
TRANSCRIPT OF AFTERNOON PROCEEDINGS

INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

MONDAY, 26 OCTOBER 2020

(1st day of examinations)

BEFORE THE HONOURABLE ROBERT REDLICH AM, QC

Counsel Assisting: Mr Paul Lawrie
Mr Joseph Amin

OPERATION ESPERANCE INVESTIGATION

PUBLIC EXAMINATIONS PURSUANT TO PART 6 OF THE INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION ACT 2011

Every effort is made to ensure the accuracy of transcripts. Any inaccuracies will be corrected as soon as possible.

1 UPON RESUMING AT 1.51 PM:

2 <JAMES GRAHAME PINDER, recalled:

3 <EXAMINED BY MR LAWRIE, continued:

4 COMMISSIONER: We are ready to proceed. Yes, Mr Lawrie.

5 MR LAWRIE: Thank you, Commissioner. Mr Pinder, before lunch
6 we were dealing with the carriages and facilities cleaning
7 contract that was entered into between V/Line and
8 Transclean in May 2018. I want to move forward now to
9 2019 to a variation to that contract, and this is in March
10 of 2019. You will recall we spoke earlier about
11 Bombardier and the heavy restorative cleaning services
12 that they were providing or at least meant to be
13 providing; do you recall that?---Yes.

14 And that was under the existing rolling stock maintenance
15 contract between V/Line and Bombardier, wasn't it,
16 covering things like engineering maintenance and the
17 like?---Yes. From memory I think it was like a bolt-on
18 part of it, yes.

19 And so when we get to March 2019 consideration is being given
20 to expand the scope of the carriages and facilities
21 cleaning contract to include this heavy restorative
22 cleaning and give that to Transclean rather than having
23 Bombardier provide that service; is that the
24 case?---That's my recollection, yes.

25 And you were involved in that process?---I don't remember being
26 involved. I remember being aware, but I don't remember
27 being involved. But I could be wrong.

28 Do you recall that this variation amounted to an annual
29 expenditure that was being added to the existing carriages

1 and facilities cleaning contract of \$2.2 million per
2 annum?---No, I don't recall that number.

3 But does that sound approximately right to you?---It could well
4 have been, Mr Lawrie. I just don't remember.

5 Okay. What we might do is take you to the board agenda paper
6 that was prepared for the board for the purposes of
7 considering this. It begins at 313 and over to 314. So
8 this is the executive recommendation to go to the board in
9 March of 2019. If we can go through to the next page,
10 please, 314. If we go to the bottom of the page again
11 we'll see that it's approved for circulation on 1 March.
12 It's proposed by the chief financial officer and
13 authorised by yourself; do you see that?---Yes.

14 And the executive recommendation is to approve a contract
15 variation to the carriages and facilities cleaning
16 contract with Transclean to a value of 5.19 million over
17 the remaining contract term to 30 June 2021. So that is a
18 term something short of three years; do you agree with
19 that?---Yes.

20 And that's where we got that earlier figure which corresponds
21 to an annual expenditure of some \$2.2 million, do you see
22 that now, if we go from March 2019 through to the end of
23 the base contractual term of June 2021? Do you follow
24 me?---I can see the \$5 million number there, Mr Lawrie.
25 I can't see the \$2 million, but I'm happy to take your
26 word for it.

27 I'll give it to you arithmetically. The remaining contract
28 term is something short of three years. If we divide that
29 term into the expenditure that's declared there at 5.19 it

1 comes out to \$2.2 million per annum; do you accept
2 that?---Yes.

3 Okay. There we go. Now, if we move forward we can see that
4 we've got the executive recommendation that I've just
5 spoken about and then the usual recommendation which is to
6 authorise you to exercise the necessary documents for the
7 contract variation; we see that there?---Yes.

8 All right. Can we move forward, please, to p.315, and this is
9 a comment - - -

10 COMMISSIONER: Sorry, Mr Lawrie, what page was that?

11 MR LAWRIE: 315, Commissioner.

12 COMMISSIONER: No, no, the earlier page.

13 MR LAWRIE: 314.

14 COMMISSIONER: Thank you.

15 WITNESS: Would you mind if I just refresh my memory of this
16 paper, Mr Lawrie?

17 MR LAWRIE: Please do. If you just look at 315, 316, 7, 8, and
18 in fact there's an appendix there as well you might want
19 to quickly look at all the way to 321?---Yes, I've read
20 that page, Mr Lawrie, thank you.

21 Do you want to have a quick skip through the rest of it just
22 very quickly?---If that's okay .

23 We can come back - - -?---Yes, I see that bit.

24 Yes?---Yes. Can you just pause there, sorry. Stop there.

25 Customer satisfaction survey result?---Yes.

26 If you can go forward, please?---Yes, forward. Yes, I can see
27 all of that, thank you.

28 Okay. So if we can go back, please, to 315 do you see at
29 paragraph 3 there it says, 'It was noted that the approved

1 scope of works excluded the VLocity cleaning requirements
2 in the form of periodic heavy restorative carriage
3 cleaning'? That's the VLocity fleet of trains that's
4 referring it to; is that correct?---Yes.

5 That's the high speed locos?---Multiple units, but yes.

6 'This is currently contracted by Bombardier Transportation
7 Australia Pty Ltd under the fleet maintenance agreement.
8 Bombardier are operationally unable to perform this scope
9 of work due to an inability to access the trains.' What
10 was that about?---So V/Line has had a longstanding
11 operational issue that's evolved over a number of years,
12 Mr Lawrie. Its train fleet has grown exponentially over
13 the last number of years as consecutive governments have
14 purchased the VLocity fleet of trains and as our patronage
15 has grown by 400 per cent over the last 10, 15 years, but
16 unfortunately the maintenance and cleaning facilities have
17 not grown at the same rate. So this work was being
18 carried out by Bombardier with their staff at our West
19 Melbourne facility, and the way that it works the staff
20 would be maintaining the trains and I understand - I don't
21 know it specifically, but anecdotally that the staff would
22 then transfer over to clean the trains. But there wasn't
23 enough room in the facility, because trains were sharing
24 maintenance space with cleaning space. So a solution for
25 this was to move the cleaning activities to another
26 location, thereby freeing up maintenance facilities for
27 maintenance of trains, and that was the kind of rationale
28 behind it, I think, from memory.

29 So V/Line took a decision to use its stabling, its maintenance

1 and cleaning stabling, just for maintenance and the heavy
2 restorative cleaning was happening somewhere else, was
3 it?---That in a nutshell, yes. Not exactly, but that in a
4 nutshell is the logic behind the decision, I think.

5 And is that why it came about that Bombardier could not access
6 the trains to do that cleaning?---Yes, because Bombardier
7 are only based in West Melbourne and a small depot in East
8 Ballarat.

9 Okay. Where was the stabling happening for that sort of
10 cleaning? Was that down at Traralgon?---So our trains
11 stable in a number of places right across Victoria,
12 including Traralgon.

13 I understand that, Mr Pinder. Where was the stabling for that
14 purpose happening?---Well, previous to the change, prior
15 to the change, I think the cleaning was happening in the
16 maintenance facility in West Melbourne. After the change
17 the cleaning was happening in Traralgon.

18 So it was an operational decision by V/Line for whatever
19 reason, and good reasons presumably, which resulted in
20 Bombardier not being able to geographically access the
21 trains for that purpose, for heavy restorative cleaning
22 purposes, because they're in Traralgon now; is that
23 right?---I think that is broadly right. I'm not sure
24 whether there are other considerations, but that's as
25 I remember it.

26 Okay. Now, of course part of the contract that you had with
27 Bombardier included pricing to provide those services,
28 didn't it?---Of course, yes.

29 And in fact that was one of the matters that was raised with

1 the board when this variation was proposed, was that
2 there's the potential to claw back some of that cost from
3 Bombardier through a negotiation of a variation of that
4 contract; do you recall that?---I don't recall it, but it
5 sounds logical.

6 Of course it does, doesn't it?---Yes.

7 If Bombardier are not going to be providing the services
8 anymore but there is a cost built into the current
9 contract for them to do so and you're seeking to expand
10 the Transclean contract to incorporate those services, you
11 would try and claw back some of the expenditure owed to
12 Bombardier, wouldn't you?---Well, in the purest sense that
13 logic would be correct, but I would say again that none of
14 these various work streams, work flows, contracts were
15 constant because the fleet was continually growing in
16 size. So, you know, the VLocity trains were arriving at a
17 rate, and still were arriving, at a rate of one train per
18 month, so there was gradually more maintenance to do and
19 more associated cost, and the cleaning element was moved
20 from Melbourne, because of the operational constraint, to
21 another location.

22 Okay, I understand that. But at least you're going to attempt
23 negotiations with Bombardier to try and claw back some of
24 the expenditure that you don't want to double up on; you
25 don't want to be paying Bombardier as well as Transclean
26 for what is the same service, do you?---Of course. Of
27 course.

28 Were you involved in any negotiations to try and claw back some
29 of that cost?---No.

1 Do you know if they took place?---I believe they did.
2 When did they start?---I don't know.
3 Who was involved in them?---I would imagine it would have been
4 our procurement team and our asset team.
5 If we have a look at 319. Do you see there, if we have a look
6 at the very top of the page, we have 'All procurement
7 processes were followed within agreed procedures and
8 guidelines. No conflicts were declared'?---Correct.
9 Is that correct?---That's what it says, yes.
10 And that this time, by March 2019, the matters raised by IBAC
11 in Operation Lansdowne would have been front of mind with
12 V/Line and the executive leadership team, wouldn't they?
13 I know this is a different type of procurement. It's not
14 personnel services, but it is procurement nonetheless,
15 isn't it?---I think it's fair to say that matters relating
16 to IBAC and Lansdowne have been front of mind, yes.
17 Okay. By the time of this contract - variation, sorry, the
18 contract variation - what was your relationship like with
19 Mr Haritos?---I've always had a good relationship with
20 Mr Haritos.
21 It's not part of your day-to-day role to be dealing with him,
22 though, is it, as the CEO?---My day-to-day role at V/Line
23 is to deal with all people associated with V/Line. That's
24 my job.
25 COMMISSIONER: Mr Pinder, you've made quite a point of the fact
26 that in relation to these contracts you neither initiated
27 them nor oversaw the negotiation or implementation. These
28 were issues that related to procurement, to various
29 managers well below you; isn't that so?---That is correct,

1 Mr Commissioner, and perhaps what I should say more
2 specifically is that I have many, many relationships with
3 many, many people in this industry and that that really is
4 the essence of my role.

5 I'm sorry, I don't really follow. If it's no part of your
6 function to be dealing with the managing director of a
7 cleaning agency which has contracts or which is seeking
8 variations of contracts, that's a task designated to
9 people well below you, what function are you serving
10 maintaining a relationship with the manager of
11 the cleaning or the director of the cleaning
12 company?---I think, Commissioner, whether it's right or
13 whether it's wrong, and I accept that there are various
14 ways of looking at this - I'm not trying to be evasive.
15 My raison d'etre, if you like, my way of doing the job
16 that I've done at V/Line for the last three or four years,
17 I see it as a people engagement role, and whether that's a
18 driver driving the train, whether it's a conductor working
19 on a train, whether it's a supplier, I have many, many
20 relationships with many, many people. Now, again
21 I acknowledge that that may not be appropriate. I'm just
22 telling you truthfully that I have many, many
23 relationships with many, many people. People ring me all
24 the time. I ring people all the time. People ring me
25 asking me to solve problems. People ring me asking me how
26 I'm doing. You know, I've had - whether this is right or
27 wrong as a CEO, I've had at least 10, 15 text messages
28 today from people wishing me well, even though I haven't
29 spoken to anyone about this. That is my life as a CEO.

1 I accept and I acknowledge that there are failings and I'm
2 sure we're going to come on to some of those failings in
3 due course. I'm just telling you that, yes, I would
4 regularly correspond with George Haritos, but not
5 exclusively George Haritos and not inclusively. Many,
6 many people.

7 Fine, Mr Pinder, I don't want to make more of this than is
8 warranted, but I've sat there for the entire period until
9 the luncheon adjournment as Mr Lawrie has taken you
10 through the May 18 contract and now the variation.
11 Correct me if I'm wrong, but you left me with the very
12 distinct impression that you played - beyond signing your
13 name to the ultimate recommendation to the board, you
14 played no role whatever in the engagement of the
15 contractor or the terms of the contract, the length of
16 the contract. Is that not the impression you conveyed
17 this morning?---That is the fact, yes.

18 So what was the purpose of your relationship with
19 Mr Haritos?---That's a really good question. George
20 is - the history of our relationship, we spoke about it
21 earlier on when I was at Metro and the fact that I had
22 helped him and Metro resolve a dispute. So I guess from
23 that I became somebody that George could reach out to if
24 he was struggling with something. As was the case with
25 many, many people when I was at Metro, Mr Commissioner,
26 I'm trying to be as open and as transparent as I can be,
27 there were events where people would socialise together,
28 there were occasions where you would meet people outside
29 of work. In our industry there are even events organised

1 by bodies like the Australasian Railway Association that
2 are called networking events. So, we would network and
3 socialise and have dinner, all of those sorts of things.
4 But during those interactions or - I never took those
5 interactions back to V/Line and said, 'Do this because
6 XYZ' or 'Do this' or 'Do that'. My relationship may have
7 been incorrect and, you know, people will form their own
8 opinion and they're entitled to their own opinion. But
9 I didn't actually perform a role, other than what you've
10 described earlier on, signing the contract at the end of
11 the process, in the process. I was a figurehead.

12 So normally when we talk about networking, Mr Pinder, that
13 provides the networker with a benefit; namely, if the
14 networker is someone who wants to engage with an
15 organisation and thus networks with someone from within
16 the organisation, it's for the purpose of advancing the
17 organisation's knowledge of that networker, it's for the
18 purpose of perhaps in the long run securing some business
19 from the organisation. What was the purpose of your
20 networking with Mr Haritos?---Well, I accept your
21 description of what some people would describe as
22 networking and the purpose of it.

23 Yes?---In my mind, and I've been in this industry for a long
24 time, anybody will tell you that knows me that I am a
25 people-centric person. I believe you get the best out of
26 people from having personal relationships with them,
27 whether they're staff or whether they're suppliers. I can
28 tell you that, like many other people, I've had some very
29 - not violent, but very strong discussions with George

1 about what I believe he should be doing and what he
2 shouldn't be doing in terms of the service that his
3 organisation provides to V/Line and I've never done that
4 in exchange for something else that I believe was - on
5 reflection maybe it was inappropriate, but no doubt we're
6 going to get to it. I did what I did with those
7 relationships, George Haritos included, to get the best
8 out of the people that were supplying V/Line and/or the
9 people that were working for V/Line, and that's just the
10 way that I am. There was a very famous predecessor of
11 mine by the name of Harold Clapp who famously once said
12 that railways are five per cent metal and 95 per cent
13 people. If you get the best out of people, you'll get the
14 best operation from the railway. If you don't, then you
15 won't. That's just always been my philosophy,
16 Mr Commissioner.

17 Yes, thank you. Yes, Mr Lawrie.

18 MR LAWRIE: Mr Pinder, so on the basis of your wide network of
19 personal connections you were seeking to get the very best
20 for V/Line out of its suppliers, at least those with whom
21 you were talking; is that correct?---Yes.

22 So in that sense you were playing at least something of a
23 contract management role for those contracts that V/Line
24 had with those suppliers, isn't that right?---If that is
25 how you interpret contract management, then that's your
26 interpretation. I don't agree with it, Mr Lawrie, but
27 I respect your interpretation.

28 Mr Pinder, how else does one interpret the phrase 'trying to
29 get the best out of our suppliers' if not in the context

1 of contract management? How else would you interpret
2 it?---I guess what I was trying to convey to the
3 Commissioner is that my approach and my style may be
4 different to more traditional approaches and styles, and
5 I'm not defending it, absolutely I'm not defending it,
6 Mr Lawrie. I'm just saying that - I'm telling you, you
7 asked me this morning to answer your questions, I'm
8 answering your questions.

9 Thank you. Well, by the time the contract comes up for this
10 variation in March of 2019, how would you describe your
11 relationship with Mr Haritos? Was it beyond this normal
12 wide-ranging personal connections that you had? Was it
13 something more?---I would describe my relationship with
14 George Haritos as being very similar to the relationship
15 that I had with a very large number of different people in
16 this industry at varying times. I mean, I have been
17 working in this industry for 36 years. I've been working
18 in Australia on and off for eight years. I had a strong
19 relationship with George Haritos and I'm sure we're going
20 to come on to whether or not that relationship was
21 appropriate or not, but it was a similar relationship to
22 what I had with a lot of people.

23 All right. Let's have a look at that. Can we go, please, to
24 p.279.

25 COMMISSIONER: I'll mark, Mr Lawrie, as exhibit JP4 the V/Line
26 board agenda for March 19, pp.314 to 321.

27 #EXHIBIT JP4 - V/Line board agenda for 03/19, pp.314 to 321.

28 MR LAWRIE: Thank you, Commissioner.

29 WITNESS: I don't know whether or not there's anything that we

1 can do about this, Mr Commissioner, but the screen is
2 really - - -

3 MR LAWRIE: Upsetting you, is it?---It's not upsetting me. But
4 your screen in particular is flickering a lot, Mr Lawrie,
5 and occasionally your voice is breaking up.

6 What I think you need to be on is gallery view and it may have
7 defaulted to some other form. So if someone can assist
8 you with that, that would be appreciated?---Okay. I'll
9 see if I can work it out myself.

10 MS CURRIE: Commissioner, I'm sorry, I just wonder whether it
11 might be possible just to take a short break to fix those
12 technical issues, maybe five or 10 minutes.

13 COMMISSIONER: Yes, I agree. I was about to suggest that.

14 Thanks, Ms Currie. We'll adjourn for 10 minutes.

15 (Short adjournment.)

16 COMMISSIONER: How's that now, Mr Pinder?---Yes, I think now my
17 image has disappeared and Carmen's has come back, it's
18 much better, thank you. Commissioner.

19 COMMISSIONER: Good to hear. Thank you.

20 MR LAWRIE: Thank you, Commissioner. Mr Pinder, shortly before
21 the break you discussed the nature of your relationship
22 with Mr Haritos and you described it as being no different
23 in many ways to that that you have with numerous other
24 people that you engage in on a daily basis; is that a fair
25 summary?---I think that's what I said, yes.

26 I want to have a look, please, at p.279 which is an email dated
27 20 June 2015. That will come up on the screen now. This
28 is an email that you sent to your then fiance; is that
29 right?---Yes, it would appear to be. I don't recognise

1 the email address from the 'From'.
2 Take a moment to read it. You may indeed recognise that
3 precise email or be able to identify it from the nature of
4 its contents?---So if you could just scroll back up a
5 little bit, please. So where it says 'From James Pinder'
6 and that - whatever you describe that as, I don't
7 recognise that.
8 M-hmm.
9 COMMISSIONER: Do you recognise the body of the email?---Yes,
10 I do. Yes.
11 MR LAWRIE: If we go down to the bottom, do we see an email
12 signature there?---Yes.
13 Let's just go back up to the top. This is June 2015, shortly
14 before your wedding in the UK; correct?---Yes.
15 Have a look under the heading 'Oz friends'?---That was
16 12 months before, yes.
17 All right. Have a look at the heading 'Oz friends'?---Yes.
18 And do you see the fourth from the bottom there, 'George and
19 wife Haritos'?---Yes.
20 Who is that referring to?---George Haritos and his wife.
21 What's his wife's name?---I don't know.
22 Okay. So at least at that time you were seriously considering
23 having him invited to your wedding, weren't you?---Yes.
24 COMMISSIONER: I'm sorry, Mr Pinder, you still don't know
25 Mr Haritos's wife's name?---No, Commissioner, I do not.
26 MR LAWRIE: And just above that there's 'Alex and wife'. Who
27 is Alex? Sorry, just below that, I should say?---Alex is
28 George - I think it's his brother-in-law.
29 What's his last name?---I don't know.

1 You really don't know Alex's last name?---I really don't know
2 Alex's last name.

3 Is it Alex Kyritsis?---I don't know his last name.

4 Okay. Did you know it then?---No. I don't think I've ever
5 known it.

6 So you only ever knew him by his first name but he is listed
7 amongst your Australian friends to come to your
8 wedding?---He appears on this list, Mr Lawrie, but he
9 wasn't invited to my wedding. At the time I think my
10 wife-to-be was saying, as is often the case even 12 months
11 out, and I hope she's not watching this, 'Come on, we need
12 to sort this out. We need to sort this out.' So I said,
13 'Right then. Here's a list of names.' Now, I would say
14 looking at that list of names, and I can furnish you with
15 a list of people that actually came to the wedding, that
16 less than half of the people in the Oz friends list were
17 invited, including George and Alex, and several other
18 people were. But at the time I think we were just trying
19 to get an idea of numbers. That's my honest recollection.
20 But at least at that time you're seriously considering having
21 Alex, who you only know as Alex, as well as George Haritos
22 and his wife; yes?---Yes.

23 Was Alex part of Transclean?---I don't really know what Alex's
24 role is.

25 Was he part of Transclean, not what his role was?---I don't
26 know. I don't know.

27 Is that a serious answer?---I think that George, as you said
28 earlier on, is the managing director or was the managing
29 director of Transclean. I don't know if he still is.

1 I think Alex may have run other businesses that they're in
2 business with each other on. But I don't know whether he
3 was part of Transclean because I never met with him in any
4 dealings about Transclean.

5 What about his son, Steve Kyritsis, did you ever meet with
6 him?---Steven I know, but until you said that surname
7 I did not know that that was his surname.

8 Did you ever socialise with him?---Yes.

9 Do you remember the name of a company AES Pty Ltd?---No.

10 Never heard of it?---To my knowledge, no.

11 Do you know the ownership - do you understand the ownership of
12 Transclean Facilities Pty Ltd?---No.

13 Have no idea? If I was to tell you that it's a wholly owned
14 subsidiary of AES Pty Ltd, which itself is 50 per cent
15 owned by Mr Haritos and 50 per cent owned by Alex
16 Kyritsis, that comes as news to you, does it?---Yes.

17 So those two men are the ultimate owners through that link,
18 through that corporate link of Transclean Facilities Pty
19 Ltd; you understand that now, do you?---Yes, I do, now
20 that you've explained it to me, yes.

21 As at the time that this variation was going through in March
22 2019, who did you know at Transclean?---Sorry, can you
23 repeat the question?

24 COMMISSIONER: Are you talking about March 19 now?

25 MR LAWRIE: I am.

26 COMMISSIONER: Yes. Sorry, just to be clear on the date,
27 Mr Pinder, you're being asked about March 2019?---Okay.

28 So, I knew George and I knew that when I was at Metro
29 George used to run Transclean. I knew and I know that his

1 intention was - - -

2 MR LAWRIE: No, Mr Pinder, I'm sorry, I'm going to direct you
3 once again to the question. It's a quite straightforward
4 question. As at March 2019 who did you know at
5 Transclean?---George, Steven, I'm still not sure whether
6 I knew that Alex was part of Transclean, Marie and the
7 chap that I mentioned earlier on, [REDACTED], I think,
8 were the only five. Oh, there's a lady whose name escapes
9 me who is the supervisor, I think. Let me think. No,
10 I can't remember her name.

11 Can I prompt you. Would that be [REDACTED]?---No.

12 Do you know an [REDACTED]?---I don't know [REDACTED],
13 but I know of her.

14 COMMISSIONER: And how do you know of her, Mr Pinder?---My
15 recollection is that she is either Marie's sister or
16 sister-in-law. I'm not sure.

17 And who is Marie?---Marie is the lady that lent me some money
18 that Mr Lawrie alluded to earlier on.

19 MR LAWRIE: What's Maria's last name?---I'm not very good with
20 Greek surnames, but it's something like Tsakopoulos.

21 When did you first meet her?---Probably not long after
22 I arrived in Melbourne. 2013, something like that.

23 So you've known her from your days in Metro?---Yes.

24 Would you socialise with her?---Occasionally.

25 How often?---When I first arrived in Melbourne and I was here
26 on my own, I would see - maybe saw her half a dozen times
27 in the first year I was here.

28 She was the contract manager at Transclean, yes?---I didn't
29 actually meet her in that capacity, but she at some point

1 became one. My recollection was that when I first met her
2 she was in retail, but she may have been working for
3 Transclean; I don't know.

4 How did it come to pass that you met her?---Well, a lot of
5 people then used to drink in a few different bars around
6 the place. When I first came to Melbourne I was living in
7 the [REDACTED] Apartments, so I used to drink in the [REDACTED]
8 there. There was a restaurant called [REDACTED]
9 that was a couple of streets away that I used to go to.
10 Lots of places where lots of people used to go and it was
11 there that I met Marie the first time.

12 Sorry, you met Maria for the first time at [REDACTED];
13 is that right?---I think her name's Marie. It was either
14 in [REDACTED] or the [REDACTED] in the [REDACTED].

15 Back in 2013 approximately?---Something like that, yes.

16 By the end of 2019 - I'm sorry, by the end of 2018, my
17 apologies, how would you describe your relationship with
18 Maria or Marie? Was it social, was it business? How
19 would you describe it?---Well, by the end of 2018 she'd
20 agreed to lend me some money - - -

21 No, Mr Pinder, I'll get to that in a minute. How would you
22 describe your relationship at that time?

23 Business?---Friendly. Friendly.

24 Okay. How often would you see her?---Once every month or two.

25 And you would happen to see her when you perhaps met up with
26 George Haritos?---Actually, by the end of 2018 I wouldn't
27 have seen her or any of those people very often at all
28 because by then my wife had arrived in the country. But
29 before my wife arrived I used to see them quite regularly.

1 And those persons that you've mentioned are the only people
2 that you can associate as knowing at Transclean; is that
3 right? Those five names?---I'm trying to remember the
4 name of the sixth one. I think it may have been Norma.
5 Okay.

6 COMMISSIONER: When did you learn that Marie had employment
7 with Transclean?---I'm fairly convinced, Commissioner, I'm
8 not absolutely sure, but I'm fairly convinced that when
9 I first met Marie she didn't work for Transclean. But at
10 some point during my time at Metro she started working at
11 Transclean.

12 And did you learn of that before you came to know Mr Haritos,
13 did you?---I can't remember which one I met first,
14 Mr Commissioner. I genuinely can't. We used to socialise
15 in the same places, not just me and Transclean employees,
16 but Metro - other Metro employees, other suppliers. We
17 used to go to the casino. We used to go to the races. We
18 used to go all sorts of different places. I can't
19 remember which one I met first, but it was around the same
20 time. That's my honest recollection.

21 My impression again might be faulty, Mr Pinder, but I thought
22 this morning you told us that you came to know Mr Haritos
23 at the time that you were asked to intercede to try and
24 solve the disputation between Transclean and Metro. Am
25 I right about that?---That is correct, Mr Commissioner,
26 yes.

27 And that's 2015. So that's long after, according to you, you
28 first met Marie?---No, no, I think I said,
29 Mr Commissioner, and if I didn't I apologise, that I met

1 George for the first time in my first six months at Metro,
2 and I started working at Metro - Mr Lawrie said in
3 January. It was actually December 2012.

4 Okay?---30 November 2012 and I met George, I think we agreed,
5 although I couldn't really remember, that it was in the
6 late summer, early autumn of 2013.

7 Okay?---If that's not what I said, I apologise.

8 So by the time you were interceding in the dispute that you
9 helped to resolve in 2015, you already knew

10 Mr Haritos?---No, no, I think I met him first as part of
11 that process and then subsequently at various different
12 get-togethers. Everybody at that time at Metro, and this
13 is really hard to describe, but everybody socialised with
14 everybody and we were out most nights, certainly on nights
15 like Friday nights and Thursday nights. I'm not saying it
16 was right or wrong, but that was the fact.

17 All right. Thank you?---And the other thing I would say, and
18 just to remind you, and I'm sorry if this is going over
19 old ground, is that some of the people that worked at
20 Transclean used to work at Metro and vice-versa.

21 Yes.

22 MR LAWRIE: So by the end of 2018 you're living in a house that
23 you're renting in Williamstown, is that right, with your
24 wife?---Correct.

25 And you purchase a property in Williamstown on 11 December
26 2018, don't you; you sign the contract of sale?---It was
27 around that time, yes.

28 If you're worried about dates and that sort of precision, we'll
29 just pull up the documents. But just take it from me for

1 the moment - - -?---I trust you to tell the right date and
2 time, that's fine.

3 Okay. The purchase price for that property was \$2.5 million,
4 wasn't it?---That's correct.

5 The terms of the contract involved a 5 per cent deposit of
6 \$125,000 with settlement of the total price for the
7 property due on 18 February 2019; is that correct?---That
8 sounds correct.

9 You paid a deposit of \$125,000 a little bit after the signing
10 of the contract of sale on 17 December 2018, didn't
11 you?---That sounds correct, yes.

12 That \$125,000 deposit was paid into Sweeney Stanley Real Estate
13 for them to hold the deposit; do you recall that?---Yes.

14 You had lawyers engaged to do the conveyancing of this, did
15 you?---Yes.

16 And that was John Conquest lawyers?---That sounds familiar,
17 yes.

18 And so far we've spoken about what might be ordinary steps in a
19 transaction for the acquisition of real estate, haven't
20 we?---Yes.

21 The only thing is that when I asked you about that \$125,000, do
22 you know where that came from, that is the 5 per cent
23 deposit?---I borrowed some of it and paid some of it
24 myself.

25 From whom did you borrow it?---To buy that property I borrowed
26 some money from Marie and from Peter Bollas.

27 Okay. The deposit, I want you to focus on that for the moment.
28 This is the \$125,000 that gets paid to Sweeney Stanley
29 Real Estate. Do you know where that money came from or at

1 least \$100,000 of that 125? Where did that come
2 from?---I don't know specifically. I'd have to check.
3 But I know that I borrowed \$320,000 in total from Marie
4 and something like \$35,000 from Peter.
5 I think we might find that that sum is about - I was going to
6 take you to some \$20,000, but we'll come back to that.
7 Okay. I put a name to you earlier, [REDACTED]. You
8 didn't recognise that name, did you?---I do recognise the
9 name, but I don't know the person.
10 Never met her?---Not to my knowledge.
11 Don't know where she works?---No.
12 All right. What I want to suggest to you - I'm going to put a
13 document to you in a minute - is that \$100,000 of the
14 \$125,000 deposit for the property that you bought in
15 Williamstown was transferred by electronic funds transfer
16 on 17 December from [REDACTED] directly to Sweeney
17 Stanley Real Estate. Did you know that?---Now that you've
18 reminded me of that, that sounds familiar.
19 From a person whose name is only vaguely familiar to you after
20 I mention it and that you've never met?---Well, as I said
21 to you at the time, I believe that she was Marie's either
22 sister or sister-in-law.
23 Okay. Let's have a look at - sorry, can we go to p.861,
24 please.
25 COMMISSIONER: While we're doing that, Mr Lawrie. Could I just
26 ask you, Mr Pinder, since you were served with the summons
27 to attend here, did you appreciate that you were likely to
28 be asked some questions about the purchase of your house
29 and where the funds came from?---I suspected,

1 Mr Commissioner, that, yes, I would be.
2 So did you do your best before coming here today to try and
3 familiarise yourself with how you raised the purchase
4 moneys for the house?---I did, Mr Commissioner, and
5 I - but in doing so I'm not in possession of any documents
6 or anything that I could refresh my memory with. I know
7 that I've borrowed \$320,000 from Marie, and I know that
8 over a period of time I've borrowed an amount of money off
9 Peter, and I could explain the circumstances of that. I'm
10 not going to until I'm asked to because that's what I've
11 been told to do, answer the question, but I don't have
12 any - other than a loan agreement with Marie, I don't have
13 any documentation to refer to. That bank account was
14 closed because it was with the Commonwealth Bank who
15 wouldn't lend me the money in the end, so I changed to the
16 NAB account. But as soon as Mr Lawrie mentioned the
17 deposit and Sweeney and the breakdown of that,
18 I remembered it. That's my recollection.

19 Yes, Mr Lawrie .

20 MR LAWRIE: Thank you, Commissioner. Can we please have a look
21 at p.861.

22 COMMISSIONER: While that's coming up, I'll make the email from
23 Mr Pinder to his fiance of 20 June 15 exhibit JP5.

24 #EXHIBIT JP5 - Email from Mr Pinder to his fiance dated
25 20/06/15.

26 MR LAWRIE: Thank you, Commissioner. It's actually the next
27 page, but before we go there, your home loan for the
28 purchase of the property in Williamstown was through a
29 broker, wasn't it?---Yes.

1 It was organised through a broker. It ended up with the
2 NAB?---Yes.
3 And you ended up borrowing how much?---In round numbers I think
4 \$2.2 million.
5 Go to the next page. You'll see a document that was prepared
6 or provided for the purposes of your home loan
7 application. Just take a moment to read that?---Yes.
8 Have you read it?---I remember it and I've read it, yes.
9 You remember it. When was the first time you saw it? It's
10 undated, so when did you first see it?---My recollection
11 was that the broker said that he needed to do a whole load
12 of things to demonstrate to the bank where money was
13 coming from and that was drafted by him to send to [REDACTED]
14 [REDACTED] to sign.
15 COMMISSIONER: Sorry, it was drafted by your broker?---If it
16 wasn't drafted by him - I think it was, Commissioner.
17 I can't remember, but I think it was.
18 MR LAWRIE: Did you know that was happening?---Yes.
19 And who's [REDACTED]?---He was the broker.
20 COMMISSIONER: Am I right, Mr Pinder, in saying that what's set
21 out in that document doesn't reflect what you just told us
22 a few minutes ago about the source of these moneys?---It's
23 not - that document is not true, Commissioner.
24 It's a false explanation?---Yes, it is.
25 MR LAWRIE: It's false in a number of ways, I suggest,
26 Mr Pinder. For a start, [REDACTED] hadn't personally
27 known you for six years; correct?---Correct.
28 And it wasn't a repayment of moneys from her to you?---That's
29 correct.

1 Was the design of this document to hide liabilities that would
2 otherwise weigh against you in the loan application
3 process?---The honest answer to that question is I suspect
4 it probably was, but I don't know.

5 We're being a bit coy, aren't we?---I don't - genuinely,
6 genuinely, Mr Lawrie, I don't know how these things work.

7 You're the CEO of V/Line; correct?---I've lived in Australia on
8 and off for eight years. The way things are done in this
9 country is very different to the way it's done in the UK.
10 I'm familiar with the way things are done in the UK.
11 I was learning this as I was going along.

12 You would understand just from basic business experience that
13 an application for a loan requires declaration of assets,
14 liabilities and income, doesn't it?---Yes.

15 And the lender or the prospective lender assesses that, don't
16 they?---Correct.

17 To see whether you come within the terms of the loan
18 application. There's only one conceivable purpose for
19 this document and it is to hide liabilities that would
20 otherwise weigh against you in that process; isn't that
21 the case?---No, the purpose of this document came about
22 because in the time it took for me initially from a broker
23 to get an offer in principle to lend me the full amount
24 using my UK property and UK pension as those kinds
25 of - what was the word you used?

26 Liabilities?---Liabilities. They changed their mind and in the
27 meantime we'd gone a way down the road of buying our own
28 property. So, in other words, I was given an indication
29 in principle a period of time before I was going to buy my

1 property and my wife and daughter were going to move out
2 to Australia that the money would be available to be lent
3 to me by the bank based on my UK property and my pension
4 in the UK. My wife arranged to move out here, closed up
5 the house in the UK, arrived in Australia, we went and saw
6 a house, the house we liked, we agreed in principle that
7 we were going to buy it. In the meantime I think there
8 was a royal commission into banking in this country and
9 suddenly the rules changed significantly and I was no
10 longer able to use my property in the UK and/or my UK
11 pension to support my application, and that's when all of
12 this stuff started happening.

13 So it's those tightening in borrowing - sorry, I should say in
14 lending guidelines that result from the banking royal
15 commission that leads you to be in a bit of a fix, isn't
16 it, because the finance that you had anticipated simply
17 didn't come about?---A fix is your way of describing it.
18 I would use much stronger terms than that. I didn't keep
19 this as a secret. I explained it to some people.
20 I explained it to several people, actually, and quite a
21 few of those people offered to help and because of what
22 you describe as a bit of a fix, wife of two years,
23 daughter moving - not my daughter, but stepdaughter moving
24 halfway around the world, her father also arranging to
25 come and live over here on the back of the fact that I'm
26 working here, and suddenly to be told, 'Actually, you
27 can't do what you've planned to do and that house you've
28 agreed to purchase and put a deposit down on you no longer
29 can finance it this way,' led me into a rather, as you've

1 described, a fix.

2 And having to seek unusual sources for at least part of
3 the financing?---And several people to their credit,
4 including [REDACTED], agreed to help me. In the end I chose to
5 borrow the money from Marie and Peter. I could have
6 chosen any number of people because there were lots of
7 people who were offering it to me. But this thing that's
8 on your screen now was what I was told was necessary
9 because people lending you the money wouldn't have been
10 seen as necessarily being appropriate by the bank, and
11 I knew, just for the record, I knew it was wrong and
12 I know it's wrong now and it's been on my mind ever since.

13 COMMISSIONER: Mr Pinder, you just said a moment ago that the
14 people who were lending you the money wouldn't have been
15 viewed as appropriate. What did you mean by that?---Well,
16 two of the people who offered to lend me the money,
17 Commissioner, worked for me. Another one was the chap
18 that was the broker. He said that one of his staff had
19 some money because she'd come into some money and she
20 would be willing to lend me the money. There were some
21 friends of mine offered to lend me the money. There was
22 probably about five or six people that knew the situation
23 at the time that offered to lend me the money and I don't
24 think from the bank's perspective either of them would
25 have been appropriate because I was led to believe that
26 they would want the money to come from me, hence this
27 elaborate ruse.

28 So can I ask a couple of questions. Is that a genuine
29 signature by [REDACTED]?---I believe so. I don't know.

1 And what's [REDACTED] relationship to
2 Mr Haritos?---I believe - I don't know that he's related
3 to her at all. I believe that she's related to Marie, but
4 that's only my understanding.
5 I see. And the explanation that was concocted in this
6 document, who actually - what's the genesis of that false
7 story?---That's a really difficult question for you to ask
8 me, Mr Commissioner, because the person who concocted that
9 story was genuinely trying to help me, but the answer is
10 [REDACTED].
11 And so you and he together put your heads together to give the
12 bank a false account; is that your explanation for this
13 document?---I think I probably misled [REDACTED] and he came up
14 with the idea. So I think I told him that the money was
15 mine and he said, 'Well, we need to put it in writing.'
16 So it wasn't his idea, no. I'm not going to say it was
17 his idea.
18 I'm sorry, I thought you said something different?---No, sorry,
19 that's not what I meant. It was me that told him that the
20 money was mine.
21 Can we just have that document up on the screen again,
22 please?---So, having told him that it was my money, he
23 said we needed to put it in writing, words to this effect.
24 MR LAWRIE: Didn't you say earlier, Mr Pinder, that [REDACTED]
25 drafted that?---Because I told him that it was my money,
26 Mr Lawrie, he told me that we needed to get something in
27 writing to that effect. So it was me that misled him.
28 Who drafted it? Who created that document?---I don't remember.
29 I think it was me.

1 COMMISSIONER: You think it was you?---I don't know,
2 Mr Commissioner, is the real answer.
3 Mr Pinder, you would appreciate that this document had no
4 prospect of persuading a bank unless you could be sure
5 that [REDACTED], if approached by the bank, would confirm
6 this false account; correct?---I never thought of that,
7 Mr Commissioner. This whole thing was happening and if
8 I'm honest it was like it was an out of control event, you
9 know. I was giving access to my bank accounts to people
10 to transfer money backwards and forwards. All I can say
11 with 100 per cent accuracy is that I absolutely believe
12 that I owe to Marie \$320,000 and I owed to Peter -
13 I thought it was 35, but if you say it was 20, then maybe
14 I've got it wrong, I don't know.
15 I'm sorry, I'm still mystified about a number of things,
16 Mr Pinder. If this is [REDACTED] genuine signature,
17 then that suggests that at some point of time, if you're
18 the author of this false account, you must have talked to
19 her and got her concurrence to providing or supporting
20 this false account. Do you not remember doing so?---No,
21 what I actually did was I sent it to Marie and asked Marie
22 to ask [REDACTED] to sign it and send it back.
23 I see. So did you tell Marie what the false account was going
24 to be?---Yes.
25 So what you're saying is you told Marie what the false story
26 was going to be. She had to pass it on to [REDACTED],
27 who would then be asked to sign this false account?---Yes.
28 And do you know why Marie agreed to participate in such a
29 process?---Because she genuinely, I believe, wanted to

1 help me.

2 Yes, Mr Lawrie.

3 MR LAWRIE: Thank you, Commissioner. That's a person that
4 you've never met genuinely wanting to help you;
5 correct?---No, no, I was talking about Marie.

6 Sorry. Let's go to the loan that you say exists between you
7 and Marie. You heard in the opening we spoke of \$320,000
8 that went towards the purchase of your property in
9 Williamstown; correct?---Yes.

10 And when was that loan agreement reached?---I haven't got the
11 paperwork in front of me.

12 Have you got a copy of that loan agreement?---Yes.

13 Where is it?---At home.

14 Have you looked at it recently?---No.

15 You surely must have known after you were subpoenaed to attend
16 here today that that would be the subject of questioning?
17 You must have anticipated that, surely, Mr Pinder?---Yes.

18 But you didn't bother to look to refresh your memory about
19 the loan agreement?---Well, I know what it says.

20 Okay, let's bring it up. Page 445 and 446, please. At 445 we
21 see it's titled 'Unsecured revolving loan agreement'.
22 Before we go any further, that is the true nature of this,
23 isn't it? It doesn't seek to take any security against
24 the amount lent, does it?---What do you mean?

25 There's no security attached to this loan agreement. It's an
26 unsecured loan?---Yes.

27 It doesn't purport to take a second mortgage or anything else,
28 does it?---I don't really follow what you mean. I know
29 what you said about me being a CEO, but this is

1 not - I don't understand the question.

2 You don't understand what a mortgage is?---I understand what a
3 mortgage is, yes.

4 You know you can have multiple mortgages against the same
5 property?---No, I didn't know that.

6 Okay. Let's go down to the next page. This page is basically
7 what lawyers would call boilerplate, Mr Pinder, isn't it?
8 Definition of the Tax Act, singular includes the plural,
9 all that sort of thing. Gender includes other genders.
10 Then we get down to clause number - - -?---I don't
11 understand the question, sorry.

12 I'm just summarising because page 1 is basically boilerplate
13 terms that really are not of particular interest at the
14 moment. Let's go down to the meat of the contract at
15 clause 2. 'The lender will provide the borrower a loan in
16 the maximum amount of 320,000 Australian dollars with an
17 annual interest rate of 8.5 per cent on the balance as at
18 30 June of each financial year.' Is that correct?---Yes.
19 It's as you understood it. 'The principal and interest shall
20 be paid within three years and shall be repaid no later
21 than 9 December 2021'?---Yes.

22 All right. 'All payments shall be first applied to interest
23 and then the balance to the principal. The loan may be
24 repaid at any time, in whole or in part, without penalty.'
25 Do you see that?---Yes.

26 And then I won't burden you with clauses 5, 6 and 7. But we've
27 dealt with the meat of the contract, haven't we? It's
28 unsecured. It's \$320,000. 8.5 per cent on the
29 outstanding balance at the end of each financial year.

1 Repayable whenever, but within three years; is that
2 right?---Yes.
3 It's dated 10 December 2018?---Yes.
4 Signed by both Maria Tsakopoulos and yourself; do you see that
5 there?---Yes.
6 Before you corrected me and you said her name is really
7 Marie?---I've never heard her called Maria before. It's
8 always Marie with an I, no A. In fact I think she
9 corrects people normally.
10 She didn't correct the author of this document, it
11 seems?---Well, I'm only telling you what I know.
12 Okay?---How did I go with the pronunciation of the name?
13 Okay. 10 December 2018, was it signed on that
14 date?---I believe so.
15 You believe the date that is appended to those signatures is
16 correct?---I haven't got access to any diaries, so I don't
17 know is the answer.
18 COMMISSIONER: Who drew up this agreement, Mr Pinder?---That
19 individual that you can see there, who I knew or I was
20 introduced to as [REDACTED], I believe.
21 Which individual are you referring to?---The - - -
22 The witness?---Yes.
23 [REDACTED]. Do you know who he is?---Well, I knew him as
24 [REDACTED] and he was introduced to me by Marie.
25 And have you had anything to do with him since the day he drew
26 this agreement up for you?---No.
27 And how did he come to be engaged to do that?---Marie asked him
28 to do it, I believe.
29 And what about the terms of the agreement? How were they

1 reached, Mr Pinder?---Those were the terms offered to me
2 by Marie.

3 MR LAWRIE: Is [REDACTED] a lawyer, as far as you're
4 aware?---I don't know.

5 When did you first meet him?---On that day. Well, if in fact
6 it's the date. As far as I was concerned, this was the
7 agreement that - it was drawn up on behalf of Marie more
8 than anything to say, you know, 'I owe you this money.
9 It's a formal loan agreement and if you want me to lend
10 you the money, then you're going to have to sign this
11 agreement,' and she arranged for it to be drafted.

12 When did you first see it?---On the day that I signed it.
13 You had solicitors engaged for the purpose of the purchase of
14 your property at Williamstown by that stage, did you, or
15 not?---I didn't take it to my solicitors.

16 You didn't?---No.

17 No need to?---I didn't think there was a need to.

18 And so you met [REDACTED], on that day and on that day
19 only?---I don't think I've ever met him since and
20 I certainly hadn't met him before.

21 The witness address is given as Burwood; do you see
22 that?---Yes.

23 Is that where the agreement was signed?---No. I believe
24 that - I don't actually remember, but I believe, and
25 I don't even know where Burwood is, that where I signed it
26 was somewhere near Chadstone.

27 Well, was it in someone's house?---No, it was in a coffee shop
28 in Chadstone.

29 In Chadstone Shopping Centre?---That's as I remember it.

1 Okay. Did that strike you as a little unusual to be doing
2 business in the sum of \$320,000 as an unsecured loan at a
3 coffee shop in Chadstone, drawn up by someone you've never
4 met before, seen only by you on that day and that day
5 alone, and then witnessed by the person who drew the
6 contract?---I think the whole thing was unusual,
7 Mr Lawrie, and as you said earlier on I was in a bit of a
8 fix.

9 On that day you took a counterpart or a copy of that contract
10 for yourself?---There were two copies. I signed one
11 and - I signed them both, obviously, and Marie took one
12 and I took the other, and it's been in my bedside drawer
13 ever since.

14 Was that disclosed to the bank on your application for a loan
15 as a liability?---No.

16 You knew that you had to, though, didn't you?---I didn't know
17 that I had to.

18 You disclosed your UK loan, didn't you, which was some \$70,000
19 or thereabouts?---Yes. I had disclosed that a long time
20 before because the equity in the house was what I was
21 informed I could use initially as part of the deposit, as
22 was my UK pension, which is worth a significant amount of
23 money. But, as I said to you, in the intervening time the
24 royal commission found that - - -

25 Let's just concentrate on your declaration of liabilities when
26 you're applying for this money through the NAB?---Well,
27 I've already answered that question. I did not declare
28 it.

29 There were three things - - -

1 COMMISSIONER: Why not, Mr Pinder?---Because I didn't know that
2 I had to, Mr Commissioner.

3 I'm sorry, I don't follow that. You didn't understand that
4 this was a liability when you filled out the documents for
5 the bank?---I signed a lot of documents when I bought the
6 house, Mr Commissioner. I signed everything that was
7 presented to me by the broker. I did not declare this
8 loan as part of that process.

9 You no doubt were asked by someone at the time you filled out
10 the relevant bank documents, 'What are your liabilities',
11 and presumably this would have been one of your largest
12 liabilities?---I don't remember that happening,
13 Mr Commissioner. Genuinely I don't. I should have paid
14 more attention to it, but I do not remember that
15 happening.

16 MR LAWRIE: Perhaps we can go to p.145, please.

17 COMMISSIONER: Just before we do, Mr Lawrie, so we don't lose
18 track of exhibits.

19 MR LAWRIE: Thank you, sir.

20 COMMISSIONER: We need to make the undated memorandum of [REDACTED]
21 [REDACTED] re funds given to her by Mr Pinder JP6 and the
22 loan agreement between Mr Pinder and Ms Tsakopoulos of
23 10 December 18 JP7.

24 #EXHIBIT JP6 - Undated memorandum of [REDACTED] re funds
25 given to her by Mr Pinder.

26 #EXHIBIT JP7 - Loan agreement between Mr Pinder and
27 Ms Tsakopoulos of 10/12/18.

28 MR LAWRIE: Thank you, Commissioner. Can we go, please, to
29 p.145. Sorry, that's my fault. It's p.852 or 853. Do

1 you see that this is part of your assets and liability
2 declaration in the home loan application? We can go
3 through the whole document if we have to, but just
4 focusing on this page?---Yes.

5 And there are three liabilities that you've disclosed: home and
6 other property loans, Nationwide Building Society mortgage
7 loan \$72,000-odd. That's your UK mortgage, isn't
8 it?---Yes.

9 BMW Financials personal loan 29,800. That's a car loan, isn't
10 it?---Yes.

11 CBA credit card with a limit of 27,500, but with an amount
12 owing of 19,000 is declared; correct?---Yes.

13 You provided all that information?---Yes.

14 You did so in response to enquiries that were made throughout
15 the home loan application process? In other words, you
16 were asked to detail your liabilities, weren't you?---Yes.

17 And so that's the information you came up with?---Yes.

18 And notably absent from that is the loan from Marie
19 Tsakopoulos?---Yes. I said that I didn't put it on there.
20 I'm agreeing with you.

21 But the notion that you didn't know whether or not you needed
22 to is not correct, is it?---I didn't fill that form in.

23 You signed it?---I know that I signed it, but I didn't fill it
24 in.

25 COMMISSIONER: It's been typed, Mr Pinder. Where was it
26 typed?---I suspect it was either typed by the bank or by
27 the broker.

28 MR LAWRIE: Did you review it?---I don't remember seeing it.

29 But if I've signed it - I can't see where I've signed it,

1 but if I've signed it somewhere after that, then I must
2 have done. When I went to sign all of the documents, and
3 there were lots of documents, there were bits of post-it
4 notes saying 'Sign here, sign here, sign here', but that
5 would have been produced based on information that
6 I provided and, as I've already said to you, that
7 information wasn't provided, so that's why it's not on the
8 form. So I accept responsibility for that.

9 Who did you tell about the loan you had with Maria

10 Tsakopoulos?---I don't know that I could tell you exactly
11 who I've told, but I've told people that I have
12 had - I did have a loan.

13 Who did you tell?---I think just a couple of friends.

14 You'd be able to provide the names of those people, wouldn't
15 you?---I don't think I've told anyone that specifically
16 Marie lent me the money, but I have told at least two
17 people that somebody lent me the money.

18 Did you say how much they had lent you?---Yes.

19 You would be able to provide the names of those two people,
20 wouldn't you?---I don't know actually that I would, and
21 I don't think - I'm just - - -

22 COMMISSIONER: Is that because you can't remember their names
23 or you don't think it's necessary to disclose their
24 identity, Mr Pinder?---I know that I told at least one
25 person that somebody had lent me some money, and
26 I know - and I think it may have been two. But
27 that's - - -

28 Could I just clarify, Mr Pinder, at the time that this
29 purported loan agreement is dated, 10 December 18, what

1 was Marie's position at Transclean?---I don't know,
2 Mr Commissioner.
3 Do you know what her position has been at Transclean at any
4 time since that date?---No, Mr Commissioner.
5 Do you know that she was employed at Transclean at that
6 time?---I believe, yes, I did.
7 And did you ever discuss this loan with Mr Haritos either
8 before entering into this arrangement with Ms Tsakopoulos
9 or since?---Both, I think, Mr Commissioner. So that's one
10 person that knew about it.
11 So you talked to him before you got this money and
12 after?---Yes.
13 MR LAWRIE: At the time Ms Tsakopoulos was indeed responsible
14 for the management of the carriages cleaning contract with
15 V/Line; that is, she had Transclean's end of
16 responsibility for contract management for that contract,
17 didn't she?---I didn't know that, Mr Lawrie.
18 Okay. Can we please go through to p.865.
19 COMMISSIONER: Are you moving on from that document, Mr Lawrie?
20 MR LAWRIE: I'll tender that, Commissioner.
21 COMMISSIONER: Assets and liabilities to the bank, was that
22 dated, Mr Lawrie?
23 MR LAWRIE: I'll just come up with the date. No, I don't think
24 it is.
25 COMMISSIONER: Undated assets and liabilities statement to the
26 bank, JP8.
27 #EXHIBIT JP8 - Undated assets and liabilities statement to the
28 bank.
29 MR LAWRIE: We're just bringing up p.865 for you. Have you

1 seen this document before?---Yes.

2 It's a confirmation, if we can scroll down a little bit,
3 please, signed by Maria Tsakopoulos, dated 1 February
4 2019, confirming \$20,000 that she's paid you. It's not a
5 loan but a non-repayable gift. Do you see that?---Yes,
6 I do. Yes.

7 Was that prepared for the purposes of your loan
8 application?---I believe so, yes. I don't remember it
9 until you've put it there, but now that you've put it
10 there I remember it.

11 Is this in addition to the \$320,000 that she loaned you?---No,
12 I think it was - - -

13 Part of it?---Part of it, I think.

14 So 300 is a loan and 20 is a non-refundable gift; is that
15 right?---No, it's not 340, if that's what you're asking.

16 COMMISSIONER: Mr Pinder, what's going on here?---I genuinely
17 cannot remember, Mr Commissioner. I'm trying to remember
18 stuff.

19 But you've told me, Mr Pinder, that you well knew by the time
20 you came here today to give evidence that you were going
21 to be questioned about the funds that you obtained to
22 purchase your house?---I suspected that was the case, yes.

23 Yes, and you understood that in the context of the question,
24 ultimate question which the commission is pursuing of
25 whether or not there was anything inappropriate about your
26 relationship with Mr Haritos. You understood the
27 relevance of the purchase of the house in that context,
28 did you not?---Not necessarily, no, Mr Commissioner.

29 Well, I don't know what you mean by 'not

1 necessarily'?---I believe that the loan arrangement that
2 I had with Marie was something between me and her.
3 Yes?---I didn't think it was something that was - and
4 I acknowledge that that is not - it was not appropriate,
5 I have already acknowledged that, but - - -
6 What are you referring - you're talking about the memorandum
7 involving [REDACTED], are you?---I'm talking about the
8 fact that I borrowed \$320,000 off of Marie when
9 I shouldn't have done. But I didn't necessarily think
10 that that was anything to do with George Haritos.
11 But you've told us you discussed borrowing the money from her
12 before you borrowed it with him; you discussed it - -
13 -?---I probably mentioned it to him.
14 And you discussed it with him again after you borrowed
15 it?---Yes.
16 What relevance did it have to Mr Haritos?---Well, he was
17 somebody that I would talk to about this situation that
18 I found myself in at the time. There was George, there
19 was a couple of people at work, there were the friends
20 that I mentioned in Williamstown. There were four or five
21 different people that I spoke to about this problem that
22 I had and George was one of them.
23 And why do you say now, Mr Pinder, that you recognise it was
24 wrong or inappropriate for you to have borrowed the money
25 from her?---Because I should have declared it on the bank
26 form. I misrepresented it to the broker. And in my mind,
27 if not my mind then my heart, I knew it was the wrong
28 thing to do.
29 Why? What was wrong?---Because Marie was working for somebody

1 that was associated with the work that we were doing at
2 V/Line and I knew it was wrong. But I was desperate.
3 MR LAWRIE: Mr Pinder, you spoke a little while ago about a
4 number of people who had come forward being prepared to
5 lend you money to get you out of this fix. Do you
6 remember giving that answer?---I do, yes.
7 And was that at the same sort of order of magnitude that these
8 people were prepared to lend you a quarter of a million
9 dollars or perhaps more unsecured?---Yes.
10 On similar terms to what you ended up borrowing from Maria
11 Tsakopoulos?---Yes.
12 Why did you accept her offer and not the offer of any one of
13 these other people then?---I don't know the answer to that
14 question.
15 You see, at the very least borrowing from Maria Tsakopoulos
16 with her being an employee - and I'm going to say a
17 significant employee, the contract manager for the
18 carriage cleaning contract at Transclean - creates a
19 conflict of interest, doesn't it?---Yes.
20 I presume that one of these other offers may not have created
21 such a conflict. Did you get offers from people who
22 weren't suppliers to V/Line?---I got offers - I got an
23 offer from one colleague - - -
24 Not a supplier to V/Line?---No. I got an offer which I also
25 thought was probably inappropriate - - -
26 Was he - sorry?---I got an offer from some people that I know
27 who work - some people that I know who live in
28 Williamstown who do do some work in the industry, but they
29 weren't suppliers to V/Line.

1 Why not take their offer and avoid the conflict of

2 interest?---I don't know the answer to that question.

3 COMMISSIONER: So tell me, Mr Pinder, here you are, you are a

4 person who has just had the anti-corruption commission

5 hand down a report on procurement corruption and

6 corruption in relation to the failings of senior personnel

7 in various organisations failing to declare conflicts of

8 interest. Did you declare a conflict of interest from the

9 time that you received these funds?---No.

10 So notwithstanding that the ink was hardly dry on the page of

11 the IBAC report and you were the signatory on V/Line

12 responding to IBAC's recommendations, weren't you?---Yes.

13 And notwithstanding that, you made no declaration of your

14 conflict of interest?---In this instance, no.

15 Is that the only amount of money you've received, and I'd like

16 you to think about this carefully, Mr Pinder. Is that the

17 only amount of money you've received where you've failed

18 to declare a conflict of interest?---I believe so.

19 Yes, Mr Lawrie.

20 MR LAWRIE: Thank you, Commissioner. The note that we've just

21 seen about the \$20,000 as being a non-refundable gift from

22 Maria Tsakopoulos, you say that 20 was part of the 320,

23 was it? That's what you said earlier?---That's correct.

24 That's what I believe.

25 Do you see that the two documents can't sit together, that is

26 that note evidencing at least part of the funds as being a

27 non-refundable gift cannot sit sensibly next to the loan

28 agreement that we've looked at for the \$320,000?---I can

29 see that now, yes.

1 One of those documents has to be a fiction, doesn't it?---Well,
2 if you put it that way, then I guess yes, but at the time,
3 Mr Lawrie, and I'm not making excuses, I'm just telling
4 you how it was, there was so much going on, there was so
5 much going toing-and-froing with different things that
6 I genuinely can't remember and, you know, people will say,
7 'That's not believable,' but there was a huge amount going
8 on in my life at that time. I'm not using it as an
9 excuse. I'm just telling you that that is the case. For
10 me, in my mind and in my heart of hearts, I knew that
11 I had borrowed \$320,000 from Marie and I borrowed an
12 amount of money from Peter, and that's what I came away
13 from that whole thing with, and I still owe Marie the
14 money, I've paid Peter back. My intention was and is to
15 pay Marie back. But all of these various different bits
16 of paper that you're producing now in the cold light of
17 day, I can't remember the exact sequence of all of those
18 events and those requests for pieces of paper and all of
19 those things. I just know that I came out of it with two
20 debts: one to Marie, one to Peter.

21 COMMISSIONER: Mr Pinder, I'm sorry, I want to take you back to
22 something you said earlier about where you retained this
23 copy of the loan agreement. You said you kept it in your
24 bedside drawer; is that right?---Yes.

25 Is that where you keep important documents?---I don't really
26 have that many important documents. But in that drawer is
27 my UK passport, my UK driver's licence, I think my UK
28 wallet and that loan agreement, and I don't really have
29 anything else, Mr Commissioner.

1 Tell me, was that document there at the time that members of
2 the commission searched your premises?---Yes.
3 And did they search the bedside drawer?---I believe they did,
4 yes.
5 So if it was in that drawer, that's something they would have
6 found?---Mr Commissioner, that piece of paper was in that
7 drawer.
8 Yes.
9 MR LAWRIE: And you still have it?---Yes.
10 And you could retrieve that and produce it tomorrow, couldn't
11 you?---Immediately.
12 Well, I ask you to do that?---Okay. I was - I'm not framing
13 anybody, but I was specifically told today to come with
14 nothing.
15 No, I'm not criticising you for it. But what I'm saying now,
16 given our understanding of the provenance of this
17 document, I ask that you retrieve your copy of it - -
18 -?---Yes.
19 And bring it for tomorrow. Will you do that?---Very happy to
20 do so.
21 Thank you. So, I take it from your answer about what you
22 understood in your heart of hearts, that that answers my
23 question that the non-refundable gift note from Maria in
24 the sum of \$20,000 is the fiction document out of those
25 two; is that correct?---I believe so.
26 And the loan in your mind represents the true state of affairs
27 between you and Maria?---Correct.
28 COMMISSIONER: What's the genesis of the false loan
29 document?---Are we talking about the gift document?

1 Correct?---Okay. So, as I said at the time, there was lots
2 going on, so I'm not absolutely sure. But I think around
3 the time that there was payment from Marie as part of the
4 deposit and then there were the three subsequent payments.
5 No, no, what I'm asking, I'm sorry, Mr Pinder, perhaps
6 I haven't made myself clear. What I'm asking is where did
7 the idea come from that Ms Tsakopoulos should prepare a
8 false document purporting to be a gift of \$20,000 to
9 you?---I think it came from a request - I can't swear to
10 it - but I think all of these things came as a request
11 from the broker.
12 Again I'm confused because you eventually told us you were the
13 source of the false information to the broker about the
14 memorandum concerning [REDACTED]. Were you the source
15 of the false information to the broker that Ms Tsakopoulos
16 was making a gift to you of \$20,000? Was that also
17 something the broker acted on your instructions
18 about?---Yes, and I believe that the broker acted on my
19 instructions at all times or on information that
20 I provided to him. He didn't do, as far as I'm concerned,
21 anything wrong. He just asked me for stuff based on
22 things that I was telling him.
23 Yes. So presumably then Ms Tsakopoulos acted on that set of
24 false instructions to create this false gift?---Correct.
25 Why did she do that, Mr Pinder?---That's what I can't remember,
26 Mr Commissioner, why - - -
27 You must have asked her?---Genuinely, until that piece of paper
28 came up on the screen there, I had completely forgotten
29 all about it and I don't know why it was required, but it

1 would have been required for a reason based on the
2 information that I gave to the broker.

3 Yes. Did you tell Mr Haritos that you were going to ask Marie
4 to create this false gift?---I don't remember telling him
5 that, no, Commissioner, but - I don't remember.

6 Do you think you would have asked Marie to do any of these
7 things without consulting first with Mr Haritos?---No,
8 I consulted directly with Marie.

9 Yes, but my question was would you have done any of those
10 things without telling Mr Haritos what you were proposing
11 to do with Marie?---Yes, I would have done. As far as
12 I was concerned, the relationship that I had with Marie
13 was separate to a relationship that I had with Mr Haritos,
14 although we all knew each other.

15 Yes, Mr Lawrie.

16 MR LAWRIE: Thank you, Commissioner. Mr Pinder, what's going
17 to come up on screen now is a flowchart which represents
18 the movement of moneys which seem to result from what you
19 say is this loan agreement. If that can be brought up
20 now, please. I don't know if you're able to take that in.
21 If we need to zoom into particular areas of the chart, we
22 will do it.

23 COMMISSIONER: I think you'll need to give Mr - why don't we
24 give Mr Pinder five minutes to just absorb that document.
25 It's quite detailed. And we'll resume in five minutes
26 time.

27 MR LAWRIE: Thank you, Commissioner.

28 (Short adjournment.)

29 COMMISSIONER: Have you had a break now, Mr Pinder? How are

1 you feeling?---A little bit overwhelmed, Mr Commissioner,
2 but I'm okay, thank you for asking.

3 Yes, Mr Lawrie.

4 MR LAWRIE: Thank you, Commissioner. Mr Pinder, up on your
5 screen now is a flowchart which shows the movement of
6 money largely as a result of the loan that you say you had
7 with Maria Tsakopoulos. There are also other financial
8 transactions which we'll touch on. But have you had a
9 chance to digest that flowchart?---Yes. I mean, yes,
10 largely.

11 We'll go back to certain elements of it, but do you see at the
12 top there, top left, we've got [REDACTED] and we've
13 got that movement of funds of \$100,000 by electronic funds
14 transfer to Sweeney Stanley Real Estate. That was on
15 17 December and we've already spoken about that; do you
16 see that?---Yes.

17 If we just scroll down a little bit, thank you, we see that
18 we've got, at the blue box to the left, Maria Tsakopoulos
19 and this represents the movement of funds from her to you
20 and you say that they're drawdowns under the loan
21 agreement, are they?---Yes.

22 Okay. So the first one is a cheque, a bank cheque, on
23 14 January in the sum of \$100,000 to you; do you agree
24 with that? We can go to the primary documents if you
25 wish, and if at any stage you want me to we will, but does
26 that accord with your recollection of what
27 happened?---I think, yes, and this flowchart, now that
28 I've seen it like that, depicted like that, helps me to
29 remember a little bit better what went on at the time.

1 So the purpose of me asking this is to avoid, if possible,
2 going through each transaction, going to the original
3 documents to show the source account, the cheque, the
4 target account and the bank statements?---Yes.

5 We can do that if we need to, and if you want to on any
6 particular instance please say so, but do you see the
7 14 January cheque in the sum of \$100,000?---Yes.

8 Did that come through to you?---Yes.

9 And then two days later another cheque in the sum of \$100,000;
10 that came through to you?---Yes.

11 They were drawdowns under the loan agreement, were they?---Yes.

12 Were they recorded in any way other than in the bank
13 statements?---No.

14 There was no ledger or journal or anything like that created to
15 reflect the fact that you had accessed some moneys
16 available under the loan agreement?---No, not that
17 I recall.

18 Okay. Then we have a series of transactions by electronic
19 funds transfer in the sum of \$18,000 between 23 January
20 and 28 January 2019, each of them in the sum of \$3,000; do
21 you see that?---Yes.

22 You agree that those transactions came from Maria into your
23 Commonwealth Bank account?---Yes.

24 Then we've got another transaction of \$2,000 by EFT on the
25 29th, again from Maria to your bank account?---Yes.

26 Is that right?---Yes.

27 So, if we add all those up together and then we add the
28 \$100,000 that was originally sent by electronic funds
29 transfer via [REDACTED], we get to \$320,000, don't

1 we?---Yes.

2 Okay. Were any of those drawdowns recorded in any way other
3 than happening to appear in the bank statements?---I don't
4 believe so, Mr Lawrie.

5 So the only thing between you and Maria Tsakopoulos that would
6 evidence the fact that you've drawn down on the entirety
7 of the loan between the two of you are the transactional
8 records? There's no separate document generated between
9 the two of you?---With the exception of the - do you mean
10 other than the loan agreement?

11 Well, there's the loan agreement. But then under the loan
12 agreement, 'On this day I'm advancing \$100,000.' Maria
13 might write something like that?---I don't think she did.

14 No. Okay. As far as you were aware, this was Maria's
15 money?---Correct.

16 She was an employee. Do you know what salary she was on?---No.
17 Do you know if it was a large salary?---I don't know.
18 What salary were you on?---At this time?
19 Yes?---Probably somewhere between 450 to \$500,000.

20 Would it surprise you if I was to inform you that the source of
21 the funds that Maria paid you was not - they weren't
22 Maria's funds, they were sourced from other companies,
23 companies associated with Transclean or from Transclean?
24 Does that surprise you?---Yes.

25 It will be demonstrated later on that funds have moved from a
26 company called Bega Nominees Pty Ltd. Do you know
27 them?---No.

28 Grattan Heights Pty Ltd; do you know them?---No.
29 Jinacan Pty Ltd; do you know them?---No.

1 And other entities associated with Transclean in that there's a
2 cross-over of ownership or directorships. Had no
3 idea?---No idea.

4 COMMISSIONER: Mr Pinder, I just want you to reflect on this
5 very carefully. What's essentially being put to you here,
6 at this stage by implication, is that either Transclean or
7 other corporate entities to which Mr Haritos has a
8 connection are in fact the source of these funds and you
9 have already told the commission that you spoke with
10 Mr Haritos before these funds were provided to you by
11 Marie. So I ask you: in your conversation with Mr Haritos
12 before you received these funds, did you know that he was
13 going to be providing these funds via Marie?---No.

14 Yes, Mr Lawrie.

15 MR LAWRIE: Thank you, Commissioner. Throughout this flowchart
16 we can see a number of cash deposits as well. There's
17 \$5,000 on 7 January. Where did that come from? That's
18 folding money?---Sorry, they're in date order. Sorry,
19 I thought they were grouped together in - - -

20 If you go to the - - -?---Yes. That would be money that I paid
21 into my account, I think.

22 Do you normally have those sort of cash amounts with
23 you?---From time to time I've had cash amounts of that
24 amount, yes. I haven't at the moment, but at that time
25 I did.

26 If we go down, and we might need to scroll down a little bit
27 there to pick up some other cash deposits that came into
28 your account at about the same time, we see a cash deposit
29 of \$10,000 on 31 January 2019 and a cash deposit of \$8,220

1 the day later on 1 February. Where did they come from?
2 Sorry, I think I said 18. I meant 19?---Sorry, can you
3 say that again?

4 COMMISSIONER: What is the source of those cash
5 funds?---I think that \$10,000 on 31 January came from the
6 broker, and I don't know - I can't recall where the \$8,200
7 came from. But I did have some cash funds at the time
8 and, yes, I had saved up some money and I did have some
9 money, but I just didn't have the \$320,000.

10 MR LAWRIE: Were you withdrawing these funds from some other
11 account or did you have it on hand as cash?---Well, as
12 I said, the \$8,200 was probably mine. The \$10,000 I think
13 was from the - I'm trying to find the opposite because it
14 should have come back out again. I gave the broker access
15 to my accounts so that he could move money backwards and
16 forwards as he needed to because the NAB - we changed from
17 getting the loan from the Commonwealth Bank to the NAB
18 bank and he had to process funds moving from one account
19 to the other. That's how I recall it, and at one stage he
20 lent me \$10,000 and then he took it back again. But
21 I can't see where it's come back out again.

22 The broker organising your finance with the NAB lent you
23 \$10,000; is that what you're saying?---Yes. Yes.

24 Was that recorded anywhere?---On my bank statement, yes.

25 But as between you and him was it recorded anywhere?---I don't
26 know. But he would tell you that that was the case.

27 What we're talking about is \$10,000 as a wad of folding money,
28 aren't we?---Yes.

29 And that's how he lent you the \$10,000, as cash?---Yes.

1 COMMISSIONER: Mr Lawrie, just let me ask Mr Pinder: those four
2 payments that are there as cash deposits, none of those
3 funds, according to the financial analyst who prepared
4 this chart, none of those funds came out of any account of
5 yours. In other words, they're just cash that was sitting
6 somewhere. Apart from the 10,000 in cash which you say
7 the broker gave you - - -?---Lent me, yes.
8 Or lent you, did you have cash money sitting around at your
9 disposal of 8,220 or 6,750?---Yes. At times I had more
10 cash than that.
11 What, and you'd keep that at home, would you?---Sometimes, yes.
12 And at this time?---Yes.
13 So that's where it came from, cash that you had on hand at
14 home?---I believe so, Commissioner, yes.
15 Yes, thank you.
16 MR LAWRIE: When did you pay or, sorry, did you pay the broker
17 back the \$10,000 that he lent you?---Yes.
18 When?---I don't know. My recollection is that it came - he
19 took it out of one of my accounts. So, I don't see it on
20 that spreadsheet, but that's my recollection.
21 You gave the broker who's organising your finance with the NAB
22 essentially a power of financial - a power of attorney
23 over your finances, did you? You gave him access to your
24 bank accounts?---Yes.
25 Which accounts did you give him access to?---The Commonwealth
26 Bank and the NAB account.
27 To conduct all sorts of whatever transactions both in and out
28 of both of those accounts?---Yes.
29 Was that recorded anywhere in an email between you and

1 him?---I believe he did ask me for my - either text
2 messages or phone calls or emails for accounts. I trusted
3 him.

4 So did you give him, for example, all your passwords and
5 customer numbers to do this as internet banking, did
6 you?---Yes.

7 You handed over all your account securities to [REDACTED]?---Yes.

8 How long had you known him for?---When was this now? What
9 time? 2018. I've known him as long as I've lived in
10 Williamstown, and I moved to Williamstown in March 2017.

11 And if investigators were to speak to [REDACTED], he would confirm
12 that he lent you the money and you paid it back?---Yes.

13 Okay. You mentioned before that a number of people had made
14 you this offer to lend you substantial amounts of money,
15 unsecured, on roughly the same terms as what was lent you
16 by Ms Tsakopoulos; you recall that?---Yes.

17 Now, I appreciate you might have some reticence about speaking
18 about these people and naming them as we sit here now, but
19 would you be prepared to provide a list of names and
20 contact details of these people that made you these
21 offers?---I would be happy to do that. I just didn't want
22 to do this.

23 In the public forum?---Because, you know, I don't see why they
24 should be - - -

25 COMMISSIONER: That's all right, Mr Pinder. I understand
26 that?---So, yes, I would be happy to, yes.

27 MR LAWRIE: So, I take it that it's not too onerous for you to
28 prepare a document, it doesn't have to be in any
29 particular form, that simply lists the names and contact

1 details of these people you say offered to lend you that
2 sort of money. Can you do that?---Yes.
3 Will you do that by tomorrow?---I'm happy to do that, yes.
4 Thank you. You realise that in the course of investigations
5 Maria Tsakopoulos's residence was searched? Did you know
6 that?---I don't think I knew that.
7 You don't think you knew that?---Sorry, the way you said it was
8 as if I knew it. I don't - - -
9 Well, I don't know if you knew it. As you sit there now, did
10 you know that her premises had been searched?---No.
11 Have you had any communication with her since receiving the
12 summons to attend?---The - no.
13 None whatsoever?---I've had communication with her since I -
14 the IBAC officers came to my house. She was one of the
15 first people to contact me, which she was probably worried
16 about her \$320,000. I'm trying to think if I've spoken to
17 her since the summons. When was the summons? I don't
18 believe I have, no.
19 Okay.
20 COMMISSIONER: You say, Mr Pinder, she was worried about your
21 \$320,000. In what sense was she worried?---Well, that was
22 maybe a flippant remark. I apologise, Mr Commissioner.
23 I said - I think I said I expect she probably was. But
24 I think, to be fair, she was worried about me.
25 I see. It's now two years since that money was lent,
26 approximately, or a little less than two years. How much
27 of that have you repaid?---I think - well, I know that
28 I've paid her \$11,000, and I was due to pay her some more
29 money. But with this whole thing that's gone on the last

1 few months I'm probably behind. But \$11,000. I paid her
2 \$6,000 once and \$5,000 another time. My plan was to pay
3 her back the whole amount by either selling my property in
4 the UK or by - I was in the process before COVID came
5 along of negotiating getting my pension out of the UK, and
6 my second plan was to use that money to pay her back.

7 MR LAWRIE: How much of what you say you've paid has been
8 interest and how much has come off the principal?---All
9 interest. Only interest.

10 How much interest is still owed?---As of June there was - - -
11 Is it written down anywhere?---\$26,000 as of June, and I've
12 paid 11. So, as I've said to you, I was due to pay her
13 for some more money which I haven't paid yet.

14 Where's that recorded?---In my head.

15 COMMISSIONER: Do you mean where are the payments that have
16 been made recorded, Mr Lawrie?

17 MR LAWRIE: That's correct, Commissioner, and in what sense
18 have they by applied?---I'm assuming that Marie is keeping
19 record of payments that I've made her. I know what I've
20 paid her.

21 COMMISSIONER: How did you pay her, Mr Pinder?---In cash.
22 Does any part of your salary come to you in cash?---No,
23 Mr Commissioner.

24 So what's the source of these cash funds that you've been
25 talking about?---Well, I've had a few sources over the
26 years. When I came back to Australia I had actually,
27 before I left to go to England, lent Marie some money. So
28 she paid me back some money which she owed me. That BMW
29 that you parked on the screen there, I've sold that. I've

1 now got, what do you call it, a novated lease car. I had
2 quite a lot of money from the sale of some furniture and
3 things like TVs and other things from the UK that were
4 shipped over here because we ended up buying the furniture
5 that was in the house as part of the sale price. In the
6 year and/or nearly two years that I was here living on my
7 own I was quite a regular in the casino at the poker
8 tables. I've had racehorses that have won some money
9 which I've got some details of. Various different things.
10 But I would say all of which probably amounted a maximum
11 at one point of about 30, \$35,000, and up until - and
12 right now I have zero in cash. I think it's 500 I think
13 when the guys from IBAC came.

14 MR LAWRIE: You mentioned selling the BMW. Did you do that for
15 cash, for paper money?---No, maybe I got that bit wrong,
16 sorry. I sold that through a dealership. That might have
17 ended up being like money going into my account, a large
18 amount of money. Sorry, I shouldn't have added that to
19 it.

20 So we can forget about your memory of selling the BMW. The
21 \$35,000-odd in cash that you can recall is either from the
22 track or the casino; is that right?---Well, no. I started
23 off when I came back over here with about \$30,000 in cash
24 that Marie owed me, and over the two years before my wife
25 arrived there was, you know, ups and downs and money
26 generated from selling TVs, sofas, dining room tables,
27 chairs, all of those sorts of things, but all of which
28 amounted probably in, ins and outs of cash, a maximum of
29 about \$35,000 at any one point.

1 COMMISSIONER: Mr Lawrie, I see the time. Whether it's
2 convenient before you go on to another subject, we might
3 wrap up for the day.

4 MR LAWRIE: Thank you, Commissioner. There's just one document
5 that I want to put, if I might, and that's document 448.
6 Page 448.

7 COMMISSIONER: I'll make the undated assets and liabilities
8 document to the bank JP8.

9 #EXHIBIT JP8 - Undated assets and liabilities document to the
10 bank.

11 MR LAWRIE: Thank you, Commissioner. Have you seen this
12 document before?---Yes.

13 Whose handwriting is it in?---Mine.

14 Did you prepare it for your own purposes or for someone
15 else?---I prepared it - well, if you can say 'prepared'.
16 I in a state of panic - - -

17 No, no, did you prepare it for yourself or someone
18 else?---I prepared it for Marie.

19 When did you give it to her?---The day or two after the IBAC
20 people raided our house.

21 Okay. Did you give it to her at her residence, did she come to
22 your residence or did it happen somewhere else?---No, she
23 came and collected it.

24 From you. So that's in your handwriting. Can you read it out,
25 please?---'We met in early 2013 in the [REDACTED] in
26 East Melbourne. We became friends (not lovers).' I don't
27 know why I wrote that. 'I lent you 35K in late 2015. You
28 paid back in early 2017. You lent me 300K for the home
29 loan - now agreed to pay back when sold. Your details.

1 (Mine in brackets). Age. Date of birth. Wife. Kids.
2 Footy team. From. Family from.'

3 This looks to all intents and purposes to be a document that's
4 passed between you and her for the purposes of squaring
5 away between the two of you a story about this \$320,000,
6 doesn't it?---You may say that it looks like that.
7 I would say that I wrote it because I was panicking and
8 I just wanted to make sure that Marie's memory was the
9 same as mine.

10 But you had the loan agreement. You had the written loan
11 agreement?---I didn't know that she still had hers.
12 You had yours?---I know, and I've still got it.
13 And you've got the witness to it, [REDACTED]. Was that Mr Haritos's
14 accountant?---Not to my knowledge.
15 Did he have any connection with Mr Haritos?---I don't know.
16 Was there only one person with you at that meeting in Chadstone
17 where you signed the loan agreement, one other person? So
18 there's you and Maria of course. But was there only just
19 the witness?---Yes.

20 But you thought his name was [REDACTED]?---I think that's what he
21 said his name was. I know he was Chinese and quite often
22 people have - who are Chinese have an English sounding
23 name. That's how I remembered him.

24 You have put your wife's name down there as Sam. That's for
25 Maria's benefit, is it?---Yes.

26 She didn't know your wife's name?---She's never met my wife.
27 But I thought you had a relationship, a social relationship,
28 that went back to 2013?---I did. But my wife - - -
29 And she was a good friend that lent you hundreds of thousands

1 of dollars unsecured, wasn't she?---Marie has never met my
2 wife, and my wife only moved here in 2018, and when I met
3 Marie she wasn't even my wife.

4 She didn't know what footy team you barracked for,
5 apparently?---Well, I'm sure she knew all of these things
6 about me, but I wanted to make sure that she remembered.
7 She's a bit dipsy sometimes.

8 I put it to you quite frankly, Mr Pinder, that is just a
9 fiction. This is a document that you prepared and
10 provided to Maria to square away a story between the two
11 of you about where that \$320,000 came from. Do you accept
12 that or do you deny it?---I have already answered your
13 question.

14 You deny it?---I panicked when those people descended on my
15 house. I knew that this would always come to a head one
16 day because I know - I knew that borrowing the money from
17 Marie was the wrong thing to do. I knew that, as I said
18 to the Commissioner earlier on, and I shouldn't have done
19 it. However, when people descend at your house and start
20 raiding your house - as you can see, I'm 52 years of age
21 and that's never happened to me before, you panic. And
22 what's going on, people are reaching out now. Three or
23 four days later you engage someone like Carmen and you
24 speak to someone like Paul and they tell you, 'Don't do
25 this. Don't do that.' It was already done. I couldn't
26 undo it. And, you know, I think you can see from
27 the - - -

28 Mr Pinder, this \$320,000 which was not sourced from Maria,
29 which originated through either Transclean or associated

1 entities or people of Transclean was funneled through
2 Maria to you, and I suggest to you this: this was your
3 payment for championing and securing Transclean's
4 awarding - being awarded the contract in 2018?---That's
5 not true, Mr Lawrie, and when Transclean was awarded that
6 money - or that contract in whenever it was, May 2018,
7 I didn't even know that I was going to need the money
8 because as far as I was concerned the bank were going to
9 lend me the money. It was only when that changed, as you
10 described it earlier on, that I got into a fix. My wife
11 and stepdaughter and her ex-partner and her dad were
12 already moving to the other side of the world. I made a
13 mistake by asking somebody that I shouldn't have asked to
14 lend me some money. That's the truth of it, and I know
15 it's not the right thing to do, but I did it.

16 COMMISSIONER: Just a couple of things, Mr Pinder, about the
17 note then. I understood you a little earlier this
18 afternoon to say that you had lent Marie \$30,000. Do you
19 recall saying that?---Yes, I do, Mr Commissioner.

20 Was it 30,000 or what seems to be on the - - -?---I think it
21 was \$35,000, Mr Commissioner.

22 What's that figure written there, Mr Pinder, in the third
23 sentence there, 'I lent you'?---35K.

24 That's a '3', is it?---My handwriting is not very good,
25 Mr Commissioner, especially when I'm in a bit of a state.
26 Yes. And you've said that you've repaid her some of the loan.
27 You've recorded there that, 'You lent me 300,000. Now
28 agreed to pay back when sold.' Presumably you're
29 referring there to your London house, are you?---Yes, yes.

1 It's in Kent, but yes.

2 There's no reference there to the moneys you've repaid

3 her?---The intention originally was to pay her back

4 gradually. It then became, 'I'll pay it all back when I

5 either sell my house in the UK, transfer my pension or

6 more recently' - I don't know what's going to happen to me

7 after all of this. Anyway.

8 Mr Pinder, then you have written down, 'Your details. (Mine in

9 brackets)'. What does that mean?---I wanted her

10 to - I wanted to remind her, because I didn't

11 know - I couldn't contact her because I didn't have a

12 phone number. I wanted to remind her of some things about

13 me so that if people asked her she could remember.

14 But this is not about you. This is - what's that sentence?

15 'Your details'? Can you see that?---Yes.

16 What's that about, 'Your details. (Mine in

17 brackets)'?---I think I was asking her what her details

18 were, Mr Commissioner, because as Mr Lawrie said - - -

19 For what purpose ?---Because I couldn't remember those details

20 about her, and I was expecting someone like you to say to

21 me, 'Tell me about Marie.'

22 Yes, but why did you need that?---Because I was expecting -

23 having had the visit from the IBAC investigators, I was

24 expecting them to say to me - talk to me about the money

25 that Maria had lent me and then challenge me about my

26 knowledge of Marie.

27 Yes. All right. Is this a convenient time?

28 MR LAWRIE: Just one more matter, please, if I may. When did

29 you pay back the \$11,000 to Maria?---I paid her - it

1 wasn't this year. Some time last year. I can't remember.
2 Was it in cash or by electronic funds transfer?---As I said
3 earlier I paid two amounts, I think 5,000 and 6,000 both
4 in cash.
5 Some time last year?---Yes, I did say that earlier on.
6 And just to direct your thoughts to my opening subject
7 tomorrow, you would have heard me in the opening speak
8 about burner phones, Mr Pinder?---Yes.
9 I'll be asking you questions about that first thing tomorrow.
10 So, if you can just turn your mind to the phones that
11 you've had in your possession over the last few years,
12 that would be helpful?---And you want me to bring in the
13 loan agreement?
14 Yes, please. If that's a convenient time, Commissioner.
15 COMMISSIONER: We'll adjourn now until 10 am tomorrow. Make
16 sure you have a good night sleep, Mr Pinder?---Thank you,
17 Mr Commissioner.
18 All right. Thank you.
19 <(THE WITNESS WITHDREW)
20 ADJOURNED UNTIL TUESDAY, 27 OCTOBER 2020
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