, I don't represent the owner. Why should I represent the owner?

Were you taking part in these meetings - - -?---No.

- - - on Mr Demian's behalf?---No, no way, no.

Is it possible that at the meeting Mr Demian did turn up?---I don't think so, I don't, I don't, I don't think so, I don't recall.

Turned up with plans?---I don't recall. I don't recall.

Turned up having arrived there in the same vehicle as you arrived?---I don't recall that one either.

10 And departed from the café in the same vehicle as you departed?---You tell me. This is news to me. I can't remember this.

You haven't read that in the evidence?---No, no.

Well, how often did you have contact with Mr Demian about this possibility of a person or people being prepared to buy the Harrison's site?---Just, just John and Laki. They just wanted to meet, meet, meet him up.

20 Yes, but how often did you have contact with Mr Demian on the subject?
---No, only for them, only for these guys.

But how often was that?---When they were hassling me. Example, if they, I gave them their number and they can't get through to him and then they might have made more, more contacts with me in regards to meeting him. That's, I just can't recall exactly.

But how many contacts did you have with Mr Demian about purchasers' offers for any of his properties?---I, I haven't had any contacts in regards to purchase. All I gave him was introduction. I gave him a phone number.

30 But with a view to introducing purchasers.---Not purchasers. These guys are not purchasers. These guys are just middle people who want, who thinks they got investors and buyers, it's, these people are, they're not, they're not the buyers. They're not, they're not (not transcribable)

40 Why were you doing this unless you thought these people had sufficiently close contacts with potential purchasers to make it worth Mr Demian's time and your time?---The guy wanted to meet up with him. It's like any, it could have been anyone. If they want to meet up with Charlie Demian, said, yeah, I'll grab his number, here's his number, talk to him. It's up to them.
It's not up to me.

You had a number of meetings with Mr Demian about this, didn't you?
---Look, the only thing I've, as I said, if there's an enquiry that was made to me, in order to follow it up, if he hasn't, and there's been pressure to do it, I would have just made, made that introduction again. I just, I can't recall how many introductions in made.

And thinking of Mr Demian's personality, Mr Demian isn't the sort of person that you would trifle with, is he?---No, of course not. He's a pretty straight shooter.

And he's not the sort of person that you'd take a frivolous offer of a potential purchaser to, is he?---No, but he listens. He would listen to whatever, if somebody wants to talk to him, he would listen, and then he'll make his own judgement.

10 You wanted to be respected by Mr Demian, didn't you?---For what? Respect me, if he wants to respect me - - -

In terms of your relationship with Mr Demian, you wanted to maintain with Mr Demian a cordial relationship in which he respected you, didn't you? ---No, it's nothing, nothing to do with respect. He asked me for help, and I, I, I assist as much as I can.

20 See, I want to suggest that - - -?---I don't have to buy, I don't have to buy respect from anyone. I improve myself, and I do, I, I assist people, and I help people, and it's up to, up to them to, to judge me on that and, and respect me on that (not transcribable). I, I don't need to buy respect from them.

30 What I want to suggest is that Mr Demian is a person with such a personality as I've suggested, and you had a relationship with Mr Demian such that you wanted to maintain his respect for you, which makes it highly unlikely that you would have taken to him anything which you thought at the time was frivolous or just hot air or a waste of time or from people who shouldn't be listened to. You went to him because you thought he should listen to you, didn't you?---No. These guys are pressured, probably for, for respect. I say, "Look, these guys want to meet up with you." Maybe for respect for me, because he might have said, "Okay, I'll meet them," but nothing to do with anything else. It just a, an introduction, respect, we all respect each other, and, and that's the way it is. It's like, if I asked you to do something and, and you know somebody, they go and do it.

40 And you made these introductions to Mr Demian because you thought they were the real thing, didn't you? You thought the offers or the potential purchasers that you were introducing were indeed really potential purchasers, such that it was worth his time listening to you, and your time talking to him.---It never even crossed my mind. It didn't matter, the real thing or not the real thing. As far as I was concerned, I knew these guys, I introduced them to this guy. And that's the way I did it.

THE COMMISSIONER: And you introduced them by providing Charlie's phone number to John and Laki, and John and Laki's phone number to Charlie?---I can't remember if that's the way but it was, but there was, I said, these - - -

Is that's how it's usually done?---Usually people might have said, look, they want to, these guys want to meet up with you. They're, they're hassling me. This is their phone numbers, or, or they'll, might call you. Whatever. I just can't remember. But it's something like that.

But if that's the case, you wouldn't want to give somebody like Charlie Demian - - -?---But I would ask him first.

10 - - - a phone number of somebody who's going to annoy him, or - - -?---No, but I would have asked him first. I said, these guys want to meet you, and this is their phone number. And it's up to him to, he probably spoke to them.

But again, you wouldn't want to give him somebody - - -?---But he accepted it. It's not up to me.

20 - - - who's being a pest.---Correct, but if I said, look, there's a person wants to talk to you, this his phone number, it's up to you to make that judgement to call, not, not it's up to me (not transcribable) meet up with them.

MR BUCHANAN: But if you thought Mr Demian was going to conclude these are fruit loops that I've been introduced to?---He found them, he found them out when he spoke to them, that's all.

You would lose face with Mr Demian, wouldn't you?---Why should I? I did, I did, I - - -

30 THE COMMISSIONER: Because he'd think you'd be a fruit loop as well. ---Look, I felt like, that's why I said to him, don't deal with them and don't trust them because, yes, I would be a fruit loop, yes. I agree with you because I told him not to deal with them.

But that was subsequently you said that.---Yeah. Because I knew that after that, I thought these guys are, they're not all there and when I saw him, I said, look, I, I introduced you to them, please don't deal with them because it's, they're fruit loops. Yes.

40 MR BUCHANAN: What was it that first made you think these guys should not be listened to? What was it that happened that made you doubt their credibility?---Because with Steven they were, they were playing a lot of games in regards to Steven and they were trying to sabotage what he's trying to do and, and just during that same period and, and I thought, I thought, no, this is just, these guys are not, they're not all there and I became a bit more cautious from them.

Well, you were sufficiently un-cautious with Mr Dabassis in December of 2015 to enter into an introducer's remuneration agreement between you and

him, weren't you?---Well, they were hassling me for that agreement and they kept on going and I had to just shut them up and I, I drew up that agreement just to shut him up. I said if it ever happens, okay, here it is.

10 And you were still negotiating in respect of the Revesby deal in May 2016, weren't you?---Because they were, that was because they make it, look, I don't backstab people. If somebody made an introduction and they kept on hassling me, I respect that introduction. I don't, I don't backstab people. So, yes, even if I didn't like them I still fulfilled that obligation that I made, or commitment made to them.

20 See, if I can show you, please, Exhibit 194, item 61. This is from the schedule of text messages you were exchanging over time with Mr Zreika, and item 61 is a text message you sent to Mr Zreika on 5 May, 2016, in which you were talking about Mr Spiridonidis picking up a cheque and that he would call you to go and see, call Zreika to go and see him and you asked, "Is the agreement in place between me and Talal, brother, as the trustee for the Elcheikh Trust protects me or not? Talal said he will further documents which may be necessary to protect me. Please let me know." So it was all still go, wasn't it, as at early May 2016, in relation to the Revesby agreement? I do apologise, the Revesby deal.---Correct, yeah.

You had no reason to doubt, then, that Dabassis, let alone Konistis, would be bona fide and able to follow through with producing the purchaser?---I think correct because even Steven didn't have any, any respect or any dealing that he wanted with these guys but I, I made the commitment and not Steven and, and I made sure that I continued honouring it even if I didn't like these guys.

30 By that stage, though, is it fair to say that Spiridonidis had cut Dabassis out of the Revesby deal?---Well, no, he, he doesn't want to deal with them because they, they were backstabbing him and - - -

He had cut them out?---He cut them out, yeah.

40 But Dabassis had served his purpose as far as you were concerned because it looked as if the deal was still going to go ahead, in which case you'd get \$5 million?---Well, no. There's nothing, there's no \$5 million. It's, he was going to get his cut and he, he had an agreement in order to get this. That's all there was and I continued with that agreement because I respect whatever commitment that I made to anybody, even if I didn't like him, even if Steve didn't like him. I just kept that commitment and then it all died out.

Can I just ask you a couple of questions to clarify whether there was a difference as you understood it between Dabassis and Konistis. Dabassis was the real estate agent who owned the real estate agency, Galazio

Properties Pty Limited, wasn't he?---Well, initially I didn't know he was a real estate agent.

You understood Konistis wasn't even a real estate agent. Isn't that fair to say?---Yeah, that's - - -

He was a gofer for Mr Dabassis, he would try and move things along for Mr Dabassis in terms of your interactions with Konistis. Is that fair to say?
---I don't understand your questioning. A gofer. What do you mean a
10 gofer?

A person who ran around performing tasks - - -?---Who for?

- - - on behalf of Mr Dabassis.

THE COMMISSIONER: Goes for this, goes for that.---I don't, I don't, that doesn't make sense.

MR BUCHANAN: Well, don't worry about that word, leave it aside. A
20 person who goes around performing tasks, in this case for Mr Dabassis
- - -?---All I knew - - -

- - - in his deals that he was trying to stitch together for purchasers that he had contact with.---Look, I don't know what they did together, all I knew is they knew each other and there's a fallout. That's all I know. I've never got involved in their whatever relationship they had in the past or what they had at work together, all I knew they knew each other and it collapsed. How they knew each other, when they knew each other, what they did with each other, I wouldn't have a clue.
30

Well, you did have a clue, didn't you, because you had Konistis carrying on in your ear on a regular basis trying to move things along.---Correct.

But Dabassis wasn't doing that, was he?---No, because he's not the type. Laki is the type who keeps, he's the person who's got to keep going.

And it was Dabassis who wrote the letters, wasn't it?---Which letters?

The correspondence relating to the attempt to set up a deal with Mr
40 Demian?---He might have, I, I just, as I said, I didn't get heavily involved with these guys, they just started doing it together. I made the introduction, I gave them the numbers and it was up to them what, what Steven and him did I don't know, how they did it, why they fall out, they just didn't like each other. That was the end of it.

But, Mr Hawatt, this is a pretence, isn't it, that you didn't understand the difference between Konistis and Dabassis and the roles they played, you understood very well, didn't you, that Dabassis was, as it were, the

principal, the real estate agent who had the contacts with the purchasers, or said he did, whereas Konistis was simply trying to move things along on Dabassis's behalf.---I'm sorry, I have to apologise to you, I was thinking of Steven Spiridonidis when I said - - -

That's okay.---Yeah, sorry, I have to, I have to apologise because I, I got Laki confused with the other guy. Yes, with those two, yeah, they were working together.

10 Yes. And you understood that Dabassis was the real estate agent and Konistis was the person who tried to move things along on Dabassis's behalf?---Well, I don't know if he would do it on his behalf but he was doing it on his own, I think he's doing it himself because the way his actions are, and he, look, I don't know how many times he met John and what he did, what he spoke about, all I know that the guy came back and in a very pushy aggressive way and, and that put me off.

20 And at what stage did you get put off, such that you cut off communications with Konistis?---Oh, he's sending some stupid emails, oh, you can do this, you can do that and we can get all this commission, it's just ridiculous things he said, you're sending messages that have got absolutely nothing to do with any discussions or anything we spoke about and he just keeps sending these messages across and that put me right off.

But that wasn't what you said to Konistis at the time, was it?---Who, with, said what?

30 This description you've just given us of what you thought of Konistis's messages to you - - -?---I told him.

- - - isn't something that - - -?---No, I told him.

- - - you said to him at the time, is it?---I did, I told him personally. I said, "What are you doing, all this, what are you creating?" It's like him sending messages about commissions and payments and it's, it's got nothing to do with, it's just hollow stuff and, and he's putting me in a, in a predicament to respond. I said, "All this is ridiculous. What are you doing?" Yes, I did tell him, but he's a pushy guy so he can't, he can't seem to understand.

40 So the property concerned was the Harrison's site, is that right?---Harrison and Revesby.

Harrison?---And Revesby site.

And Revesby. Sorry, yes, I understand. For a moment put Revesby to one side. Thinking of Charlie Demian, the property where you were trying to introduce purchasers to Mr Demian that was located in the Canterbury local government area was the Harrison's site, is that right?---Well, that's the one

they wanted, that's the one they kept on pushing, Harrison, we want a meeting for the Harrison, for the Harrison.

Now, can I just clarify, what did you understand to be the Harrison's site at that stage?---It's just a site that, that Charlie Demian owned.

10 Yes but you told us yesterday, or certainly gave us the impression, that you understood that the site was the Harrison's Timber yard together with the site next door on the western side also owned by Mr Demian, sometimes referred to as the carpet shop site.---Yeah, but to me, I look at it as, as the one place.

I do understand. All I'm trying to do is clarify what your understanding was.---Yeah, that's just all one together, that's what I look at it.

Right. So and we're talking Mr Demian's property?---Yeah.

20 And as you understood it, it was 548, which is the timber yard, and 570, which is the carpet shop plus a couple of houses next door?---I, I, I didn't distinguish between this and that. I look at it, it's like, it's all Harrison's, that's how – I look at it as just one, one site, Harrison's.

THE COMMISSIONER: And were they a block of - - -?---They're, they're two next to each other but it's, it's, it's combined as one, one project together so it's one, one project from my understanding.

MR BUCHANAN: And it's Mr Demian's one project?---Yes.

30 Is that fair to say?---Correct, yes.

Now, can I ask about Mr Vasil. You had contact with him, did you, while you were councillor, about purchasers, offers for the Harrison's site as you understood it?---No, no George, George must have, George must have asked me if he's got these two guys and they want to meet up with, with Charlie and that's all it was and - - -

Well, that's a contact.---Yeah.

40 So he asked you - - -?---That's, he wanted to introduce me to Laki and John and I think we met over coffee for just, from memory, and they, they just want to meet up with – I don't know where they got the Harrison's from. Like, it's, they wanted the Harrison's and that's all they kept talking about, the Harrison's site and they want to meet up with Charlie and, and I said, look, I have no problems in, in giving you his number but I have to ask him and I remember, I, I, I, spoke to Charlie and I said, "These guys want to meet up with you. Do you mind if they call you? I've give then your number." And he said, no, he doesn't care and that was, that's how it became about.

Was there any discussion with George Vasil about commissions?---No. No. There was commissions - - -

In that context?---No, no.

In the context of the purchasers that Dabassis and Konistis said they had on the one hand and whether Charlie Demian would be prepared to sell the Harrison's site to such potential purchasers on the other hand?---I didn't - - -

10

Was there any discussion about commissions between you and George Vasil?---Look, I didn't go into details. All I can say is whatever Laki was sending me, I took it like a grain of salt. There was no substance in his, whatever he's done, but to, to communicate with George and, and Laki and, and, and John and sit down and talk about commissions and Harrison's, no. I had nothing to do with it. I made the introduction, I gave them the phone numbers, and whatever they discussed amongst themselves, it was up to them.

20 But you never had any discussion with George Vasil about commissions? ---No, no, no.

Did George Vasil, as you understood it from these contacts that you had with Konistis and Dabassis, have a stake in any deal that might eventuate by way of a commission?---No. Look, all, all I said to George, George, look, I don't want to deal with these guys (not transcribable) and that's why George was communicating with them and I think he might have even communicated with Charlie in their behalf. So I didn't want to have anything to do with these guys and I told him that, and that's why George -
30 if I wanted to get involved, I would have done it directly but I never got involved. I would have spoken to, to Charlie and spoken, but I never got involved. I just said, look, George, you introduced me to these guys, I, I spoke to Charlie, this is the phone numbers, but I don't want to go any further than that. You talk, you deal with them. I don't want to have anything to do with it. So that was, that was my role in that. I just pulled out.

Yes, but my question is, and I understand your answer is no, but I just want to clarify it, because you went off into another topic. In the contacts you
40 had with George Vasil, nothing was said by George to indicate to you that he had a stake in any potential deal by way of a commission?---Nah.

And he didn't mention commissions to you?---No. Nothing with George.

No?---Nah.

Did you mention commissions to him?---Nah.

Did anyone mention commissions to you?---Oh, Laki. He's the one who kept on sending stuff. I, that's why I, oh, those guys are, are crazy, sending things, like, you get it done, we're going to get this – oh, it's just like, very, very stupid person who could just send messages without even, without really any, having any substance behind it.

Well, I'll come back to Laki Konistis in a moment. Did, was commissions ever mentioned in the presence of Charlie Demian - - -?---Nah.

10 - - - in relation to this exercise?---Nah, nah. From what I know, Charlie didn't even, the, Charlie couldn't even sell it to them, that's from my understanding. Charlie couldn't even sell it to them, because he had to go through this process, and he had to advertise it, and he has to appease his investors. It's like, it's, it's a complete waste of time, these people even talking about it, because he was serious that he had to go through this process. And I think if he, from, from what I read was, he only gave them a little bit of time if they were serious, and, and that was it.

20 When you say from what I've read, you mean - - -?---In the transcript.

- - - from what you've read of the evidence before the enquiry?---Yeah. Yeah. Correct.

My question to you, though, is just going back to your contacts with Charlie Demian, was commissions or a commission - - -?---No.

- - - ever mentioned between you and him?---No.

30 Was a commission ever mentioned in Charlie Demian's presence in relation to the potential deal through purchasers that Dabassis said he had?---No, because I never met with them.

Because you never met with whom?---I never met with them to sit down and work out whatever discussions they had, so I don't know what discussions they had.

40 Met with whom? Who's "them"?---With, "them" is Laki and John, and, and George, meeting with Charlie. I, I, I wasn't involved in any meetings or any discussions.

Leave Mr Konistis out of it. Were you involved in a meeting with John Dabassis, George Vasil, and Charlie Demian at which commissions were mentioned?---No. I don't recall that at all.

Does it mean you could have been - - -?---No, no.

- - - but you can no longer recall it?---No, I would have recalled it, but I don't recall it, but, no. I never discussed any commissions like that.

And you're quite sure of that?---Well, from memory, from memory.

Oh, so - - -?---It's, exactly.

10 - - - what you're telling us is that it's possible that you were involved at a, in a meeting with Dabassis and Vasil and Demian at which commissions were mentioned, it's just that you can't remember being involved in such a meeting?---No, I don't, I don't recall at all having to be involved in discussions like this.

But my question goes a bit beyond recollection. You are the person who had these contacts with these people on both sides – potential purchaser, potential vendor. You knew these people, and understood what was going on, the dynamics of the transactions such as they were. Is it possible that commissions were discussion?---I don't – look, I don't recall at all, and I don't believe there was any discussions anywhere in regards to commissions.

20 Why do you not believe - - -?---Because I haven't, I haven't got involved in this, I, I didn't sort of participate in this project for these guys. I just – from my understanding, is even Charlie, Charlie Demian didn't want to have any dealing with them, because how could he talk commission when he didn't want to sell it to them, he had a, had to be on the open market. So, I mean, these guys were trying to establish something that even Charlie would not, wouldn't even contemplate. So I, I can't understand how commissions would have been spoken anywhere during that period when, when he was actually selling it on the open market.

30 Well, because a person who introduces purchasers to vendors might think that, well, the vendor wouldn't have got a sale but for my introduction, I'm entitled to a fee paid by somebody for having introduced the purchaser to the vendor.---Introduce who? Who's introducing? Are you, are you talking about me?

Well, the person who does the introduction, don't you think?---What introduction? It was, it was phone numbers, exchanging phone numbers.

40 Well, that's an introduction, isn't it?---Oh, look, I've always exchanged phone numbers with lots of people. If that is an introduction in your, in your opinion, well, that's an introduction. It's, it's exchanging phone numbers that somebody requested.

You don't think that if you had brought about a situation where the vendor of a commercial property stood to make millions and millions of dollars from the sale of the property to a party whom you introduced to that vendor - - -?---The guy wasn't - - -

- - - you would not be entitled to a fee?---The guy wasn't even selling it to them, he had to put it on the open market, either way.

That's not my question.---No, I'm not involved, no.

I'm asking you about the general proposition - - -?---No, no.

Why not? Because that's what you told us you were doing all your life.
---In finance, that's part of my job, yes, correct.

10

Yes.---What, what, this is - - -

Why wouldn't you do what you'd done all your life in seeing if there was a commission in it for you by introducing a purchaser to a vendor when you did it in this case in respect to the Harrison's site?---Because it's not right for me being a councillor in Canterbury and for me to talk commissions in regards to this. No, I wouldn't do it.

20

You knew that at the time, that it wasn't right?---Yes. I've always known that it's not right. That's why I kept an arm's length from anything to do with Canterbury.

THE COMMISSIONER: Sorry, what do you mean by the terminology, an arm's length?---Like, I don't get involved in, in, in any commissions or money-making or, or anything to do with Canterbury Council.

I'm just trying to understand your use of that term, arm's length.---Yeah, that's the way I use, yeah, just - - -

30

That means that you're not getting any financial benefit?---Correct, correct, yeah.

MR BUCHANAN: Did you understand – I withdraw that. I think we've seen already a couple of days ago that you did understand that there was an issue at one stage between George Vasil and Charlie Demian in relation to the Harrison's site, in relation to the sale of the Harrison's site, namely whether George could become the vendor's agent.---Right. I, I, there was, I read something but I don't remember, when I read the transcript.

40

All right. Well, just tell us again if you wouldn't mind, please. As you sit there now, was there an issue, as you understood it, in the period that you were a councillor, between George Vasil and Charlie Demian in relation to the sale of the Harrison's site?---If there was, if they were working together on that you're saying?

Well - - -?---I don't, I don't remember, all I'm recalling what I read somewhere in the transcript but I don't, there's nothing that I can give you

an answer except for there was something but I don't, I don't recall exactly what it was.

Well, what's your best recollection as to what that something was?
---Something about he was giving a month or a week or two days or seven days or, that's, that's my memory of that. I just can't recall.

And what was that period related to or relevant to?---Well, that, that was, that was relevant to the Harrison's.

10

Yes. Was it related to a vendor's agency for the sale of the Harrison's site?
---I don't, I don't recall what the agreement was. It could be, I don't, it's just what I read and what memory is coming through. I just don't recall exactly whether it was a week, it was a month, it was a day, I just don't recall that.

But a week or a month or a day in relation to what, sir?---To, to George selling the property on behalf of Charlie.

20 And was that irrespective of how long the period was, a period during which he could do it or before which he could do it?---I don't know, just from what I remember he gave him an opportunity for that small period to see if they were genuine, if I, from memory or not. That was it.

THE COMMISSIONER: So when you say he gave him, Charlie Demian gave Mr Vasil?---He might have. That's just from what I read I think from memory somewhere.

30 MR BUCHANAN: You read in the materials before the Commission?
---Yeah, I think so, yeah.

You see, Charlie – I do apologise – George Vasil was, I think you've already agreed, a political ally of yours, was he not?---Yeah.

And you worked with him regularly in relation to all sorts of different things, but particularly local government affairs at Canterbury.---Everything from socialising, to having coffees together, to advice. Just everything, everything you can imagine. Just became friends.

40 And did you ever have an understanding about potential business that George Vasil was trying to do that involved Charlie Demian and the Harrison's site?---George has a business. He runs a business anyway. He runs his business from his office with his brothers, and they run their business. I don't interfere in the affairs of, of their business.

I'm not suggesting you would interfere. What I'm asking is about your knowledge of a particular aspect of his business.---I, I don't interfere with George's business.

No, I'm not asking whether you interfered. Let's leave aside interference.
---Well, I don't know. I don't know what he does.

THE COMMISSIONER: So you had no knowledge?---No. I, I don't. I don't ask him what he does in his business. I don't.

MR BUCHANAN: Does he tell you what he does in his business when it relates to a person who you know better than he does who could sell a commercial property for many, many millions of dollars to a purchaser that George Vasil says he knows?---I, I don't, I don't ask him. I don't deal with
10
- - -

No, but did he talk to you about it?---No, he didn't. I don't ask him. I don't talk - - -

THE COMMISSIONER: No, no, no, no.

MR BUCHANAN: Did he talk to you about it?---No. No. He doesn't tell me what money they make and commissions they're going to earn and, and who the, they're signing contracts with and agreements. No, he doesn't. We, we talk about politics. We talk about advice in regards to planning. We talk about other things. But George is very confidential in his business affairs.
20

Did you ever talk to Pierre Azzi about George Vasil's potential commercial relationship with Charlie Demian in relation to the Harrison's site?---I'm not sure if Charlie told him. I don't know. I don't recall.

I'm not asking you whether you're sure whether he told him or not. I'm asking did you ever have a conversation with Pierre Azzi about that subject?---About George or about Laki?
30

About George Vasil trying to enter into a commercial relationship with Charlie Demian in relation to the Harrison's site.---No. But I might have spoken to him about Laki and then John to keep away from him.

So you did speak to Pierre Azzi about - - ?---I might have. I might have. I would say I might have because these guys were hassling everybody, so I might have just tried to pre-warn him, that's all.
40

THE COMMISSIONER: To keep away from John and Laki?---Yeah, yeah, if they called him back.

MR BUCHANAN: Why would you think there'd be a risk that Pierre Azzi might encounter these men?---Because these guys would ring, as I said the other day, the devil if they, if they wanted to, to, to get what they want, so, because especially when they found out (not transcribable) reluctant from,

towards the end, supporting them and helping them, assisting them, and they might just go through to someone else, so it's just a general discussion.

Excuse me a moment. Could we have a look, please, at Exhibit 69, volume 21, page 174.

THE COMMISSIONER: Sorry, could you give me the reference again.

10 MR BUCHANAN: Sorry, Commissioner. Exhibit 69, volume 21, page 174.

THE COMMISSIONER: Thank you.

MR BUCHANAN: This is a set of text messages extracted from your mobile phone, Mr Hawatt, the first of which you sent to Mr Demian on 21 September, 2015.---Ah hmm.

20 At 1.38pm. "Hi. George Vasil is telling me that his people are serious and need a contract of sale. Michael Hawatt."---Yes.

The baldness of that contact suggests that it wasn't the first contact that you had had with Mr Demian about the subject of that text.---That's why we said before he might have, was discussing (not transcribable) first time to meet in Earlwood for coffee, and he didn't turn up, and presumably that's when, that's when it happened, that's when they asked - - -

Who didn't turn up?---Charlie. I don't think he came.

30 So on 21 September, 2015 you had already had contacts with Dabassis and Konistis and with Vasil, had you.---Well, that, yeah, I, I met him. I told you I met him over a coffee.

Met who?---Dabassis and Laki and George over a coffee in Earlwood.

And was anyone else present?---No.

And where was that meeting?---I think it's Frappe, I think it's Frappe.

40 And what happened at that meeting?---They just started hassling me over, they got this person, they want to meet him and, and that's why I probably sent this text message on his behalf, just to, probably from, I'm not sure where I was, probably with him.

Well, what had caused you to go to that meeting at a coffee shop at Earlwood?---I think it was arranged with, I think it was arranged by either Laki or George. I don't remember who organised it.

Who was it who had talked to you that caused you to go to the coffee shop at Earlwood for that meeting?---Could be George or could be Laki. I just can't remember exactly who it was.

So who was the first person who contacted you about potential purchasers of the Harrison's site?---Well, look, I don't remember anything but I remember George introduced me to Laki and, and, and John. I didn't know these guys. And then there was a, a couple of meetings over a coffee in, in Earlwood and then it, it's led to this.

10

And so are you saying that the first time you ever actually had a contact with Dabassis or Konistis was in the presence of George Vasil?---Oh, most likely, yeah, because I didn't know these guys.

And what was it that George Vasil had said to you that caused you to go to that coffee shop for that meeting?---I always, George always asked me to meet people at the coffee, always.

20 Yes, but what was it that he had said to you that caused you to go this particular meeting?---Oh, I don't recall. All, all I can just guess is George always saying, look, there's these guys who are, want to meet up with you and, and let's have coffee. George doesn't, George never tells you exactly what, what the issue is, just let's meet up and then you find out later with, with him. That's the way he operates.

30 And so you're saying you would have taken what George said on face value, that if George thought it was worthwhile you attending then you would attend?---I normally do, yeah. I we always, always meet people that I've, that want to talk to me and I don't know what they wanted until I sit down with them and they tell me exactly what the, they have, the issues are. That happens all the time.

Now, were both Konistis and Dabassis present at this coffee shop meeting?---Look, most likely, yes. I just can't remember a hundred per cent but I remember he had his hat on.

Who had a hat on?---John.

40 And did you have an understanding at that meeting who John was?---No, no. It's the first time I met him

But after having met him, sorry, after this coffee shop meeting, did you have an understanding that he was a real estate agent who was saying that he had people who were asking him, making enquiries, about whether it was possible to talk to the owner to get a contract out of the owner of the Harrison's site?---Well, firstly, I didn't know he was a real estate agent, even from that first meeting I had with him, I didn't realise he was a real estate agent until further down, down the track. Actually, I found out only

with that agreement when he said he had his own business but this was just an introduction that he had, he wanted to, to meet Charlie Demian regarding the Harrison's and he had some people who were interested in his site. Can you, can you - - -

Did Dabassis actually use Demian's name?---No. The Harrison, it was, Harrison's site.

10 So you knew who the owner was and George Vasil knew who the owner was but these guys didn't say anything to indicate they knew who the owner was, it's just they'd been told by Vasil that you knew the owner. Is that your understanding?---Look, it could be. Oh, it could be, just, maybe it could be the case.

20 So did you say at this meeting who the owner was?---I'm not sure if, look, I'm not sure if they knew. I, I can't, I can't even remember. All I remember is meeting these guys, I remember he had a hat on, but what we discussed, I don't recall but if, if he said he might have known Charlie, he might have said Demian, but I remember clearly, one thing definitely was Harrison's. Harrison was definitely clear in my mind but whether they mentioned Charlie's name, I don't recall that. I honestly, I don't recall if they mentioned his name or not.

What did George Vasil say at this meeting?---I think he just didn't say much, he just left it to John. Oh, just, he was just listening to what John was saying, and, and Laki, of course, Laki (not transcribable)

30 And was George Vasil saying anything to indicate whether he thought that anything should happen next, or - - -?---No, no, I think he just was listening to what John was going on about and, and, and, and that was it. "I've got this person I need to talk to, I need to meet him." And I said, "Look, oh, you know, I know, I know Charlie, the owner, if, I'll give you his number, but I'll ask him if he wants to talk to you."

40 And why were you prepared to do that on that occasion?---I, look, it's a courtesy. I always – one of my, I don't know whether it's a good habit or bad habit, I'm always courteous to people. I always try to oblige people and try to assist them as much as I can. And it was, he wanted to meet him, and I knew the guy. I said, "Yeah, I'll, I'll find out if he wants to meet up with you, and I, I'll tell him," and that's basically what happened.

Well, given that you had a substantial background in organising or trying to organise transactions whereby you would introduce purchasers to vendors of property with a view to the sale of the property to the purchasers for a fee to you, it seems a little strange that you would not have contemplated some remuneration to you from the favour you were doing to Dabassis by providing him with an introduction to the owner of the Harrison's site.---Oh, do you think we sat down and, and started talking about a, some, something,

something so frivolous as, as talking about, "I've got a buyer," you know how many times I hear this over the years, "I've got, I've got the, the connections to, to finance, I got the buyer to do this, I got the person who," I've been hearing this for many years and I take everything I hear - - -

So, at - - -?--- - - - with a grain of salt, and if he wants to, as a courteous thing, I, I gave him the phone numbers, introduce, and take it from there.

10 But it's in your interest in situations like this to protect your interests, isn't it, and you had an interest in obtaining a commission, an introducer's fee from any such transaction. Doesn't matter who the parties were, and it doesn't matter what the property was, you had an interest.---It, it wasn't even a thought that crossed my mind.

20 Well, what I'm just asking is, are you sure that you actually provided the instruction at that coffee shop meeting? Is it possible that you saw that there was a chance for you to, if things worked out down the track, attain some sort of commission, and so you indicated, "Well, yes, I, I know the owner, and I might be prepared to talk to the owner," and, in other words, hedge your bets to protect your interest.---Look, if, I don't understand where you're coming from on, there's firstly, firstly, I'm a part-time, if I, if I wanted to, I can still go ahead and do financing and, and make my commission in financing and getting transactions. When Charlie's application comes in, for example, I would have to declare interest. I mean, it's nothing to stop me, legally, because I'm a part-time councillor at the time. I have a full-time job which entails financing, and entails all this. If I wanted to do it, I can do it legally, if I wanted to, and declare interest when these applications come in. So why would I want to hide it?

30 That's not an answer to my question.---Yeah, but why would I want to hide this? I, there's no commissions. There is no talks about money.

I'm not suggesting you would try and hide it. At this stage, that's not what I'm putting to you. What I'm - - -

THE COMMISSIONER: Mr Hawatt, stop. Deep breath. Mr Buchanan was not putting that to you. He asked a specific question. Can you re-ask the question, Mr Buchanan? Listen to the question and answer it, please.

40 MR BUCHANAN: What was occurring at this coffee shop meeting that you've told us about between yourself, George Vasil, John Dabassis, and Laki Konistis was the makings of a deal in which you could make money. ---No.

Why was that not the case? What's wrong with that characterisation of this particular occasion?---Because I always introduce people. I always make contacts and connections. That's, that's my - - -

Yes.---That's what I do.

Certainly.---I always, it doesn't mean every time I make a connections or introduce somebody I'm going to make money out of it.

Certainly.---So it's just the way it is. I made that introduction, those discussions.

10 On this occasion the nature of the transaction, that is to say you meeting the person who was the agent for the purchasers, as far as you're being told, with George Vasil effectively vouching for them by sitting there with you and having arranged it, and you understanding that what you had, namely your relationship with Demian, was something they didn't have but they need to have if they were going to succeed in ultimately arranging a sale of the Harrison's site to their client. There was therefore an interest that you had.---There was no interest.

20 That's the correct characterisation of this meeting, isn't it?---That's your assumption, that's incorrect.

And it is inconceivable that you would not have so conducted yourself at the meeting as to protect your interest, that is to say by holding back perhaps the actual identity of the vendor until such time as your interest was adequately protected.---That's incorrect. I said it straight, I told them this is his number, this is his, I didn't hide anything from him or from them, I was like, this is up to you guys.

30 So you were allowing a potential introducer's commission to just fly out the window, were you, on this particular occasions, despite the fact that that is how you had, in part, earned your income for decades?---It wasn't even at thought in my mind.

So going back then to the text message of 21 September, 2015, we've established that this coffee shop meeting at Earlwood with Vasil, Dabassis and Konistis and yourself, necessarily occurred before that date, but I think you have indicated that it's possible you might have sent this text at that meeting.---Maybe.

40 Or am I - -?---Maybe, I don't recall. It depends on the timing.

All I want to point out is this, that it's a very bald text, it assumes knowledge on the part of the person who's receiving your text. It assumes that Charlie Demian knows what you're talking about. How could he have known what you're talking about unless you had a prior communication with Charlie Demian about all of this?---Must be just by, because I said George is telling me that these guys are serious, so I'm not, so it's not a flimsy, and then I sent, sent them the thing and that was, that was the end of

it after that, but before that there could have been that coffee meeting that we had, this could be the second meeting, I don't, I don't remember.

Can you just focus on my question. You've had a meeting.---Yes.

10 You've told us about that. What the next thing is that I'm taking you to is this text message of 21 September, 2015, and you send it plainly assuming that Charlie Demian will know what you're talking about, even though your text message doesn't say what you're talking about. And so the question is, what was the prior contact you had had with Charlie Demian on this subject?---I must have told him that these people want to talk to him and they've got a buyer for this amount, I must have told him, and they're going to call him and I'm going to meet up with them probably the next day. I just don't remember.

Well - - -?---I'm just relaying - - -

Let's go now into that.---I'm just relaying the message.

20 Let's go now into that contact. Think about, if you wouldn't mind, please, the first contact you had with Charlie Demian which arose immediately after you had had this coffee shop meeting in Earlwood with Dabassis, Konistis and Vasil.---I don't, look, I don't remember the time when I spoke to him, when I saw him, I might have had a meeting with him regarding his issue and might have raised these guys want to meet up with him and they've got someone. I, I just don't, don't, don't recall it.

30 You accept, though, that you necessarily had some contact with Demian before 21 September, 2015 in which you had explained to him that there were people who had been introduced to you who appeared to or claimed to represent potential purchasers of the Harrison's site and that they wanted an introduction to him. Is that a fair assumption?---I, I might have, I might have, yes, I might have mentioned that to him.

Is there anything in that assumption, though, that could be wrong? You must have given him all of that information, mustn't you - - -?---No, well, he - - -

40 - - - for him to take seriously - - -?---No, no (not transcribable)

- - - and not scratch his head - - -?---I must have - - -

- - - about this text message at 1.38pm on 21 September, 2015?---Correct. So what, what's here is I must have said to him – I'm just trying to work out the, the follow-up here – there must have been an original introduction at the café to meet these guys, and they're telling me that they have someone they want to meet Charlie, and I spoke, I must have met Charlie during those many meetings that I've had with him, and might have mentioned that

I met these guys and they're interested in your site, and he, he must have said that he, he can't, he can't sell it because you've got to go through this, the process.

Hang on. Slow down. You accept that such a meeting or communication/contact with Mr Demian must have occurred before 21 September, 2015, when you had conveyed sufficient information to him to allow that text message of 21 September, 2015 to make sense?---I'm just following what I believe, it's probably more introduction.

10

No, I'm asking you to answer my question if you don't mind.---Like, I just can't remember exactly. What I'm trying to explain - - -

I'm not asking you to remember. I'm asking you to accept the logical proposition.---The logical proposition, there may have been a meeting - - -

There must have been a contact between you and Demian.---There must have been a discussion. There must have. If, if he, if he's got this message, there must have been somehow because I met him many times.

20

And it does not necessarily follow, does it, that at that contact that you'd had with Mr Demian before 21 September, 2015, he had said to you anything about the availability of the Harrison's site for sale.---From here, he must have said, look, I must have said, look, let me meet up with these guys. I've got to see them to see if, if they are, what, what, what do they, what do they have, what do they want, before he meets them maybe, and he said just let me know what, what, what these people are. And I must have, as you can see with the messages, saying this is what they are, this is what George was saying and this is what they want to offer. And that was it. I sent it on. So he was aware that these people wanted to meet with him. I must have told him.

30

So going then to message number 3, on page 174 of volume 21, at 8.41pm on 21 September, you gave him a quantity, you gave Mr Demian a quantity of information.---Yeah.

You must have got that information from somewhere. Where did you get that information from?---From John.

40

You didn't get it from George Vasil?---No, that would be from John.

And why would it have been from John and not George Vasil?---Because John is the one who had the people he keeps talking about. He's got the, he's got the buyers, he's got this and he's got that. Not George. George - - -

But George is the one who arranged the meeting between you and Dabassis in the first place.---Yeah, but that information would have come from John,

not George, 'cause George, George wouldn't have a clue of what, what this guy - - -

Why wouldn't George have a clue?---Well, I mean, the, the offer's coming from John. He's the one who's, who says I've got, I've got, I want to meet the owner of Harrison's, I want to meet this, and I've got, I've got an offer from my people for, for this amount, and, I mean, it wouldn't be George.

10 So after the meeting at the coffee shop, did you have a separate discussion – whether it be face-to-face or over the phone, text – with George Vasil about what had been discussed and what the two of you thought about it?---No, I think George would have been present at that meeting.

I'm not saying he wasn't. I'm just asking you, once Konistis and Dabassis were not within earshot, it seems difficult to believe – knowing your relationship with George Vasil – that the two of you didn't have a discussion about it.---Well, it must have because I said here George Vasil is telling me that his people are serious. So I must, we must have, he must have said, look, these people are, are serious.

20

Now tell us about what actually happened. Tell us about what you remember happening, please.---With who? With George?

Yes.---Well, I just, I'm just reading what I'm remembering.

30 No, I'm not asking you to do that. That's simply the peg on which I'm hanging my question. What I'm asking you to tell us is what happened when you were alone with George Vasil and you and he were discussing what had just occurred, or what had in recent past occurred, at the meeting with Dabassis and Konistis.---I don't recall. I'm just remembering what I'm reading here. I, I don't recall what I spoke to George about. I'm just reading from what I, just trying to work out what these messages, why these messages were sent. Based on those messages, I'm trying to work out what, what had happened but I don't recall exactly what happened with George.

So how many deals, how many property deals were you involved in with George Vasil ever?---None.

40 Well, this is one, isn't it?---Well, it is, yeah, but it's not even, this is not a, a property deal I'm involved with George. This is not a deal I'm involved with George. This is an introduction that I, through George, that I made on behalf of, to, to Charlie and George was involved with these guys. It's not a deal that I'm involved in. I'm not involved in this deal. Nothing to do with me.

Well, you're getting involved to the level – by 21 September, 2015 – of doing what you understood the purchaser's agent wanted you to do, of approaching the vendor to sound him out as to whether he was open to the

offer as you had had it described to you.---I just passed, look, I just passed the information on. Whatever the information they gave me, I passed it on to Charlie and it's up to him to – and that's why I gave him their number to deal with these guys direct.

So it's a deal to that extent by 21 September, 2015. You've spoken to the purchaser side and you've engaged with the vendor's side. So you've got an incipient deal.---I just, just passed the information on. There's no deals.

10 Well, it's with the view to a deal, isn't it? You knew - - -?---That's your, that's your assumption. There's no, there's no deal.

Excuse me, Mr Hawatt, at the time you sent these text messages to Mr Demian, you knew, didn't you, that what you were trying to do was set up the foundations for a transaction whereby the Harrison's site would be sold by Demian to the purchasers for whom Dabassis acted, didn't you?---That's, no, that's not right.

20 What's wrong with that?---Because there is, all I did is I made introduction and from my, from what I know, it's even, there's no such deal because from what I know from Charlie at the time that he wasn't even interested and he cannot sell it to them, he has to go through the, the public process.

You're jumping ahead.---No, but that's - - -

You're jumping ahead.---There's nothing there.

30 What you're doing is you're telling us what happened to the deal. All I'm asking you to do is - - -?---There was no deal.

- - - to accept, if you don't mind, what appears to be the bleeding obvious and that is you were trying to set up a deal between the people for whom Dabassis acted on the one hand and the owner of the property on the other hand.---That's incorrect.

40 And then Mr Demian said to you at 8.42pm, message number 4, "Thanks Michael. Let's talk over the next couple of days." Did you talk over the next couple of days or at any time thereafter with Mr Demian?---I, I don't, I don't recall. I might have. I don't recall. We met a few times but I don't recall.

Tell us about your first memory of talking to Charlie Demian about this transaction, this potential transaction?---I don't, I don't have, I don't have a strong memory of this. I don't have it.

I understand that. Now could you answer my question. What is your memory of your first contact with Mr Demian about this potential

transaction?---Just people want to meet, meet him. There's guys that was to meet up with him.

Where were you at the time?---I don't, I don't remember. Maybe by phone, by text message. He might, meeting him over his issues and raised it with him them. I don't recall. I don't recall.

When you say his issues, you mean his issues with getting consents and the like for - - -?---Well, whatever the issues - - -

10

- - - his properties at Canterbury?---He was just calling me, whatever he was calling me complaining about. Could have been one of those meetings I, he might have mentioned that these people want to meet up with him. I don't remember.

Well, do you have no memory of ever talking to Charlie Demian about this?---For me to, to give him the phone numbers, I would have told him, common sense, I would have said to him these people want to meet you, these are these guys. These are phone numbers, they're going to call you.

20

That was, that's memory what I've got.

Do you have no memory at all of ever talking to Charlie Demian about this potential transaction?---I just told you, explained. I would have, I would have - - -

No, you didn't answer my question.---I have no memory, no.

Zero memory?---I have no memory. I'm just working - - -

30

Absolutely none whatsoever?---I don't remember it, no. I don't remember.

Do you have a memory of talking to anyone after the meeting at the coffee shop in Earlwood between yourself, Vasil, Dabassis and Konistis about this potential deal?---I would have passed the message on to Charlie. That's - - -

No, what's your memory of what happened next?---Again, I don't know the memory or exactly. If you want the specifics, I don't have memory of the specifics. I'm giving you general, what would have happened generally from just, would be the common-sense memory that would have happened.

40

But to give you specifics, I wouldn't have a clue what we spoke about.

Are you telling the Commission I have no memory at all of anything to do with this transaction, or this potential transaction, apart from a coffee shop meeting at Earlwood before apparently 21 September, 2015 with Vasil, Dabassis and Konistis, and my memory of having read documents that are in evidence in the Commission's inquiry?---Correct. And, and the messages that I've been reading.

You have zero memory whatsoever of this transaction?---It's not zero memory. There's always some memory.

Well, in that case why can't you tell us - - -?---Zero memory.

- - - what's the thing that you have a memory of happening next - - -?---I already told you.

10 - - - after the coffee shop meeting in Earlwood?---I told you. I would have made contacts with - - -

No, no, no. What's your memory of what happened next?

THE COMMISSIONER: Mr Hawatt - - -

THE WITNESS: I don't remember. I don't remember. I'm just trying to work it out.

20 THE COMMISSIONER: No, Mr Hawatt, hold on. You've just in your answer said "would have". Now, some people use "would have" to say, look, this is what I assume happened or I think likely would happen based on past practice. Other people use the word just loosely. So when you said "I would have", do you have some memory of that?---Assume, I assume it.

Or you're just assuming?---Just assuming.

All right.---Just assume. Sorry about that, Commissioner. It wasn't clear. Assuming, I'm making assumptions.

30 MR BUCHANAN: But you're telling the Commission you have no memory of talking to anyone at all about this after the coffee shop meeting in Earlwood that must have occurred before 21 September, 2015?---Just the basic - - -

Is that right?---Just the basic, the basic, general discussion. These guys wanted to meet. That's the only thing I remember.

40 What's the next memory you have? Chronologically, what's the next thing, the next general memory you have?---Really, memory that I have is the stupid messages that I was getting from Laki. That's the ones really I remember the most is the stupid messages he's sending me. The rest I don't, I don't remember.

No conversation with Charlie Demian at all?---I don't remember.

Ever?---Look, can I assumption?

No. Not at this stage.---No, I, I don't remember.

Not at this stage.---I don't remember.

Can I take you back to the text message number 3, at 8.41pm on 21 September, 2015. You see that it reads, "The offer is 56 million for current approval, which includes the extra units being approved." Just pausing there. Well, I'm sorry, no, keep on reading. "The buyer is willing to exchange with only one condition subject to the extra units being approved." Which extra units?---What they wanted is exactly what, what's
10 in the system. Like, they, they told me and they seemed to be aware that in the system there was the additional floors and whatever that they, that, that Charlie was applying for, and they're saying they wanted, with, with the, with the extras, like they want the whole lot.

So when you say the system, what do you mean?---I don't know. It sounds like there was, there was, like, with Charlie Demian you've got a, an application in council for the extra units I presume, and they said they want the whole lot.

20 And this is, you mean the DA for two additional storeys?---Yeah, I think they want everything.

And so at this stage, this is September 2015, the two additional storeys were approved on 3 December, 2015 for 548 Canterbury Road. Would it have been a reference to those additional units?---Yeah, I think so, yeah.

What about the additional units that were the subject of the DA that was lodged in respect of 570 Canterbury Road, you know, the rest of the block?
---Could be that as well. I don't know. Could be, could be the whole. As I
30 said, I, I look at the whole thing as one, one, one site. I'm just looking at those extras.

I understand. Excuse me a moment. Did you know as at September 2015 that Mr Demian was going to try to add to the six storeys that had been approved for 570 Canterbury Road, the eastern, I'm sorry, the western side of that block, as you call it?---Oh, look, from, they seemed to be, these people when I met them, they seemed to be, this is coming after, afterwards, all that information is coming after whatever he put in because they're
40 saying they want it with the additional, that means he must have put it in way before I even met these guys.

I think I know your answer to this question but I just need to ask it just to ensure that I understand your evidence. Where did you get the idea from that there were extra units being approved?---I think they're the ones who, who knew, they're the ones who told me, from, from memory. I mean for that message, it's their message I've, I've forwarded on, they're the ones who are saying they want everything.

That is to say it would be in respect of a DA that was, to use your words, in the system, rather than one which hadn't been lodged yet that you might have heard about from Mr Demian?---That's in the system, correct.
Correct.

10 Now can I take you, please, to volume 21 in Exhibit 69, page 152. Even before I get to that particular page, can I just take you to page 147. Excuse me a moment. You must have seen in the evidence before the Commission that you have read that there is a schedule of text messages between yourself and Laki Konistis and John Dabassis.---Ah hmm.

And it goes for pages and pages and pages and pages – to be precise, from page 147 to 172 – and they're itemised and there are 401 of them. You responded to Lake Konistis.---I respond to him because he's just, look, the guy, the guy is a nice guy but he's, he's pushy and I'm just diplomatic, I guess you could say, with him, and, and that's the way it is. I'm sometimes too diplomatic.

20 You were, and I'll just give you the dates, they commence on 21 September, 2015 and conclude, so far as this schedule is concerned, on 21 June, 2016.
---Yep.

My maths are not very good, but that's an awful lot of contacts between you and Konistis in less than 12 months.---It's always been, I always respond back to him, whatever he says, we are respond, whatever he says, we are respond.

30 But what it suggests is that your evidence here that you thought at the time that Konistis was some sort of fruit loop isn't correct.---No, it is. Oh, from, look, at the beginning, it was, he, I didn't realise what he was like. He was a, you know, nice guy. Met him, coffee, happy, easy-going guy, and, and then after that, I just, I became a bit weary of him.

I suggested to you yesterday that an adjective that could be used to describe him is, or at least was at the time, "enthusiastic", and you accepted that.
---Yeah, he's enthusiastic.

40 But there's no sign of you getting weary of him, at least not before 21 June, 2016, in these text messages, Mr Hawatt.---I, I responded to his text messages. I've been diplomatic with him, and I responded to him. That's all it was.

Well, you responded to him because there was something in it for you. That's the only reason, isn't it?---Look, there was nothing in it. There, it, he start off at Revesby. There was nothing in it. It became a - - -

There was nothing in at the end of the day - - -?---It, it became – that's right.

- - - but there was a lot in it before - - -?---And he kept - - -

- - - the end of the day came.---And he kept on pushing, and he, look, he talks, I, he sends a message on my behalf. It's like him sending messages saying, "Let's do this, and we're going to do this, and you can do this," and the guy's speaking, so what do you want me to do, if he sends messages that's speaking on my behalf, this, this is his character. I, I can't help it. And I respond to him.

10 Yes, and the way you responded to him suggests that you thought it was worth your while, at the very least taking him on face value.---I just kept, kept in contacts with him. He's a nice guy. We met lot of times for coffee. And, and I'm just diplomatic. That's all, that's all it is.

So, if you'll just excuse me a moment. If I can take you to page 212, in Exhibit 21. This is October, 2015, and it's a text message by you to Mr Demian on 8 October, at 10.49pm, and you said, "FYI, message I received. Michael." The message reads, "What figure will it take for owner to exchange on Harrison's? We will lose big client." Do you see that?---Yep.

20

That was a Konistis message you were forwarding to Mr Demian?---That's correct. That's what he sent me.

Why did you forward it to Mr Demian?---I just, look, I always saying, the guy asked me did you, can send this, what's - I just say, look, you know, I sent you the message that, that you sent me. See, I, I made contacts on your behalf. It's just a way of brushing him off.

30 Well, except that you were not brushing him off, you were - - -?---I just passed it on.

- - - engaging with a man whom you knew had a short fuse when it came to his temper.---I'm passing him, I'm just passing information on that I received.

You wouldn't be engaging with Mr Demian by passing this material on to him, I suggest, unless you thought it was worthwhile.---I just passed it on.

40 And if you thought it wasn't going to backfire on you.---No. I just passed it on because when, when, Laki's going to ask me, I say yes, I'll send it to you, I'll send it on your behalf. I'm not going to say to him I didn't lie to him. I'd just say, yeah, I sent it.

I note the time, Commissioner.

THE COMMISSIONER: Okay, hold on. All right. We'll adjourn for morning tea and resume at five to 12.00.

SHORT ADJOURNMENT

[11.29am]

THE COMMISSIONER: Mr Buchanan.

MR BUCHANAN: If I can take you, please, to volume 21 in Exhibit 69, page 212, item number 2 in this schedule of text messages is also on 8 October, 2015, it's at 10.52pm, Mr Demian responded to you, "Hi, Michael,
10 hope you are enjoying the party. As I explained, my joint venturer is a public company just like a government agency, we must sell via an expression of interest but I will get George involved when we go to the market." That text message from Mr Demian suggests that he had explained it to you previously. You would accept that?---Yes, yes, yeah.

And can you remember him explaining it to you?---Well, he did say it has to go, I mentioned that as well, that he needs to go through the process and this is the process.

20 Yes, but what I'm asking you is can you remember him explaining it to you before this text message of 8 October, 2015?---I think he would have, yeah, he would have.

Now, can I ask you this. When Mr Demian said, "We must sell via an expression of interest but I will get George involved when we go to the market," what did you understand him to mean or to be referring to?
---I'm not sure. I'm not sure whether he could act, he could act for him, I don't know.

30 George could only be a reference to George Vasil?---Yeah, could be, yeah.

There was no other George involved, was there?---No, that would be George Vasil but I don't - - -

Yes. So this suggests that Mr Demian understood from somewhere that George Vasil wanted to be involved or that someone like you wanted him to be involved in the potential transaction?---Not really, he must have met, he must have met George in between the period when I said I don't want anything to do with them, just I passed on the information, their phone
40 numbers and, and probably George was communicating on his, on the behalf of Laki and John, so he might have mentioned it to me because I knew George.

Well, it's more than that, isn't it? Mr Demian plainly thinks that you will understand what he means when he says, "But I will get George involved when we go to the market."---Well, he just - - -

And the question is, what is it that had occurred that meant that Mr Demian knew that you would know what he's talking about?---Look, he, he must have met George and, and just telling me that he'll have George involved. That's, that's all I can - - -

But how did he know you would understand what he is talking about - - -?
---Because he knows - - -

10 - - - unless there had been a conversation between you and Mr Demian about George becoming involved or the two of you had been present when there had been a conversation with George Vasil about him becoming involved, one or the other?---I think because George is a friend of mine he's probably just, he might have met with him in this regard and he's just reminding me that it'll be George involved, just - - -

Involved in what?---I don't know, you have to ask him.

20 Well, what's your understanding of what Mr Demian was saying to you when he's talking about selling via an expression of interest and getting George involved "when we go to the market"?---Well, the way I would read it is that if George got anyone that may be interested in his property then he'll get him involved somehow through the system, that's, that's how I would read that.

30 You see, I want to suggest to you that you know that there had been at that stage, by 10.52pm on 8 October, 2015, a discussion involving the subject of George Vasil becoming involved as an agent for the vendor in a sale of the Harrison's site.---Well, I mean I did pass information on to Charlie to, to meet up with George and, and John and Charlie so most likely they would have met and discussed it, and that's, and that's a response to his message.

But you know it was more than that, don't you, you know that there was a question at this time about whether George Vasil could become financially involved by way of receiving a commission by reason of being the vendor's agent?---I wouldn't read it that way.

Why not?---Because you're just giving George, sounds like giving George an opportunity to, to look at his project, that's - - -

40 How would George get involved, being a real estate agent, what would his involvement possibly be when the vendor is saying to you, "I will get George involved when we go to the market"? What could it possibly mean other than I will get George Vasil, real estate agent, involved as my agent when he went to the market?---You'd have to ask Charlie. I mean I'm just guessing that he's saying that he might get George involved once it goes to the public market.

It's your understanding that I'm asking about.---I have no understanding, I have no understanding of what, what exactly specifically what he meant. My understanding is that he probably get George involved when it goes to public market, that's - - -

Yes. Involved as his, Charlie Demian's, agent.---I don't think so, because you can see Charlie Demian's looking, it's got to go to public tender, so he may be looking at him, I don't know, for some other stuff, I don't know.

10 No, he's talking about a different time. On the one hand he's talking about he has a joint venturer which is a public company and they must sell via an expression of interest, then he's talking about a different state of affairs, going to the market, and simply advertising that the property is available for sale, rather than seeking expressions of interest.---Well, he's probably responding to the message I sent him, I forwarded on from Laki.

No, I'm not, I'm interested in your understanding, why would you not have understood that what Mr Demian was saying was that he would get George involved as his agent when he, Mr Demian, went to market?---Well, he
20 doesn't say George as his agent, he just says get George involved. How? I don't know. I mean as maybe in selling.

That's not a frank answer, is it, Mr Hawatt?---Well, I mean, what do you want me to do, guess? I mean, what, so George got involved in, what, in selling his properties to assist him in his – well, I don't know. It's between him and George.

You have a reluctance to acknowledge that there was an attempt by George Vasil to obtain a vendor's agency from Mr Demian in respect of the
30 Harrison's property in 2015-16?---Well, I mean you, you saw Charlie saying that he has to go through public, public tender, so I, I can't see how George could get the agency.

But why do you have a reluctance to acknowledge that you had an understanding that George Vasil wanted to going to the vendor's agency? ---Well, George must have met with him and spoken to him about something. I wasn't there that meeting and, and, and he said he said, "I'll get George involved." It could be a million things. I don't know.

40 Well, you did know at the time, didn't you?---All I know is George met Charlie through, on behalf of those, Laki and John and, and whatever they spoke about, it's between them. I, I didn't - - -

You did understand at the time thought, didn't you?---Understand what? That George was – I mean - - -

What Mr Demian was saying in that text message to you.---Well to me, involved could be involved in selling his units, could be involved in, in doing whatever. I don't know what, what it was.

You're pretending you don't understand.---I don't understand, no.

10 Could you have a look at the next text message, please, number 3 at 10.57pm, where you responded to Mr Demian by saying, "No problems. I understand."---Yeah, well, yeah. No problems, I understand that he has to go to public tender. That's what I'm talking about.

You didn't ask him, "What do you mean about George becoming involved."---I just responded, "No problems, I understand," and he's talking about the public, public tender. Yeah, I understand because he told me before that he can't, he can't sell it to these guys.

Weren't you interested to know what the involvement of your friend George was that Mr Demian was contemplating?---No. No, I wasn't interested.

20 You weren't interested?---No.

Can I take you now please to volume 22, page 229. This is a page from the minutes of the meeting of the City Development Committee held on 3 December, 2015, when, as you recall yesterday, item 18 was the approval of the DA for the Harrison's site, 548-568 Canterbury Road, construction of two additional levels to approved six-storey mixed-use building. You recall us looking at this yesterday?---Yep.

30 And the way it was done, you remember, was that Mr Azzi moved, sorry, Councillor Azzi moved that the general manager be authorised to issue the consent once suitable concurrence had been received.---Yep.

And the motion was voted on and you voted in favour.---Yep.

You didn't declare an interest in this item?---Why should I declare interest?

40 Well, you were involved in negotiating with the owner for a sale of the site with the extra units being approved to the purchaser, to whose agent you'd been introduced.---I wasn't negotiating. I was just passing the information on.

You don't think that in the circumstances of what you've told us about the meeting, the conversations that you'd been having, the text messages, that it had reached the stage where you had, at the very least, on your evidence, a significant non-pecuniary interest in the subject matter of that particular DA?---That's incorrect.

Why?---Because I, it's, all I did is introduce, passed messages on and that was it. There was no significant interest, there was no financial benefit. There's nothing in there that I, I've even taken in to consideration because it wasn't even in the back of my mind.

10 Except that if you had been pursuing this matter as you had pursued other matters where you had been introducing purchasers to potential vendors throughout your career, then you would have had in mind the potential for you to garner a commission.---Look, if there was a, if there was an agreement, some sort of an agreement like I've done with, with the Revesby one, and there was a signed agreement, and there was a, some sort of a, a contract, an agreement to do something, I would have declared interest if there was something in that system. But all I've done is pass on information and phone numbers for people who wanted to meet up with each other. That's all it was. There is no benefits to me financially, and there is no need for me to declare any interest because there's nothing for me to declare.

20 You had been involved in, for example, if we go to volume 21, page 212, message number 1, again, you forwarded that message to Mr Demian about what figure it would take for the owner to exchange on Harrison's, and the message continued, "We will lose big client."---I didn't write that. I just passed it on from Laki. It was forwarded as, the guy asked me to forward it on, I forward it on.

You understood that message was from Mr Konistis, didn't you?---Yeah, yep.

30 And you understood, didn't you, that when he used the word "we", he was talking about the team, that is to say, you, George Vasil, John Dabassis - - - ?---No. No, him - - -

- - - and him, Laki Konistis.---No, him, him and John. Not even George. It would be just him and, he always talks about him and John.

Mr, you understood Mr Konistis was using the word "we" in that message as including you, didn't you?---No, it doesn't include me, no.

40 And it is, I want to suggest to you, simply inconceivable that you did not have in mind that there was the potential for a, for participating in a commission, an introducer's fee - - -?---I've just - - -

- - - if this deal came off.---I've just forwarded that on without any thoughts about any, any types of commissions. I forwarded that on, being diplomatic in, in regards to Laki. He always hassles you, and I just forward on. I've seen him, say, "Look, I've done it," that's the end of it.

It'd be the only time in your - - -?---And you can interpret in any way you like.

It'd be the only time in your life that you would have been taking part in contacts of this kind without having in mind that there was the potential in it for you to get a fee.---That's incorrect. I have done that many times during the period as a councillor, introduced people together, passed on phone numbers and so on, without any benefit whatsoever.

For properties in the Canterbury local government area?---Connected people together over the years.

10

For properties in the Canterbury local government area?---I've just connected people together, nothing to do with, regards - - -

Please listen to my question. I'm taking the answer you've just given. You've said that you've done this many times.---Introducing people, yes.

For properties in the Canterbury local government area, while you were a councillor. Is that right?---Look, you're asking me a, a, a, a, a hypothetical question - - -

20

No.--- - - - but I'm not sure.

THE COMMISSIONER: No, no, no, no, no, no. He's not, Mr Hawatt.

MR BUCHANAN: I'm asking you what your answer means.---My answer is I have introduced, during my period as a councillor, with people, whoever they are, I have introduced people to meet each other. I don't recall specifically why, or for what reason, but I have done that many times, introduced people to one other.

30

Have you done that, apart from this instance, in respect of the Harrison's site, in respect of any other property while you were a councillor where that property was in the Canterbury local government area?---I don't recall any properties in particular, no.

So this is the only one, is it?---I said I don't recall any particular properties. All I recall is introducing people.

40

So are you saying there is a possibility that there are other properties where I was involved in introducing a potential purchaser to a potential vendor of a property which was before council?---Not, not - no. Nothing, no, definitely not.

When you say not that you recall - - -?---I'm talking about general introduction. Nothing specifically for sale or, or to buy, or to sell, nothing to do with that. I'm talking about introducing people to one another, and that's what I've done in that regard to, to Laki and John, they wanted to

meet Charlie. I gave them the number, I told Charlie they want to meet up with him, and that was, that was it as far as I'm concerned.

10 But it wasn't it. We've been through the evidence, Mr Hawatt, it's obvious that there was more to it than that. Apart from anything else, you told Mr Demian, volume 21, page 174, item 3, "The offer is 56 million for current approval which includes the extra units being approved. The buyer is willing to exchange with only one condition subject to the extra units being approved." That's not an introduction, is it? That is a negotiation.---That's a, no, that's a message that I passed on from Laki. It's just relaying a message.

You dishonestly failed to declare your interest in the approval of the extra units, the subject of your messages when it came before council on 3 December, 2015, didn't you?---I had absolutely no reason to declare interest and that was the honest position that I had, there was no need for me to declare interest because there's no financial benefit whatsoever in that regard.

20 You knew there was a potential financial benefit for you, didn't you?
---There was no potential. I had no interest instead of introducing people together. That was it.

Can I take you, please, to – excuse me a moment – Exhibit 195, and if we could have the transcript, please.---Yep.

30 Just looking at the first page, looking at the third item from the bottom, Mr Konistis says to you, "I need you and George to get to the Harrison's guy." Is it possible that you had not actually told Dabassis and Konistis who the owner was, basically knew that you knew the owner but not that, not the knowledge which they needed, which is the actual identity of the owner?
---He, he might have forgot his name.

But I'm asking you is it possible that you had not disclosed the name of Mr Demian to Dabassis or Konistis?---No, I think I would have told them, they would have known, no way, and I think he just forgot his name.

40 Okay. Did you understand from this conversation that Konistis and Dabassis were coming back to you saying that they had a different buyer?
---That's like, to me I was just, yeah, I mean, I don't know. I was, I was half, just quickly reading it so I think I wasn't even half, half listening to what he was saying anyway.

Well, what I am suggesting is that in this conversation it was indicated to you by Mr Konistis that there was a different buyer and he says, looking at the bottom of page 1 of the transcript, "Now George said they were going to put CBRE on it, right. Now we've got a serious buyer for Harrison's. It's been DA approved and we need the plans, right." You said, "Yeah," on

page 2. Konistis repeated, "We've got a serious buyer." You asked who the buyer, "Is it Chinese or - -" and then Konistis started giving you an explanation. "It's through," and it's typed here as Con, but I want to suggest that it's John. "Now George, George went down to a big architectural firm, through a big architectural firm last year, August/September, and they're the people we have to buy it, right." Konistis went on, "We need to know how much they are prepared. Forget CBRE, tell them we've got the buyer. How much do you, do they want. We're going to put out agreement, agency agreement on top." Then he said, 10 "And we're laughing." You said, "Yeah, but who's got the buyer? Is it John, is it?" And then Konistis told you, "John's got the buyer. John's got the buyer." And then he went on to tell you at the top of page 3, "They want a copy of the plans and a contract. They want to buy it, Michael." Do you see that?---Yep.

This was, as you understood it, a different buyer, a different potential purchaser for whom Konistis and Dabassis were acting from the one they had in 2015?---The only thing I understand from this is I was being sarcastic with him in regards to not taking him serious.

20

In what way were you being sarcastic, sorry?---Well, I'm not taking him serious, yeah, who's the buyer, is it Chinese, I was like, making fun of it. Who are you talking about, is it Chinese, is it John, is it – it's like I'm, I'm questioning what he's telling me here.

Oh, are you?---Yes, I'm questioning - - -

Well, I wonder if we could play the audio file, please.

30

AUDIO RECORDING PLAYED

[12.23pm]

MR BUCHANAN: You recognise the voices of yourself and Mr Konistis? ---Yep.

You weren't being sarcastic, were you?---I was being very sarcastic. I've been questioning what he's saying and I didn't take him seriously at all.

40

You had a perfectly normal tone of voice, trying to understand what it was that Konistis was saying to you, weren't you?---I've been diplomatic with him and as far as I'm concerned I didn't take him serious whatsoever.

And is that why you said, "Let me find out and come back to you"?---Yeah, that's just to brush him aside, let me find out, yes, that's of course, to brush him. I mean come on. If you take this that serious, it's definitely not.

And so did you find out and get back to him?---I don't, I don't think I would have. I don't recall but I don't think I would have because I would have gave him the same information, Charlie can't sell it to you guys.

How would you have known that information in order to give that information to him?---Because I ended up telling Charlie not to deal with these guys, it's simple as that.

10 So you ended up telling Charlie about this second lot of buyers?---I, I, look, from as far as I'm concerned, these guys are, they waffle on, second, third lots of buyers, all this rubbish, I didn't take them serious, but there's one stage, definitely, 100 per cent when I said, "Charlie, please, these guys are, they're wasting, wasting your time and I don't want to have anything to do with them, they're sending me messages, just don't trust them."

THE COMMISSIONER: But did you tell Charlie about this second lot of buyers that Laki is talking about?---I don't, I don't recall mentioning, honestly, I don't recall mentioning it, but I recall mentioning that to Charlie about these guys and I did not take them serious.

20

So was it round February that you told Charlie not to take these guys seriously?---Yeah, just around this period, could be, could be.

Could be?---Could be, yeah.

MR BUCHANAN: Now, you believe do you that you didn't take this information to Mr Demian at Mr Konistis's request?---As far as I'm concerned I don't recall 100 per cent, but one thing definitely I did not take this guy serious. If I did mention it to Charlie it would have been, look, these guys sent me something, don't trust them, they're full of rubbish.

30

Why would you have said anything to Mr Demian if you thought it was rubbish in the first place?---Because I, I introduced, I gave the introduction through the phone calls and - - -

40 But that happened the previous year.---Yeah, but that's same thing, and these people are the same people and I feel embarrassed that they keep sending me the messages and I forward it onto him and I don't want him wasting my time because I made that introduction to him. I just said, "Don't trust them anymore," that's it. I don't want to get involved, I don't want to be receiving messages and, and I just told him, don't, don't deal with them.

Could we play, please – sorry, and I should have indicated that Exhibit 195 was a recording made on 19 February, 2016 at 11.34am. Could we play, please, a recording made the same day at 7.04pm, Exhibit 196.

AUDIO RECORDING PLAYED

[12.29pm]

MR BUCHANAN: You recognise the voices of yourself and Mr Konistis?
---Correct.

10 You accept that you did contact Mr Demian after Mr Konistis asked you to
at 11.34am, on 19 February, 2016?---I may have, and told him not to deal
with these guys. And again, I brushed – from that conversation, I brushed,
brushed him aside.

When you say you may have, you obviously did contact Mr Demian as a
result of being asked to by Mr Konistis - - -?---I, I may, I may have.

- - - in the morning of 19 February.---I may have, even though (not
transcribable) I called him, but I may have said that to him, but I may, I may
not have, as well. But from the discussion, as, again, brushing him aside.

20 Well, it, it - - -?---30 days or nine, whatever, he signed up. In other words,
get lost.

Where did you get the information from that he had signed up with this
company, signed exclusivity for 90 days? Where had you got that idea
from?---I would, I would have found that out from Charlie even maybe
before, before those calls from Laki. I might have found that out even
before that.

30 Well, are you speculating?---I'm just speculating because I would have, oh,
that's how I found out, from, I would have found out from Charlie, but
could have been before even those, those calls he made.

So you accept that it's possible then that you found out at the time that Mr
Demian spoke to you, when you spoke to him, on the morning or soon after
the 11.34am call from Laki Konistis on 19 February, 2016, asking you to
contact the owner?---I, I mentioned to you before that I told Charlie not to
deal with these guys, and Charlie didn't want to deal with them.

You keep on saying that, but there's no trace of that.---What? There is.

40 There's simply no trace of that in the evidence.---And this, and this - - -

No, so, sorry, sorry, stop.

THE COMMISSIONER: No, Mr Hawatt, shush.

MR BUCHANAN: Where is the trace of it?---Verbal, I spoke to him.

You say there is - - -?---I spoke to him.

- - - where is this, where is the evidence of it?---I spoke to him. I spoke to him. I don't know when and where, but I did talk to him. And then this conversation here is completely brushing Laki off.

10 You see, the responses you are giving are inconsistent with the evidence that's before the Commission, and in fact you know what that evidence is, don't you, of consistent contacts involving you, including with Mr Demian, in response to these requests that you were getting from Konistis, as you understood it, on behalf of Dabassis.---These two messages I just heard, they're definitely, and I recall brushing him off in a diplomatic way. And there's nothing where I pushed to do anything to help him out.

Except that you, at his request, rang Charlie Demian - - -?---Look, the - - -
- - - and talked to him - - -?---I don't recall - - -

20 - - - gave him the information you had been given, got Demian's response, and then conveyed that response to Konistis when he rang you.---I, I may have called him. I may not have called him. But I might have had that information beforehand, but as far as I - - -

Why would you - - -?---As far as I'm concerned, I was brushing Laki off, in both, in both messages.

30 So you said to Konistis, "I spoke to him."---Yeah, I might have lied, I don't know. I might have said I spoke to him just to brush him. I just don't recall. As far as I'm concerned, I, during that period, this is when I was brushing him away.

Excuse me a moment. Excuse me, Commissioner. Can I take you then to a telephone conversation on 4 March, 2016 at 8.30pm and if we could play it please, Exhibit 126.

AUDIO RECORDING PLAYED

[12.35pm]

40 MR BUCHANAN: You recognise the voice of Pierre Azzi in the first part of that extract of that telephone conversation where he said to you, "Look you talk to him"?---Yeah.

And did you then recognise the voices of yourself and Mr Demian talking to each other?---Yep.

So the evidence that you've been giving us about your contact with Mr Demian hasn't been correct, has it?---What do you mean it hasn't been

correct? Of course it's been correct. You show me where I didn't say, show me where I didn't say I didn't talk to him.

You are quite clearly trying to introduce to him the people that you'd been told about. You explained to him that they are different ones to the ones that George had originally.---I'm just passing it on. I said, "It's up to you, Charlie, if you want otherwise I'll ignore them." I did say that as well. I did, I'll ignore them. I said, "That's up to you." I'll tell them, I'll tell them, it's gone for – it shows you how much interested I was in them, just say
10 yeah, I'll tell them forget it but tell me if you're interested, Charlie. That's what I'm saying. I mean, yeah, that's, I'm listening to the messages and I don't know what, what the issue is in here.

And so you said that, after Mr Demian said to you essentially there's no point in talking to any purchasers that George has because he was signed up with CBRE as the vendor's agent at that stage.---And I said I'll brush them off and it's up to you if, if you want and I'll brush them off. So, shows you how serious I was.

20 You said, "I'll tell them you can't negotiate."---That's correct, brush them off.

Well, no, you didn't say that, Mr Hawatt, can I just point that out.---Well, that's what I'm saying in there.

THE COMMISSIONER: Just listen, please.

MR BUCHANAN: You didn't say that, did you?---Well, what else am I saying? You tell me.
30

You did not use the words, "I'll brush them off," or anything approaching that, did you?---It's, it's - - -

You said, "I'll ignore them during the CBRE - - -?---Correct, I ignore them, I'll - - -

- - - agency period."---Well, that's what I meant, ignore them, get rid of them.

40 And you said that you would convey what Mr Demian told you that he didn't still have all the full DAs and was still waiting on approvals at that stage.---Yep.

And you said that you would say, "They gotta wait for six weeks before they can talk to you."---Correct.

That's not saying that you'll brush them off, it's saying, okay, we'll wait for six weeks.---Oh, jeez, of course it's brushing them off. To me it's like

saying, hold it, it's up to you now, I'll tell them to wait, I mean show me where I'm pushing for it in this one. You show me where I'm pushing, you have to do it, Charlie. That's what you're trying to tell me.

THE COMMISSIONER: No, Mr Hawatt, please don't - - -?---This is ridiculous what I'm listening to.

10 Mr Hawatt, please just listen to the question and answer them.---I'm answering them, Commissioner, I'm answering them but he's not accepting them.

No, you're not.---Yes, I am.

You're asking questions in - - -?---I mean the voice is here, the message is telling him, I'm not interested.

Mr Hawatt, just please be quiet and listen to the questions and answer them. ---God.

20 MR BUCHANAN: Can I ask you this, though. You didn't mention Konistis or Dabassis, instead you said, "Remember when George originally was talking to you about investors?" And then you went on to say, "The ones he's got now are different people. All right."---That's the message I passed on.

30 Why do you say George rather than refer to Konistis or Dabassis by whatever words you want to use?---Because they're different parties, it's just the guy, George was the original with these guys, with John, and you can see Laki telling me there's other people. It's just, George was working on behalf of Laki with those original ones, whoever they were, God knows who they were, and Laki's coming up with someone else. It's just different, different people.

Yes, and now you're attributing those people to George.---No, I'm just -- look - - -

"The ones he's got now."---I passed the message on to Charlie and Charlie's not interested.

40 Please, can you listen to my question, can you please listen to my question. You did not refer to Konistis or Dabassis in this conversation, did you? ---But George is - - -

THE COMMISSIONER: No.

MR BUCHANAN: Please, yes or no?---No, I didn't, no.

That's right. Instead you referred to George Vasil, didn't you?---Correct.

Yes.---As the person who - - -

And you said George Vasil had different people now, didn't you?---George Vasil had different – George is representing those two, those two guys.

10 So that paints a somewhat different picture, doesn't it, from you saying that you weren't interested in getting involved, you were brushing off these guys, if in fact, as you were representing it to Mr Demian, it was Konistis, Dabassis and Vasil, your close friend and ally.---George is representing those two guys on behalf of dealing with Demian. George is the one who introduced these guys and he's the one who is dealing with them and then Laki is the one who come up with saying, oh, these are different people, just I'm passing the information on but reluctantly, as you can see, I'm not taking him serious.

20 What you were passing on was the information that the potential purchasers are represented by George Vasil, and what I want to ask you is, what was the basis for you representing that to Mr Demian?---Just passing on the information.

From George Vasil?---From Laki.

30 No. You see there's nothing in what we've gone through so far where Laki says anything about George Vasil, so we've got this disconnect between the evidence of what Konistis said to you on the one hand and the evidence of what you said to Mr Demian on the other hand where all of a sudden Konistis and Dabassis aren't in it, and instead it's George Vasil who has these new purchasers. And my question is, what was the basis on which you were making that representation to Charlie Demian? Had you had a conversation with Charlie Demian, I do apologise, with George Vasil? ---George Vasil was the original person who was dealing on behalf of those two.

Please can you answer my question.---I don't understand the question.

40 Had you had a conversation with George Vasil in which he had indicated to you he had a different set of people now from the people he had, investors he had originally?---No. I don't, I don't recall that.

Why do you say that to Charlie Demian if it wasn't true?---Because Laki would have said something to me about it. That's why I'm just, I'm just telling him - - -

Well, except that we know he didn't.---I, I just don't recall even mentioning this to him. As far as, as far as the back of my mind is - - -

Well, no, no, no. That won't help. You know that you did say it to Demian. So the question is why did you say it to Demian if it was not true?---I don't know where I got that information from. Somebody must have told me.

That's right. It might have in fact been true, not untrue.---That somebody told me different people.

Yes. And the most likely person is - - -?---Is Laki.

10 - - - George Vasil.---No, I think it would be Laki.

Why wouldn't it be George Vasil? If you're saying - - -?---Because Laki is, is a mouthpiece.

- - - George Vasil is in this situation now, why wouldn't George Vasil have been the source of your information?---Because Laki is the mouthpiece. He's the one who made all the contacts with everyone. Laki is the one who is communicating on behalf of John, on behalf of – calling George, calling me.

20

So why do you say George Vasil does rather than saying Laki Konistis does?---Because George is the one who's representing, is talking to maybe Charlie on behalf of these guys. That's, that's my understanding.

So George Vasil was talking to Charlie Demian on behalf of these guys? ---Maybe. That's, because - - -

When you say maybe, are you telling us that, to your knowledge, George Vasil had been talking to Charlie Demian about - - -?---He might have.

30

- - - Konistis and Dabassis or purchasers?---I, no. Look, I wouldn't have a clue what, what purchasers he, he's talking about but I'm talking about – the only people that I know out of this whole thing, there's no purchasers, there's no buyers. All I know is John, Laki and George and they're the ones who, who were working together in regards to meeting Charlie and George, and could have met Charlie and spoke to them about these guys and what they have and then, and Laki might have said, oh, we have other people as well. I mean, it's like, I don't know.

40 What was the need for you to have this conversation with Demian if Mr Vasil has already had it?---Because Laki's been calling me and, and, and hounding me.

Why don't you tell him to call George? He's the one who's talking to Charlie Demian.---He probably does call George as well. I mean, I don't know, he might have called him as well.

But you didn't say that to him, did you?---To who, to Charlie?

You didn't say to Konistis, "Don't talk to me, talk to Vasil because he's the one who's talking to Demian," you didn't say that, did you?---No, I didn't say that to him because it's respectful, I don't do that.

10 Right. And you knew, didn't you, that you were the one who had the relationship with the vendor, not Vasil. You had been brought in because Vasil didn't have the relationship with Demian that you had?---I just made the introduction and you can make all your assumptions under the sun. I'm going to repeat what I'm saying. There is nothing in regards to any financial dealings or intent, intent to even make one cent from this whole thing. I just made introduction and you can make all your assumptions under the sun. As far as I'm concerned, it's all incorrect. Simple as that.

20 So it would be reasonable for the Commission to conclude from this conversation that you'd had with Mr Demian on 4 March, 2016 that George Vasil had also spoken to you about a fresh set of purchasers who were interested in the Harrison's site and could an introduction to the owner, Charlie Demian, be obtained by you?---I don't recall this one.

It would be reasonable, though, for the Commission to conclude that, wouldn't it?---I can't recall it.

Excuse me a moment. Now, were you ever aware of an indication that the potential investors in the Revesby site, Mr Spiridonidis, might be interested in the Harrison's site?---Oh, I, I don't, I don't recall. I don't recall.

30 Did you ever explore the possibility that the potential investors in the Revesby site, Mr Spiridonidis, might be interested in the Harrison's site? ---No, I haven't, and it may be through Laki or John I might have mentioned it to him, I don't know. But I, I don't recall, at all.

Well, did you take it up with Mr Demian?---I, I don't recall even, he was interested even in that. I, I don't even remember whether (not transcribable)

Who is "he" when you're talking about "he"?---Mr Spiridonidis.

40 Excuse me a moment. See, what I want to suggest to you is that you tried to introduce the Spiridonidis side in the Revesby transaction to Mr Demian. ---I don't recall that.

Were you interested in the possibility of a commission from Mr Spiridonidis if he bought the Harrison's site from Mr Demian?---I don't even recall talking to him about it.

Were you interested in the potential for a commission, though, from a sale of the Harrison's site to Mr Spiridonidis?---Anything to do with Canterbury, I have no interest, in regards to anything that's financial, anything that's

financial in regards to anywhere in Canterbury. And if there was any such talk or transactions, I would have to declare interest if that was the case. But I don't recall even talking to him about it.

10 Could we play, please, a telephone conversation on 4 March, 2016, at 6.30pm, Exhibit 126? I think it's an extract. Yes, no, I apologise. I'm reminded that we've already played that. Can I just show you the transcript of Exhibit 126, page 2 of the transcript? So you listened to this conversation earlier between you and Mr Demian. But I just want to drill down into one part of it, where you said, this is on page 2, about the middle of the page, "Well, I'll tell you," – I'm sorry, I wonder if we can just go back to the previous page, just to get the context. Thank you. You said, "I spoke to this guy, there's a group of them. They want to meet up with you on Tuesday direct." Demian said, "Do you know who they are?" page 2 of the transcript, you said, "Oh, look, I know, I know the background. They're involved in hospitals. They're involved in investment superfunds, everything else. They've got a lot of money behind them." Now just stopping there, who apart from Mr Spiridonidis was involved in investing and hospitals, to your knowledge?---Well, John and Laki, because they're 20 the one who introduced me to him through, through George. That's, they're the ones I'm talking about.

The same people?---The same people, yeah.

So, were you – but you knew that Dabassis and Konistis didn't have any money, they were just agents.---I didn't know - - -

30 They were agents for purchasers.---Yeah, but when they were talking about, they talk about all these people, they're the ones who introduced me to, through George to, to this Mr Spiridonidis, sorry, so they were the same group, so, and they talk about other investors in hospitals that they needed to, to move into Revesby and this is what I said to you the other day or I said earlier, I said they backstab Steven who, who, who was saying, oh, no, they've got, they've got investors in hospitals. There's a few things (not transcribable)

Please, Mr Hawatt, you're just - - -?---No, no, but it's, they're the same people.

40 - - - saying rubbish for the sake of occupying time.---The same people.

I just want you to focus, if you wouldn't mind, please, on the language that you used. "I know the background, they're involved in hospitals."---The same people.

Was that anyone other than Mr Spiridonidis?---John and Laki. They're the ones originally when I met, they're the same people.

But they weren't involved in hospitals, Mr Spiridonidis was.---Yeah, but they were working together at the time. I didn't know who, who, who was who. I didn't know who was who, they're all one, one group.

10 And when you say, "They're involved in investment super funds, everything else" - - -?---That's what I, the message I got from John and Laki, it's people, they've got people who are investors in super funds, they've got other hospital people and that's why they were backstabbing Steven as well because - - -

Can I just point out that the Revesby deal or potential deal started with a meeting at La Plaka café in Burwood when you met Mr Spiridonidis. You met the man, didn't you, it's not just Laki and John, you met the man who had the money, who was the investor.---Correct, but - - -

20 And so when you were talking to Demian about they're involved in hospitals and super funds, you were talking about Spiridonidis, weren't you?---No, I was talking, no, when it came to Charlie, John and Laki, as I said earlier, they kept on backstabbing Steven, Mr Spiridonidis - - -

You've, please.---Wait a second. Because they had other - - -

If you wouldn't mind just stopping off that rubbish, please, Mr Hawatt, please.---They've got other hospital investors.

Please.---What do you mean it's rubbish, it's a fact.

30 I'd like you to answer the question, if you don't mind.---I'm answering the question. It's facts. It's other, other people involved in hospitals they, they were bringing in. Sorry.

40 MR DREWETT: I raise an objection in relation to what I would say would be an improper manner of questions in relation to two questions asked, both using the word rubbish in relation to my client when he's giving his evidence. If it's off track and not relevant in terms of what my client is saying then I have no doubt, Commissioner, that you will intervene, but I would ask, with the greatest respect to my learned friend, that he refrain from using such inflammatory language as rubbish, "you're talking rubbish just to occupy time," in my respectful submission is bordering on the outrageous and it's inflammatory language, it's an improper question and I would ask that the line be drawn in the sand in relation to that type of question phrased in that particular way.

MR BUCHANAN: I will do so.

THE COMMISSIONER: Thank you, Mr Buchanan.

MR DREWETT: And I also note the time as well. I don't want to steal my friend's thunder but given where we're at maybe it might be a convenient time.

MR BUCHANAN: No, no, that is correct.

THE COMMISSIONER: Is it a convenient time?

MR BUCHANAN: Yes, it is, Commissioner.

10

THE COMMISSIONER: Right. We'll adjourn for lunch and resume at 2.00pm.

LUNCHEON ADJOURNMENT

[12.58pm]