

WITNEYPUB01311
20/04/2021

WITNEY
pp 01311-01375

PUBLIC
HEARING

COPYRIGHT

INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION WITNEY

Reference: Operation E19/1452

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 20 APRIL, 2021

AT 10.00AM

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: Yes.

MR RANKEN: Yes. Commissioner, before I call my next witness, arising out of yesterday's hearing there were a number of documents that I took some of the witnesses to, that I would seek to tender in the hearing. The first of which is the call charge records relating to the mobile service of Mr Joseph Tannous that I referred to as Calls of Interest for the period 1 June, 2017, to 31 August, 2017. I tender that and if that could be marked as, I think, Exhibit 29.

10

THE COMMISSIONER: Yes. Thank you. The CCR records in relation to Mr Tannous's telephone account – what's the commencement date, the 1st of - - -

MR RANKEN: 1 June, 2017.

THE COMMISSIONER: 1 June, '17 to 31 August, '17, will be admitted and it will become Exhibit 29.

20

#EXH-029 – JOSEPH TANNOUS CALLS OF INTEREST (1/6/2017-31/08/2017)

MR RANKEN: There was a separate document concerning other calls and telephone communications from the service of Mr Joseph Tannous for the named period, but those called were limited to calls to selectors in relation to the preselection process. So I will seek to tender that as a separate exhibit, Exhibit 30.

30

THE COMMISSIONER: The CCR records relating to telecommunications between Mr Tannous and the selectors in the preselection will become Exhibit 30.

#EXH-030 – JOSEPH TANNOUS CALLS TO SELECTORS (1/6/2017-31/08/2017)

40

MR RANKEN: Then there was, separately, call charge records relating to the mobile service of Mr John Sidoti that I referred to as Calls of Interest, and that was for the period 1 June, 2017, to 31 August, 2017. If that could be tendered as Exhibit 31

THE COMMISSIONER: Yes. CRR records in relation to Mr Sidoti's mobile service, 1 June, 2017, to 31 August, 2017, will become Exhibit 31.

#EXH-031 – JOHN SIDOTI CALLS OF INTEREST (1/6/2017-31/08/2017)

MR RANKEN: There was then also a bundle of emails that I took the witness, Ms Stephanie Di Pasqua to. I tender that full bundle, which could be Exhibit 32.

10 THE COMMISSIONER: Yes. The emails in relation to Ms Di Pasqua shown to her in evidence will become exhibit 32.

#EXH-032 – BUNDLE OF EMAILS IN RELATION TO MS DI PASQUA

20 MR RANKEN: And then separately to document that were shown to witnesses during the course of yesterday's hearing, there are a number of transcripts of persons who were the subject of compulsory examinations, in respect of which I would seek a variation of the existing section 112 directions so that they may be tended in evidence as part of the public inquiry.

THE COMMISSIONER: Yes. Just pardon me a moment. Yes.

MR RANKEN: And they are, in the first place, the examination of Mrs Sandra Sidoti of 5 February, 2021. If that might be marked Exhibit 33.

30 THE COMMISSIONER: 5 February, what's the date?

MR RANKEN: 2021.

THE COMMISSIONER: 5 February. Mr Ranken, do you have a form of variation that will ensure that the transcript, though available to those who have been granted leave, are entitled, of course, to have copies of that transcript but not to go further?

40 MR RANKEN: Yes. Commissioner, copies of the three transcripts that I am seeking variations - - -

THE COMMISSIONER: They are on the website, are they?

MR RANKEN: They are already on the, and have been for some time, and I think, Commissioner, you had previously made variations that allowed for that to occur.

THE COMMISSIONER: So that will operate now in respect of the exhibited document, that is the variation that I have made?

MR RANKEN: Well, yes, although it's proposed that these transcripts will become exhibits in the public inquiry, so they will be part of the evidence in the public inquiry.

THE COMMISSIONER: All right. The transcript of the compulsory examination of Sandra Sidoti, 5 February, 2021, will be admitted. The section 112 order is varied to permit the document to become a public exhibit in the proceedings and become Exhibit 34.

10

VARIATION OF SUPPRESSION ORDER: IN RESPECT OF THE TRANSCRIPT OF THE COMPULSORY EXAMINATION OF SANDRA SIDOTI, 5 FEBRUARY, 2021, THE DIRECTION MADE UNDER SECTION 112 IS VARIED TO PERMIT THE DOCUMENT TO BE TENDERED AS A PUBLIC EXHIBIT.

MR RANKEN: I think that would be Exhibit 33.

20

THE COMMISSIONER: 33, sorry. 33.

#EXH-033 – COMPULSORY EXAMINATION OF SANDRA SIDOTI DATED 5 FEBRUARY 2021

THE COMMISSIONER: Yes.

30 MR RANKEN: And I seek a similar variation in respect of the 112 direction given in respect of the examination of Ms Helena Miller on 19 March, 2020.

THE COMMISSIONER: The compulsory examination transcript in relation to Helena Miller dated 19 March, 2020 will be admitted and become Exhibit 34.

40 **#EXH-034 – COMPULSORY EXAMINATION OF HELENA MILLER DATED 19 MARCH 2020**

MR RANKEN: And do I understand, Commissioner, you've made a variation to permit that to the 112 directions?

THE COMMISSIONER: Yes, I vary the section 112 order to permit the transcript to be tendered as a public exhibit.

**VARIATION OF SUPPRESSION ORDER: IN RESPECT OF THE
TRANSCRIPT OF THE COMPULSORY EXAMINATION OF
HELENA MILLER, 19 MARCH, 2020, THE DIRECTION MADE
UNDER SECTION 112 IS VARIED TO PERMIT THE DOCUMENT
TO BE TENDERED AS A PUBLIC EXHIBIT.**

10 MR RANKEN: And then finally I seek a similar variation to the section
112 direction made in respect of the examination of Ms Lisa Anderson of 10
February, 2021.

THE COMMISSIONER: In respect of the transcript of the compulsory
examination of Lisa Anderson, 5 February, 2021, the direction made under
section 112 is varied to permit the document to be tendered as a public
exhibit.

20 **VARIATION OF SUPPRESSION ORDER: IN RESPECT OF THE
TRANSCRIPT OF THE COMPULSORY EXAMINATION OF LISA
ANDERSON, 5 FEBRUARY, 2021, THE DIRECTION MADE UNDER
SECTION 112 IS VARIED TO PERMIT THE DOCUMENT TO BE
TENDERED AS A PUBLIC EXHIBIT.**

THE COMMISSIONER: It'll become Exhibit 35.

30 **#EXH-035 – COMPULSORY EXAMINATION OF LISA ANDERSEN
10 FEBRUARY 2021**

MR RANKEN: Yes, thank you. And that completes the matters of
housekeeping if I can call it that.

THE COMMISSIONER: Thank you, Mr Ranken.

40 MR RANKEN: And I do wish to call some brief evidence from Mrs Sandra
Sidoti and so I call Mrs Sandra Sidoti.

THE COMMISSIONER: Yes. Thank you, Mrs Sidoti. Good morning,
Mrs Sidoti.

MS SIDOTI: Good morning.

THE COMMISSIONER: Do you wish to take an oath or an affirmation?

MS SIDOTI: An oath.

THE COMMISSIONER: Thank you, Mrs Sidoti. Just take a seat.
Mrs Sidoti, you are entitled to object to giving evidence if you wish. The purpose of that, as you're probably aware, is that it provides protection in the sense that the transcript can't be then used against or in relation to you in any other proceedings, with one exception, and that is the transcript can be used in proceedings against a witness for an offence under the Independent Commission Against Corruption Act, such as perjury for example. But
10 aside from that it otherwise does provide that protection. I understand you are aware of that, is that right? You are aware of those provisions and you wish to avail yourself of that.---I do.

Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by the witness, Ms Sandra Sidoti, and all documents and things that may be produced by her during the course of her evidence in this public inquiry are to be regarded as having been given or produced on objection. That being the case there is no need for
20 Mrs Sidoti to object to any individual answer or document or thing produced.

**DIRECTION AS TO OBJECTIONS BY WITNESS: PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THE WITNESS, MS SANDRA SIDOTI, AND ALL DOCUMENTS AND THINGS THAT MAY BE PRODUCED BY HER DURING THE COURSE OF HER EVIDENCE IN THIS PUBLIC INQUIRY ARE TO
30 BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION. THAT BEING THE CASE THERE IS NO NEED FOR MRS SIDOTI TO OBJECT TO ANY INDIVIDUAL ANSWER OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Yes, Mr Ranken.

MR RANKEN: Mrs Sidoti, just for the record, could you just state your full name.---Yes. Sandra Sidoti.
40

And, Mrs Sidoti, you participated in an examination by this Commission on 5 February, 2021. Is that correct?---Correct.

Now, during the course of that examination you may recall that you were asked a number of questions concerning financial statements relating to a company Deveme Pty Ltd in its capacity as the trustee of the Sidoti Family Trust. Do you recall that?---Correct.

And in particular you were asked some questions about certain distributions that were recorded as distributions to you in the financial statements for the years ended 30 June, 2014 and 30 June, 2016.---Yes.

And those records indicated that you had received a distribution from the Sidoti Family Trust for each of the years ended 30 June, 2013, 30 June, 2014, 30 June, 2015 and 30 June, 2016.---Did you say a distribution?

10 Yes. They were recorded in the financial statements.---Yes.

And the amounts were \$22,000 in the financial years ended 30 June, 2013, '14 and '15 and then an amount of \$720,000 for the year 2016. Do you recall that?---That was clarified by the accountant last week, yes.

Yes. But you recall being asked questions about that during the course of your examination?---Yes.

20 Now, in addition to those amounts, the financial – or are you aware that the financial records for the Sidoti Family Trust indicate that you received distributions in 2017 and 2018 as well?---I was not aware of those records.

Are you aware however that you did receive distributions from the Sidoti Family Trust in 2017 and in 2018?---I became aware at the hearing on 5 February.

And in 2017 the distribution that you received was in an amount of \$36,999. ---I became aware at the hearing.

30 And in 2018, \$67,000. Do you say you only became aware of that recently as well, is that the case?---What I've seen at the hearing previously.

Now, it is the case, is it not, that the accountant to whom you've referred just now was Mr Tony Zaccagnini. Is that correct?---Zaccagnini, correct.

Zaccagnini, sorry, I may have mispronounced it. I do apologise.---That's fine.

40 And Mr Zaccagnini, he prepares the tax returns not only for yourself and your husband each year, but also for your parents-in-law - - -?---Correct.

- - - Catherine and Richard Sidoti. Correct?---Yes.

And also the financial statements and tax returns for Deveme Pty Ltd as the trustee of the Sidoti Family Trust. Is that correct?---I believe so.

And does he also prepare the tax returns for a company, Betternow Pty Ltd? ---Yes.

And Betternow Pty Ltd is a company of which you and your husband are the sole directors and shareholders. Is that correct?---That's correct.

And it is a trustee of the JAFS Investment Trust. Is that so?---Yes.

The JAFS Investment Trust being yours, that is yours and your husband, Mr John Sidoti's, personal investment trust?---Correct.

Or family investment trust. Correct?---Yes.

10

And when Mr Zaccagnini prepares the personal tax returns for yourself and your husband and your parents-in-law, does he ordinarily make arrangements to attend the house of your parents-in-law to go through those tax returns?---Correct.

And is it your custom that each year you would then go around to your parents-in-laws' house to meet with Mr Zaccagnini so that he can take you through your tax returns?---Correct.

20

And in each of the years 2013 through to 2018, that is the year-ended 30 June in each of those years, you were not otherwise gainfully employed in the sense of receiving income from any sources other than the Sidoti Family Trust. Is that correct?---I was not gainfully employed, correct.

So any income that you might receive that would require you to lodge a tax return was income that was received as a result of distributions from the Sidoti Family Trust. Correct?---Correct.

30

And that was a matter, was it not, that was explained to you by Mr Zaccagnini on each occasion that he took you through your personal tax returns?---That was a matter that was explained to Mr and Mrs Sidoti.

But you had to sign tax returns yourself, correct, on each of those years? ---That's correct.

You did not have any other income other than distributions from the Sidoti Family Trust. Correct?---No income.

40

So there would have been no cause for you to complete a tax return but for the fact of there being these distributions. Correct?---Correct.

So you must have turned your mind to the fact that you were receiving some form of income that required you to complete a tax return?---Processes has always been the same.

That wasn't my question, Mrs Sidoti, my question was that you must have turned your mind to the fact that you had received income that required you

to complete a tax return.---Well, I'm aware now that my in-laws used this distribution as a tax minimisation so I am aware.

But you must have been aware at the time you were completing your own personal tax return that the reason why you were completing the tax return was because there was income that was recorded as being received by you?
---To be honest with you, we just went through the returns and I signed.

10 THE COMMISSIONER: Sorry, I can't hear you.---Sorry. To be honest, we just went through the returns and I signed.

MR RANKEN: You didn't even question why you were completing a tax return at all given that you didn't receive any independent income?---I trust my accountant.

But were you not curious to know what the income was that you were apparently having to complete a tax return in respect of?---I trust Tony's capabilities in, I have full faith in him, so no, I didn't question.

20 THE COMMISSIONER: But as well as trusting him, you don't dispute that he went through the returns each year with you in particular - - -?---Oh, I don't dispute that I met with him.

- - - leave the others, to say, "This is a tax return for you," and then he would produce the return and go through it with you and ask you to sign it if you were happy to sign it?---Of course. I don't dispute that I met with him.

Sorry, don't dispute?---I do not dispute that I met with Tony.

30 And that he went through that process that I have just described?---We went through the, the process of signing, yes.

No, the process of him going through the tax return with you. When he got to you he would produce your tax return and he would go through the return and then if you were satisfied you would sign it?---My recollection is that the process has always been the same, Commissioner. He meets with my in-laws and they sit down and he goes through all the tax documents with them and I excuse myself to organise morning tea. After we have morning tea, then I will sit down with Tony, the process is the same, "Sandra, here's
40 your tax return. Follow the yellow tabs and sign here." He may have gone through something but I don't have a recollection.

Well, the effect of his evidence, as I recall it, is that that was his standard practice and - - -?---Yes, he did say that, generally he said, yes.

And you don't dispute that?---No, I don't dispute that.

Dispute his evidence, I mean. You don't dispute his evidence?---I don't dispute his evidence.

No, that's all right. I just want to clarify, that's all.---Okay, thank you,

MR RANKEN: Now, and in particular, the – sorry, I withdraw that. The amounts were, in fact, that I have taken you to were, in fact duly recorded in your personal income tax returns. Do you agree with that?---I agree.

10 And just so we can perhaps confine the period a little bit. Your husband was appointed as a parliamentary secretary in October of 2014. Does that accord with your recollection.---Yeah. I accept that.

And at a later point he was in fact appointed a minister?---Yes.

He changed his roles as parliamentary secretary a couple of times, I think, before he was appointed a minister?---Yes.

20 But upon his being appointed a parliamentary secretary, did he discuss with you the need for him to disclose details of income that you received from that time?---No.

So did you have any discussions with him at all as to what that might mean as far as disclosure of financial details?---No. Disclosures were a matter for John and what he did in his workplace.

I just wanted to clarify. So you didn't have any conversations with him about that?---No, no.

30 He didn't indicate to you that, "Look, now I'm parliamentary secretary, I've got to disclose a little bit more information, including any income that you've got, or you've been receiving"?---No, no.

And as you say, your only source of income in the years following his appointment as a parliamentary secretary in October of 2014 was the trust, the Sidoti Family Trust?---The disbursements that Tony made.

Well, the distributions.---I'm not sure. Oh, the distributions, sorry. Yeah.

40 And is it your understanding that generally the practice had been to provide those distributions in a way that would not trigger any tax liability or any significant tax liability in your part?---I was aware that they were – excuse me – tax minimisations for my in-laws.

Were you aware also that the distributions were effectively recorded as journal entries and you didn't actually receive any money for example in any bank account that you had control over?---I'm aware from this evidence last week.

But you also never received actual money in a bank account - - -?---No, I've never received.

- - - as a result of these distributions. Correct?---Correct.

And when I say bank account, a bank account over which you exercised any control?---That's right.

10 And you certainly didn't receive the money or any part of the moneys by way of cash or anything of that nature.---Absolutely not.

But nevertheless you were required to lodge tax returns in each of those years notifying the Tax Office of the fact of that income. Correct?---Yes.

Now, just dealing with the year ended 2016. The position in that year was a little bit different to the previous years because of the amount of the distribution that was made to you, being \$720,000. Correct?---Correct.

20 Now, we've heard some evidence from Mr Zaccagnini that that money was the distribution, or was as a result of the sale of a property at Andrew Street, West Ryde which resulted in a significant capital gain. You know that - - - ?---I, yeah, I agree.

You're agreeing with that evidence?---Yes.

And you were aware of the sale of that property in 2016.---Yes.

30 And that that generated quite a significant capital gain that then needed to be distributed in a way to minimise tax.---I suppose so.

As part of that though, \$720,000 being distributed to you was a significant tax liability associated with that.---I don't know.

You just don't know.---No, I don't know.

Did you have any conversations with your husband about the fact of this significant distribution that was being recorded on your tax return?
---Absolutely not.

40

None whatsoever.---No.

Of such a significant amount.---I was actually unaware of that amount.

You were unaware of the distribution of that amount or - - -?---Yes.

- - - of how it was recorded on your tax return?---Yes.

If we could perhaps go to page 2577 of the disclosure brief. Now, do you see here it indicates in the supplementary section this is for your individual tax return for 2016, that it identifies income from capital gain?---Ah hmm.

And it indicates a total current year capital gain of \$720,000 but a net gain of \$360,000.---Yes.

And so the supplementary total section income was \$360,000 on your tax return.---Okay.

10

And you say that you didn't have any conversation whatsoever with your husband about this amount and this figure being included on your tax return.---No.

Did you have any conversations with your husband about any of your tax returns over the years ended 30 June, 2015, 2016, 2017 and 2018?---No. John was, wasn't present for hardly any of those meetings with the accountant.

20 I didn't ask whether he was - - -

THE COMMISSIONER: Did your husband ever discuss with you at any point in time whether he in any office he held, whether it be parliamentary secretary or minister, was obliged to disclose the income of a spouse?---I was unaware.

30 My question was whether he ever discussed that with you, that once he took up a position, I'm talking here about parliamentary secretary of one kind or another and as a minister, that he was under an obligation to disclose not only any income he had apart from his salary as a member of parliament but other income and income of a spouse. Did he ever discuss that with you? ---I'm sorry, I have no recollection of that. Thank you.

MR RANKEN: He never sought to check with you whether or not you had recorded any income on your tax return?---I don't recall, no.

Now, you said that your husband wasn't present for many of these meetings with Mr Zaccagnini.---Yeah.

40 What was the process then as far as the completion of his tax returns? Were they left with you to take to your husband?---Yes.

And did Mr Zaccagnini provide you with any instructions in respect of that?---Take them home and get John to sign them.

Was there any covering letter that Mr Zaccagnini would provide with it? ---Mmm, not that I'm aware.

And so, what, did you just take them, did you take the tax returns home and did they have yellow flags on them for perhaps indicating where your husband was to sign, correct?---Correct.

And you just provided the tax returns and what, told him that, “Tony’s said you need to sign these, and then it can be lodged,” is that the way it worked?
---Yeah, yes, it was - - -

10 And then did you attend to the lodging of them by returning them to Mr Zaccagnini?---I’d send them in an overnight express.

To Mr Zaccagnini, is that correct?---Correct. Yes.

And then, to your knowledge, he would actually lodge them on behalf of yourself and your husband?---Correct.

Just one moment. Yes, thank you. They are my only further questions that I wish to ask of Mrs Sidoti.

20

THE COMMISSIONER: Yes, thank you. Mr Neil, do you want to ask any?

MR NEIL: Yes, briefly, thank you, Commissioner, if you would allow.

THE COMMISSIONER: Yes, I grant leave.

MR NEIL: Thank you. Were you ever aware that there was shown in one of your tax returns a distribution of capital gain in the amount of \$720,000?
30 ---I was not aware.

Were you ever – if an amount of \$720,000 had ever been credited to your bank account, would you expect to have known about it?---I would hope so.

And did you ever have any knowledge of such a matter?---Absolutely not.

And when you had meetings with the accountant regarding your tax return, did you read the tax returns?---No.

40 Does that mean you actually signed them without reading them?---Yes.

THE COMMISSIONER: Why did you not read them? Did you consider it not necessary to read them?---I left it in the hands of the accountant, and I just - - -

Well, were you – I think you’ve said acted on the basis that Mr Zaccagnini told you, when it came to your returns, he went through the returns.---Yes.

And then he would ask you to sign them. And was it because he went through the documents and explained them that you didn't see it necessary to physically yourself read through the documents, is that the reason you didn't read the returns?---No, I don't have a recollection of him thoroughly going through the returns, that's my answer.

Well, I think you said you don't dispute his evidence to the effect that he – that was his practice.---I may have misunderstood Mr Ranken.

10

Sorry?---Sorry, I may have misunderstood Mr Ranken when I said that.

Let me just clarify it then. You know Mr Zaccagnini said it was his standard practice with a client to go through the returns.---Yes, he did say that.

So that they, explain it.---Yes.

And then they would sign it if they were happy to sign.---Yes. Yes.

20

And that was the process with yourself, so far as when it came to your tax returns, is that right?---As I explained earlier, that was the process he did with my in-laws.

No, no, please. I'm not talking about the in-laws. I'm talking about you. You understand that, don't you?---Yes, I do understand.

30

Well, let's just stay with that. His evidence was that his standard practice was, as I've stated, he'd produce the return, he'd go through it with you, and he would then ask you to sign it, unless you didn't want to sign it. Is that right? That was the practice. Do you agree with - - -?---If he went through the documents, they were very brief.

I'm sorry? He what?---If he had gone through the documents, it must have been very quick and brief, because I don't have a recollection of sitting there and going through step by step. It was a matter of, "Sandra, here's your tax returns, it's ready to sign," and we'd follow the yellow labels, and I'd sign. He would have explained everything he had to explain to my in-laws. It was for their tax minimisation.

40

No I'm not talking about your in-laws, you keep going back to your in-laws. ---Yes.

You understand the discussion thus far - - -?---Yes, sir.

- - - has not been focused on your in-laws but you.---Yes.

So please stay with that if you – otherwise it gets confused.---Okay.

I'll go back over it once more.---Okay.

You trust Mr Zaccagnini, don't you?---Yes, I do.

Been your accountant and the family's accountant for many, many years.
---Over 27 years.

10 He's given evidence that his standard practice was he would produce the return, he would go through it and get you to sign it, unless you didn't want to sign it, but that on his evidence never arose. Do you agree that that was his practice before you signed the returns? That's point 1.---Okay. I would agree that he did go through the documents, putting my in-laws aside.

With you. We're talking about you.---Yes, it was very, very basic.

20 All right. But you don't dispute that he did go through the returns each year that he would attend for you to, when you had to lodge a - - -?---No, I don't dispute that.

When you had to place a return for the ATO. He'd produce the documents, the return.---Yes, he did.

He'd go through it and then you would sign it. That was the practice, wasn't it, each year?---Yes. It was a very quick process, but yes.

30 And what I'm seeking to ask you to explain, why you didn't even bother to read the document in answer to Mr Neil's question, and was that because you'd already received some explanation from Mr Zaccagnini as to what was in the document and you didn't feel it was necessary to physically read it yourself. Is that the explanation?---No, it's not the explanation.

Well, why would you sign a document if you didn't have any idea what was in it?---Because I've been doing the same thing for 27 years and I trust him.

And you trusted him.---Yes.

And you trusted him.---Yes, sir.

40 All right. So after he having gone through the return, you say quickly - - -?
---Yes.

- - - you were prepared and satisfied to proceed to sign the returns each year that you did sign a return.---Yes, sir.

All right. Thank you. Mr Neil.

MR NEIL: Thank you. Could you just explain what actually happened by way of what you've said Mr Zaccagnini went through the document.---Yes.

What actually happened by way of going through the document?---Yes, okay. So I'll just give you a quick step-by-step. We meet at least once or twice a year at my, my mother-in-law's home and we sit and he - - -

No, I'm just asking about what happened - - -?---Yes.

10

- - - by way of him, as you've described it, going through your tax returns with you.---Yes. Okay. We sit at the table and he says, "Sandra, it's time to sign your documents. Here are your tax returns." We go step-by-step at each yellow label, I look for my name and I sign.

All right. And - - -

THE COMMISSIONER: Could I just clarify. In the course of that process, before you signed it, he went through the document with you? Is that right? ---Very briefly, yes, briefly.

20

But nonetheless he did go through it.---Not step-by-step, but briefly.

Yes, Mr Neil.

MR NEIL: Now, you've said you were not aware of receiving any distribution of \$720,000 into your bank account. Were you, to your knowledge did you ever receive a sum of \$22,000 in a bank account in the year or following the year 2013?---I did not receive that.

30

Did you ever receive such a sum in respect of the year 2014?---I did not receive.

Did you ever receive such a sum in respect of the year 2015?---I did not receive.

Did you ever receive a sum of \$36,999 in respect of the year 2017?---I did not receive.

40

Did you ever receive a sum of \$67,000 in respect of the year 2018?---I did not receive.

Thank you, Commissioner.

THE COMMISSIONER: Thank you, Mr Neil. Anything?

MR RANKEN: Yes, Commissioner, there's a matter that perhaps I ought to have raised in examination-in-chief that I would seek to raise.

THE COMMISSIONER: Yes, I grant leave.

MR RANKEN: And it concerns a document that has been brought to my attention.

THE COMMISSIONER: All right. Subject to Mr Neil wanting to – this is new matter, is it?

10 MR RANKEN: It is, but it is related. Just dealing with the occasion in the financial year ended 30 June, 2016, which involved the distribution of the \$720,000 recorded in your tax return as a net capital gain I think of \$360,000 in terms of the income that was recorded on your tax return. Correct?---Okay.

We took you to that?---Yes, you did.

Now, as a result of that, do you recall that you and your husband had to pay, there was a tax bill to pay, in respect of it, there was an assessment that was
20 done by the Taxation Department?---Okay. We pay a tax bill every year, so

But there was tax that was payable, and Mr Zaccagnini wrote to you and your husband advising you of the amount that was due and payable in respect of that tax assessment?---I don't recall.

Well, could I suggest to you that the amount that was set to be payable in respect of you and your income was an amount of \$146,904.45. Do you recall receiving a tax bill in that amount?---No.
30

Because that's a significant amount of money to be paying the Tax Office, isn't it, you would agree?---Yes.

So, it would be, would you agree, far in excess of any amount of tax that you and your husband had to pay prior to that time?---Yes.

And would it no doubt have sparked in your mind some questions if you had no idea about the fact that you had received any income that could generate such a tax bill?---I actually have no recollection of receiving any letter from
40 Tony.

Any letter whatsoever?---No.

Is it likely that if you did receive a letter, that is you and your husband received a letter, from Mr Zaccagnini that indicated a tax bill of in excess of \$140,000 that was payable, that that would have been the subject of some discussion between you and your husband?---I would have questioned that.

Well, I wonder if we could bring up a document. See, this is a letter from Mr Zaccagnini, addressed to you and your husband, apparently at your address in Drummoyne and it says, "We enclose herewith your notices of assessment for the year ended 30 June, 2016, issued by the Australian Taxation Office. We have checked the assessment and found it to be correct. They are due for payment on 21 March, 2017." And do you see that recorded next to your name is an amount of \$146,904.45?---Okay.

10 And do you simply say that you don't recall receiving this letter at all?
---Yes.

And do you say that you had no conversation with your husband about the fact that you needed to pay an amount of \$146,904?---I had no conversation with him.

You had no conversation with him about that?---No. Because I hadn't seen this document.

20 Do you know how the money was paid?---I would assume it would be Mr and Mrs Sidoti.

Well, someone would need to have referred it to Mr and Mrs Catherine and Richard Sidoti, wouldn't they?---I think you should ask Tony because I can't answer this question.

Because you say you never saw this letter and you had no knowledge of it whatsoever?---I have no knowledge of this letter.

30 Yes, thank you. That was the further matter I wanted to ask. Just one moment.

THE COMMISSIONER: The property sold, was it Andrew Street, was it?
---Sorry?

Where was the property that was sold?---In Ryde or West Ryde, I think.

What was the street?---Andrew Street.

40 And what was the property?---My in-laws owned villa homes, I think they were. Yeah.

Were there villa homes at that address?---Villa homes, yes.

And that's what was sold?---Yes, yes.

When you say villa homes, you mean villa units?---Well, they're single.

Single units?---Yeah, yeah.

All right. Thank you.

MR RANKEN: Yes. And I should perhaps tender that letter dated 27 January, 2017.

THE COMMISSIONER: Very well. The letter from Mr Zaccagnini to Mr and Mrs Sidoti, 27 January, 2017, will become Exhibit 36.

10

#EXH-036 – LETTER FROM BTC (ACCOUNTANTS + BUSINESS ADVISORS) TO JOHN AND SANDRA SIDOTI RE NOTICE OF ASSESSMENT FOR THE YEAR ENDED 30 JUNE 2016 DATED 27 JANUARY 2017

MR RANKEN: Thank you, Commissioner.

THE COMMISSIONER: Mr Neil, do you have any questions?

20

MR NEIL: Very briefly, thank you, Commissioner. Mrs Sidoti, you've just given evidence that you were not aware of the letter of 27 January, 2017, which is now Exhibit 36. You've given that evidence, correct?---Yes.

Were you ever aware as to whether the amount of \$140,000 was ever paid by anybody?---No.

You have no knowledge one way or the other?---No.

30 Did you ever pay such a sum of money?---No.

And is it your evidence that you never saw the letter?---Correct.

Yes, thank you.

MR RANKEN: Nothing arising.

THE COMMISSIONER: Thank you, Mrs Sidoti. You are excused.
---Thank you, Commissioner.

40

THE WITNESS EXCUSED

[10.45am]

MR RANKEN: I call John Sidoti.

THE COMMISSIONER: Yes. Good morning, Mr Sidoti.

MR SIDOTI: Good morning.

THE COMMISSIONER: Do you take an oath, or – yes, I'll have my associate administer the oath.

THE COMMISSIONER: Thank you, Mr Sidoti. Take a seat.

MR NEIL: Commissioner, could I indicate that Mr Sidoti would take the objection under the Act.

THE COMMISSIONER: Yes, very well. Thank you, Mr Neil.

10

MR NEIL: Thank you.

THE COMMISSIONER: Mr Sidoti, the provisions have been explained to you, no doubt, concerning section 38 and the taking of evidence on objection. You are generally aware of those provisions, is that right?---I am.

You understand that if a declaration is made a witness is still required to answer all questions truthfully.---Yes.

20

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

30

DIRECTION AS TO OBJECTIONS BY WITNESS: PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THE WITNESS, MR JOHN SIDOTI, AND ALL DOCUMENTS OR THINGS THAT MAY BE PRODUCED BY HIM DURING THE COURSE OF HIS EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION. ACCORDINGLY, THERE IS NO NEED FOR MR SIDOTI TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.

40

THE COMMISSIONER: Yes, Mr Ranken.

MR RANKEN: Thank you. What is your full name?---Mr Anthony John Sidoti.

But you are usually known by your middle name John, is that correct?
---Correct.

And what is your occupation?---Member of parliament.

And have you been a member of parliament since 2011?---Correct.

And you represent the seat of Drummoyne, is that correct?---Yes.

And you are a member of the Liberal Party?---Yes.

10 When did you first join the Liberal Party?---I first joined as a Young Liberal, so oh, 35 years ago.

But you don't remember the exact date, is that the position?---Nah.

And initially were you a member of a branch of the Young Liberals?---Yes, it was the Drummoyne branch of the Young Liberals.

And have you subsequently become a member of the Drummoyne branch proper?---Yeah, about 15, 16 years ago.

20

And prior to entering New South Wales Parliament, did you hold any public office?---I did.

And was that as a councillor with the Burwood Local Council?---Yes.

When were you elected to the Burwood Local Council?---In 2008.

And was that the first time you occupied any elected position?---Yes.

30 And did you subsequently become the Mayor of Burwood?---Yes.

And when was that?---From memory, it was 2010 and 2011.

And so did you leave that position in order to run for New South Wales Parliament, in the seat of Drummoyne?---I did. Correct.

Now, your parents are, your father's name is Richard Sidoti, is that correct? ---Yes, known as Richard.

40 And your mother is I think Caterina Sidoti, known as Catherine, is that right?---Correct.

Sorry, I said Richard, he's known as Richard, but what is his actual name? ---Diego.

Diego. And each of your parents, were they born in Italy?---Yes.

But subsequently migrated to Australia, do you remember what – do you know what year? Obviously you wouldn't remember what year, but do you know what year?---No, I don't.

Were you in fact born in Australia?---Yes.

And you have a sister, Lisa Andersen, is that correct?---Yes.

And was Lisa born in Australia?---Yes.

10

Although your parents were born in Italy, are they conversant in the English language?---Mum is. Dad not as much.

But your mum speaks fluent English.---She does. She's the matriarch of the family.

And she is able to understand the English language.---Yes.

20

And just then dealing with your parliamentary career, firstly, since you were elected to the New South Wales Parliament have you held any other positions other than as the Member for Drummoyne?---Yes.

And did you commence as a parliamentary secretary from October 2014 to March 2015 in respect of planning?---That sounds correct, yes.

Was there then a period when you weren't a parliamentary secretary between March 2015 and August 2015?---Sorry, what were those dates again?

30

October 2015 you became the Parliamentary Secretary for Planning. Is that correct?---It sounds correct.

And in August 2015 did you become the Parliamentary Secretary for Roads and Transport?---Yes.

40

Was there a period between March 2015 and August 2015 when you weren't a parliamentary secretary for either Planning or Roads and Transport or were you a Parliamentary Secretary for Planning right up to the point where you were appointed as a Parliamentary Secretary for Roads and Transport?---I can't be sure. My, my, my, my recollection is that they were continuous.

Your recollection is that it was continuous. And did you remain as the Parliamentary Secretary for Roads and Transport continuously up to April 2019?---Yes.

And in April 2019 were you appointed the Minister for Sport, Multiculturalism, Seniors and Veterans?---Before that Roads and Transport

there was something tacked onto there, Mineral Resources and Energy from memory.

So at some point during your period as the Parliamentary Secretary for Roads and Transport, you took on responsibilities as also being the Parliamentary Secretary for Minerals and - - -?---Mineral Resources and Energy from memory, yeah.

10 Mineral Resources and Energy. But that was as part of - - -?---The Roads and Transport.

- - - the Roads and Transport.---Is an additional role.

Again you performed those duties up to April 2019, after which you were appointed the Minister for Sport, Multiculturalism, Seniors and Veterans. Is that right?---It sounds correct, yeah.

20 And I think you resigned from that position in September 2019 as a result of allegations that were raised in parliament and referred to this Commission. Is that right?---Correct.

Now, when you were first elected to the Burwood Local Council, was Mr Joseph Tannous your campaign manager?---Yes.

And was it the case though that he wasn't just your campaign manager but he was managing the campaigns for the Liberal ticket as it were for the Burwood Council or was he strictly your campaign manager?---No, it's for the whole campaign.

30 In 2011 when you ran for the seat of Drummoyne was he also your campaign manager?---He was.

On that occasion was he exclusively your campaign manager as in he wasn't managing the campaigns of other candidates?---Well, in 2011 there was a campaign office in Five Dock and that had three other candidates in there.

For other seats. Is that correct?---Correct.

40 Other state seats.---Correct.

And what were those other state seats?---Balmain from memory was one, Drummoyne, Strathfield. There may have been one other.

And was Mr Tannous responsible for managing the campaigns of all of the candidates that were operating out of the campaign office in Five Dock?---I don't, I don't recall but I'm definitely sure he was managing my campaign.

He was definitely managing yours. And was that campaign office what is now your electoral office at 128 Great North Road?---No.

Was it a different office?---Across the road a little bit further up.

Was it a larger office?---Not particularly. He was just pooling resources for multiple candidates.

10 And so from the time of your election to the New South Wales Parliament in 2011, has your electoral office been the office at 128 Great North Road? ---Yes.

And did that arrangement start upon you taking up your position in parliament?---Yes.

Now, since you resigned from your position as the Minister for Sport, Multiculturalism, Seniors and Veterans, have you held any other positions in the New South Wales Government?---No.

20 And when you first entered New South Wales Parliament, did you have a personal email address?---Yes, the family email address at home.

And that's an address of sandrasidoti@[REDACTED] Is that the address? ---Yes.

And you said that that was a family address. Does that mean that it was an address that was used not only by yourself but also by your wife?---Yes.

30 And was that associated with a computer, a particular computer?---Yes.

And was that computer located upstairs in your house?---Yes.

And I'm talking about your house in Drummoyne. Is that right?---Correct.

And that is the only computer that is used in respect of that email address. Is that correct?---Now or back then?

40 Back then.---Yeah, I assume, that's the only one in the house. The children have their own laptops.

Yes, they have their own laptops and their own email addresses. Is that right?---Yeah, I assume so, yes.

It's only you and your wife really that use the sandrasidoti@[REDACTED] email address. Is that right?---Correct.

And when you and your wife use it, it's only from the computer upstairs at your house?---Yes.

Thank you. You don't have it linked to any smartphone or any tablet?---No.

And to your knowledge, your wife doesn't either?---No.

When you entered, or first entered parliament, were you issued with parliamentary email addresses?---For the electoral offices, yes.

10 And was that an electoral office – sorry, I withdraw that. Was that an email address that was drummoyne@[REDACTED]?---Yes.

And that was your electoral office email address.---Yeah, for, for constituent enquiries or emails.

And was that associated with computers that were located in your electoral office or was it also linked to other computers and devices that you had?
---So it was linked to all the office as well as my iPhone, but it may initially have been a different type of phone. I remember there was some earlier model.

20

A different type of smartphone you mean?---I don't even think they were smartphones back then, but anyway.

Now, Mr Sidoti, you said that that was, it was linked to the office and your iPhone. Does that mean obviously you had a computer in your office?
---Yes.

As in your electoral office at 128 Great North Road.---Correct.

30 Was it also linked to any computer at an office that you may have had at Parliament House?---Yes.

So when you first joined parliament you had an office at Parliament House and the electoral office. Is that correct?---Yes.

And the drummoyne@[REDACTED] email address was linked to both of those, or computers that you used at both of those addresses. Is that correct?---That's correct.

40 And did other staff members have access to the drummoyne@[REDACTED] email address?---Yes.

And were you also issued with another email address that comprised your name and @[REDACTED]?---Yes.

And was that email address linked to any particular computers or devices?
---It was. I've given evidence of this before but it's actually slightly changed since then.

When you say since then, since you previously gave evidence about this?
---Correct.

10 But let's just deal with when you first entered parliament and let's just perhaps confine ourselves up to, for the sake of argument, up to the end of 2017. Between you entering parliament after the election in March 2011 and the end of 2017, was the john.sidoti@[REDACTED] address linked to a particular computer in a particular office?---Yes, that's linked to my office, in my electoral office but I could also access it via my parliamentary office. So, just emails to john.sidoti without any staff seeing that, pretty much.

So no other staff were privy to the communications to and from that email address, is that right?---Yeah. That's my understanding, yes.

But you were able to access it at both the electoral office and also your office in Parliament House?---Yes.

20 And did you also have access to that email address on your iPhone or less-than-smart phone?---Yes, and that's where the problem arises.

There was a problem arising as a result of the fact that you had the two email addresses, is that right?---Well, I only ever wanted one but apparently you couldn't, you had to have both, and I found it confusing but I've realised subsequently that whenever I send anything from it, and so if I respond to a constituent enquiry by my phone, it goes via john.sidoti and my staff don't see it, and hence I have to either CC them in or – and I didn't realise that for quite a while.

30 So I think that you're suggesting, is it, is that if someone had emailed the drummoyne@[REDACTED] address, and you were to respond to that query, that response would not be sent from the drummoyne@[REDACTED] address but rather from the john.sidoti@[REDACTED]?---Correct. And hence my staff not seeing it.

And the problem was caused because staff were not then aware of what communications you'd had with constituents, is that the issue?---Correct.

40 And did you have occasion to speak with staff about that at some stage?
---Oh, yes, I, I would've. I can't remember a date but, yes, I would've.

When you say you can't recall a date, was it sometime in your first term as a parliamentarian?---Yes, yes.

So, does that mean that from some stage during the period between 2011 and 2015 the problem was identified?---It was.

And did you put in arrangements at some stage to ensure that there was a delineation between the use of your john.sidoti@[REDACTED] address and your drummoyne@[REDACTED] address?---I, I don't think there was a technical way you could do it other than when I responded by my phone to anything, just CC or blind copy the staff in, so we don't respond to a constituent twice or, twice or not respond at all.

10 So, at some stage that was the approach you did, you made sure that in any response to something that had been received by the Drummoyne email address, to save me from saying the entirety of it, you would make sure that you copied it to a staff member?---Correct.

If it concerned a constituent matter?---If it was a response via my phone.

And if you were responding via your phone?---Yes.

So do we take it that the problem didn't arise when you were responding via your computers?---Correct.

20 Now, those email addresses, though, that we've just spoke about, the Drummoyne and john.sidoti@[REDACTED] email addresses, were email addresses that were issued to you by the New South Wales State Parliament upon you becoming a member of the parliament, correct?---That's my understanding.

And for your use in the course of performing your duties as a member of State Parliament, correct?---Yes.

30 And just if we could stick with technology for a little while longer. Your parents, do they have computers at their home?---They do.

And do they have email addresses?---They have one email address, yes.

And back in 2011, when you were first elected to parliament, did they have a computer and email?---Well, possibly a computer. I'm not sure about an email that far back.

40 But since that time, sometime between 2011 and the present, they have obtained an email address.---Yes.

And when I say "they" - - -?---Mum.

- - - is it both of your parents who have an email address?---Mum. Dad wouldn't. He's not computer literate at all.

So your father isn't computer literate at all, but your mother does have some computer literacy, is that the case?---Yes.

And are you able to assist us with the extent of your mother's computer literacy as best you can?---I'd say pretty ordinary, and she's always calling her grandsons to come and help her.

When you say pretty ordinary, just if we can try and think about the kinds of things that your mother is able to do on a computer, is she able to send and receive emails?---Yes.

10 Is she able to compile Word documents?---Oh, I don't think so, no.

Is she able to or does she use Facebook, or social media?---She's got it, but how – if she uses it, I'm not sure.

But generally, there's – often she seeks the assistance of your children to navigate how to do things on the computer, is that right?---She wouldn't be able to do it on her own.

20 And would she also occasionally forward emails that she might receive to you at your, at the sandrasidoti@[REDACTED] email address for documents to be printed out and the like, or to your wife to do that?---Mmm, oh, it's possible. I'm not sure.

You don't have a recollection of your mother ever doing that?---Not a specific recollection, no.

Is it fair to say that you don't communicate regularly with your mother using things like email or Facebook?---Yeah, that'd be correct.

30 Is the majority of your communications with your parents done by way of telephone calls or actually - - -?---Face to face.

Face to face.---Yes.

Your parents live within the Drummoyne electorate, is that correct?
---They do.

Do they live in Chiswick, or some, an address in Chiswick?---Yes.

40 And have they lived in Chiswick for some time?---Since around 1980.

So you spent at least part of your formative years as a youth in the house at Chiswick.---Yes.

And your parents, what are their ages?---Now? Mum's 75 and dad I think is 83.

Now, they are both retired, is that the case?---Yes.

And when did they retire?---They retired in 2008.

And prior to their retirement in 2008, what did they do?---They ran the function centre in Five Dock. They were both the chefs.

And was that the function centre at 120 Great North Road?---Correct.

10 And did they commence the business at the function centre in 120 Great North Road in about 1992?---That was just an ongoing concern, yes, and continued it.

So it was an existing business of a function centre being operated from those premise at 120 Great North Road in 1992 that they purchased?---Yes.

And did they also purchase the property itself at that time, 1992?---Yes.

And from that time until 2008, did they continue running the business as an ongoing concern as a function centre, is that correct?---Yes.

20 And did both you and your wife work in that business for a period?---Yes.

And from when did you and your wife work in that business till when?
---From the time they purchased till the time they sold, I think it was '92 to 2008. Might have even been '94. I think it was '92.

And over that period did you ever have any other source of income or any other work that you did?---No.

30 And is this the position, following the sale of the business – sorry, perhaps I jumped ahead. In 2008 when they retired, did they sell the business?---Yes.

But did they retain the property from which the business was run?---Yes.

And thereafter have there been a series of different businesses that have operated from 120 Great North Road?---There was a five by five-year lease for, for a function centre, and then at the end of that period it was a short-term lease to a church group.

40 And is that lease still ongoing at the present time?---Yes.

And when you say it's a short-term lease, is it, what, a month-to-month or something - - -?---It was on the understanding it was three years, I think. It was two and half years or something like that.

And when does that expire?---This year in July, June or July this year.

Now, is this the position, that when your parents sold the business in 2008 but retained the property obviously, that was the point at which you actually were elected to the Burwood Local Council?---Yes.

And from 2008 were you paid as an elected member of the Burwood Local Council?---Yes. As a councillor and then as a mayor, and there's a, there's a difference between the two.

10 There's an additional stipend, as it were, is that right?---Correct.

And was that your only source of income from 2008 until you entered State Parliament in 2011?---It was my only form of income, yes.

Can I ask you then about the property at 120 Great North Road and a company known as Deveme Pty Ltd. You are aware of a company by that name, correct?---Yes.

20 And when did you first become aware that there such a company?---I can't point to a date but a long time. It was something that my mother always spoke about.

Were you aware of it at the time the business and property at 120 Great North Road was purchased?---Yes.

And did you have some understanding that Deveme Pty Ltd was the entity that in fact purchased the property and the business?---I may have but I would have been uninterested at that age.

30 But did you, that's as at 1992, at some time did you become more involved in the business of the function centre than simply just being an employee? ---No, I held the same position. I was the MC, interviewer, manager from 1992 right to the end.

So, you did occupy a position of management?---Yes.

Managing the centre. But your parents, you said they were the chefs in the business.---Correct.

40 But were they also actively involved in the management of the business with you?---No. My, my wife and I were the front for the business and they were back, back of house. It was a family-run business.

I understand that, but the management of the business includes dealing with the financial aspects of the business, correct?---Ah hmm.

And dealing with the accountants and things like that, were they things that you and your wife attended to or your - - -?---No, the accountant did that.

So when you're talking about managing of the business, you're just talking about the day-to-day running of the front of house of the business, correct?
---The functions, yes.

But as to what was happening with the finances of the business, that was something left to your parents. Is that what you're saying?---Well, my wife would just do the banking and then the accountant would have the figures at the end of the year and do, work out what he had to do.

10 But you weren't involved in dealing with any of the financial statements that were prepared for the business or anything of that nature. Is that what you're saying?---No.

To your knowledge was that something that was done between Mr Zaccagnini and your parents?---Yes.

Were you aware that Deveme Pty Ltd was the trustee of the discretionary trust known as the Sidoti Family Trust?---I was unclear but I had heard, yes.

20 When did you first find out about the Sidoti Family Trust?---I'm not sure.

Is it likely that you found out sometime during the course of your time with the function centre between '92 and 2008?---Yeah, it's possible, yes.

And did you understand that you and your sister and your wife fell within the definition of general beneficiaries under the trust?---No.

30 Are you saying that you did not know that you are a beneficiary under the Sidoti Family Trust?---That's correct.

Have you since found out that you are a beneficiary under the Sidoti Family Trust?---Yes.

When did you first find out that?---Beneficiary or a trustee?

No, beneficiary.---Beneficiary, 2019.

40 Do you have some understanding that you are in fact a trustee of the Sidoti Family Trust?---I found out about that as well.

Of the Sidoti Family Trust?---A trustee?

Yes.---Of the Sidoti Family Trust, yes.

When were you a trustee of the Sidoti Family Trust?---2017 I found out.

I think we might be confusing things.---Am I confusing things?

In addition to the Sidoti Family Trust there was a superannuation fund that was established in 1992 known as the Deveme Pty Ltd Superannuation Fund.---Sorry, I've confused the two, yes.

And is this the case, that you've confused the two in that you are aware now that you were a trustee for a period of the Deveme Pty Ltd Superannuation Fund?---I'm aware now, yes.

10 But you say that you first became aware that you were a trustee of that superannuation fund in 2017?---Correct.

And had no knowledge that you were ever a trustee before then?---No.

You do not recall ever agreeing to an appointment as being a trustee?---No.

You do not recall ever undertaking any tasks in your capacity as a trustee?---No.

20 Do you say you never actually attended to anything in relation to acting as a trustee on behalf of the superannuation fund?---Correct, other than signing.

Other than signing. So you do recognise that you signed documents in your capacity as a trustee of the superannuation fund. Is that the case?---I have as a result of this inquiry.

But you say when you signed documents in your capacity as a trustee of the superannuation fund you had no knowledge that that's what you were doing.---Sorry, sorry, Mr Ranken, can you say that again?

30 Are you saying that – I'll break it down. You've just told us that as a result of this inquiry you have found out that you executed or signed documents in your capacity as a trustee of the superannuation fund.---Yes.

Does that mean that at the time you actually signed those documents you say you had no knowledge of the fact that you were doing so in your capacity as a trustee?---Correct.

40 THE COMMISSIONER: Why do you think you were signing the documents?---My tax returns. I thought they were my tax returns.

Thought they were your tax returns. That is, documents associated with the superannuation fund that were provided by the accountant for your signature you say you thought you were signing your own personal income tax returns?---Well, I've been signing them since 1992.

But is that what you're saying?---Yes. I've been signing the same document since 1992. I had no reason to believe they were any different.

Just believing that they were your personal income tax returns.---Well, I don't know what I believed in to be honest with you. I just was signing what I was required to sign to, to move on.

Well, you would have looked at the documents presumably to see what they were, at least on their face, wouldn't you?---Prior to entering parliament I was employed by my parents so I just thought it was my role as a son, as an employee.

10 MR RANKEN: Are you saying that the only documents you are aware of having signed in your capacity as a trustee are documents relating to the tax returns for the fund?---No, that's not what I said. I'm, any documents I have signed would have been related to the business or me, as my employment at the time.

What about after you entered parliament? Do you recall signing documents in your capacity as the trustee, as a trustee of the superannuation fund after you'd entered parliament?---No, I didn't, I didn't recall, the first time I recall being associated with the trust and, and brought to my attention was
20 in 2017.

But have you come to be aware that you signed documents whilst you were a member of parliament, you signed documents but in your capacity as a trustee of the superannuation fund?---Yes.

And do you say that at the time you signed those documents, you weren't aware that you were in fact a trustee of the superannuation fund?---Yes.

30 And that you weren't aware of the fact that you were signing those documents as a trustee of the superannuation fund.---Yes.

And so in respect of those documents, that is, documents you signed after you had ceased your employment with the function centre and were a member of parliament, but signed in your capacity as a trustee, what do you say as to what you believe you were doing when you signed those documents?---Oh, I just was signing whatever tax minimisation scheme was set up to do for the family.

40 That suggests that you're referring to having signed taxation records or financial records.---Mmm.

Are they the only documents you say you signed in your capacity as a trustee of the superannuation fund?---I'm not sure what I've signed, to be honest with you.

Okay, well, let's - - -

THE COMMISSIONER: When you became a member of parliament, did you become acutely aware that you had to be very careful as a member of parliament in relation to disclosure of income?---Yes.

And no doubt there was some induction process once you joined parliament whereby those sort of matters are addressed to the newcomers, is that right?
---I really don't recall.

10 In any event, you were acutely aware, once you became a member of parliament there was certain obligations on you to make sure that matters that had to be disclosed were attended to?---Yes.

MR RANKEN: And those matters included not only disclosure of income but also disclosure of assets?---Yes.

Disclosures of interest in property?---Yes.

20 And did you seek any advice as to the extent of your disclosure obligations when you first entered parliament?---I did.

And from whom did you seek that advice?---From my accountant.

Well, you were in the Commission, were you not, when Mr Zaccagnini gave his evidence?---Yes.

And do you recall that he gave evidence to the effect that you did not make any enquiries of him concerning your disclosure obligations when you entered parliament?---That's not correct.

30 You say he's mistaken?---Yes.

40 Well, what do you recall of the advice that he gave you in respect of your disclosure obligations?---Oh, I, I didn't think that – all I owned was my family home with my wife, and I'd made a phone call, I remember it vividly, in 2011, Tony, with regards to the set-up – and I didn't know what exactly the set-up was – with the trust and Deveme and all the rest of it. I've got certain obligations, make sure no income, I'm not involved in any sort of way that could get me into trouble, no, no, no, no, no. I remember vividly he said, "You're not in any position to make any decisions," and I went on my way.

So let's deal with a couple of things concerning Deveme Pty Ltd and the Deveme Pty Ltd Superannuation Fund. Are you aware that initially when the Deveme Pty Ltd Superannuation Fund was established that Deveme Pty Ltd was the trustee of that fund?---Possibly.

Have you come to be aware of that?---Yes.

So you're aware now, but whether or not you were aware at the time, you don't - - -?---I'm aware now but I'm still not fully aware of the entire set-up. It's confusing.

THE COMMISSIONER: You would have known over some years. Is that right?---Sorry?

10 Up to the present time, it's not something you've just recently found out, you were aware going back years, were you, that Devenne was the trustee of the superannuation fund?---I, the word trustee and beneficiary, I wouldn't know what it meant back then, to be honest with you.

MR RANKEN: When you say back then, you mean back in 1992?---Mmm.

But we take it, do we not, that you have, in the interim period between 1992 and – let's just deal with 1992 and 2000, by the year 2000 did you have an idea about what a trustee was?---No.

20 Or a beneficiary?---No.

When do you say you first became aware of these concepts of trustee and beneficiary?---Trustee I became aware of when, in 2017 when it was brought up in parliament, and I only became aware fully of the beneficiary factor when this Commission started and I got legal advice to look through all the documents and they explained that I had beneficial obligations and disclosures I had to make.

30 So is your evidence that prior to 2017 you did not have any understanding as to the concepts of a trustee and a beneficiary?---Correct.

So from the time you entered parliament in 2011 until 2017, you didn't have any understanding of those concepts?---Very broad.

THE COMMISSIONER: But in outline, what education have you had?---I - - -

So you went to school obviously.---Yeah, to year 12, and then I did a number of certificates in hospitality and catering at Ryde TAFE.

40 You completed those courses. Is that right?---I was two, two or three subjects short of a Diploma in Hospitality and Catering and then I started doing some part-time work.

Were you reasonably successful in undertaking those certificate courses? ---Yes.

Did you have to read and sit for exams and that sort of thing?---Yes.

Do assignments?---Yes.

MR RANKEN: In the time you've been a member of parliament have there been bills that have come before parliament for consideration that dealt with matters concerning trusts and trustees and beneficiaries and the kind?---No.

None?---In parliament?

10 In parliament. Any bills that - - -?---Not that I'm aware of, no.

So you never had to think of the concept of a trustee or a beneficiary in your time as a parliamentarian prior to 2017.---That's a fair statement.

And do you say that Mr Zaccagnini never ever gave you, never gave you any advice about any role you might have as a trustee?---I'm not, I'm, he may have but I, I don't recall it.

20 So there is a possibility that Mr Zaccagnini explained the concept of being a trustee to you at some stage.---It's possible.

Even if it did, it went in one ear and out the other. Is that the case?---Well, no, it would have been done many years ago when, when that happened and so it would have continued.

Well, would you have listened to Mr Zaccagnini when he was giving advice to you about what it meant to be a trustee?---I would listen, yes.

30 Because it would be important to take notice of advice that Mr Zaccagnini gave you. Correct?---Yes.

He was someone who had been a trusted advisor of your family for many years. Correct?---Yes.

And continues to be so?---Yes.

40 And do you recall that in 2000 it became necessary to make a change to the trustees of the Deveme Pty Ltd Staff Superannuation Fund?---I've become aware of, in, in recent years, looking back, but back then, no, I wouldn't have.

You had no awareness that in 2000 there was a need to change and replace Deveme Pty Ltd as the trustee of the superannuation fund?---No. I was just working in the function centre. I had no need to know all that. That wasn't my role.

You were working in the function centre. You understood that some of your, that your superannuation was being paid into a superannuation fund on your behalf?---Yes.

And you understood that the superannuation fund in which that money was being paid was the Deveme Pty Ltd Staff Superannuation Fund. Correct?
---I knew it was a requirement and it was going somewhere and I'd have to get it back at retirement age, so it wasn't in my mind.

Are you saying you didn't know the identity of the actual fund, whether it was - - -?---No, I heard the - - -

10 - - - Hostplus or whether it was Deveme Pty Ltd Superannuation - - -?---I had heard it was, I, I was aware that there was a self-managed from mum and dad.

So you knew that your parents had set up a self-managed superannuation fund?---Yes.

And that your superannuation payments were being paid into it. Correct?
---Yes.

20 So you did know that much.---Yeah. Yeah.

And in 2000 there were steps that were taken as a result of legislative requirements that all members of a superannuation fund that was being self-managed were to be trustees of that superannuation fund. Do you recall that happening?---21 years ago, no.

Well, in 2000 you and your wife and your parents all became members of the Deveme Pty Ltd Staff Superannuation Fund.---Yeah. I've known that in the last whenever but not the - - -

30 But you didn't know it at the time.---No. I don't recall that.

It was necessary for you to consent to being appointed as a trustee, was it not?---I've been shown documents that I've signed, yes.

So perhaps if we could bring up page 698 of the disclosure brief, please. So you can see this is a Deed of Change of Trustee for the Deveme Pty Ltd Staff Superannuation Fund. Do you see that?---Yes.

40 And it identifies the old trustee as well as the new trustee.---Yes.

And the new trustees are named as being your parents, yourself and your wife. Do you see that?---Yes.

And if we could go to page 702. That's the minutes of a meeting between the four trustees. Do you see that?---Yes.

Confirmed and signed by your father. Is that right?---Yes.

And it indicates that the four of you are present, that is your wife, yourself and your parents.---Yes.

And the date of it is 29 March, 2000. Do you see that?---2000, yes.

10 And do you see that it says it was “Resolved to accept the appointment as trustee of the Deveme Pty Ltd Superannuation Fund in accordance with the terms and conditions of that fund as set out in the deed and rules governing the conduct of the fund and to accept the transfer from the old trustee of any assets belonging to the Deveme Pty Ltd Staff Superannuation Fund and to execute any documentation as may be necessary to be held by the old trustee as bare nominee for the new trustee as provided in the deed of change of trustee and the rules of the fund.” Do you see that?---Yes.

20 So there was a meeting between the four of you at which this resolution was passed that effectively appointed or gave effect to the appointment of yourselves as trustee of the superannuation fund and to facilitate the transfer of any assets of that fund. Correct?---Yes.

And do you say – sorry, if we could go to page 703. Is that 703? Yes. This is dated the same date and it accepts the resignation of Deveme Pty Ltd as the trustee and facilitates effectively the appointment of the new trustees in accordance with the change of trustee deed.---Yes. I note the location and time is not filled out but, yes.

Well, are you saying that these are, is a false minute?---No.

30 You weren’t present though at this particular meeting. See it only says Richard Sidoti and Catherine Sidoti were present on that meeting.---I’m not sure.

And do you say that you had absolutely no knowledge, in the face of those minutes you had no knowledge that you were going to be appointed as a trustee of the superannuation fund?---No. I just, no.

40 Your evidence is that, notwithstanding those minutes that I’ve taken you to and the deed of trustee, you have no knowledge?---No, not back then. It’s nothing to do with parliament. I’m just doing what I would do as a son to fulfil the requirements for his parents’ tax arrangement.

Commissioner, I note the time. That’s a convenient time.

THE COMMISSIONER: It’s a convenient time. I’ll take the morning tea adjournment. I’ll adjourn.

SHORT ADJOURNMENT

[11.35am]

THE COMMISSIONER: Mr Ranken.

MR RANKEN: Yes, thank you, Commissioner. Now, moving forward a little to 2007, if we could bring up page 2118 in the disclosure brief, you see this is a contract for the sale of land with the vendor being Deveme Pty Ltd and the purchaser is identified as your parents, yourself, and your wife as trustees of the Deveme Pty Ltd Staff Superannuation Fund, can you see that?---Yes.

Can you see that the date of the contract is 13 November of 2007?---Yes.

And the property is described as the land at 120 Great North Road, Five Dock, and then there is the lot and DP details, you see that?---Yes.

And that is the function centre, correct?---Yes.

And are you able to identify your signature on that page?---Yes.

And is it the fourth of the signatures that we see above the line that says Purchaser?---Yes.

So you signed this document, being a contract for the sale of land in relation to the purchase by yourself, your parents, and your wife in your capacities as the trustees of the Deveme Pty Ltd Staff Superannuation Fund on or about 13 November of 2007.---Yes.

And that was to facilitate that property becoming an asset of the superannuation fund.---Yes.

And do you say that you had no understanding at the time you signed this document that you were doing so in your capacity as a trustee of the superannuation fund?---Yes.

Do you say that you had no understanding that in so doing you were taking a step towards becoming a registered proprietor of that property albeit in your capacity as a trustee of the superannuation fund?---Yes, that's, oh, it's not my understanding of owning property, but yes.

But, sorry, what did you say? You said something about owning property? ---It's not my – oh, my understanding is 2007, my parents are approaching retire, selling the business or retirement age, and so this was to facilitate a better tax outcome for them by – because any income that they get from super at retirement age is tax free, and so this was done to facilitate something for them.

I understand, in terms of being able to have the property being part of the superannuation fund and it would then generate income as a result of being leased to occupiers.---Correct.

That was your understanding as to what was going to happen, back in two thousand - - -?---Yeah, because technically they've sold it from themselves to themselves, was my understanding.

10 Well, not to themselves. They've also sold it to you and your wife in your capacities as trustees of the superannuation fund, correct?---Sure, but my idea of selling is I would have had to have paid something.

I understand that, but you're saying that you, well - - -?---It was a benefit to my parents.

There must have been a reason why you were being asked to sign this document, correct?---Yes.

20 If it was simply to arrange ownership of the property to go from your parents' company to your parents, there would be no need for your signature or that of your wife to appear on the contract for sale, correct?---Yes.

So you must have had some understanding that what you were doing had some legal significance as far as you were concerned.---Well, the only significance that could possibly be would have been my employment years there and, and whatever superannuation I had. That's the only possible conclusion I can come to.

30 And did you not read the document when it was placed before you to sign? ---I may have. I, I don't remember it in detail.

Did you not see that it was a contract for sale?---I, I would have seen it, yes.

Did you see that you were signing in the capacity as a purchaser?---To the best of my recollection, yes.

40 And did you see that the purchasers were actually specified on the face of that, on the very page that you signed, as being your parents, yourself, and your wife as trustees of the Deveme Pty Ltd Staff Superannuation Fund?---I see that, yes.

Did you see it at the time?---I would have just been assisting, I couldn't, couldn't tell you that, to be honest with you.

It's likely that you saw it at the time, isn't it?---Well, I signed it, but I had no reason to disbelieve, you know, I, it's, it's a legal set-up.

Now, if we could then go to page 2185, do you see that this is a transfer in respect of the property at 120 Great North Road? And if you need to go back to the contract for sale so you can satisfy yourself that we're dealing with the same folio identifier, I'm happy to do so, but do you see it's also dated 13 November, 2007?---Yes.

And do you see that the transferor is identified as Deveme Pty Ltd?---Yes.

10 And do you see that the transferee is identified as your parents, yourself and your wife?---Yes.

And the tenancy is identified as joint tenants?---Yes.

Now, this transfer is not the first transfer you've seen in relation to properties, is it?---2007, no, shouldn't be.

Your wife and you had previously owned property at 39 Waterview Street, had you not?---Correct.

20 And you'd executed documents in relation to the purchase and sale of that property?---Correct.

And that would have included contracts for sale and transfers?---Yes.

And you understood what those documents were for and what the purpose of those documents were?---Yes.

30 And you understood that the transfer, the purpose of the transfer was to facilitate the property being registered in the name of a new registered proprietor.---Well, a proprietor, yes, but from one entity to another, that belonged to the same people, it's different.

But you were not a shareholder or a director of Deveme Pty Ltd, were you? ---In two thousand and – I'm not sure.

Ever, were you ever a director or shareholder of Deveme Pty Ltd?---Oh, I couldn't tell you. I don't know.

40 If I suggested to you you had never been a director of that company - - -? ---Oh, I'd agree with that. Probably mum and dad.

But here it's plain on the face of this transfer that the property was to be transferred into the names of your parents, yourself and your wife. Do you see that?---I do.

And can you identify your signature on that transfer as one of the transferees?---Yes.

Is that your signature as the bottom of the four signatures we see on that page?---Yes.

And do you say that you had no understanding as of 13 November, 2007, that when you executed this document as a transferee that you were going to be a registered proprietor for the property at 120 Great North Road?--- Correct.

10 THE COMMISSIONER: Was this signed at Mr Hannaford's office in his presence?---That's to me?

MR RANKEN: That was question I think Commissioner asked of you.

THE COMMISSIONER: The bottom left-hand - - -?---It looks that way, yes.

And do you recall Mr Hannaford explaining to you, this is a transfer of title to the property?---(No Audible Reply)

20 You having already signed the contract of sale for the same property not long before, along with others.---Yes, he may have, yes. I'm sure he would of.

Right. Well, you realise that this is an instrument to transfer the title to the property, so that it's not being sold out to an outsider but it was being sold inside the family circle, if I can put it that way.---I do.

30 And as you explained before, based on an understanding that this would become an asset of the superannuation, family superannuation fund or the Staff Superannuation Fund I should call it.---Yes.

MR RANKEN: Now, I want to then, if we could move to another document at page 2175. Can you see that this is a document titled a Variation of Lease?---Yes.

And it relates to a lease of the property at 120 Great North Road.---Yes.

40 And do you see that the lessor is identified in the lease as being your parents, yourself and your wife?---Yes.

The lessee is a company called Rockfort Group Pty Ltd.---Yes.

And is this the position – was Rockfort Group Pty Ltd a company that took over the lease in respect of 120 Great North Road from another company? ---That, that's my understanding, yes.

And was that other company Slaviero Holdings Pty Ltd?---That sounds familiar, yes.

I've jumped ahead a little bit, perhaps if we could go back to page 2130. Do you see that's the lease that was executed in respect of 120 Great North Road commencing on 1 July, 2008 between the lessor, being your parents, yourself and your wife, and Slaviero Holdings Pty Ltd?---Yes.

And can we see, is your signature on that page at all?---No.

10 If we could go to 2131. Do we see your signature on that page?---Yes.

And have you signed in the capacity as the lessor?---(No Audible Reply)

One of the lessors?---Oh, yes, sorry, yes.

If we could go to page 2133. This is the details of the terms of the lease. Can you see your signature on the bottom of that page?---Yes.

20 If we go to page 2144, again do we see your signature on the bottom of that page?---Yes.

And page 2145, schedule to the least, we see your signature at the bottom of that page?---Yes.

And then 2152, again we see your signature on the bottom of that page. ---Yes.

So you've signed the lease document and its terms in a number of locations. ---Yes.

30 And you understood at the time that you were signing as one of the lessors of the property?---Well, I didn't understand that. I understood that I was signing a family document.

Well, it was a, you understood it was - - -

THE COMMISSIONER: It wasn't a family document, these were legal documents, weren't they?---Sure, but it was for the family.

40 Contract of sale, the transfer, now a lease, they were all legal documents, weren't they?---Yes.

And that's why a solicitor was engaged, because this was a legal transfer of property, being 120 Great North Road. You understood that, didn't you? --- (No Audible Reply)

MR RANKEN: Or at least a lease of 120 Great North Road.---Yes.

THE COMMISSIONER: A lease of it. Sale and lease.---Yes.

Well, when you signed it, you'd have that appreciation, wouldn't you, that that's what this was about?---Well, I worked for my parents and that's, that, that was, you know, sign, sign that, sign this, sign that, yes.

So my point is, when you signed it you knew what you were signing, in this case a lease?---Still up until that time, no.

10 Are you saying – I just want to try and understand your position. Are you seriously saying that, well, at this time, 2007, you were just signing documents and you didn't even know what the documents were, didn't understand the transaction?---Yes, I was 22 years old, I'd been working for my parents and I was doing sixteen-hour days and this is not my area, yes.

But you had signed documents when you were 22 just not knowing what they were about?---If my parents directed me, I'd sign them.

20 But if you saw a page of a document and it had Contract of Sale of Land, that would have caught your eye, wouldn't it, and therefore conveyed to you that this was a document you were signing that was a Contract For Sale of Land?---Not if it's not my land, no.

If it wasn't your land, you wouldn't even look at the title of the document - - -?---Well, I may have but I - - -

- - - you'd just put your signatures when the – is that right?---If it was for my parents, yes.

30 And how long did that go on for, that you kept signing documents being totally unaware of and uninterested in what they were about?---For many years.

Well, did it continue up to the time you entered parliament, had you just signed documents not even knowing what you were signing?---Yes.

40 And did it continue after you entered parliament that you continued signing documents even though you never looked at what you were signing and didn't understand what the document was about?---I looked but I didn't understand what I had signed and what I had been signing.

So, sorry, just to be clarifying this, we're now talking about after you entered parliament.---Mmm.

You had signed documents. Would you understand them, or would you just sign it upon request?---I'd sign on request, because I'd been signing the same sorts of documents from 1992 when I was 22 years old right up until when I was elected.

But no, I'm focusing this last question on when you've been elected, you were in parliament.---Yes.

And whether the practice that had, you say, existed up to that time, that is you would sign a document not knowing what you were signing, whether that continued on after 2011 when you entered the parliament. That is, you'd continued - - -?---Yes.

10 - - - signing documents never knowing what you were signing.---Well, not knowing exactly what I was signing, correct.

Well, was that the same as before you entered parliament, or did you do something else that made it different, that you'd try and identify what you were signing once you had entered parliament?---My understanding was that I, what I owned, what I owned in real terms, real property, and, and, and hence I didn't think I was, I had any obligations, because it wasn't my set-up. This was my parents' set-up that'd been set up for a long, long time.

20 So that – sorry.---Sorry. Yeah.

That being the case, you would sign documents not knowing what you were signing, continued.---When they were presented, yes, I'd say that, yes, presented by the accountant and my parents, I had no reason to disbelieve that anything they were presenting to me was anything different.

But it was different, wasn't it, because once you'd entered parliament you had to be very cautious about what your assets were and what sources of income you had.---That's correct.

30 Well, wouldn't you then start looking at documents whenever they were put in front of you for your signature, to make sure that you were not required to make any disclosure or perhaps that you were required to make a disclosure?---I, I'd had that discussion with the accountant in 2011.

No, I'm sorry, just stay with me if you would.---Okay.

Once you entered parliament, you became aware of your obligations for disclosure, assets, income.---Yes.

40 Is that right?---Yes.

That was the difference, wasn't it, to the position before, because now you did have to be careful as to transactions you were entering into, because it might trigger an obligation on you to make some parliamentary disclosure. ---I know that now.

No, no.---Back then?

Once you entered parliament, you would have been - - -?---Yeah, but once I – sorry.

Go on.---Once I entered, I, I did, oh, the only income I was receiving was my wage, so, and the only property I owned, with my wife's name on it and my name on it, on our own was our family home. So I had no reason to believe it shouldn't have been a complicated disclosure. But I know now that it's totally different. And you're right. Should I have, would I have, could I have? Yes.

10

But in any event, you say, notwithstanding you were conscious of the need to make appropriate disclosures as required, your practice of just signing documents without looking at what you were signing continued after you entered parliament?---No I still read, I, I, I read my documents, but all my parliament document, documents, my disclosures, all those were read very thoroughly, because they were associated to my wife and I. But to my parents, I was signing something outside of parliament that I thought was totally irrelevant. That was all set up for them. That was my understanding.

20

But you wouldn't know whether it's relevant or not until you read the document.---Well, it wasn't relevant to the documents that I had been filling out in parliament.

Yes, Mr Ranken.

MR RANKEN: You must have appreciated, though, that the documents that you were signing were documents that had a legal character to them. ---Well, I know that now, yes.

30

Oh, you must have appreciated at the time, though, that they, that you were doing so, because they had a legal character.---Well, yes, I can say that, yes.

And so that you must, there must have been some capacity in which you were being asked to sign it.---Yes.

Now, in 2008, that is July 2008, were you by that time a member of the Burwood local council?---In 2008? Yes.

40

Yes. And so how old were you as at 1 July of 2008?---38.

So this was signing documents well into your late thirties.---Yes.

And without actually turning your mind to the capacity in which you were actually signing the document.---Yes.

Now, if we can go back to page 2175. So you identified your signature on this variation of lease which was to facilitate the transfer of the lease effectively from Slaviero to Rockfort Group Pty Ltd.--- Yes.

And that's your signature there, and if we go to 2176 you can see your signature on the bottom of that page as well. Do you see that?---Yes.

So it was continuing at last until February 2012. Could we then go to page 2153 and this is a further lease being executed by your parents, yourself and your wife on 11 December, 2013 in respect of the property at 120 Great North Road.---Yes.

10 And your signature is on the bottom of that page.---Correct.

And if we turn to page 2154. Is your signature as one of the lessors on that page?---Yes.

And that date is 11 December, 2013. Correct?---Correct.

So when you'd almost been a member of parliament, well, you've been a member of parliament for almost two years.---Correct.

20 And you maintain that you had no idea that you were one of the registered proprietors of 120 Great North Road albeit in your capacity as a trustee of the Deveme Pty Ltd Superannuation Fund.---That's correct.

Now, were you aware that in 2014 a property at 2 Second Avenue was purchased by a company known as Anderlis Pty Ltd?---Yes.

And how did you become aware of that fact?---I knew mum and dad were purchasing the property.

30 What, did they discuss it with you?---Oh, they'd been after that property for a long time.

Did you have any discussions yourself with the vendor?---I don't recall having a discussion with the vendor, no.

Did you have any role in the steps that were taken to facilitate the purchase of that property?---I don't recall.

40 THE COMMISSIONER: Who was the vendor of that property do you remember?---The owners were, I think it was Suzie O'Hazy. She was a chiropractor that had been there for a long, long time. She lived in Newcastle and she'd stay there five days for the practice and go back home on weekends.

Did you ever have any discussion with her about a sale or purchase of that property?---No.

MR RANKEN: And did you have any discussions with Mr Zaccagnini in relation to how that property purchase might be facilitated?---I don't recall that, no.

Were you aware that there was a company that was established, Anderlis Pty Ltd was established in September of 2014?---Yeah, I'm, I'm aware of it but I'm not sure of the timing of it.

10 And was that company in fact purchased specifically to facilitate the – sorry, was that company established for the specific purpose of facilitating the purchase of 2 Second Avenue?---It may have been. I'm not sure.

And is that because you didn't discuss it with your parents or you just don't have a recollection?---I may have discussed it with mum and dad, I can't recall, but I understand the reason for it was because mum and dad didn't want the vendor to know the identity of who was purchasing.

20 So at least you'd had a conversation with your parents about steps that might be taken to keep it secret as it were from the vendor but it was your parents who were ultimately behind it. Is that the position?---Well, they didn't want, my parents didn't want the vendor to know they were purchasing because they would have jacked the price up.

I was going to say, was that because there was a fear at least, or a suspicion, that if the vendor was aware that it was your parents that she might ask for - - -?---More money.

- - - more money?---Correct.

30 Was the property a property that had been marketed for sale, that is marketed through a real estate agent?---Yes, I'm sure it was.

So it wasn't a situation where Anderlis Pty Ltd was set up for the purpose of approaching the owner of the property to suggest, "Look, it's a company that's interested in purchasing your property," or anything of that nature? ---I don't think so. I don't - - -

40 Were you aware that Anderlis Pty Ltd was set up to be a trustee company of an investment trust?---I didn't understand the setup to be honest with you, no.

When you say you didn't understand, but did you understand that there was a trust set up, albeit you might not have understood the detail of it?---Yeah, the existence of it, and identity, if that helps.

So you were aware the fact that there was a company, it was going to purchase property, but did you understand that it was going to hold the property as part of an investment trust?---Not really, no.

But you were aware at the time at least that the property had been purchased?---When mum and dad purchased it?

Yes.---Yes.

So at least from October 2014, when the sale was settled, or the purchase was settled, you were aware that your parents, through Anderlis Pty Ltd, had an interest in 2 Second Avenue?---Yes.

10

But do you say that you were not aware that you were a general beneficiary underneath the Anderlis Investment Trust?---I didn't understand that, no. No, not at the time.

THE COMMISSIONER: Did you understand what a trust was by 2014?---I the of a trust, yes.

You understood the concept of beneficiaries of a trust as at 2014?---Oh, I don't recall.

20

MR RANKEN: But prior to the morning tea adjournment I think you gave evidence that you did not understand the concepts of a trustee or a beneficiary until 2017.---2019. With trustee, yes.

Or beneficiary?---Until 2019, yes.

2019, was it, not 2017?---The beneficiary, yeah.

30

And what do you say was the event or matter that triggered you to find out or to suddenly understand what a trustee was and what a beneficiary was? ---In the course of parliament in 2017, we, we put in disclosures every year, and come 2017 I had already been in parliament for six years, and Question Time came, came up, we were sitting in the chamber, and Luke Foley, the then Leader of the Opposition, was waving a document around. So he obviously, because all our disclosures are public, and he got all, all the disclosures in the period and it showed 2011, 2012, 2013, the same, 2014, I was parliamentary secretary, so, at the time for Planning, so I disclosed everything mum and dad owned on there because I always thought planning was controversial. And then in 2015 I became Parl Sec for Roads, so I went back to my original disclosures, right up until 2017, and he must have then saw, how come it's different in one year and then did a title search and, and saw that I was on title. So being on title and owning it, then meant you had to disclose that. And hence that's when I became aware and I immediately sent text messages that day, I remember clearly, to both my wife and Tony saying, "Please explain. How am I involved, what's going on here?" And Tony then rang the Department of Premier and Cabinet and spoke with the Premier's Office. And that same night, I was sent an email from Tony explaining how I should have disclosed everything, and had a whole set-up

40

of trusts, disclosure – trusts, superannuation funds, trustees, beneficiaries to which properties, and, and that was very clear.

So I think what you've described is the circumstances in which you came to be aware that you were on title for the property of 120 Great North Road in the capacity as a trustee of the superannuation fund.---Yes.

10 My question was actually directed to when it was or what was the trigger that caused you to learn about what a trustee was and what a beneficiary was, because I understood your evidence to be that prior to 2019, you had no understanding about those concepts.---Yeah, no real understanding, yes. Very vague.

Well, what was your understanding of those concepts prior to this particular incident in 2019 involving the then Leader of the Opposition?---'17. 2017.

20 Sorry, 2017.---Yep. It was vague. I, I just didn't know exactly what a trustee meant and, and the way the set-up was one company to another. It just wasn't my area of expertise at all.

Are you speaking particularly in respect of the arrangements that had been set up by your parents concerning 120 Great North Road?---Yes, the whole set-up, yes.

And Anderlis Pty Ltd, insofar as 2 Second Avenue was concerned, correct? ---Well, I just thought that was their accountancy practice to, in order to facilitate that transaction.

30 I'm just trying to work out the scope. So when you talk about how these structures worked, you had a vague idea, they were the structures – the structures you're referring to are, for example, the superannuation fund, Anderlis Pty Ltd, and the Anderlis Investment Fund, is that correct? Or Investment Trust. They're the ones that you had in mind?---That are all associated with my parents, yes.

Yes, and there was also Deveme Pty Ltd, which was the trustee of the Sidoti Family Trust then.---Yes.

40 I wonder if with could bring up page 630. Do you see this is the front page of a current, an historical search for a company known as Betternow Pty Ltd?---Yes.

Are you familiar with the company Betternow Pty Ltd?---Yes.

And are you in fact a director and shareholder of Betternow Pty Ltd?---Yes.

You were not one of the original directors or shareholders of that company, were you?---No.

That was a company that was initially set up by your parents in 1998, is that correct?---Could be, yes.

But it was a company, was it not, that laid dormant for some period until about July of 2014? Would that be correct?---Possibly, yes.

Perhaps if we could go to page 632. Do you see that this page of the search identifies who are the current directors of the company?---Yes.

10

And it is yourself and your wife?---Yes.

And you were each appointed on 15 July of 2014. Do you see that?---Yes.

And below the current directors are the previous directors, do you see that? ---Yes, yes.

And you can see that they were your parents, at least from 21 April, 1998 until 15 July, 2014 when you and your wife took over.---Yes.

20

There is an earlier gentleman who is identified as having been a director for a brief period from 9 April to 21 April in 1998.---Yes.

Possibly as part of the original set-up of the company. Could we then go to page 633? You can see that at the top of that page your wife became the secretary on the same date as she was appointed a director, or you and she were appointed directors?---Yes.

30

And replacing your mother. And down the bottom we can see that the current share structure involves two shares, and if we go over to the page, to 634, they are owned equally by yourself and your wife. Correct?---Yes.

And the purpose of activating, if I can use that word, the use of that company in July 2014, was what?---For the purchase of a share in a parcel of land at Rouse Hill, is my understanding.

There was some land that was being purchased by a number of parties, including yourself. Is that correct?---Correct.

40

And was that land out at Rouse Hill, was it?---Correct.

And was the land to be purchased by way of there being a unit trust set up in respect of the actual development and each of the persons who were interested in acquiring an interest in the land would acquire a unit in the unit trust or a number of units in the unit trust?---I'm not sure. My, my understanding, that was set up so we could purchase a parcel of land with multiple owners. It may have been in that set-up.

But in order to set it up, Betternow Pty Ltd was not going to own the entirety of the land at Rouse Hill. Is that correct?---Oh, yes, correct.

You were going to acquire, you wanted to acquire an interest in that land. Correct?---Correct.

And you wanted to acquire that interest in that land because that land was going to be developed. Is that right, that was the plan?---That was the long-term plan, yes.

10

The long-term plan, yes.---Yes.

But you were not the only person who was interested in acquiring an interest in that land?---No, there was a group of friends.

There was a group of persons.---Plus some others that I didn't know, but I -
--

And some persons you didn't know.---Correct.

20

So who were the persons that you knew who were also going to be acquiring an interest in the land at Rouse Hill?---I only got involved in that because I was good friends with Tom Kudinar.

Tom Kudinar. Is that Tom Kudinar-Kwee?---Correct.

And is he an architect?---Correct.

Yes. And so - - -?---And Vince Bilotta.

30

Vince?---Bilotta.

Is that B-i-l-o-t-a?---Might be double T, I'm not sure of the spelling, but Vince is a partner of Tom as well. I went to school with Vince.

You went to school with Vince. And through Vince did you meet Mr Kudinar-Kwee?---I actually met him through the function centre when Tom had a surprise birthday a number of years before.

40

Okay.---Many, many years before.

Were they the only two persons who were acquiring an interest in this land at Rouse Hill that you knew?---I, I came to know a couple of others.

THE COMMISSIONER: Who were they?---One of them was an agent, he was a real estate agent, I couldn't tell you his name, and had a very small share, I think the only interest he had there was if you had someone like that, they'd put their heart and soul in when they sell the, the development,

the units in the future, so it gave an incentive to work hard, but, and I'd met, who else, and I met one other partner.

MR RANKEN: Who was that?---Mr Sheng.

Is that S-h-e-n?---Might be with a G, could be just e-n, I'm not sure.

10 THE COMMISSIONER: Who was Mr Shen or who is Mr Shen?---Oh, some, some, he was a friend I think of Tom's, someone that had put - - -

What line of business is he in?---My understanding was he imports tiles.

Sorry?---My understanding is he imports tiles.

MR RANKEN: From where does he import tiles?---(No Audible Reply)

What countries?---All over the world I gather.

20 And how were you introduced to Mr Shen?---I don't recall. I think it may have been at some formal, when I had to sign something or I don't recall how we came across each other.

So were you first introduced to him at some meeting, a formal meeting relating to the purchase of the property?---I understand so, yes.

And was his name in fact Ming Sheng, as in M-i-n-g, and the surname S-h-e-n-g, does that sound correct?---That sounds right.

30 So there's Mr Kudinar-Kwee, Mr Bilotta, the real estate agent whose name you can't recall and Mr Sheng. Were there any other persons who you knew or had met?---I don't think so, no.

And - - -?---It's possible. I don't know how many in total there are because it varied on the, how, how much they put in for how many shares.

THE COMMISSIONER: What was the land?---Um - - -

40 What is the land? What was the land that was being purchased?---It was a five-acre parcel of land.

And what was the purchase price?---4.1 million and there may have been some additional charges because I remember I was a 10 per cent share that equated to just over 500,000 from memory.

MR RANKEN: So the intention was for you to acquire 10 per cent of however many units there were in the unit trust.---Yes, 10 per cent of the land value basically.

But in order to facilitate that purchase by you, you didn't simply purchase it in your own names or the joint names of yourself and your wife, but did you approach Mr Zaccagnini for advice in relation to setting up a company that could purchase it through an investment trust?---Yes.

This is July of 2014?---Yes. I approached him what's the best way to purchase it and that was the suggestion from the accountant.

10 And he no doubt provided you advice about that structure and how that would work.---He did.

And if we could then go to the trust deed itself at page 783. Do you see that that's the front page of the trust deed and it identifies Betternow Pty Ltd as being the trustee. Correct?---Yes.

So Betternow was a company that was to act as trustee of the JAFS Investment Trust. Is that right?---Yes,.

20 And I think that you came up with the name JAFS, that is an acronym that is based on the first initials of members of your family. Is that correct?---Yes.

Possibly excluding yourself.---No, I think it's [REDACTED], [REDACTED], [REDACTED] Sidoti I came to understand. I think I said to you it was Sandra before.

So in fact it's the first initials of each of your children plus their surname. ---Correct.

30 And if we go to page 764. Do you see that this is the schedule and it defines amongst other things the general beneficiaries in item 2?---Yeah. Sorry, what's this document for?

This is the deed of settlement for the trust to establish the JAFS Investment Trust.---Right. Yes. Okay.

And do you see it identifies the persons as being your parents?---Yes.

Are we at page – I think I'm in the wrong document.---Wrong document.

40 Could we go back to page 786. We can see that there is the, this is the deed of settlement for the JAFS Investment Trust and Betternow is named as the trustee. I wonder if we could go through to the schedule which I may have got the wrong page number for. Possibly, there we go, page – I can't read the page, 808. Page 808 identifies the general beneficiaries as being yourself and your wife and the persons related to you including children. Do you see that?---Yes.

So you and your wife, though, were general beneficiaries of the JAFS Investment Trust, correct?---Beneficiaries?

Yes, general beneficiaries. That's the definition there.---Yes.

And you fall within that definition, correct?---Yes.

And you were also the directors and shareholders of Betternow Pty Ltd, which was the trustee of that trust.---Yes.

10 And you told us that this had been established, this structure, upon advice from your accountant.---Correct.

So you must have appreciated, at least by July of 2014, the concepts of trustee and beneficiary, when this structure was being set up.---Yes, well, yeah, it would appear that way, yes.

Well, you must have appreciated that in terms of being able to discharge your duties as directors of Betternow Pty Ltd in its capacity as the trustee of that trust.---Sorry, can you say that last - - -

20 You must have understood, had an understanding of that in order to properly discharge your duties as directors of Betternow Pty Ltd, which was the trustee of that trust.---Yeah, oh, I guess so, yes.

And when was the property at Rouse Hill purchased?---I think it was purchased in '15, but there may have been a deposit or an, some sort of option in '14.

30 THE COMMISSIONER: Could I just ask you about then, how did you come by this property at Rouse Hill?---A good friend of mine who I've known for many years, is an architect and designs a lot of buildings. And obviously when clients go to him, they came across – he'd done some in that area where you work out the cost of the land, the cost of construction, the cost to sell, and the profit at the end, and you, you do all that analysis as an architect, and he saw this one come up at, and at the time he was gathering people to purchase it, and, and he asked me, "Would you be interested?" And initially I wasn't, and then I thought, well, you know, it's probably a good way to negative gear your wage, and so I decided to, to, to go in.

40 What sort of buildings was the architect involved in developing, as you understood?---Residential.

Residential?---Generally residential, yes.

What, units, that sort - - -?---Mostly, yes.

And where in Rouse Hill was the property located?---It's right next door to the Cudgegong Station, which is the first parcel next to the North West Rail Link.

So are we talking now about the Metro line?---Yes. Yes.

What's the closest station to the parcel of land we're talking about that you bought an interest in?---This, this parcel.

10 Yes, I'm sorry, what's the name of the station, the metro station that's closest to - - -?---Oh, it could be Tallawong or Cudgegong, it's one of those, Cudgegong Road there, so it's the first, the first station where it starts. You might be able to help me there.

As at July 2014, what position did you hold in parliament?---In July? I'd have to double-check, but I think it was Parliamentary Secretary for Transport, if I'm - - -

20 Transport.---Yes.

MR RANKEN: I think you in fact took up the position of Parliamentary Secretary for Planning in October of 2014.---And that concluded when?

I think that was the first position you held as parliamentary secretary. ---Yes. Yes.

That's the evidence you gave earlier on, or you're not - - -?---Sure, it's only a short period, I think. Could be six months or seven months.

30 But so this would, in July 2014 would have been – the setting up of this structure at least - - -?---Oh, okay.

- - - was prior to you taking up the position of the Parliamentary Secretary of Planning, correct?---Well, I, I – not familiar with what, the timing of it, and where it fell on which ministerial responsibility, but I, I take your word for it.

40 Well, you do recall being appointed the Parliamentary Secretary for Planning?---Yes.

You told us before that that was in, or you agreed with me that that was in October of 2014?---Well, I'm not a hundred per cent sure, I would have to check. You know, it would be on the website from what time to what time, but I'm assuming that's correct.

And you told us that that was a position that you held continuously until you took up the position as the Parliamentary Secretary for Roads and Transport in August of 2015.---I, I would have to check the dates but it sounds correct.

And I think you told us that you held that position continuously until April 2019, although what was added to it was Mineral Resources and Energy?
---Sure.

And it was in April 2019 that you took up the position as the Minister for Sport, Multiculturalism, Seniors and Veteran - - -?---No, it was Parliamentary Secretary for Cabinet somewhere in there as well.

10 That was from 2018, was it?---The timing I'm not sure but it sounds correct.

But in any event, going back to the setting up of the JAFS Investment Trust and Betternow Pty Ltd in July 2014, that was before you held the position as a parliamentary secretary?---The set-up of it?

Yes, the set-up of it.---It, it seems that way, yes.

I've taken you to the documents.---You have.

20 They identify that it was 15 July, 2014.---Yes.

So that would be before October 2014?---Yes.

Just so we're all on the same page, that would be before you actually were a parliamentary secretary. But you did tell us that there may have been a deposit that was to be paid sometime after you set up the trust in 2014 but the land itself was not purchased until 2015, correct?---Correct, correct.

30 THE COMMISSIONER: There was an option agreement, was there, before that?---Yeah. Oh, as I understand it, yes,

And the land was bought, as you said, for development purposes.---That's the ultimate game, yeah.

And we take it that's referring to home unit development?---Correct.

40 How many units was proposed to be built?---At the time I'm not sure. It was already zoned so there was no rezonings or anything like that. It was purchased on the understanding that you could, according to the rules and regulations, build X amount, but later on down the track, when a development application was lodged, I think it was for 290-odd units.

So this was a fairly sizable venture that you had agreed to go into?---Well, we haven't done anything yet. But it was, yes.

But you had not been a property developer before this venture, had you?
---And I still don't believe I am a property developer.

All right. Well, whatever title, I don't mean to use that phrase in a technical sense, but prior to July of 2014, you had not invested in a venture which involved property development, had you?---No.

So this was a huge step, wasn't it, to take as a first step into a venture of this kind?---Well, in the Sydney property market I don't think 450-odd-thousand is, is a huge amount in the overall scheme of things but, yes, you could, you could say that.

10 Well, it's a major project from what you've said about the size and the number of units and so on that was contemplated?---Yes.

MR RANKEN: But in any event, the property was purchased at a time when you were either the Parliamentary Secretary for Planning or the Parliamentary Secretary for Roads and Transport?---Yes.

Depending on when in that year it was actually purchased, correct?---Sure, yes.

20 And you said that the idea had come from, or had been introduced to you from a friend who had been a friend for a long time and was an architect. Was that Mr Bilotta or Mr Kudinar?---Both.

Both of them. And had you, that is prior to July of 2014, had you ever used their services as architects?---Prior to '14? No.

After 2014, at least after you set up JAFS, did you ever have cause to use the services of Mr Kudinar and/or Mr Bilotta?---The only time I recall using them would have been when a development application was lodged on the
30 Great North Road properties.

And when was the development application lodged on the Great North Road properties?---I think around 2019.

Does that mean that it was sometime in 2019 that you first engaged them to do work in respect of the development application?---No, it was - - -

MR NEIL: Well, Commissioner, could I - - -?---It was mum and dad's engagement because - - -

40 I was about to take - - -?---Sorry.

- - - the point that that would appear to be the situation and the questioner was under a misconception.

THE COMMISSIONER: Sorry, Mr Neil, we're talking about the DA being lodged for 120 Great North Road.

MR NEIL: Yes, but I thought the question was put on the basis that it was Mr Sidoti's property, but it's the parents' property.

THE COMMISSIONER: Oh, I see.

THE WITNESS: In 2019 - - -

MR NEIL: And then thus he would not have engaged them.

10 MR RANKEN: Well - - -

THE COMMISSIONER: I see. Yes. I understand the point. Perhaps you might - - -

MR RANKEN: The question was directed to the act of engaging. Okay, I'll rephrase it.---So mum and dad were family friends as well with the Kudinars.

20 You were involved though, were you not, in the process by which Mr Kudinar or his firm was engaged in respect of a possible development application of the properties along Great North Road?---My parents engaged.

I understand that but you were involved in the process by which he was engaged.---I don't understand.

Well, you spoke to him about the matter. Did you provide - - -?---Oh, yeah, certainly, certainly, yes.

30 You provided with him instructions, albeit possibly on behalf of your parents.---Sure. Yes.

But it was you who was actually conveying the information is the point I'm - you had a role in conveying information, providing instructions and the like. Correct?---I thought he had the role of conveying the response back to me to my parents not the other way around.

But you - okay.

40 THE COMMISSIONER: I don't think you're understanding what's being put.---Yeah.

Perhaps put it again.

MR RANKEN: Well, there was a development application that was lodged in respect of the properties that fronted Great North Road. Correct?---Yes.

And that development application was lodged sometime in 2019. Correct?
---Yes.

As part of that development application, Mr Kudinar's firm was engaged to provide architectural services. Is that right?---Yes.

And you had a role, did you not, in that process by which he was engaged?
---I'd have a role, yes.

10 And that role included you providing information to him about what it was that your parents were looking to do. Correct?---No. He was providing advice to my parents on what you could do.

I understand. He was providing advice to your parents that you would convey back to your parents.---Correct.

But did you also have a role in providing him with instruction as to what it was that your parents were looking to explore in, as to what advice they were seeking?---I think the zoning of the land was self-explanatory.
20

Not about the zoning. About what it was that your parents wanted him to do.---Yes, yes.

You performed a role in that, didn't you, as a conduit of information from your parents to him?---Yes, yes.

So you weren't just a conduit of information from Mr Kudinar-Kwee to your parents, you were also a conduit of information from your parents to Mr Kudinar.---Yes. Sorry.
30

That's what I just wanted to - - -?---Sorry. Yeah.

And what was the kind of information that you were providing to Mr Kudinar concerning the DA on behalf of your parents?---The design. Mum and dad wanted to design something that had units and commercial that the zone permitted and they wanted it specifically designed to their purposes because they wanted a particular size on the top floor with an elevator so there were no stairs, so they could basically sell their house in Chiswick and move there and retire there for the rest of their lives.
40

So that sounds like information about a particular apartment within the development that your parents were interested in.---Yes.

But did you also provide instructions about the development more generally?---I would have imparted, yes.

And was this the case, that whilst you may have been doing this all on behalf of your parents, it was you who provided all of the instructions, who

actually did the act of providing the instructions, albeit at the request of your parents?---I would have, yes, on the, on the request of my parents, yes.

Your parents weren't the persons who actually physically provided the instructions to Mr Kudinar.---Through me, they would have, yes.

Yes, they're all through you.---Yes. Mum and dad had quite a bit of experience in building.

10 But they didn't speak directly with Mr Kudinar, it was all done through you. ---Because he knew we were friends, Mum and dad knew we were friends.

Now, going back to this investment in the property at Rouse Hill – sorry, no, before I do that, my original questions about the engagement of Mr Kudinar in respect of the development application that was lodged in 2019 was directed to when it was that you first were involved in engaging him for that purpose.---Oh, I, I don't recall specifically.

20 Was it 2019, 2018, 2017?---Well, if it was lodged in '19 – I, I couldn't tell you exactly when, but whatever time period, probably '18. I couldn't tell you an exact date.

And then just in terms of the properties that were to be developed as part of that development application, you've referred to it as the properties that fronted Great North Road. As at 2019, those properties were 120, 122, and 124 Great North Road, is that correct?---Correct.

30 Did it also include the property at 2 Second Avenue?---It didn't originally, originally.

It didn't originally?---No.

40 That is, so when the development application was originally lodged in 2019, it didn't include 2 Second Avenue?---No, there was a pre-lodgement meeting, and there were some sketches. Pretty – almost DA standard. And the pre-lodgement meeting didn't include 2 Second Avenue. The plan was mum and dad were going to live at that house while construction would go on, and then they had to finance the development through the sale of their house in Chiswick. But the council, for whatever reason, insisted that 2 Second Avenue be included, and that was never their intention.

So was 2 Second Avenue then included in the DA that was actually lodged? ---They just said, "Put, put a, put a duplex on it, just so we can see how it works with regards to shadowing and all the rest." And, and so part of the DA included that.

So the DA that was lodged was a DA that included 2 Second Avenue? ---Correct.

So there was no DA that was lodged previous to that that didn't include - - -
?---Correct.

So getting back to my original question, the DA included 2 Second Avenue.
---2 Second Avenue. Yes.

Did it include any other properties within that block between - - -?---No.

10 Sorry?---No.

Your parents did not own any other properties in that block at that time?
---No. At any time.

Well, was – no, I won't bother with that. So, if I can then now go back to
properties acquired in Five Dock in 2014, 2015, you've told us about the
acquisition of 2 Second Avenue. Were you aware that Deveve Pty Ltd
acquired the property at 122 Great North Road in 2015?---Yes.

20 Did you have any involvement in the circumstances in which that property
was acquired?---Only that the agent had approached me, who I knew, and
then I forwarded that to mum and dad, and he went home and spoke to them
about it.

And what was that agent's name?---Joseph Georges.

And how did you know Joseph Georges?---Again, I've known Joseph for
many years, from our days at school. I was in his uncle's form.

30 And he was a real estate agent within the Five Dock area, was he, or - - -?
---No, he was in the Strathfield area. And the reason that came up was
apparently the owner of next door had been selling property that he owned
in Strathfield, because someone passed away and that's where he
established a link that he owned there, and then approached us.

Did that property owner in fact own a property or occupy a property that
was across the road from the Great North Road properties?---Correct.

40 That is, on the other side of Great North Road?---He's a lawyer. Mr Previte,
yes.

So you knew who he was?---He owned that property when we had the
reception lounge for many years because we, my mum and dad approached
him in the, oh, well before the 2000 and he never wanted to sell.

And are you quite certain that it was Mr Georges who approached you
rather than you approaching Mr Georges, enquiring as to whether or not Mr

Previte would be prepared to sell to your parents?---Sorry, ask that question again?

Are you quite certain that it was Mr Georges who approached you with the proposition that the property might be purchased by your parents, rather than you approaching him and enquiring as to whether Mr Previte might be prepared to sell to your parents?---No. So the best of my recollection, Mr Previte next door, his father passed away and they were selling properties and he handled the sale of those properties and then he's told me and then it
10 went from there. I don't recall - - -

THE COMMISSIONER: I don't think you've actually answered there question.--I don't know.

That's background but I think you – just think about this question very carefully. Would you put it again?

MR RANKEN: I'm just asking whether or not you are sure that it was Mr Georges who approached you with the proposition of your parents' purchasing the property at 122 Great North Road rather than you in fact
20 approaching him with that idea?---Oh, I, I couldn't tell, I have a, a lot of correspondence with Joseph - - -

THE COMMISSIONER: Please. Can you just answer the question?---I'm not sure.

MR RANKEN: You're not sure.

THE COMMISSIONER: You're not sure, all right.
30

MR RANKEN: So it's quite possible that that might have occurred that way?---I don't think so but it's possible.

Was this initial approach, whether it be from you to him or him to you, was that done in a meeting, effectively, in the street, by chance you bumped into each other in the street?---It's possible. I had seen Joseph Georges on many, many occasions. We were friends.

In any event, you did become aware that your parents purchased – or sorry –
40 Deveme Pty Ltd purchased the property?---Well, I don't know which entity but mum and dad, yes.

But other than having some discussion with Mr Georges at an early stage, do you say that you had no involvement otherwise in the circumstances in which it was purchased?---Other than what I just explained to you, no. other than what I just explained, no.

THE COMMISSIONER: Mr Ranken, is that a convenient time to break? If you want to finish something, say so.

MR RANKEN: Just one moment, if I may, Commissioner.

THE COMMISSIONER: Yes.

MR RANKEN: Just to cover off on the purchase of this property. That property was, would you accept, was purchased on 1 May, 2015?---I believe
10 it was 2015, yes.

But it was that part of 2015, May 2015?---Oh, I don't remember the specific part but, yes, I take that to be correct.

Thank you. That might be convenient time.

THE COMMISSIONER: Yes, very well. I'll adjourn until 2 o'clock.

20 **LUNCHEON ADJOURNMENT**

[1.03pm]