

DASHAPUB07090
26/04/2019

DASHA
pp 07090-07139

PUBLIC
HEARING

COPYRIGHT

INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

Reference: Operation E15/0078

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON FRIDAY 26 APRIL, 2019

AT 9.30AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

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

THE COMMISSIONER: Mr Buchanan.

MR BUCHANAN: No preliminary matters, Commissioner.

THE COMMISSIONER: All right.

<MICHAEL HAWATT, sworn

[9.32am]

THE COMMISSIONER: Thank you.

MR BUCHANAN: Could we play please the audio file in Exhibit 255. Mr Hawatt, this is a recording of a telephone conversation that commenced at 10.19am on 11 May, 2016 and it concludes about halfway through the call. The second half didn't concern the subject matter of this inquiry.---Yep.

10

AUDIO RECORDING PLAYED

[9.33am]

MR BUCHANAN: And Mr Hawatt, you heard that recording being played?---Yep.

And recognised the voices of yourself and Mr Azzi?---Correct.

20 Can I just take you to the first page of the transcript, this is on 11 May, 2016, the day after the meeting at Frappe on 10 May. You accept, from what you said to Mr Azzi, that you were present at that meeting at Frappe with Mr Demian?---Yeah, sounds like it.

What was your understanding as to what Pierre Azzi's interest in the potential deal was at this time?---I think curiosity, because of all the discussions back and forward of people calling and discussing it. I think just curiosity, to find out what was happening with the meeting.

30 What was your understanding as to how he had become aware of it or involved in the first place?---Oh, Charlie must have told him, Charlie Demian.

Charlie Demian?---He must have told him, I don't know, I just, I can't, can only guess.

In addition, on the second page of the transcript, Mr Azzi has indicated that George Vasil had been a source of information to him.---Maybe. I, I, I just, that's between him and George, maybe.

40

But it wasn't between him and George or between Azzi and Demian, was it, because the two of you are discussing the prospects of the offer made by Dabassis on behalf of his clients to Mr Demian, that is to say, the prospects of it being accepted.---No, just curiosity, to see what happened with the meeting after all the, the various discussions that was going on from, and the push that was being made from Laki and John. And it just became a curiosity to, to find out when, what's going to happen at that meeting. Oh, just, that's what I would look at it.

I want to suggest to you that the conversation is open to the interpretation that Pierre Azzi was hopeful that the offer would be accepted.---No, I think he was just curious, because all the, all the feedback that he was getting from various people maybe including George, I don't know, about this and that, and I think he become, became more curious to find out, you know, if it's factual or, or rubbish, or rumours, oh, just, just the way it is, you know? It's like somebody's organising a meeting to discuss something that's been floating about – you just want to know what, you know, what the outcome would be. I mean, to me that would be more curious than anything else.

And why did you share with Mr Azzi your knowledge of what had happened at the meeting the day before?---Because he asked me, I think, from, from the recording, from what I was listening.

And what was your understanding of where Mr Azzi found out about the details of the offer?---Oh, I don't know, I don't know where he got it from.

Had you previously provided him with that information?---I don't recall. I don't think so, but I don't recall.

Is it possible that you previously provided him with that information?---I mean, anything is possible and everything could be possible, but I just don't recall.

Who was Barry that is referred to by Mr Azzi slightly over halfway down the third page of the transcript?---Barry, there's, there's Barry Barakat, that'd be the one I know, because he's, Barry's the only one I've spoken to that was, is called Barry.

You said in the conversation with Mr Azzi that you were meeting with Barry Barakat again at 6 o'clock that day, 11 May. Why were you meeting with him?---I don't know, he might have had some – I think it's to do with the, it's, this is more political. As I remember, he wanted to run for, for one of the state seats, and he wanted an input, but he wasn't getting the support. I think it's Strathfield, from memory. He wanted to run for the seat of Strathfield, and he wanted my input to see if I knew anyone to help him with the system.

And when you said, "We are meeting again today," was that a reference to just you and Mr Barakat or was it a reference to you, Mr Barakat and someone else?---No, just, no just me and Barry. I don't recall anyone else, if I, I, met him once but I don't recall that and I, I remember he was really curious about running for the state seat of Strathfield.

And when you're saying you met him once, what was that about?---It's regarding the politics. He wanted to run for Strathfield.

Did you meet him more than once in your life?---I, I've seen him a couple of times. Yeah, I've known Barry for a long, long time. I've known him through community involvement, yeah.

As at May 2016 what did Mr Barakat do for a living?---He used to work for the, for Macquarie Bank, I think.

Doing what?---As an advisor or something, consultant or - - -

- 10 Did he have any involvement in property dealings?---I, I didn't talk to him about property dealings or, he, he's more involved in community and politics. He was really interested in politics.

But to your knowledge did Mr Barakat, as at May 2016, have any involvement in property dealings?---Well, well, I knew he, he had connections with, he knew, what's, what's the name - - -

- 20 Marwan Chanine?---Yeah, Marwan Chanine and he knew people like that but that's as far as I was, I was concerned.

And how did he know Marwan Chanine, as you understood it?---I don't know. They all knew each other from, from their community and, I don't know.

Which community are you talking about?---The Maronite community. He's involved with the, like, he's on the board of the Maronite community from what I, what I know. He knows everybody that, he represents the, I think the bishop.

- 30 Was Mr Barakat involved in any property dealing of Mr Marwan Chanine's?---I, look, I, I don't, I don't recall his involvement. He might, he might have been but I don't, as people knew each other, they may. I mean, I don't know.

Did Mr Barakat ever talk to you about the DAs that Marwan Chanine had before council for 212-222 Canterbury Road and 4 Close Street?---I, I don't, I don't recall. The only thing I recall is about him running for politics. That, that was the thing that I recall my last meeting with him was.

- 40 Did Mr Barakat ever talk to you about anything to do with the DAs for 212-222 Canterbury Road?---He may, this is in Canterbury, is it?

Yes, that's correct.---In Canterbury. He, he may have but I don't recall. I don't, I don't remember. He may, he may have. I had a meeting - - -

Did he express any interest in either of those DAs?---I don't recall discussing it with him but he may have but I don't recall it.

Did you understand he had a financial interest in the DAs?---I, I don't recall even having discussions with him in that regard.

What was your understanding as to who the owners – if I can use that word – were of the properties the subject of the DAs for 212-222 Canterbury Road, Canterbury?---Look, I don't know who the owners were but I know the architect was, was Chanine, the architect.

10 Ziad Chanine?---Ziad Chanine, he was the architect but I don't, I don't know who was involved.

Did you know whether the owners, so far as concerned the DAs – that's to say proposed development – were different from the owners registered at Land Titles? That is to say, was it your understanding that the owners had an option?---Well, they might have. I don't know. A lot of times a lot of people came in with options I would say. That's normal.

20 Was it your understanding that Marwan Chanine was involved in an option for 212-222 Canterbury Road?---He, he may have. I don't, I don't ask people whether they have an option or they own it. Many times I don't even know if they owned it or it's an option. I don't know. I don't recall.

30 Now, can I take you please to Exhibit 69, volume 23, page 183. These are text messages extracted from your mobile phone between you and Mr Demian that were sent and received on 11 May, 2016. The first one you'll recall is you forwarding to Mr Demian the text message you had received from Mr Dabassis about the purchasers not being prepared to increase their offer from what had been put to Mr Demian at the meeting at Frappe Café on 10 May, and you said to Mr Demian, "FYI, waiting for info." When you said, "Waiting for info," what did you mean?---I, I don't recall. I don't recall even, I don't even remember this message being received. Waiting for info, maybe he was requesting, waiting for something that he asked for maybe at that meeting and he, they, he didn't get, I don't know.

I'm sorry, my mistake. I should have taken you to – you see at the top of that message there are three lines which read, "FYI, waiting for info, Michael." And then below - - -?---For your information, yeah.

40 - - - "Gents, good morning," is Mr Dabassis's text.---Correct.

So when you used the words to Mr Demian, "Waiting for info," weren't you saying to him that you were waiting for him to respond to the information you were providing that the purchasers were not prepared to increase their offer?---I don't know, unless it's meant waiting for info from what he, what he asked for at that meeting, I just, to me it's, I don't know whether they're waiting for his information or he's waiting for their information. I don't, I don't recall it.

Message number 3 on that page is at 8.41pm and Mr Demian said in the text to you, "Please call." You responded to him, "No answer." And then at 9.00pm you responded with the words, "Waiting for proposals." It suggests, can I suggest to you, that you did indeed ring Mr Demian after his text at 8.41pm and got no answer, and that's why you sent a text saying, "No answer." Would you accept that that's - - -?---Could be.

- - - likely?---Oh, maybe, I don't know.

10 Thank you. And then what was it you meant when you texted Mr Demian at 9.00pm, "Waiting for proposals?"---Look, I don't know what proposal he's waiting for. He's waiting on something, there's something both parties seem to be waiting for and, and then just I'm passing that information on, "Waiting for proposals." It's, I don't know, he probably understood what it is, I don't, I don't recall.

Weren't you saying one or other of these, either you were waiting for Mr Demian to provide you with a proposal or that you understood the purchaser's agent was waiting for Mr Demian to provide a proposal?

20 ---Look, I don't recall who's waiting for what. I don't know what proposals they're waiting on.

Now, if we could go, please, to the transcript of Exhibit 136. This is a telephone message, I'm sorry, a telephone conversation recorded commencing at 9.21am on 9 May, 2016. So could the exhibit be provided to the witness, please, it's quite long. Exhibit 136. This is some 19 pages long, Mr Hawatt, I'm told, so what I'm going to – excuse me a moment. What I'm going to do is just ask you to flip through the pages. You can see that it is a transcript of a telephone conversation that is recorded as being
30 between yourself and Mr Maguire on 9 May, 2016. So we're going back in time. This is the day before the Frappe café meeting with you, Mr Vasil, Mr Dabassis, and Mr Demian. And what I'd like to do is just take you through some aspects of it. I don't intend to go through the whole of it.---Yep.

So, first of all, you can see that it is a transcript - - -?---Yeah.

- - - of a conversation between you and Mr Maguire?---Yep.

40 In the middle of the first page, he asked whether you had had a good trip to China. You see that?---Yep.

Going over the second page, you see the middle of the page, Mr Maguire said, "It was nice to, you to come over to Shenzhen and say hello," and you responded, "Yeah, no, no, it was good. I'm glad you were there, we caught up, it was excellent. I wish we had more time to spend." When you saw Mr Maguire in Shenzhen, did either of you speak to the other about potential property dealings?---No. No, we just introduction, was all introduction in regards to people he had there, and we just met them and that was it.

When was the first time you met Mr Maguire?---I met him many years ago when I ran for the election.

And how was it that the two of you came to meet each other in Shenzhen? It must have been by some arrangement.---No, no, he, he told me, he, or I must have met him in parliament some, spoke to him on the phone, I don't recall. And he must have said that he's been going, he was going to China, he'll be in Shenzhen. And, and my, and I would have said, "Yeah, I'm
10 going to be in China in the same area, maybe if we can catch up." That's basically how it would have been.

And there must have been some exchange with some details as to exactly where Mr Maguire would be on a particular day, at a particular time, to allow you to coincide with him at that place.---Okay, now it's, now sort of I remember, there's, he was setting up some chamber of commerce with some Chinese group, they're trying to open up an office in Shenzhen. And he was bringing, he wants to bring in Australian companies and, and Chinese
20 companies together to display in a, in that particular centre, to promote Australian products. I, it's, that's, that was the key, actually. He, he wanted to show us the office that he was going to set up in regards to promoting the Australian products and, and Chinese products from that particular location.

Page 5 of the transcript, the third entry has Mr Maguire saying, "I'm talking with Joe. Just quietly, Joe and I have got a couple of deals before a big developer." Do you see that?---Yep.

Who did you understand - - -?---Oh, Joe would Joe Alha.

30 Had you had any meeting with Mr Maguire and Joe Alha?---No. No, I haven't, actually.

How did you come to the understanding that Joe would be Joe Alha?
---Because he's always, talks about him as his brother.

Sorry, who talked about who?---Daryl. Like, they're - - -

Daryl talked about Joe Alha?---As, as his brother, yeah. They were close
40 friends.

Meaning that they were that close?---They're very close friends, yeah.

When Mr Maguire said in the middle of that page, "So you know a couple of ones we want a kick on," what did you understand him to mean by that?
---I, sorry, which, which, where?

I'm sorry, the middle of the page, it's the - - -?---Page 5?

THE COMMISSIONER: Yes.

MR BUCHANAN: Fifth entry, on page 5 of the transcript. "So you know a couple of ones we want a kick on."---Oh, it's up here.

THE COMMISSIONER: Have you found it?---Yeah, yeah, I see, yeah, it's, yeah. "Couple of ones." "So you know a couple of ones." I, I don't know. He's asking me maybe if I knew anyone who had DAs for his, for his people. I don't know.

10

MR BUCHANAN: Is it possible that is a reference back to something that you and he had been talking to each other about in Shenzhen?---No, no. Shenzhen was definitely in regards – I've never spoken to him about it, was just a quick meeting. He had a group of Chinese people with him and then he was talking about, he showed us the, the location of that office in regards to, he wanted just as many people to join, to join the, that membership that he was setting up to promote the Australian-Chinese business thing that he was setting up. That was, there was no specific discussions about anything in regards to developments. I, I'll tell you that now.

20

Can I just go back to the subject of when you first met. It was through Liberal Party - - -?---Yeah, he came, I was running for the by-elections for the Lakemba seat and he was the coordinator on behalf of the, the party.

When you say the coordinator, for that electorate?---No, no. He was, because it was a by-election, he was representing the State Government or the Opposition at the time in order to, to manage the people to come in to assist me for the by-election. He was bringing people from, from parliament to help on the, on the election.

30

So you had relatively frequent dealings with him in the lead-up to that by-election?---No, to before that. I've only met him from the by-election.

In what year was the by-election?---This is when Barry O'Farrell got elected in to parliament, it's the same year.

Well, we can probably work that out ourselves. Was Mr Maguire the whip for the Liberal Party at that stage, perhaps the Opposition Whip?---He would have been Opposition, yeah, yes.

40

And was he the whip?---Opposition Whip.

Yes. So Mr Maguire would have had a fairly good understanding of who you were as a result of that by-election?---No, no, no. He didn't know me. It was just assisting as the candidate. He was just helping the candidate but nothing to do with, I don't know what's going through your mind, nothing to do with DAs or, or anything like that. It's just, I was a candidate and they were assisting and helping, that's it. Nothing to do with - - -

And do you mean to say that the Opposition Whip would have absolutely no idea who their candidate was or where he had come from? Is that what you're suggesting?---No, no. I was a councillor. I, I ran as a councillor but there was, it was purely in politics. There's nothing, I didn't even know the guy at the time. That's how I met him.

10 So going back to this transcript of the conversation on 9 May, 2016, Mr Maguire, after saying, "You know, a couple of ones we want a kick on," did you have any idea of who he meant by the word "we"?---I think he's talking about his Chinese group maybe.

I'm sorry, his - - -?---Maybe his Chinese group he's dealing with. I don't know.

20 Now, when he said to you, "What have you got, what have you got on your books? Have you got anything that's DA approved?" did you have any understanding as to why he said that to you at that stage?---Because he's, he, he said he was, look, his buyers in China were looking for investing in Australia and he was looking for existing DAs that were around anywhere in, in, in the whole of Sydney and he just asked me if – he must have been doing some shopping on, on their behalf from, from my understanding.

That does mean that he must have conveyed that to you before this conversation, doesn't it?---Oh, look, he, he might have spoken, I might have met him in parliament. He might have said something about it. I, I don't recall but one thing definitely he, he, he was after DA sites for his Chinese connections.

30 What, as you understand it, at that time, 9 May, 2016, would have given Mr Maguire the idea that you had information which he could use as to the availability of DA approved properties for purchase by investors?---Well, he knew I was a councillor, so generally you'd know that councillors know who's, who has sites available, who has sites that's been DA approved. Just a general, it wasn't anything specific, it was just general is there anyone that has a DA they want to tell, just like a general, because he has Chinese, a group that's interested in it.

40 Yes. You've told us, however, that you had all your life been putting together or trying to put together deals between purchasers and property owners - - -?---And business, business.

- - - with a view to deriving some sort of fee or commission out of that activity.---To me it's like, look, I have always been involved in business. Yes, I agree, I've always since day 1 with my brothers and, but the thing is, in this regards it's, as a councillor they ask me the question to any, I can pick up the phone and ask any councillor do you have any, anyone that has DAs approved and they will tell you, yes, this, this has been approved or

not, and, and that's the way it is. If I wanted to do any transactions in this regards I could have done it anyway, I mean this is a day or two before the, the, the council amalgamation, it was sacked. If I did any, any financing and to me I would look at it on the finance proposal basis and I have to declare interest when the times comes. As I said before, I'm a part-time councillor, not full-time, and if somebody wants to talk to me about DA sites, if they want to talk to me about opportunities I'd listen to them, if, if I went ahead with it, if I wanted to, to take the opportunity and do, I would, I would declare it if I have to do under, under the Act. I mean if I wanted to
10 could have done it, if I wanted to, but I didn't do it, I was mainly interested in, in relaying information, passing on information to whoever asked me for.

This was an approach, as you understood it, that was being made to you on behalf of potential investors with you being a person who was in the business of putting property owners together with potential purchasers with a view to sales.---I was assisting Daryl. He asked me. He's a good guy, he's always been a very nice person and he, I knew he was working very hard to promote Australian products and he was organising, promoting
20 Chinese-Australian groups, he's always been doing that, and I had no issues in giving him information, whatever he wanted, so it was to support the Australian businesses. I don't see any issues with that.

And looking at the bottom of page 5, excuse me, going over to page 6 of the transcript when you said, "Want the big one," and he said, "Oh, yeah, how big?" And you said, "Oh, 300," when he said, "Whereabouts?" You said, "Across the road from Canterbury Hospital, Canterbury Road," you were talking about Harrison's, weren't you?---Correct. That's what, that's the only one came to mind that's available on the big scale that he was after.

30 Well, it was also one where you knew the owner, Mr Demian.---Correct, but
- - -

And had a pre-existing relationship with Mr Demian.---This was all - - -

Isn't that correct?---This was all – I knew the guy, yes, you can see that would have had meetings with him with Frappe because I knew he had a site he wanted to sell, everybody knew, it was public, it was on the, on the public arena, it's not like something hidden under the table, it's all open, public, and, yes, I said there's a guy who's selling. They wanted a large
40 one, that's the only one I can think of. I don't see an issue with that.

So going to page 7 of the transcript, at the bottom of that page where Mr Maguire talked about, "So what about 160?" And then going over the page, you said, "Look at around 160, you'll, you got it, put it at that way," Maguire said, "Have you – and how many units in it?" You said, "About 300." And then Maguire started making calculations. You were indicating
- - -?---Sorry, which page are we on, sorry?

I do apologise. The very last entry, page 7 of the transcript.---Okay, yeah. Sorry, yeah.

That's Okay. And then do you see the reference, "So what about 160?" ---On this one, yeah, yeah.

And then going over to page 8 of the transcript.---Yeah.

10 The discussion that occurs down to Mr Maguire's starting to make calculations about 300 times 160.---Yeah.

You were proposing a sale price for the purpose of negotiation of \$160,000 per unit, weren't you?---No, I, I don't, I don't know what prices that, 300, so 60 times 300, I wouldn't have a clue. I don't know what figures he calculated, he just wanted something large.

No, no, sorry, you – I withdraw that.---300 times 100.

20 I withdraw that. So going over to page 9, when Mr Maguire in the second entry after you'd done some calculations and come up with the figure 48, he said, "48 million." You said, "Yeah, 48 I think." Maguire eventually said, "And it's DA approved?" You said, "DA approved, yeah." Maguire said, "How many, how many, what's the margin in it for you?" What did you understand Mr Maguire to mean, "What's the margin in it for you?" ---Oh, he probably thought that I wanted some participation in it, that's just his, to me, I would, I would probably look at it as a financial, a finance proposal but he made the comment thinking I might be interested in it, but as far as I was concerned I had no interest in that, except for passing the information on, and if I wanted to, as I said, I could have done the finance
30 component of it and I could have done that as well.

Well, can I take you a bit further down that page to Mr Maguire, the third-last entry, saying to you, "What's he going to give you to sell it?" And you said, "Oh, probably he won't. I think he's going for around one and a half, two per cent, something like that, if I remember." You were talking then, weren't you, or at least representing to Mr Maguire that Mr Demian had indicated a willingness to pay a commission in the order of one and a half to two per cent of the sale price?---No, that's the commission that probably he's giving his agents. That's the, that's what I'm talking about, probably
40 he won't, in other words, no, I think he's going around, that's what he's giving his agents.

Yes. Who was his agent at this stage?---The agent is the property company he had.

His agent is you, isn't it?---If I was his agent this is news to me. Show me, show me where I signed documents saying I'm his agent.

You were indicating, weren't you, to Mr Maguire that your understanding was that Mr Demian was prepared to pay or had indicated that he was going for the ballpark figure of one and half to two per cent of the sale price by way of commission.---For his agent. I'm not his agent.

Except that you gave that figure in answer to the question, "What's he going to give you to sell it?"---That's what I said, I said, "He won't." I said, "Probably he won't." That's my answer. And then I said that's what he's charging with his agent if, if this is what Daryl was thinking of.

10

Now, going to page 10 of the transcript, in the second-last entry where Mr Maguire said, "All right. So unless it was 170 a site and then you, you do a bit better then, wouldn't you?" And you say, "Of course." Maguire says, "100?" And you say – this is going over to page 11 – "Of course, of course, of course, it's a different story." And you talk about then what the consequences would be for you if the sale price was instead of 160,000 per site, 170,000 per site.---This is all, this is all hypothetical figures being thrown over discussion on a phone call discussion on the air, over the air. I mean that's, there's nothing, there's nothing that, it actually links the buyer and, and the seller. This is a hypothetical discussion between Daryl and myself.

20

Going back to page 9, do you see at the bottom, Mr Maguire said, "What you, he'll give you one and a half to two per cent," and you said, "Yeah. I think it'd be around that, yes."---This is, this is the commissions of the percentage that the, that the agents charge. I'm not an agent, I'm not a real estate agent. This is a hypothetical discussion that Daryl's got his buyers who have no involvement in this discussion and which, who are the decision makers or, or, or Charlie Demian who's the seller. I mean, I don't, I cannot make or Daryl cannot make any specific discussions about anything unless the two parties, the actual buyer and the seller sit down together and work it out. That's, I mean this is a hypothetical discussion that Daryl, probably his, his Chinese partners have been pushing him to, to, to get some DAs selling to buy some DA, existing DA sites. I mean, it's just hypothetical to, for him to approve and get people to, to work on his behalf, trying to get him some, some sites for his Chinese people. That's all I can see.

30

As far as you were concerned, in this conversation the two of you were talking about an introducer's fee, weren't you?---If, if I wanted to, to do the finance component, which is, again, this is two days before council was - - -

40

No, not the finance component.---No, wait a second.

A fee for introducing the owner to the purchaser so that the owner got a sale which he wouldn't otherwise have got.---I would be looking at the finance component if I was interested in, in doing it. Not, not the, the actual sale. From the finance component, it's sufficient enough if I wanted to go ahead with it.

Why, you've told us that you'd been involved in introducers' fees before, why wouldn't you be involved and interested in an introducer's fee in this case?---Because this one, it started off with this one in regards to introduction, people asking me for contacts, I pass that on and I've never made any commitment with anyone to say anything else except to pass it on and, and this, and to me this was right at the end of the council. I, basically, during that period I was, I was a Clayton's councillor and I went about, nothing's going to happen as far as anything else in regards to any, any
10 meetings or any decision makings with council, so there was nothing that I could do that I can jeopardise my position as a councillor, if, if I happen to make, to vote on anything. There's nothing to, to vote on, there's nothing to do. I was passing the information on, knowing it's the end of, of the period of council basically.

Buy you didn't know when the amalgamation decision was going to - - -?
---No, we knew.

- - - be formally announced, did you?---No. Everybody knew it was going
20 to be a couple of days after that.

And page 11 of the transcript, when Mr Maguire said to you in the fifth entry from the top, "I reckon you, I reckon you'd want at least, you know, you want at least a million and a half in it. I mean, it's a quick sale." And you said, "Yeah, yeah, yeah, yeah." You were talking about commission for you, weren't you?---This is, this is, again, hypothetical, yeah, yeah, yeah. I mean if he can, people can put words in your mouth and just to continue with, with the discussion, it's a, again, it's all hypothetical discussions that Daryl's putting, putting forward and to me, I, as I said before, I take it with
30 a grain of salt. Anyone who called me and talks to me about anything, I take it with a grain of salt with respect. I don't, I don't argue with them, I don't, I don't do anything else. "Yeah, yeah," to me that's just a, a passing response to him. It doesn't, it doesn't mean I'm doing it.

But you indicated, going down to the bottom of page 11 that you were going to do something about it. That is to say that you – or that you could do something about it because you were saying, "I am meeting him today at 4 o'clock. I could organise a meeting."---Correct. That's, that's exactly. It's up to him, it's up to the, it's up to the, the buyer, it's up to whoever is
40 interested. I can't make decisions like that. Yeah, it's up to him to make that decision, not me.

You then said, going over to page 12, the third entry from the top, "Oh, he has got everything. He can email that across to you. He has got contracts, plans, the whole lot." You're talking about Mr Demian there, aren't you?
---Correct, yep. He can send him everything he wants. I have nothing to do with it.

And then Mr Maguire said, “Is that the only one you’ve got?” And you said, “No, it’s not. There’s, there’s another one. It’s a bit more expensive. I think it could be negotiated but it’s a bit more expensive at the moment.” And then you, you gave him some details in the entry commencing, “Oh, look, it’s,” do you see that?---Sorry, what, which page, 12?

This is page 12, and it’s below halfway down. It’s the fourth last entry on page 12, where - - -?---Yeah, yep, yep.

10 - - - the entry attributed to you says, “Oh, look, it’s I think the one from my understanding, I know the guy,” and reading on. Do you see that?---So hold it, it’s got, he doesn’t like me, so, so in other words, I’m giving him something that a person I have no dealing with, he doesn’t like me, just for him to talk to, it’s – I, I, I don’t, I don’t, I can’t understand that one.

Well, you talk about “there’s another one in Lakemba again the guy is going for”. “The guy” is Charlie Demian, isn’t it?---No. He - - -

20 Why not?---I don’t think he’s got anything in Lakemba.

And you go on to say, “For that additional 14 levels they’re after, and he’s interested, I think he might sell as well.” So who were you talking about then?---I wouldn’t have a clue who the guy in Lakemba is, no.

Well, you wouldn’t have been - - -?---If a, if a guy doesn’t like me, if, I’m just saying, oh, this actually proves that I’m passing information on to, to existing DA to Daryl, even for people who don’t like me.

30 So can I just ask, do you mean to say that you think you’re referring here not to Mr Demian but to another developer?---Yeah.

Thinking of the developers you knew at the time, was there one in particular who didn’t like you but that you knew had a site in Lakemba and they were going for an additional 14 levels?---In Lakemba?

40 There can’t have been too many applications on foot, seeking an additional 14 levels in Lakemba.---I’m just trying to, I’m just trying to remember which one. Maybe, maybe on Canterbury Road. There’s a few on, along Canterbury Road on the Lakemba side, but I just can’t – could, could be the one on the, the corner of Chapel and Canterbury Road. Could be there.

You went on to say, second last entry on page 12, “Yeah, this one has approval, but because of the changes he’s had, he hasn’t finalised it. But,” and then you indicated that he’s going to get the changes.---Oh, maybe, I, well, it’s, it’s, I think to me that proves that I’m even passing him information onto even people I can’t deal with.

So are you saying you're making things up when you talk to Maguire?---No, I'm just saying to him, he's asking, asking me for existing DA sites, and I'm just, from memory, saying, "Look, there could be one there, the guy doesn't like me, but, you know, this is a site there. Give it to your Chinese people." That's, I'm just giving him information to help him, to give it back to his Chinese clients.

10 When Mr Maguire said, page 13 of the transcript, "All right" – I'm sorry, this is the fourth entry on page 13 – "All right, and you just come back to me, so you get the package and you just give it to me in confidence, okay." You agreed to that. What did you understand to be the need, as far as Mr Maguire was concerned, for confidence in the intelligence that you were providing to him about the Harrison's site?---Oh, I don't know, in confidence, in other words, he, he wanted to, that information to him. Not, not to anyone else.

20 But that no-one else would know about it?---Well, he just wanted, he doesn't want his Chinese people to know what he's doing, I presume, until he puts it together in the package and gives it to them. That's, that's all that is.

30 Then if I can take you to page 17 of the transcript, in the middle of the page, bit over halfway down, Mr Maguire said, "And then they, they will look at other places, but I, I've got to get a few projects going now, and then with your stuff if, if he's going to get you one and a half per cent, that's not enough," and he goes, and Maguire says, "you know if you're going to hand these things on, then you've got to make sure that that there's," and you said, "I think, I think he can go up to three per cent on my understanding, if, if there wasn't anyone else involved, like, probably for that particular one." You're talking there about the commission that you would get as the introducer to the purchaser?---No, look, it's, I'm just relaying my thoughts in regards to what I know to, to Daryl and he just wanted to prove to his people in China that he has DAs available for them and Daryl was talking again hypothetical in regards to things that have nothing to do with the buyer and the seller, it's like two people coming together and having an argument over politics and discussing the world, how they resolve the world problems and issues. It doesn't mean they're going to actually resolve the world's problems and issues, it's just a general discussion, hypothetical, no one's involved in it except him and - - -

40 Thank you.--- - - - having an open discussion.

Thank you. Transcript page 18, top of the page, Maguire continued. "So, so he needs to that because one, 1.5 per cent isn't enough divided by two, if you know what I'm talking about." You said, "Yeah, I understand, yeah, I, I do understand." What did you know that Mr Maguire was talking about when he said that?---(not transcribable) something, absolutely nothing, because I would have, again this is hypothetical, I just take it with a grain of

salt and I was just yeah, yeah. That's, it's, look, nothing could Daryl do or I could do to make anything happen unless the buyer and the seller, the actual buyer and seller sit together and work out what they're going to do. You can talk about anything you like under the sun, it's like sitting down talking about politics and resolving the world problems, it doesn't mean you're going to resolve anything. So that's the way it is.

Thank you.---It's hypothetical discussion to just, to go through it.

10 Thank you.---That's all it is.

When Mr Maguire said, "One point five per cent isn't enough divided by two, if you know what I'm talking about," you understood him to mean it wasn't enough for half of that figure to be received by Maguire and half of it to be received by you by way of commissions, wasn't it?---As I said, he can talk about any figure he likes, he can talk about 20 per cent, 5 per cent, no per cent, it's all hypothetical. There is nothing solid, there is nothing to, to gain or, or, or, or, or benefit from, it's all hypothetical.

20 THE COMMISSIONER: But that's what he's saying, isn't it?---Yeah, but he's saying - - -

I know. Mr Hawatt - - -?---I don't have to take it serious.

- - - just stop for a minute. You put your submission that this is all hypothetical, but that's clearly what Mr Maguire is saying there, isn't it, that - - -?---He's talking, he's talking but I don't - - -

30 Do you agree with that construction?---Well, this is what he's saying to me.

Yes.---But it doesn't mean he's, what he's saying is, is, is a, is something that's coming back from any specific people, he's talking general. It's not going to, I can't see it coming from his Chinese people, he's just talking hypothetical, it's not a solid - - -

But the construction Mr Maguire, sorry, the construction that Mr Buchanan has put on it, which you say is hypothetical but you agree with that construction?---What he's saying, yes, that's all it is, he's just talking to me nonsense. Simple as that.

40

MR BUCHANAN: And so when Mr Maguire went on to say, the third entry from the top on page 18, "So, so 3 per cent is a lot better." And you said, "Yeah, yeah, yeah." You were agreeing that you would get more money if you got half of 3 per cent, didn't you?---He's be talking about 20, 50 per cent, it's, again it's hypothetical. Things he's telling me that I know it's nonsense, it's nonsense. I don't, I just was, through respect, yeah, yeah. As I said before, it's a discussion that I have, I respect people and I respond to people. That's the way I respond to people.

And you continue by saying in the same entry, “All right. Leave it to me, I’ll, I’ll have a chat to him and I’ll come back to you.”---Correct. Organise a meeting, they can sort it out, and, and to me that’s, that’s the end of it. It’s up to them to work it out.

10 So plainly it wasn’t hypothetical for you in your mind at that time.---In respect, he’s a nice man, Daryl, and I respect him and I organise and whatever I know I’ll pass it on to him and, and to, to help him maybe with his, with his Chinese people for, maybe to promote himself as a self-respect that he has good connections, it’s all to do with self-promoting more than anything else.

20 Can I take you, please, to volume 23 in Exhibit 69, page 177. This is a text message from you to Mr Demian that same day at 10.26am. It reads, “Hi. Just got a call from an MP friend of mine who is well-connected in China. He has a mega-rich company who are seriously looking to buy 30 DA sites. They have secured three but need DA approved that are ready to start. I told him about your sites, including Canterbury Road. I said 160-plus per site. He is keen to talk about this and any other site you want to sell. They are keen, ready and cashed up. I need to lead a private discussion. Are we still on at around 4.00pm or after?” Signed Michael. Do you see that?---Yep.

Why did you send that text to Mr Demian?---This is the, what Daryl, this is, this is Daryl’s words and I just passed it on to him.

30 You were, in the language you’re using – particularly “they are keen, ready and cashed up” – endeavouring to persuade Mr Demian that the potential purchasers represented by the MP friend of yours were serious and that Mr Demian should take them seriously and consider entering into negotiations about a sale?---Look, I just passed that on. This is, this is words that were coming from Daryl and I passed everything he told me on to, to, to Charlie Demian.

40 When you said to Mr Demian, “I said 160-plus per site,” you were conveying to Mr Demian what you had said to Mr Maguire, weren’t you? ---No. This is, I’m relaying what Demian said during that meeting we had prior to this on, on what probably the discussion he had with John and, and Laki and I just passed that on to Daryl and then Daryl gave me that information, I will pass that back on to, to Charlie.

What you meant when you said in this text, “I said 160-plus per site,” was the price that you had told the agent of the potential purchaser the property would go for?---No, this is what, this is what Charlie probably would have asked John and, and Laki what he wanted and just, if I was sitting there, that’s probably what went in, in to my mind is that this is what he wanted and I would have passed that on to, to Daryl.

Can we go, please, to the transcript of Exhibit 129. This is a telephone conversation the same day, the same morning, in fact, still 9 May, 2016 but commencing at 11.51am. It's three pages long, so if you could just sign out when you've read the first page?---Yeah, I read the first page.

Thank you. Looking at the first page, this is a conversation between you and Mr Demian which you initiated. Do you see that?---Yep.

10 And after talking about messages you, in the middle of the page, a bit over halfway down say, "All right because the guy is very serious and I am talking about very, very serious." You were - - -?---Talking about Daryl.

Yes, certainly, but you were trying to persuade Mr Demian to take this offer seriously.---No. The reason I'm saying that is because what happened with John and, and Laki, how, I don't want to go, go through the same headache and what I said to him is, yes, I've been to China, I, I saw him, I saw his, his people, yes, they are serious people. It's, I didn't want to go through the same embarrassment I had with the other guys.

20 Now, you did understand, didn't you, that the people who Mr Maguire told you were the potential purchasers were different from the people who George Vasil and John Dabassis at various times had had as potential purchasers, notwithstanding that they all came from China?---No, these are completely, this is Daryl Maguire's people, nothing, not - - -

Different people?---Different, totally different, yeah.

30 Thank you. Mr Demian responded – I'm sorry, if I can take you to the bottom of page 2, do you see where you said, "When do you want to meet up?" Bottom of page 2.---Yeah.

Over at the top of page 3 Mr Demian responded, "If you can come past Parramatta at all yourself today." And you arrange to see him at his office in Parramatta about 1.30.---Yep.

40 What happened when you talked to Mr Demian in his office at Parramatta at a meeting commencing at about 1.30 on 9 May?---I just wanted information to give to Daryl, because Daryl said, "Give me the information, I need it to give to," his people.

Yes, but what happened? I appreciate that that's what you were going there for. What actually happened between you and Mr Demian at this meeting? ---I don't recall discussing, just, I'm just going by the text messages it would be basically to get information to pass on to Daryl, information he can give me for Daryl.

How many times were you involved in a meeting with Mr Demian in his office in which you were passing on messages from a potential purchaser with a view to interesting Mr Demian in selling the Harrison's road site?
---No, this, it's not many. I mean I would have dropped in a couple of times in his office when I was in Parramatta, there's a couple of times I had meetings in Parramatta with people across the road from where his office was, I would have dropped in. There's another time I met with Matt Daniel, again political one and I went into the office and met him.

- 10 Yes, but what I'm asking, I just want to make sure that we're on the same wavelength, I'm asking how many times did you have a meeting with Mr Demian in his office at Parramatta where what you were talking about was potential property deals, Mr Demian selling any of his properties to purchasers who you were representing?---The only one I recall is just for, for, for Daryl wanted that information.

- 20 So what happened at this meeting, the only one that you can recall, what happened at it?---I would have asked him for the information because Daryl said, "Give me some information confidentially so I can give it to me," and that's what I tried to get the information from him to see what he has to give to Daryl.

And did you get any information?---Yeah, I would have got, I gave it to Daryl, yes, I would have picked, collected information that Daryl wanted.

Did you receive documents?---He would have gave me some documents, yes.

- 30 And what was Mr Demian's attitude to the approach you were making on this occasion?---Oh, look, he's, I don't think he takes anything serious. He's pretty light-hearted, he doesn't take anything serious unless it actually happens and I don't blame him. A lot of fakes people who pretend they're, they're this when they're not and I think he became cautious and I think he's just cautious.

But notwithstanding all of that, you say he would have given you information about at least one of his properties, the Harrison's site.
---Probably, yeah.

- 40 Exhibit 137 – excuse me a moment. Could we play the audio file for this recording, please? Going to play you the audio file of a telephone conversation later that afternoon, commencing at 3.05pm.

AUDIO RECORDING PLAYED

[10.35am]

MR BUCHANAN: You heard that recording being played, Mr Hawatt. Do you recognise the voices of yourself and Mr Maguire?---Yep.

If I could take you to just a couple of aspects of it in the transcript of it, please. Towards the bottom of page 1, the second last entry, you referred to having just met Mr Demian.---Yep.

And you, towards the bottom of the page 2, the third last entry, said, “On board, we got him on board. He’s willing to work with us.”---Yep.

10

That would suggest that the conversation that you’d had with Mr Demian shortly beforehand in the afternoon was one in which Mr Demian indicated a greater degree of enthusiasm about potentially selling at least the Harrison’s site if not other sites as well in his conversation with you.---Yep.

20

Page 3 of the transcript, when Mr Maguire said, bit over halfway down, “Okay, all right, okay, well, this’ll be very worthwhile for us, but he is, he is,” and you interrupted and said, “I think so, yeah,” you were saying that you thought it would be very worthwhile for Mr Maguire and you, didn’t you?---He’s willing to work. Look, Mr Maguire asked me to, to make representation on his behalf, to try and find sites for him. I met up with, with Demian, and he had sites, including, I mean, talk about sites outside Canterbury, which included Parramatta and other areas that he has around that area. And, and I passed them on, and Daryl again is talking in, in the back of his mind, he’s still speaking hypothetical, and I said, “Yeah, yeah.” And, and if there’s anything in regards to other sites outside Harrison’s which he gave me, then that’s, to me that would be, and especially around that period of time, it’s something I’ll, I’ll take into consideration if anything happens. But at the moment, during that period, it’s, again, it’s still hypothetical and it’s not serious, but at least Demian is interested in meeting. And end of the day, they’ll have to work it out between him and the buyer.

30

40

Continuing on in that particular conversation, after you said, “I think so, yeah,” Maguire said, “He’s got to do 3 per cent, so,” and then you said, “He’s willing, he’s willing to work, to work on that to help us out with, with that as well.” That tends to suggest that you were telling Mr Maguire that you had talked to Mr Demian about commissions for you and Mr Maguire, the purchaser’s agent, and Mr Demian had indicated that he’s willing to consider a commission that would be reasonable for you and Mr Maguire?--
-I, I don’t think, I don’t think Demian would have gave me any figures like that.

Why did you say to Mr Maguire, “He’s willing, he’s willing to work, to work on that to help us out with, with that as well”?---Because that’s what Daryl asked me to find out for himself and I’m just, and it’s the figures he gave me and, yes, he’s trying to help us out, not necessarily help us out as,

as financially but help is out in regards to getting what he wanted, the information that he was after.

It's quite clear, isn't it, that you were talking about helping you and Mr Maguire with a reasonable commission in which you could share?---No. This is, this is again, hypothetical. There's no specifics unless, unless it written. For me, I don't, I don't believe in anything it's in, in a contract and it's written and it's agreed to and signed.

10 If we can go please to volume 23, page 170. This is a page of a schedule of text messages between you and Mr Maguire extracted from your mobile phone. On page 170, item number 17, it's the second one from the top, and it's from Mr Maguire, it's on 12 May, 2016 at 7.13am and Mr Maguire said, "I just need an indication of price now before you and I meet with your man next week. Ballpark guess on those not DA and a clear price on the ones already DA, then I can progress the discussion." Can you see that?
---Yep.

20 You understood the words "your man" in that text message to be a reference to Mr Demian?---Yep.

If we could go, please, to page 186. These are text messages that you sent to Mr Demian on that day, 12 May, and at 8.02am you forwarded Mr Maguire's text message to you, or at least part of it, that starts, "I just need an indication of price," and you added the words, "FYI, can you supply as below. Thanks, Michael." Why did you sent that to Mr Demian?---Because this is what Daryl asked for, for his people.

30 Yes, but just because Daryl asked for it, why did that mean that you would do what Daryl asked you to do in this regard?---Because he's asking me about existing DA sites and I just passed it on. I had a - he was waiting for me to give him information.

40 You were performing a task that would normally be performed by a person who was introducing a potential purchaser to a potential vendor, is that fair to say?---No. I was arranging, no, I was arranging a meeting and Daryl wants something, a price before he has a meeting with is Chinese Group and Charlie and I just forwarded it on to him because he asked me to organise a meeting.

Can I take you to volume 21 in Exhibit 69, please, page 166. Item number 325 in this schedule of text messages extracted from your phone to and from Mr Dabassis is a text from Mr Dabassis at 12.35pm the same day, 12 May, 2016. After apologising for an aborted text message that can be seen above, Mr Dabassis said, "Once again I wish to confirm that my clients are not small" - - -

THE COMMISSIONER: Consortium?

MR BUCHANAN: C-o-n-s-o-d-i-a-m, “and the money is on the table. Again, I wish to stress the final offer after spending hours with them. Final offer is at \$56 million. Total commissions are \$4.5 million as we’ve all took a cut. Since the last offer, the sellers are better off by \$3 million. \$2 million for purchasers increasing their offer and \$1 million from us. Personally, I believe in a five-letter word called greed. Sellers will lose bit-time. We all know what the offers are and we’re by 20 per cent above that. offer still stands until Friday 13th, 5.00pm, 2016. Regards John Dabassis, Galazio Properties.” What did you understand Mr Dabassis to mean by, “Total commissions are \$4.5 million as we’ve all took a cut”?---But I wouldn’t have a clue, you have to ask him.

There’s no record of a text message where you ask him, “What do you mean by that? What do you mean by saying total commissions are \$4.5 million as we all took a cut”.---The guy, the guy is talking nonsense. All these figures are all nonsense figures. I mean, it’s, it’s like, as I said before, somebody sitting down and discussing resolving the world problems and they come up with all the solutions. I mean, all this is ridiculous. I would, would take this with a grain of salt. He can send me all the messages under the sun. This is, this is nonsense. And especially around this period where the council was finished on, on top of it. So it’s like, these guys - - -

Sorry, what’s that got to do with whether Mr Dabassis’s message was nonsense or not?---Well, because I don’t take his messages any serious. The guy is full of hot air. He just talks nonsense. Him and, him, him and Laki, they just, they talk hypothetical figures, make up their own scenarios, their own mind and I just, they can say whatever they like. It doesn’t mean I’m going to accept this that he’s talking about, his, his, his group, not myself.

Did you mean by your answer a moment ago, that once you were no longer a councillor, then the messages made more sense?---No. If I was, look, if I was serious with him, if I was serious, I would have said, listen, give me, give me something in writing. If I really wanted something from him, I would say give it to me in writing and sign it and, like he would have done with me if it was something, something going on but there’s nothing there. He, he’s talking nonsense.

Did you mean by that answer you gave a moment ago that once you were no longer a councillor, you could engage legitimately in this sort of negotiations towards a transaction of the type that Dabassis and Vasil and Demian had been discussing?---That’s irrelevant. It had nothing to – as far as I’m concerned, this is at the end, the last day of council. If I wanted to be serious - - -

Yes. What’s the significance of the fact that it’s the last day of council?

---Because I would have said to him, if I, if I was serious with him, I would have said to him, give it to me in writing, let's sit down and organise an agreement where he pays commissions.

So if you're not a councillor, you would say to him, "Sit down and let's do it in writing," is that what you mean?---No. Nothing could, no.

10 What do you mean by saying that it's the last day of council?---All I'm saying to you, all I'm saying to you, I have, if I wanted to, if I wanted to, after this period of council amalgamation is finished, if I wanted to, if I was intent, I would have got it in writing from him on top of that. But I didn't, I didn't get anything in writing because there was no intent, there was no, he's talking again hypothetical nonsense and it's up to him to put those figures and I took it with a grain of salt.

Have you ever heard of the expression gentleman's agreement?---Oh, gentleman with these guys, no, there's no - - -

20 Have you heard of that expression?---I've heard of, but they, gentleman's - - -

You didn't think - - -?--- - - - they're in the old days, not the new days.

You didn't think that that was an expression which would apply in a situation like this so far as concerned the work that you and George Vasil had been putting in to trying to get the purchasers and the vendors together to agree on a price for the sale of the Harrison's site?---Not with these guys. They're, they're not gentlemen.

30 When Mr Dabassis said, "Total commissions of \$4.5 million as we've all took a cut," and then later he says that, "The purchasers increased their offer by 2 million, and 1 million from us," what he's saying, isn't he, that previously what had been proposed was that the commission for the purchasers' agents would be \$5.5 million, but that with a view to trying to ensure that there was a sale, the purchasers were prepared to increase their offer by 2 million, and the agents – you, Vasil, and Dabassis – were prepared to take a cut on your commission of 1 million.---That's, that's totally incorrect.

40 What's incorrect about it?---As I said, this is a hypothetical, rubbish that John is sending. It's his, he, he's not the buyer. He's creating stories and making up things, and I wouldn't take him serious. I take him with a grain of salt. This is rubbish, this is nonsense he's sending across.

Can I take you to volume 23, page 188, please? This is a text message from you to Mr Demian on 13 May, 2016, at 11.07am, and it's a forward of a text message you had received from Dabassis, and the text message that

Dabassis sent was apparently addressed to, as is set out there, "George and Michael." That'd be you and George Vasil, wouldn't it?---Yep.

And then Dabassis went on to say, "Just had another meeting with the potential purchasers and again they are confirming the below," and it sets out a purchase price, \$56 million inclusive of GST, talks about a deposit, talks about settlement time. And then "payable commissions, \$4.5 million inclusive of GST". And then he talks about how long the offer is open for. What did you understand Mr Dabassis to mean by that reference to 4.5 million in the context of payable commissions in that text you'd received and then you forwarded to Demian?---Look, this is, again, this is all nonsense. If I was serious with this guy, I wouldn't be, I, I was meeting with, with Daryl Maguire in the same, regarding this, so it shows you how, how serious I was taking these, these guys as well, so, I mean, I don't know. I just passed that information on. I get it, I pass it on, and that's the end of it. He's just, this guy's talking nonsense.

If it was nonsense, why did you go to the effort of sending it to Mr Demian? ---I always pass on, whatever anyone gives me, I pass it on to the, the, to the person. If Daryl sends me something, I pass it on. If - - -

But we've already - - -?---If George sends it, I pass it on. I just pass them on.

We've already established that you understood Mr Demian was a person who didn't have time for fools. Why were you prepared to, if you thought this was all nonsense - - -?---Because - - -

- - - take the risk of him spitting the dummy and not being prepared to be involved in any further negotiations at all?---Because if someone asks me to pass something on, I, I do it. I, if, doesn't matter who they, as a respect, I do it.

Can I take you, please, to volume 23 in Exhibit 69, page 189. Sorry, page 190 I should say. This is a text message you sent to Mr Demian on 17 May, 2016 at 4.43pm. "Urgent info needed for tomorrow," signed, "Michael." And then it appears you have forwarded a text message, "I meet Country Garden tomorrow. I need some indication of price for each deal just to start the conversation." Do you see that?---Yeah, that's from Daryl, yeah.

Why did you send it to Mr Demian?---This is Daryl's got a meeting with his Chinese people and I sent it, he must have sent, he sent it to me and I sent it to, to, to Demian.

Yes, but you use the words, "Urgent info needed for tomorrow."---Yeah, because that's what Daryl's got a meeting the next day with his guys.

You were trying to make sure that the meeting was productive. Is that fair to say?---Well, Daryl wanted the information, he's got a meeting, and I asked, and, and I asked Charlie to give it to him. That's a request.

This was in respect of the Harrison's site, as you understood it?---Oh, I don't know what information, this is in respect to other sites as well. This is in respect to whatever he had to, to give to Daryl.

10 Didn't you understand at this stage that the primary site – the very first one that you had talked to Mr Maguire about in which Mr Maguire had indicated an interest and the one which you knew about the most – was the Harrison's site?---Not really, this, this one includes all the other stuff he had which I mentioned in the other discussion I had, he had in Parramatta.

I'm not saying you're wrong, but can I just ask why do you say that?
---Because - - -

20 What is it about what is said in this text message that makes you think that?
---Because he gave, this is dated 17 May.

Yes.---The other meeting was before that, so when, when I mentioned to Daryl that he had Parramatta and other sites, so presume which I gave it to Daryl and he probably needed information to follow it up with his, with his, with his people.

But the Harrison's site was still the one at the top of the list, wasn't it?
---It's one of the, one of the number that he had that I gave him, like there was a list of them.

30 It was ready to go, wasn't it?---Others, others are ready to go, others more interested, look, Daryl said they're interested in other things, I just passed on information, it's up to them to make a judgement. I just give it to them.

So can I take you to the transcript, please, of Exhibit 198. Could the hard copy of Exhibit 198 be provided to Mr Hawatt, please.---Thanks. Yep.

Have you finished reading that?---Yeah, yeah.

40 Can I take you to the first page of the transcript of this conversation. It's between you and Mr Konistis, he rang you, this is on 25 May, 2016, commencing at 9.40am, and a bit over halfway down page 1 Mr Konistis asks, "Did George tell you about the new offer?" You said, "No." Konistis said, "About Harrison's." You said, "No, no, he's got a new offer?" And Konistis said, "Yeah." And you said, "Oh, really? How much?" Konistis said, "Now they're going to walk away with over 50 million net." Can I just ask, if I can take you just straight to page 3 of the transcript. Have you got access to that?---Yeah, I've got it, yeah.

So in the middle of that page you say, "Has John sent the final one?" Konistis says, "You mean this offer?" You say, "Yeah." Konistis says, "Yeah, he sent it." You said, "Because I haven't seen it, I haven't seen it." Konistis says, "He sent it to George, he sent it to George yesterday." Were you concerned in this conversation that you might be being dealt out of the negotiations?---No. Just this is, this is another laughable discussion with a, with Laki who's like the Einstein of the real estate business in New South Wales.

10 Okay. Thank you. Thank you. Can we go to page 4 of the transcript.
---Sorry?

Where Konistis says, "What George did instead of putting forth 50.727, he's made the offer 50 net." And you said, "Oh, okay. But he sent it on to Charlie or not?" And your concern does seem to be, doesn't it, as to whether or not your principal, Charlie Demian, has been made aware of this, because you weren't?---Oh, look, I'm just laughing at reading this, honest, because it's like, it's coming out of the Einstein of the real estate business in New South Wales. It seems to - - -

20 It's your, it's your responses - - -?---Wait a second. I'm responding to someone who's an absolute joke, who has no knowledge, no understanding whatsoever or anything and - - -

Why were you asking - - -?--- - - - and I take it with a grain of salt whatever he says.

Why were you asking Mr Konistis whether this offer that you hadn't heard of before Konistis told you about it had been sent on to Charlie or not?
30 ---I don't know, just curious to say, I'm just sarcastic in my comments, yeah, really. It's like, I mean it's, this is laughable. I'm just laughing at just the comment that this guy is making. It's like who the hell is he to make these comments? What, what foundation has he got? What has he got to take him serious? You show me. What can he do? This is nonsense.

Well, you seem to think that there might be commissions involved because - can I take you back to page 2, the fourth entry. Konistis said, "And I've told George these people aren't going to wait around. Can we please hurry and finish it?" You said, "Okay. How about the commissions part?" And
40 then Konistis said, "Right, the commission part. What happened? Let me tell you what it is. It's 58 million on the table, right? So they've increased it and they've lowered their commissions. They want, they initially wanted 4 million commission, right, so they brought it down to 2.2." And then you were interested in what percentage of the purchase price that represented, and Konistis told you, "It's slightly over 3 per cent. It's 3.4 per cent or something." And then you said, going over to the top of page 3, "If it's 3 per cent, we'll work. That's what we, that's what we're saying, around 3 per cent. It'll work." You were seriously interested in the commission

available to you or your share in the commission available to those entitled to it on the new offer of which you were being praised in this call, weren't you?---Absolutely not. The guy is a joke. Take him, look, I've tested him out. Could you tell me who are these people he's talking about? I don't even, I wouldn't have a clue who is he talking about. Which people, which, which commissions, which set of numbers? Where on earth did he get it from?

10 And then going to page 4 of the transcript, you asked, "But he sent it on to Charlie or not?" This is the third entry from the top. "But he sent it on to Charlie or not?" Konistis said, "I think he sent it on to Charlie yesterday." You said, "'Cause I'm meeting tomorrow. I'm meeting tomorrow." So you wanted to know, didn't you, if you were going to be meeting with Mr Demian, whether he had in fact received this new offer or not. That's what was happening in that part of the conversation, wasn't it?---I, I am, I am meeting him regarding Daryl, connecting them together (not transcribable) I can't remember the dates. This guy comes up, every day he comes up with something ridiculous and I'm questioning his, his credibility in this particular regard, and I don't see any, one ounce of credibility that this guy
20 could come up with anything he says or anything he comes up with. Everything is complete nonsense as far as I'm concerned.

Then at page 6 of the transcript, in the middle of the page, you and Mr Konistis discuss the length of time before settlement, and Konistis told you, "Guess what? It's three months' settlement." And you said, "Wow, that's a beauty." And then over the page you said in the second entry – well, I'm sorry, I'll give it context. The first entry Mr Konistis said, "I don't know if it's worth even meet, trying to meet up with him today, Michael, to hurry it. I don't want to lose it, you know." And you said, "No, no. Look, it's not,
30 it's not going to, look," and then something unintelligible, then, "If the guy's got that, means he's working on it. I know the guy, all right?" There you were talking about Demian, weren't you?---Probably, yeah.

And the reference by Konistis a little way past halfway down, reading, "Let's hope we've got, we've got news about the other one on Friday," that you understood to be a reference to the Revesby deal, would that be fair to say?---It could be, yeah.

40 Now, you took part in the projected meeting with the Chinese buyers that Mr Maguire had, Country Garden?---Yeah, I had a meeting, one, one meeting. I didn't organise it (not transcribable)

On 27 May, 2016 with the representative of Country Garden with Mr Maguire and Mr Demian?---Yep.

Mr Demian brought along drawing and renderings to show the Country Garden representative?---Yeah, I saw the photo.

And they were of the property opposite Canterbury Hospital, weren't they?
---The properties or property?

Well, you tell us.---I don't know. What, whatever, whatever he had.

You were the one who was there. What were the drawings and renderings that Mr Demian showed Mr Lakos of?---Could be in Parramatta, I don't know. I can't recall. He had, he had, look, he had a number of sites and he was discussing his sites to, to these guys.

10

548-580 Canterbury Road is opposite Canterbury Hospital, isn't it?---That's one of them.

And 570-580 Canterbury Road, also opposite Canterbury Hospital?---Is that the same package?

Yes.---That's one, that's one site, yeah.

But it is located opposite Canterbury Hospital?---Yeah.

20

Who organised that meeting?---I did it on behalf of Daryl.

And what was its purpose as far as you were concerned?---For the buyer and the seller to meet each other.

With a view to what?---With a view to talk about what they wanted or what he can give and what, what, and what they want. If they're interested or not interested, it's a discussion in general.

30

With a view to progressing a potential sale?---No. It's just a general, this is the first general discussion to meet up and find out if they're interested in those particular sites or not, and from memory some of them, or a number of them, they weren't interested in it.

What happened at that meeting?---I don't, I don't, I didn't pay, I didn't pass it, but I was just, you know, listening and watching what they're, what they're talking about as an introducer.

40

Why were you there?---I, I coordinated the meeting with Daryl and that's all I was, that's, that's why I was there.

What contribution did you make to the meeting?---None.

And what was the purpose then of you being present?---Oh, I just got there to have a cup of coffee with them.

You don't think that you might have been there because of the interest you had in progressing the negotiations with a view to a sale because then you'd

be entitled to a commission?---This is a first meeting. Normally when you organise a first meeting, it's always the person who coordinates the first meeting is always present. Whether they participate or don't participate, it's generally the way it goes and that's why I was there.

Can we go now to Exhibit 199, please. If you'll just excuse me a moment. It's a five page long transcript. We might just see if we can go with the transcript, please. Thank you. Looking at the first page, this, sorry, this is a transcript of a telephone conversation where you rang Mr Konistis on 27
10 May, 2016, commencing at 1.23pm, and Konistis asked you, "Are we close?" Do you see that, a bit over halfway down the page?---Yep.

And you said, "Yeah, we close. Has John told you, did he tell you what happened?" And then Konistis said, "Yeah, he told me, he told basically that he wasn't, he wasn't happy with the commission." And you said, "He wanted to make it something that Abacus would accept." What was it that you wanted to find out by making that call?---I, I, oh, look, I don't, I don't recall this discussion either.

20 Yes, but having read the transcript of the conversation now - - -?---It sounds like John is just, just being greedy with his commissions or what he's asked for. I, I don't know, that's what it sounds like.

So you read - I'm sorry. You're telling us that, as far as you can tell, when Mr Konistis said he wasn't happy with the commission, he's talking about John Dabassis not being happy with the commission?---Yeah.

When you said, "He wanted to make it something that Abacus would accept," are you referring there to John Dabassis?---No, maybe what, what
30 Charlie might have told him.

And was there a meeting that this is a reference to - - -?---No, look, I, I, I don't - - -

- - - or a conversation that this was a reference to?---I don't recall, there was a, there was a meeting between Charlie and, and John and I think, from memory, there was. But it could be something that came out of their meetings, I don't know.

40 Well, were you present at the meeting?---No, no, I never been with, with those guys. Not, not, not during that period, I think.

You were back in, at the time of the Frappe meeting.---At Frappe, yeah, but I'm talking about this, this time. He must have met him again. Don't know.

When you said on page 2, the third entry, "It's like somebody says there is two real million dollars, or there's three," something unintelligible, "million dollars," you're talking about the commission there, aren't you?---I'm

talking about people talking nonsense figures. That's, that's what I'm saying here.

But the "nonsense figures", to use your words - - -?---People are talking (not transcribable)

- - - are about the commission, aren't they?---Oh, people - - -

10 They're not about the sale price.---Correct, people are talking absolute nonsense about commissions when there's, there's not even a sale or there's not, there's nothing, there's nothing really serious. It's just like they're talking commissions without anything solid.

So going down to the middle of the page, where there's that four-line entry by Mr Konistis saying, "I, I, I, they, they must be stupid, these must be the most stupid people I've met in my life. First, there is no way in hell that they will ever get an offer like this again," he's talking about the owner, isn't he?---He must be, yeah.

20 And when he says, "If these guys walk away," he's talking about the purchasers.---Yeah.

The potential purchasers.---Yeah, yeah, whoever they are.

And then you say, "Yeah, yeah, but I know, but everyone is stupid, even the, even the buyer or not the buyer, the Chinese people want the commission also, they're stupid because just say okay, look, I prefer to collect \$2 million than to collect nothing, you know."---Correct.

30 What did you, what were you meaning by referring to "the Chinese people want a commission"?---Because it sounds like everybody's talks, it's, everybody's talks about, to protect their, their, their own pockets and their own interest, without actually having real look into a specific project. I mean, I mean, the guy's talking about in three months. I mean, a project at such a large scale, you need to do your due diligence and your feasibility, and, and the - - -

40 You're referring to settlement after - - -?---No, no, this is any, people would want to go through this, this whole thing to find out if, if it works or it doesn't work, you got to do all that. People talking nonsense stuff about commissions, it's like they're getting the, what's it, the horse before the, the cart before the horse or something.

Can I just ask you, Mr Hawatt, did you have an understanding at any stage that there might be two sets of people from China or of Chinese origin, one who actually would be the purchasers and another being Chinese agents of those purchasers - - -?---That's what they seemed - - -

- - - to whom John Dabassis was talking?---Look, it seemed to be everybody dealing with middle, middle people, not, not the actual buyers.

Yes.---That's what it seems like.

But that's not unusual in large commercial transactions, is it?---Well, it's, to me it's like the, it's always been, for, for years I've, I've been involved in general trading and it's, people always come and talk about gold contracts and oil contracts and, and the first thing they talk to you about is
10 commissions without the substance behind it. It's like what are you talking about, give me the real project, give me the real deal before you talk about commissions. So as soon as they talk commissions you take them, it's like here we go, another stupid useless people are coming to do businesses and all they're interested in is just doing commissions. As soon as they mention that you take, you take them, you don't look at them seriously at all.

Thank you. Can I take you to page 3 of the transcript where in the second entry Mr Konistis said, "So that's why they can't muck around with these
20 people. And I said to George, George, even if it means, even if it means give them their 2.2 million commission, whatever it is, right, and then we'll go back if, since you guys know the people, just say to them, look, all right, we'll get them to agree but they've got to look after us somehow, you know, at the end of it." Did you understand at that time when Mr Konistis was talking to you that essentially what needed to be negotiated was the proportion of the money available for commissions that would go to the Chinese introducers between the purchasers and Dabassis on the one hand, and you and Vasil and Dabassis on the other hand?---No. This is, look, based on my discussion there talking about commissions, third party
30 commissions, to me, I, as soon as they mention that I just, I just don't take them serious at all. I don't, I don't take Laki serious as well. I mean to me it's like that nonsense discussions is back, back again with his usual thoughts. That's, that's how I look at it.

Was there at any stage a suggestion that during the course of negotiating the commissions, Mr Demian be asked to, as it were, give a present to those who had introduced the purchasers to him, given that they couldn't get very
40 much themselves out of the deal, but that Mr Demian had got a deal as a result of the efforts that you had made, you and George Vasil and John Dabassis had made?---Sorry, I'm just completely confused.

Okay. Well, look, I'll take you then to, we'll take it step-by-step. Just look at the fourth entry from the top.---On page?

Fourth entry from the bottom, Konistis, it's on page 3.---Yeah.

"That's what I said to George. I said, George, why don't you just accept it, why don't you just tell them, look, we accept the 2.2, they'll accept the 2.2 commission, let the, let it proceed, let the sale go through and then we'll get

Charlie and them and say,” and if I can tell you the word, “Listen” should appear in the transcript between “say” and “we’re,” at that point, “And say listen, we’re the ones who brought you these people, how about looking after us?”---Who would take that comment serious, who would?

Yes, but no, no, you understand what’s he’s saying there, don’t you, that this is a different approach to trying to make sure that the introducers in Sydney, as against the Chinese introducers, get looked after.---This guy’s talking, this is nonsense discussion.

10

That they get something separate from the vendor.---This guy is a nonsense person.

Sorry, do you understand that that’s what he’s talking about?---He’s a schoolteacher, he’s a sports teacher.

THE COMMISSIONER: Mr Hawatt, you’re - - -?---I just, that’s my comment.

20

Mr Hawatt, you’re not being asked to at the moment assess whether this is a good idea or not. We’re trying to establish what your understanding of what Mr Konistis sent to you. Now, do you agree with what Mr Buchanan put to you, that this is now a different approach in dealing with the question of commission?---No, it’s not a different approach. It’s just another stupid approach from Mr Konistis, and I don’t take him serious.

30

MR BUCHANAN: So going to page 4 of the transcript, and the second-last entry, where Mr Konistis said, “I think, I think, I think that’s the way, that way Abacus, that way Abacus will be happy because they’re only paying the 2.2, and Charlie knows once, once this exchanges, there’s got to be some commitment from him to say, all right, boys, here, here’s, here’s a present from us.”---Who is this guy to speak on behalf of Abacus and on behalf – he’s actually speaking on behalf of what Abacus is going to think.

Mr Hawatt, as a person who’s been involved in commercial negotiations over the years - - -?---Oh, God.

40

- - - have you ever been involved in a negotiation where you try to anticipate what’s in the mind of the party with whom you’re negotiating?---No, not - - -

Or try and understand where their interest lies in order to anticipate what they will find acceptable and what they will not find acceptable? Have you ever been involved in that tactic or that strategy in negotiating commercial deals?---Yeah, I, I’ve been involved years ago (not transcribable) - - -

Do you think that might have been what was happening on this occasion?
---This is another stupid, I've met a lot of stupid people in my past and this is one of them.

Well, you didn't say that, though, did you? After Mr Konistis had proposed that there be some commitment from Mr Demian after exchange to say, "All right, boys, here's a present from us," you said, "Yeah, okay. Leave it to me. I'll talk to him, all right?" Why did you say that?---Because Laki is like a leech who doesn't let go. He will, he will stick to it. Yeah, if I said anything else, he will continue going. Yeah, going for a - - -

You certainly seemed – there are two things we can take from that exchange, aren't there? That, firstly, you understood what he was saying to you, or at least you thought you did.---No, I don't understand it.

And secondly that you were prepared to take that approach to commissions to Mr Demian.---Well, if I would have followed that after this discussion, I would be as stupid as, as, as him.

20 I note the time, Commissioner.

THE COMMISSIONER: Right. We'll adjourn for morning tea and resume at five to 12.00.

SHORT ADJOURNMENT

[11.28am]

30 MR BUCHANAN: Mr Hawatt, the phone call that you had with Mr Konistis starting at 1.23pm, Exhibit 199, for which you saw the transcript before the morning tea break, occurred after a text message at 10.28am that day to Laki Konistis in volume 21 in Exhibit 69 at page 168, item 343. If you could have a look at that please. Do you see that you sent a text message to Mr Konistis at 10.28am that day, "Let's all have coffee now with Charlie. Driving to Earlwood." Do you see that?---Yeah, yeah.

40 Did you have a meeting with Mr Dabassis and Mr Demian at a coffee shop in Earlwood after that text message was sent to Konistis?---On the 27th? I don't recall.

It would explain, if you did, why you in the conversation that we saw you had with Mr Konistis starting at 1.23pm, Exhibit 109, you asked Mr Konistis whether John had told him, "Did he tell you what happened?" And you went on to say, "He wanted to make it something that Abacus would accept." And I'm suggesting that that was a reference by you in that conversation that we saw before morning tea to Mr Demian. But what I want to take you to now is, you recall at the end of that conversation Mr Konistis had said, there's got to be some commitment from Demian to say,

all right, boys, here's a present from us. You remember that?---No.
Where's, where's that?

Remember that was in the conversation that I took you to that was at
1.23pm on the same day, 27 May, at the end of which you and Konistis had
debated whether the way to solve the commissions issue in order to get a
sale was to get Demian to agree to pay a commission on top of the sale
price. Do you remember that? And you said that was all rubbish and - - -?
---Yeah, I just, I can't recall it now, but - - -

10

Can I show you now, please, I'm sorry, can we play, please, LII 10017,
commencing at 1.50pm.

THE COMMISSIONER: On that day?

MR BUCHANAN: Yes, 27 May, 2016. Sorry, can I just pause, please? I
think I might have made a mistake. Can I change that request to can we
play, please, LII 10026 on 27 May, 2016, commencing at 2.11pm.

20

AUDIO RECORDING PLAYED [12.12pm]

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

THE COMMISSIONER: The audio file and transcript of the recording LII
10026 recorded on 27 May, 2016 at 2.11pm will be Exhibit 294.

30 **#EXH-294 – TRANSCRIPT SESSION 10026**

MR BUCHANAN: Mr Hawatt, you recognise the voices of yourself and
Mr Demian in that recording as it was played?---Yep.

You accept that in that telephone conversation, you were indeed exploring
with Mr Demian the proposal that Mr Konistis had put to you of a
commission being paid for George's group on top of the said earlier price?
---Well, that's what it sounds like. I don't recall this, this discussion but
yeah, that's what it sounds like.

40

Now who was George's group? I'm sorry, I withdraw that. You see on
page 1 of the transcript, you explained to Mr Demian, the third last entry,
"There's two groups. As you probably know, there's George's group and
the other one." Now, the other one is a reference to the Chinese group, isn't
it?---Oh, it could be. I don't know.

And George's group, that's a reference obviously to George Vasil and other people, correct?---Sounds like it.

So the other people are yourself and John Dabassis, is that right?---Well, that's not correct.

I'm sorry?---That's not correct. I didn't say, I said George's group not my group.

10 All right. Who is George's group, then? When you said that, what did you mean?---Well, I, I don't, I don't remember this discussion but presumably the, the guys that he's dealing with, Laki and, and John.

And why not you?---Because I'm, I'm passing on information here. I'm not saying it's my group. I didn't say us, George's group and another group. I never mentioned anywhere that I was belonging to any, any of the groups of this discussion.

20 Yes, but were you, as far as you were concerned, a member of George's group?---No. I just passed the information on from the, from day one.

And you're quite sure of that?---I'm sure of that.

30 Can we go to page 2, please, of the transcript. When you were asked by Mr Demian, "Well, what are we talking about? Let me know what they're thinking," you said, "Well, you know, something that works for, for the, the group of how many people are there. There's like, one, two, three, four, five, I don't know, five people involved," something intelligible. "So maybe work something and that will work for everybody. You, you work it out, that works for you, that you can do." Who were the five people that you were thinking of when you said that to Mr Demian?---Oh, look, I wouldn't have a clue who they are. I'm just talking from the top of my head, one, two, three, four, five, just like, there's nothing specific. I, I don't recall even mentioning that.

But you knew, didn't you, that there was George Vasil, who had done some work in introducing these potential purchasers to Mr Demian, correct?---Yeah.

40 You knew that John Dabassis had done some work in introducing the potential purchasers to Demian, didn't you?---Well, we were talking.

You knew that Konistis had done some work in introducing the potential purchasers to Demian, didn't you?---Yeah.

You knew that you had done some work in introducing the potential purchasers to Demian, didn't you?---I didn't do any work except introduction of, of people together.

Well, you'd done quite a lot of work. We've seen, we've got a lot of evidence that you did a lot of work.---I do. I've been doing a lot of work for the last 20 years, yeah.

The fifth person, who was that?---I wouldn't have a clue. It's probably figures from the top of my head, one, two, three, four, five, just talking. I mean, I, I don't, I don't even know who this, these members are or these numbers are, came from. Just talking just figures.

10

Was the fifth person Pierre Azzi?---Oh, what has Pierre got to do with it? He's, he's never been involved in any of this. He never - - -

Could you answer my question, please. Was the fifth person Pierre Azzi? ---No. There is no, there is no first or second or third or fourth or fifth. As far as I'm concerned, I don't know who, who these people, I was just throwing numbers on top of my head.

20

Your words are, "Five people involved. There's like, one, two, three, four, five, I don't know, five people involved."--- I said I don't know.

What did you mean by five people involved?---I'm just talking, I don't know, there could be one or two or three or four or five, six. I mean, I don't know. Just, nothing there.

You see the other person that we've seen who was involved was Pierre Azzi, wasn't he?---Oh, this, Pierre Azzi's not even mentioned in these things.

30

He's the person that you'd been talking to about how negotiations were progressing and whether they were progressing well or not.---That's not correct.

Sorry, you had been talking to him, hadn't you?---I've spoke to him but it's got nothing to do, I could be talking about the Chinese people they were, that wanted commission. Oh, well, there's, don't forget, there's a third party they're talking about. The third party is the commission, the, the Chinese people for the third party.

40

No, Mr Hawatt, we know that's not the case, because as we have seen from the evidence leading up to this, this is talking about two separate lots of people who are feeling entitled to commissions. One lot is associated with the Chinese purchasers, and the other lot is, to use your words, "George's group". So we know it's not the people associated with the Chinese purchasers. It can only be people associated with Dabassis and Vasil and you.---No, that's, that's (not transcribable)

And we know that Konistis is associated.---That's incorrect. This is an assumption.

The only other person who it could be is Pierre Azzi, isn't it?---No. This is all assumptions. I, I don't, no, that's incorrect.

Now that conversation was at 2.11pm. If we could play, please, the exhibit, the audio file from Exhibit 184.

10

AUDIO RECORDING PLAYED

[12.21pm]

MR BUCHANAN: I should have said that that is a conversation that was recorded on 27 May, 2016, commencing at 2.13pm. You recognise the voices, sir, did you, of yourself and Mr Konistis?---Yep.

When you said on page 1 of the transcript, "I just spoke to him," you're obviously referring to Charlie Demian, aren't you?---Well, I must be, yeah.

20

And when you said, "What figure do you have in mind?", you're talking about the commission for George's group, aren't you?---Well, what figure that Laki wanted, yep.

Now, you were trying to persuade Konistis on the first page that he needs to make it look, to make the figure reasonable in order for Demian to accept it. You agree with that?---Yep.

30

And you went on to rationalise that at the top of page 2 by saying, "My position is I want to get the deal done." Do you see that?---Yeah.

And that was what you wanted, wasn't it?---This is, out of all the discussions we've been going through, get it done and finish it off and again these figures are hypothetical figures that, that Laki is, is making decisions on and these figures are again hypothetical, to me that's, again it's meaningless unless, unless it's agreed to by whoever the buyer and sellers are.

40

And in this case though it was provided Demian agreed to it, because it was on top of the sale price.---Well, that's right.

So the purchasers didn't need to agree to it.---Well, Demian had to agree to this, but I don't know if he even agreed to anything like this or not.

We'll come to that, we'll come to that.---Yeah.

And then you went on to say, “Otherwise, if it doesn’t happen,” and then in the third line, the third entry, “If it doesn’t happen we get nothing.” Do you see that?---Yeah.

That simply meant if the deal didn’t get done then you and the others involved in George’s group got nothing. Correct?---Well, if I said that I’m talking again from the top of my head, yes.

10 The you propose, “Maybe 50,000 each.” This is the second-last entry on page 2.---I don’t recall this discussion but if I mentioned it, again it’s just appease, to appease Laki.

And then on the top of page 3 you said, “I’m thinking about maybe 50,000 or 40,000 each, that could work?” You asked. And I can just tell you that we are amending our copies of this transcript so that the next entry which on the screen reads Demian is in fact attributed to Mr Konistis. So Mr Konistis said, “He can’t do 100 each,” and you then, knowing Mr Demian as you did, persuaded Mr Konistis that that wouldn’t work. Correct?---Yeah.

20 And so Konistis accepted that and then said, a bit over halfway down, “What say, all right, 50 each?” And then you did calculations that were to the effect of 50 each equalled 200, “And then there’s the other guy, so we’ll say 300. We’ll tell him 300. All right.” You were contemplating there six people would share in the \$300,000 commission. Correct?---I don’t know how these figure became about, I just don’t recall.

30 Well, in the first instance you proposed 200. Who were the people that would share in that if the figure was 50,000 each?---I wish I knew. I wouldn’t have a clue how the, how these figures became about through our, in discussions with, with Laki and they seem to be dated the 27th - - -

27 May, 2016.---Which is way after the, we weren’t even councillors then.

40 And so what’s the significance of that?---Well, the significance is they might have convinced me to talk figures in that, in that regard and because you’re no longer a council, council involvement. That’s, that’s the only thing I can think of is Laki and, and maybe the others asked me to, to just, to discuss it. I mean I don’t recall this, this, this conversation but again, but I recall the 27th I was no longer a councillor.

Yes. We’ve got a lot of evidence of the communications involving you in these transactions and in none of them do you talk about the fact that after 12 May, 2016 you are no longer a councillor.---Well, I was no longer, I was passing information on and this kept going until after the council were sacked.

But you don’t seem to have said to anyone that that was significant in any way.---It is significant to me, that’s, that’s why to me I wouldn’t have even

discussed this, if it wasn't after the, the, the existence of council I wouldn't have even discussed this.

And indeed - - -?---For me to talk about this it's knowing that I'm not a councillor anymore.

But you had been contemplating commissions all along, hadn't you?---No, I have not, no I have not. This is irrelevant. It actually proves to me that this only became about after I became, lost the position as a councillor.

10

So going on then. If we go over to the bottom of page 3, Mr Konistis suggested that John Dabassis, "Being the one who'd worked his arse off, should probably get more than all of us," and you agreed. At the top of page 4, "Maybe we can give John more, a little bit more. I have no problems." And Konistis said, "Maybe give John 100, I'm happy with 50 to be honest with you." You said, "Yeah, I'm the same." So you were indicating there you would be content with \$50,000 by way of remuneration for the work you had put in to the negotiations, correct?---No. This, this is something that came after the, after the council amalgamation and I made the, I made a judgement, probably an incorrect judgement to, to continue following up with this person and to even discuss these figure because to me, it's hypothetical figures still and, and being a non-councillor, I probably thought, well, that's, it's, it's, it's okay now to even discuss these, these figures because I'm no long part of the council.

20

30

When Konistis went on to say, "And the rest of us, give the rest of us 50," you said, "Yeah, 50." And then you asked, "How much is that?" And Konistis said, "Four 50s is 200 and John's hundred in 300. It's still 300." Now you said, "Yeah, 300, yep, yep, all right." And then you said, "Let me come back. Let me come back to you so I can tell" – sorry, Konistis then said, "Let me come back. Let me come back to you so I can tell John full steam, ahead, let's go," and that's how the conversation ended up. So at that stage, at 2.13pm or thereabouts on 27 May, the group that you'd described as George's group that was looking for a commission on top of the sale price were proposing, courtesy of you and Konistis, a commission that would be \$300,000 being split five ways, John Dabassis getting 100, that left 200, and four people would share in the 200,000. Do you agree?---I mean, I don't know how these figures, I don't agree with, I don't know these figure became [sic] about.

40

You seemed to understand at the time, though, didn't you? You said, "Yeah, 300, yep, yep, all right."---I don't remember this discussion, and to me, as far as I'm concerned, I'm just reading what's there and going through memory and these are hypothetical discussions that we had and it's hypothetical discussion after I became, after I had become a non-councillor. So this is way, way after the council was sacked.

And who were the four people who, to your mind, would share in the \$200,000 that you were discussing with Mr Konistis and agreed to as a working proposition at that stage?---I wouldn't have a clue. I don't remember the discussion.

Well, that's not an honest answer, is it, Mr Hawatt?---It is an honest – I don't remember this. I'm just going, remembering what I'm reading.

10 No, no, no. When you said, "I wouldn't have a clue," that isn't an honest answer.---I don't remember.

You knew that George was one of them, didn't you?---But George, George and his group, which is, that's, that's the one I remember working together.

And so John Dabassis is one of them, correct?---(not transcribable)

You knew that George was part of the group?---Well, I don't know how far he was involved in it. I, I can just guess.

20 You knew that John was part of the group?---John is definitely.

You knew that Konistis was part of the group?---He's definitely, two definite.

You knew that you were part of the group?---I'm not part of the group.

30 Why weren't you part of that group?---I passed on the information on from day one. I made this, with Laki, hypothetical figures based on me not being a councillor anymore and, and that's the discussion, and to me that was a hypothetical without any, any substance behind it.

The problem is, though, Mr Hawatt, page 4 in the middle of the page, you clearly indicated you were satisfied to be – you echoed Mr Konistis's words that he was happy with 50 to be honest with you, you said, "Yeah, I am the same."---Yeah.

40 So plainly you contemplated you were part of that group.---I'm, it's a hypothetical figures that was discussed, without any substance behind them, yes.

So we've accounted for 100 of the 300,000. That goes to John Dabassis. That was as you understood it at that time. We've accounted for three of the four shares of the 200. Who was the fourth person to share in that 200,000, as you understood the construction of that commission that you and Mr Konistis were proposing at that stage?---I mean, oh, I, I, I don't ever recall this, this figures, so I would, I wouldn't know.

Was it Mr Azzi?---No.

Who else could it have been?---Look, I don't recall these figures. I don't know who these people I'm talking about. I wouldn't have a clue.

Can I take you, please – I withdraw that. Can I play, please, LII 10039, recorded on 27 May, 2016, commencing at 2.30pm?

AUDIO RECORDING PLAYED

[12.36pm]

10

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

THE COMMISSIONER: The audio file and transcript of the recording LII 10039, recorded on 27 May, 2016, at 2.30pm will be Exhibit 295.

#EXH-295 – TRANSCRIPT SESSION 10039

20

MR BUCHANAN: Mr Hawatt, you heard that recording being played.
---Yep.

You recognise the voices of yourself and Mr Demian?---Yep.

And in that recording, you can be heard very clearly conveying to Mr Demian what you and Konistis had agreed to a few minutes earlier.
Correct?---Sounds like it, yeah, but I don't recall this discussion anyway.

30 In that conversation, you said to Mr Demian, this is page 1 of the transcript, "That'll work out, because that's among five people."---Yep. Sounds like it.

Who was the fifth person?---I don't, I don't remember this discussion. I don't recall it.

40 Leaving aside whether you can recall it or not, from all of your involvement in this matter, who else was there other than Mr Azzi who was involved on the Demian side of the equation, that is to say, who could have been part of George's group?---I don't know, could be some Chinese guy that they're dealing with in between, I don't know. I wouldn't have a clue. I mean, they're could be another person that John and Laki is talking to through a third party, I don't know. I'm just going to guess - - -

We haven't seen any Chinese person who was acquainted with Mr Demian.
---There, there was third party. No, no, with third party through John.

Whereas we know that Mr Azzi was acquainted with Mr Demian.---No, it's, this is through John, not through Charlie.

And we know that Mr Azzi was acquainted with Mr Vasil. Correct?
---Yeah. He met him.

And we know that Mr Azzi discussed this matter with Mr Vasil and with you.---But there's been a mention of also the Chinese third party that John is dealing with.

10 But not as part of George's group.---Well, I don't know if it's part of George's group or not, but that's – I don't recall who's, who's, who's part of the group. All I remember is the figure that somebody gave me, and that was it.

And you obtained Mr Demian's agreement to that commission, and the way the commission would be structured, that is to say, being paid for five people on top of the sale price.---I passed that on, after, again - - -

20 No, no, you obtained his agreement to it, didn't you?---Yes, I spoke to him about what Laki spoke to me about and, and again it's dated 27 May.

You said, page 2, "If you're happy with that they need some stuff to move on with it quickly so I'll - - -" and Demian said, "Well, let's get, okay, let's get on with it."---Yeah. I don't know what happened after that.

Well, are you sure that's true, that - - -?---I don't recall, I - - -

30 - - - you don't know what happened that?---I don't recall this meeting and this discussion with him and I don't know what happened after that. From my memory it's all collapsed.

Right. How did it collapse?---The people were not genuine about, whoever they had, it's all hypothetical buyers, hypothetical Chinese people, it's all, it's all figures that's thrown from the top of their head.

At what point did it collapse?---Well, just you can see all these discussions here, it's all rubbish.

40 Yes, but at what stage chronologically?---I don't know, just after this, maybe after that.

If we could look, please, at volume 23, page 207 in Exhibit 69, I'm sorry, page 208, I do apologise. These are text messages between you and Mr Demian on the same day, 27 May, 2016. The second and the third messages you sent to Mr Demian in the morning of 27 May, giving him an address. That was the address of Country Garden, wasn't it?---Yeah, that's where I met him once, yeah.

So you were negotiating with Mr Demian for a commission in respect of a potential sale by the people that Dabassis and Vasil and you were introducing to Mr Demian, while at the same time trying to progress a potential sale by Mr Demian to the Chinese people that Mr Maguire represented. Is that what you were doing?---No, I just, I, as I said - - -

I'm not saying there's anything wrong with that.---No, no, I'm just saying it's from - - -

10 I'm just asking you is that what you were doing.---No. I'm just continuing with the, the progress of the discussions we've had with Daryl and, and as far as looking at this, as far as I'm concerned there was my discussions with John and Laki, it's, it's sort of like - - -

But they're different purchasers, aren't they?---Yeah, yeah, but I didn't take John and Laki much, you know, as I said, serious, I still don't take them serious, and as far as I'm concerned, that's why I kept going with the, with the meeting with, with Daryl.

20 Then item number 4 on page 208, your text to Mr Demian at 9.57pm on 27 May, "Hi, Charlie, there is a good interest on few of your project from the Chinese. Can we catch up this weekend to discuss? Michael."---Yeah.

From your use of the word "projects" that's a reference to obviously multiple properties.---Correct. That's what it sounds like, yes.

And you were trying to arrange for that side of the potential sale or sales to be progressed with Mr Demian. Is that fair to say?---I'm just continuing with the, the feedback I'm getting from Daryl would been they're interested in some of his projects. That's, that's the feedback and I pass it on.

30 Well, except that you weren't. Can I just point out, the message I just showed you, 9.57pm, item 4, is "Can we catch up this weekend to discuss?" ---Correct.

So you were wanting to progress the matters by negotiating it with Mr Demian, weren't you?---To discuss to see what he wanted to do with the, with his projects, which ones, I might have got some feedback from, from Daryl saying that they're interested and from memory maybe the, the, the high rise in, in Parramatta, one of the projects he had.

40 And so item 6 on that page, 10.48pm, a text by you to Mr Demian, "Late tomorrow is good. My place at around 4.00pm or? Let me know." Do you see that?---Yep, yep.

Did that meeting go ahead?---I, I don't remember. I don't recall. He might have came around on his way home. I don't remember.

Excuse me a moment. Page 211. The next day at 12.28pm, you texted Mr Demian, “Are you coming at 4.00pm, my place?” Do you remember having a meeting with Mr Demian at your place?---Look, I, I don’t remember. Just if he came, he came.

About these Chinese purchasers, that is to say Mr Maguire’s - - -?---I might have, I might have but I don’t remember.

Or Country Garden?---I might have but I don’t remember.

10

Well, how many times were you talking to Mr Demian at your house about potential purchasers of any of his properties?---I, he just only came around I think a couple of times on his way because I live on the way home. He goes from, from my memory, he lives in Sylvania and he comes past not far from my house.

20

But you were trying to arrange for him to come to your place to discuss these matters.---No, no. It’s on his way. The reason, afternoon is normally when he gets home and he can pop in. And if I’m busy, that means I’m busy at home doing some work. I mean, I could meet him anywhere I wanted but it wouldn’t be convenient for me at the time, I don’t know.

If we can go to page 213 in volume 23, please. This is a two page document which is dated 27 May, 2017, addressed, “Dear Michael,” and if we look at the last second page – that is to say page 214 in volume 2 of 23 – is signed John Dabassis. Do you see that?---Yep.

30

And if we go then, please, to page 212. There’s an email to which this letter is attached at the top of that page from Konistis to you on 29 May, 2016, at 10.46. “Hi Michael. Letter from John.” Signed Laki. Do you see that? ---Yep.

But what he’s doing is forwarding to you an email from Mr Dabassis to you but – I’m sorry, it says, “Dear Michael,” but you can see the addressee is Laki Konistis’s email address at 8.31 on 29 May.---Unless he, unless he rewrote it, Laki, and said, yeah, Michael, I don’t know.

40

All I want you to understand is that the letter which is signed John Dabassis and addressed, “Dear Michael,” and dated 27 May on pages 213 and 214 is the attachment to the email to you from Mr Konistis on 29 May at 10.46. That’s page 212 of volume 23.---Yep.

So just going then to the letter. Do you recall receiving this letter?---No. I don’t remember seeing it, no.

You accept that you would have got it because it was an email to you from Mr Konistis and it says, the file is described as Letter of Offer, Canterbury Road, Campsie. Now, I appreciate that might have been a mis-description

having regard to its contents, but you would have been very interested in an attachment to an email to you from Laki Konistis that read Letter of Offer, Canterbury Road. Campsie, wouldn't you?---Look, I, I, I don't remember this, I don't remember this letter anyway.

This concerned the Harrison's site, as you understood it?---Yep.

10 And the letter is, concerns in particular the commission, and a complaint by Mr Dabassis that they might only be 300,000, and saying that – this is the third paragraph of the letter, oh, fourth paragraph of the letter – that Mr Dabassis believed that everyone in the deal needed to make at least \$100,000 each, as there are five of us.---So the five is coming from him.

This time.---Well - - -

So that's two people now who seem to think that it involves five people, you and Mr Dabassis.---Well, that means, no, this is coming from, by him to say five of us - - -

20 On this occasion, yes. But all I'm pointing out is that by 29 May it appears that not only you think that five people are involved, and indeed not only Mr Konistis, but so does Mr Dabassis.---Well, that means he, he, he gave us, he gave me the figures of five, originally.

Well, the question is, who was the fifth person?---Well, that's what I'd like to know. I mean, he, it's coming from, this is coming from John, the five. He, he must have gave me the figure five.

30 Can I take you to the next paragraph where Mr Dabassis says, "I also spoken to George and he confirmed that there was 500,000 in commissions previously agreed upon." You see that?---Yeah.

40 So he's representing to you there that George thinks that there was 500,000 in commissions, which sounds like \$100,000 split five, oh, sorry, \$500,000 split five ways, doesn't it?---Oh, look, I don't remember this, this, this, this letter, and I don't work, I can't work out where the five came from, who the five is. Again, this is part of the hypothetical figures that John and, and Laki and everybody else was talking about, so, again, they're, they're creating their own figures and purchase prices and everything else, so, I - - -

What we have is evidence of a consensus now amongst four of the people in, to use your words, "George's group" who think that five people are entitled to commissions. And what I'm asking you is, how could it be that you can't remember that there were five people who thought they were entitled and who that fifth person was?---I'd love to know who the fourth person, person was as well.

Well, we've seen - - -

THE COMMISSIONER: You're the fourth person.---Oh, I'm the fourth person.

MR BUCHANAN: You've said that yourself - - -?---All I said, I said, I - - -
- - - in conversations with Mr Konistis.---I accepted the discussion, after
knowing that I'm no longer a councillor, to discuss these figures,
hypothetical figures, that Laki and John came up with. And if he sends me a
10 letter, this is based on the discussion that we had with, with John and his
own input. But end of the day, it's all hypothetical, and, and not to be taken
serious. I would not take it serious.

Can I take you to Exhibit 96, please? Could we play, please, Exhibit 96,
which is a recording made on 7 June, 2016, commencing at 7.28pm?

AUDIO RECORDING PLAYED

[12.54pm]

20

MR BUCHANAN: Mr Hawatt, you heard that recording being played and
recognised the voices of yourself and George Vasil, is that right?---Correct,
yep.

And the subject matter is how the commission should be constructed. Do
you accept that?---Yeah, he's talking hypothetical again, yeah.

30

THE COMMISSIONER: Sorry, when you say hypothetical, is that because
in your mind nothing's been signed?---Nothing's signed, it's all just figures
from people just creating figures, nothing's solid because there's, to me
there is nothing signed, nothing solid, it's hearsay, it's I've got this and I've
got that and, and to me after a while it sort of, your brain becomes sort of
negative towards whatever they say and even though you accept and discuss
it because it's, you know, you, you, you feel - - -

But you have - - -?---I feel like it wasn't, it's just a waste of time even
getting it.

40

But you had discussions and negotiations which usually - - -?---I was - - -
- - - lead to agreement which is then encapsulated in a written document.
---Commissioner, but after the, the sacking of the council, I have to say, and
which is, this is after that, I, I, I took it on to yes, listen to these discussions
and, and participate in these discussion because I felt, I felt at the time that I
had no, no obligation as a councillor, even though there was discussions in
that part which I had, in my mind there was absolutely no, during a period
as a councillor I've never contemplated - - -

All right.--- - - - going any further than just putting things together. After that there's been push for me to take part.

Sorry, Mr Buchanan.

MR BUCHANAN: No, Commissioner. Mr Vasil at page 1 of the transcript, in the middle, indicated that what John, I'm sorry, what someone was now saying you agreed on 1.9 plus 300.---Look, I don't remember these discussions.

10

No, all I'd ask you to do is just follow the transcript of the conversation, if you wouldn't mind. You can see that there?---Yeah, yeah, I see it.

And Mr Vasil was arguing that if the consortium commission is being taken out of that, namely 1.9 plus 300 equals 2.2, then there's going to be nothing left. And you said, "So what he's saying is nonsense." And Vasil said, "Yes, because he wants to go ahead with it so he can get his commission right." Going over to page 2, and then Vasil said, "And lose you out Pierre and myself, right."---He mentioned Pierre? I don't remember, I don't remember.

20

Yes, you didn't hear him say Pierre?---No.

Because I did, and - - -?---I didn't.

- - - the transcript reflects that.---I don't, I don't recall, I don't know why he would mention his name, it doesn't make sense.

30

Well, you seem to understand what Vasil was saying at the time because you thought it was a problem - - -?---No, just - - -

- - - such you'd gone click, click, click, and said, okay, how do we fix that up?---I don't know why George would have, if he mentioned him, I don't know why he would have mentioned, mentioned Pierre, it doesn't make sense. Pierre's never, never, never been involved in this.

40

Well, it makes sense, it makes sense if Pierre was involved in George's group in trying to arrange for the deal to go through.---Pierre was never involved, he's never, Pierre's never involved except he knows maybe from discussions what's going on, but he's never been, he didn't attend any meetings, any discussions.

Another way of looking at it is that it was considered on the part of you and George Vasil that Pierre was entitled to a share.---No, I, I don't ever really remember even him to mention. Look, if he said it, I don't know why he would have said it. It doesn't make sense to me.

A way of looking at it might be that you had kept Pierre briefed and indeed Pierre seemed to be well briefed on what was going on in the negotiations, and because what you and Pierre did you were usually partners, Pierre had to get a cut as well.---We're not partners and I think George taken, has taken it upon himself to make, to make that judgement, but I don't, I don't understand why he would even mention, mention it. It doesn't make sense to me.

10 Can you appreciate, though, that at the time, it did make sense to you, because you thought it was sufficient of a problem to need a solution?---I, I wasn't even focusing on what George is saying there was an issue, there was a problem, reading this. And just trying to solve the problem, not, not solve the, the issues of the commissions, who paid what. I mean, it's, it's like, again, Murphy's Law, keeps, keeps collapsing. Nothing happens without substance. And it's all hypothetical and, and, and just talk, without any real substance behind it. It's, it's, you, you become sort of sceptical of, of this type of discussions, and, and I've become sceptical of this one.

20 Well, you didn't seem to think that at the time, because Vasil proposed as a solution going back to the other guys – I'm looking at a bit above halfway down page 2, page 2 of the transcript – “Go back to the other guys and say, look, it's 1.9 for them inclusive of GST, and three for us inclusive of GST,” and you said, “I think that's probably the best solution. I don't think they're going to say no.”---Just talking again hypothetical from my mind, and - - -

So you thought there were five people sharing as well, didn't you?---I never, I, I didn't even think about the five. The five people came from, from the previous message that I read, came from John.

30 Well, you certainly thought that Pierre was one of the people involved in the split for the commission, the commission going to George's group, didn't you?---No. The number five, I don't know who, this seems to have come up from, from John, not, not from anyone else.

40 If I can just take you to – oh, yes, I'll just finish if, Commissioner, if you just give me a moment. Can I take you to page 8 of the transcript? Do you see there, Vasil is arguing to you that it's important that the members of his group, as it were, be looked after because, to use his words “we did all the work”. That's the fourth line of the first entry on page 8. “We did all the work, and now he's going to come in with all the introductions and all that and he is going to keep everybody else out.” Do you see that?---Yep.

And you agreed, of course, that you had been involved. You'd, in fact, done a lot of legwork yourself, hadn't you?---Yeah, I'd done a lot of enquiries on their behalf, correct.

So certainly the “we” there included you as much as it did Vasil.---Well, I don’t know, he’s, he’s talking generally. I’ve also questioned him in regards to, is this a serious, do they have really buyers, and George said yes.

All I’m just asking is about the words that you heard Vasil use, “so we did all the work” - - -?---Look - - -

10 - - - and whether you understood that included you.---Well, “we”, I don’t know. When he talks “we”, “we” is “we”. Now, he could be talking about Laki as well. Could be talking about anything. I, I don’t - - -

Except that the people - - -?---I don’t recall this.

No, no. No, no. Please.---I don’t recall this meeting.

20 We know who he was concerned about because he said so earlier in the conversation when he said, page 2 of the transcript, that if it was 2.2 that would go to the consortium only, then it would be losing out, “Pierre and myself.”---Look, I think George is making his own, look, I just feels, George seems to feel that there should be an obligation towards Pierre, himself and myself and other but I mean, it’s George making that, he feels there’s an obligation but there’s no, there’s nothing solid to say that there was substance behind what George is saying. I think it’s an obligation that he felt towards myself and, and sounds like towards Pierre as well.

30 And what was your understanding as to why there was an obligation towards Pierre such as to warrant him sharing in the negotiated commission or proposed commission?---Because, because, because George is like that. He probably thought, well, you know, because we assisted many times and, and he’s probably spoken to Pierre a few times and he just feels like an obligation. It’s, there’s nothing, that’s the way George is. It feels like an obligation if, if you assist and help putting something together.

40 Because Pierre had, of course, talked to you in a discussion that you had had with him that we’ve heard, in which Pierre was providing the benefit of his opinion about the plausibility of different approaches to the sale or the proposed sale, wasn’t he?---No, he just, he just, Pierre spoke generally when, when the time, when Charlie Demian was there but I don’t think he’s ever, I don’t recall him getting involved other, other than just general discussion he had with Charlie.

I apologise for going over time, Commissioner,

THE COMMISSIONER: That’s all right. We’ll adjourn for lunch and we’ll resume at about ten past 2.00.

LUNCHEON ADJOURNMENT

[1.10pm]