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TRANSCRIPT OF AFTERNOON PROCEEDINGS

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INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

MONDAY, 16 NOVEMBER 2020

(29th day of examinations)

BEFORE THE HONOURABLE ROBERT REDLICH AM, QC

Counsel Assisting: Mr Michael Tovey QC  
Ms Amber Harris  
Mr Tam McLaughlin

OPERATION SANDON INVESTIGATION

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

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

1 UPON RESUMING AT 2.04 PM: 01:59:39PM

2 <SAMEH AZIZ, recalled: 01:59:39PM

3 <EXAMINED BY MR TOVEY, continued: 01:59:39PM

4 COMMISSIONER: Are we ready to proceed? Mr Rubenstein? 02:04:43PM

5 MR RUBENSTEIN: Yes, Commissioner. 02:04:50PM

6 COMMISSIONER: Mr Aziz, I want to say something to you that 02:04:52PM

7 I usually say to witnesses who are subject to examination. 02:04:55PM

8 Because Counsel Assisting ask what we call an open-ended 02:05:03PM

9 question, that is the question doesn't suggest the answer, 02:05:10PM

10 you shouldn't assume that Counsel Assisting doesn't 02:05:14PM

11 already have material in their possession which provides 02:05:17PM

12 the answer. You really need to be careful in relation to 02:05:21PM

13 your responses. As I've already indicated, a perusal of 02:05:26PM

14 the transcript of the private examination reveals that 02:05:31PM

15 over and over again you said quite explicitly that the 02:05:39PM

16 only money you gave Mr Woodman was \$370,000. I really 02:05:45PM

17 urge you to think very carefully about the accuracy of 02:05:53PM

18 the evidence you're giving; do you follow?---Yes, I do, 02:05:56PM

19 Commissioner. 02:06:01PM

20 Yes, Mr Tovey. 02:06:01PM

21 MR TOVEY: Commissioner, could I tender that chart, which is 02:06:05PM

22 chart 27. 02:06:10PM

23 COMMISSIONER: Yes, Mr Tovey. 02:06:43PM

24 #EXHIBIT 253 - Chart number 27. 02:06:43PM

25 MR TOVEY: So the net result is that you've given Mr Woodman 02:06:48PM

26 \$600,000 because you wanted to hide money from your wife; 02:06:58PM

27 is that right?---No, that's not correct. 02:07:02PM

28 Did you want to hide some money from your wife?---No, that's 02:07:05PM

29 not correct either. 02:07:08PM

1 Do you know a man called Mr Grossi?---Yes, I do. I've known 02:07:09PM  
2 several Grossis. 02:07:38PM  
3 Do you know a man, I think - is it Tino Grossi?---Yes, I do. 02:07:39PM  
4 His Christian name is Onorato?---I wasn't aware of that, but 02:07:49PM  
5 I know him as Tino. 02:07:56PM  
6 A friend of yours?---Yes, he has been a friend and so was his 02:07:58PM  
7 late brother. 02:08:05PM  
8 A close friend?---Yes, I would describe him as that. 02:08:06PM  
9 I mean, is he somebody you lie to or is he somebody you would 02:08:11PM  
10 be honest to?---I don't lie to people. It's not a habit 02:08:17PM  
11 of mine to do that. 02:08:28PM  
12 Well, you haven't been lying to me, I take it?---I was given 02:08:29PM  
13 very explicit instructions at the beginning of this 02:08:37PM  
14 hearing about the implications for not telling the truth. 02:08:40PM  
15 All right. Could the witness please have played tab 291. 02:08:44PM  
16 Mr Commissioner, this is a conversation between Onorato 02:09:16PM  
17 Grossi, that's O-n-o-r-a-t-o, and the witness on 02:09:20PM  
18 24 October 2019. 02:09:27PM  
19 (Audio recording played to the Commission.) 02:09:44PM  
20 MR TOVEY: So when you told him, 'My ex-wife is cutting me off 02:14:06PM  
21 all our accounts. I took the last bit of money I had and 02:14:12PM  
22 I basically hid it away with him so she doesn't - so she 02:14:15PM  
23 can't touch it, and I earned interest and I ended up 02:14:19PM  
24 declaring that interest in the divorce settlement, but 02:14:27PM  
25 also in my tax return, so I have nothing to hide.' Is 02:14:30PM  
26 that what you said to him?---It appears to be the case. 02:14:32PM  
27 And when you said to him that you hid it away so she can't 02:14:35PM  
28 touch it, is that what you had done?---No. I explained at 02:14:39PM  
29 the beginning of this examination that I needed to earn 02:14:43PM

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money in order to fund all my liabilities because there were a couple of Family Court judgments that basically lumped me with all the liabilities. So, you can't hide something away that she knew existed. All I was trying to do, I guess, was trying to protect the last parcel of assets that I thought I had access to and to get that asset to work as hard as possible for me in anticipation of a divorce proceeding that I knew I was going to lose a lot of money on.

Now, Mr Grossi is a friend of yours. Did he attend your wedding with Ms Grech? Sorry, with Ms Rezk?---Yes, he did.

And did he have any official role there?---Yes, he did. He was actually representing me and he signed the marriage certificate on my behalf.

And did he give you a present?---Yes, he did.

And what did he give you?---I think it was \$200. Most people gave us money. I mean, nearly everybody gave us money, but most of the amounts were about \$100 per person.

Did he ever become involved with any of the people that you were involved with as proponents or people who had matters which they were concerned about with Casey Council?---He introduced me to several people that wanted to discuss various matters to do with the City of Casey, and Mr Grossi was actually going to be a candidate for the City of Casey at the 2020 council elections that had happened.

Who did he introduce you to who had business before the council?---The person he mentioned who is an owner of land

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1 in Narre Warren North that wanted to do a development 02:17:06PM  
2 application with council to release more land to the 02:17:09PM  
3 public. 02:17:12PM  
4 And what's his real name? What's his full name?---I can't 02:17:17PM  
5 recall his full name. I just knew him as Vlad. Vladimir 02:17:25PM  
6 I think is his full name. 02:17:34PM  
7 Vlad, not Zlad, is it? And where was the land in Narre Warren 02:17:36PM  
8 North?---It was located around Mr Grossi's estate. 02:17:42PM  
9 And what was the road? What's the precise location?---The 02:17:50PM  
10 location was around Heatherton Road, and I think it might 02:18:01PM  
11 have been called Kostic Boulevard. 02:18:08PM  
12 Sorry, what boulevard?---Kostic. 02:18:15PM  
13 And is Kostic the name of a person?---I think that might have 02:18:25PM  
14 been (indistinct) surname. 02:18:30PM  
15 There you go?---I think so. 02:18:33PM  
16 There you go. And then of course you want to - so you're 02:18:35PM  
17 talking about Vlad, but then you want to talk on WhatsApp, 02:18:41PM  
18 is that right?---Yes. Because I was overseas at the time 02:18:47PM  
19 and that was a free way of communicating, I suggested both 02:18:53PM  
20 WhatsApp or Viber. 02:18:57PM  
21 So he asked you, 'Did Zlad get in touch with you?' And you 02:19:04PM  
22 said 'Yes, he did, it's all good,' but then you didn't 02:19:12PM  
23 want to talk any more about that other than on WhatsApp; 02:19:15PM  
24 is that right?---No, there is nothing more I could have 02:19:19PM  
25 said in relation to that conversation because the matter 02:19:21PM  
26 that, if I can call it, Mr Kostic had before council had 02:19:23PM  
27 already proceeded to the end and I think he was just 02:19:30PM  
28 looking for some advice in terms of the next stage of 02:19:33PM  
29 procession, which is the State Government, and that's not 02:19:40PM

1 something that I could have assisted him with. 02:19:44PM  
2 We saw before with Lodex. Did you ever get any money from 02:19:48PM  
3 Lodex? Did they ever pay you dough?---No. 02:19:52PM  
4 Did they ever pay you any money for anything?---No. 02:19:54PM  
5 Did you ever get any fees from them or anything like 02:19:57PM  
6 that?---No. 02:19:59PM  
7 Didn't have any consultancy fees?---No. 02:19:59PM  
8 What about Vlad, Mr Kostic? Did he ever pay you any 02:20:03PM  
9 money?---No. 02:20:12PM  
10 Did you ever consult with him or for him?---I assisted him as 02:20:12PM  
11 I assist hundreds of other people on various matters in 02:20:18PM  
12 the City of Casey. 02:20:21PM  
13 And how did you assist him?---I assisted him by introducing him 02:20:23PM  
14 to the council officers to begin discussion about what he 02:20:28PM  
15 was proposing to do. That then went through a process at 02:20:33PM  
16 the council officer level and then they reached a 02:20:37PM  
17 recommendation which was then approved (indistinct) by the 02:20:42PM  
18 council. 02:20:52PM  
19 Having spoken about how you communicate on WhatsApp, you then 02:20:57PM  
20 told Mr Grossi, 'All good. I'm all good. I need to just 02:21:09PM  
21 inform you of something, but it's not something you should 02:21:15PM  
22 be concerned about whatsoever. I just warn you now that 02:21:19PM  
23 you shouldn't be concerned,' and that's what went on, is 02:21:24PM  
24 that right? And you wanted to talk to him about that on 02:21:29PM  
25 WhatsApp. You didn't want to talk to him over the normal 02:21:32PM  
26 phone, did you?---Mr Grossi indicated to me that he was in 02:21:35PM  
27 hospital, which I wasn't aware of. I was making that call 02:21:39PM  
28 from overseas and I didn't want to really spend money 02:21:44PM  
29 making overseas calls when I could actually use a free 02:21:46PM

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internet Wi-Fi backed service. I suggested WhatsApp or  
Viber, which are the two methods that I use when I'm  
overseas or sometimes Messenger on Facebook, because it's  
a way of making free calls. The reason I made that  
statement to Mr Grossi is because Mr Grossi had assisted  
me in gaining a Jim's franchise that I had mentioned  
earlier in the hearing, because at the time he was  
actually the CEO of the Jim's group, and also because he  
introduced me to Mr Jim Penman and then we went on  
to - I went on to consult to him for the project in terms  
of the Yarra Ranges Council election. So I wanted to  
explain all that to him and I wanted to make sure that he  
was aware that I was being investigated and there's a  
possibility that he might be approached in relation to  
some of the stuff that I was doing with Mr Penman.  
You're aware, of course, that WhatsApp involved encrypted  
communication which couldn't be intercepted by anybody who  
was listening, particularly IBAC who were investigating  
you at the time, as you knew?---My understanding was that  
IBAC got the full record of all my WhatsApp  
communications, either verbal or written.  
How did you understand that?---Because there was a separate  
process that I was undertaking in relation to the  
restraining order on my property where I saw affidavit  
material that showed clearly that IBAC had intercepted my  
IBAC communications and was monitoring those  
communications as well as customary or traditional phone  
calls. I had nothing to hide, so I don't delete any of my  
messages.

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1 You realise that there does look like you had something to hide 02:23:57PM  
2 and that you were looking to go on to WhatsApp to avoid 02:23:59PM  
3 talking about something that might have been embarrassing? 02:24:03PM  
4 That's the way it looks. 02:24:06PM  
5 MR RUBENSTEIN: Excuse me - - - 02:24:08PM  
6 MR TOVEY: Does that occur to you that it might look like that, 02:24:11PM  
7 Mr Aziz? 02:24:14PM  
8 MR RUBENSTEIN: Excuse me. Objection. That question - - - 02:24:15PM  
9 MR TOVEY: I'll withdraw the question, Commissioner. I'll 02:24:19PM  
10 start again. You go on there at line 38, after talking 02:24:21PM  
11 about IBAC. You say, 'It's the same organisation that 02:24:33PM  
12 Mario warned you about.' Who's Mario?---Mario is a 02:24:39PM  
13 solicitor that Mr Grossi introduced me to. 02:24:47PM  
14 Mario who?---I think - sorry, I'm really not - my memory has 02:24:54PM  
15 been incredibly fading since my procedure, but from memory 02:25:05PM  
16 his surname was named after a wine. Mario Merlo. Sorry, 02:25:16PM  
17 yes, Merlo. 02:25:25PM  
18 And you and Mr Grossi have had a discussion about IBAC, have 02:25:28PM  
19 you, and the possibility that they might investigate 02:25:36PM  
20 Mr Grossi?---Only in relation to the matters relating to 02:25:41PM  
21 the Jim's group, especially that there were political 02:25:49PM  
22 discussions about trying to ensure that Yarra Ranges 02:25:54PM  
23 Council achieves the same success that was achieved at 02:26:01PM  
24 Casey from a political perspective and ensuring that it 02:26:05PM  
25 was predominantly a Liberal council with good people who 02:26:10PM  
26 are capable of good governance on it. 02:26:15PM  
27 So how did this come up with Yarra Ranges? Did Mario 02:26:19PM  
28 have - sorry, did Mr Grossi have an involvement with Yarra 02:26:25PM  
29 Ranges?---He was well aware of the consulting that I was 02:26:29PM

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doing for Jim Penman on that and he was also aware of the fact that I spoke extensively to Mr Merlo about my divorce proceedings. He was actually representing me in the custody matters to do with my children, and I recall that we spoke about the vicious nature of the divorce process and how it's possible that various complaints would be open, and I think Mr Merlo mentioned that in my position he has seen other people being (indistinct) by IBAC and that's how IBAC came into the conversation.

Mr Merlo warned Mr Grossi about IBAC, according to this conversation. What was it that Mr Grossi was wanting to do which might have attracted the attention of IBAC?---It wasn't anything that Mr Grossi necessarily wanted to do, and perhaps I haven't chosen my words carefully in that conversation because I was overseas and I was extremely distressed, but perhaps instead of the words 'warned you about' I should have said, 'The one that Merlo spoke to you about or advised you of when we were talking about these matters.'

Were you seeking to promote the possibility of you taking over or somebody associated with you taking over Yarra Ranges Council?---I was looking at gathering a group of good candidates, community business-based candidates, community service candidates because Mr Penman had expressed to me great frustration about that.

It was a simple question. Were you looking to take over Yarra council, for you - sorry. Were you or people associated with you looking to take over Yarra Ranges Council? Is that something that you discussed with people?---It's

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1 something that I've discussed with Mr Penman about - - - 02:28:54PM  
2 Did you discuss it with anybody else?---I would have discussed 02:28:57PM  
3 it with Mr Grossi and I would have discussed it with a few 02:29:00PM  
4 people in my political circle. 02:29:05PM  
5 So what was it? Had you developed a model of corruption which 02:29:07PM  
6 you were going to export from Casey to Yarra Ranges? 02:29:12PM  
7 MR RUBENSTEIN: Objection to that. 02:29:17PM  
8 MR TOVEY: That's a question that I'm entitled to ask, I'd 02:29:19PM  
9 suggest. 02:29:22PM  
10 COMMISSIONER: Just a moment. What's the objection, 02:29:22PM  
11 Mr Rubenstein? 02:29:25PM  
12 MR RUBENSTEIN: That question assumes a particular status which 02:29:27PM  
13 is not established, which is - the question presented was, 02:29:31PM  
14 'Did you assume a model of corruption,' and that was what 02:29:37PM  
15 was put to Mr Aziz. 02:29:41PM  
16 COMMISSIONER: Yes, and Mr Aziz is perfectly capable of 02:29:44PM  
17 rejecting that suggestion, is he not? 02:29:46PM  
18 MR RUBENSTEIN: Well, he may be. But that's an unfair question 02:29:50PM  
19 that presents an assumption contained within it. 02:29:53PM  
20 COMMISSIONER: It's an assertion of fact. 02:29:58PM  
21 MR RUBENSTEIN: I'm not sure it's an assertion of fact, 02:30:01PM  
22 Commissioner. It's an assertion of an assumption. 02:30:05PM  
23 COMMISSIONER: Yes, but why do you feel that your client is not 02:30:09PM  
24 able to deal with it, Mr Rubenstein? 02:30:11PM  
25 MR RUBENSTEIN: That's a question that presents an assertion 02:30:14PM  
26 that is not established. It's an unfair question to put 02:30:19PM  
27 to Mr Aziz. 02:30:25PM  
28 COMMISSIONER: I'm sorry, many of the questions that Counsel 02:30:27PM  
29 Assisting would ask assume a fact which is not yet 02:30:30PM

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established which invite the witness to comment on.  
I mean, if you want to advance some argument as to why  
I should not proceed on the basis that Mr Aziz can't deal  
with those sorts of questions, I'm happy to hear you. But  
it seems to me he's perfectly capable and thus far has  
managed very well in rejecting any overtures that Counsel  
Assisting has been making. Is there some reason why  
I should assume he can't do that?

MR RUBENSTEIN: As I said, Commissioner, I can take it no  
further. I have objected to that question. It's a  
question that presumes within it an assumption that is not  
established and in my respectful submission it's an unfair  
question and that's the objection that I raise in respect  
to that question.

COMMISSIONER: I don't think it's unfair, Mr Tovey, but perhaps  
you can couch it differently.

MR TOVEY: Were you wanting to, in company with others, take  
over Yarra Ranges Council so you could behave there as you  
had behaved at Casey?---Commissioner, I seek a bit of  
latitude in responding to that ridiculous question, if  
I may.

COMMISSIONER: Yes?---There's no corruption or behaviour  
traits, as you describe, Mr Tovey, in relation to Casey  
Council. What Casey Council managed to achieve over a  
decade is a good working majority of hard working  
individuals who have delivered one of the best local  
governments this country has ever seen and our financial  
position speaks for it in terms of the council budget.  
The achievements we've made speaks for it, and I was

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trying to deliver that model to another council. I have become quite expert at supporting candidates and assisting them in getting elected and that has worked very well. In 2008 when I was first elected to the City of Casey the council was an absolute basket case. There were people on there that had no idea about good governance and no idea about what a city of this calibre needs to do to ensure the future of its residents. Unfortunately in local government it is a democratic body and so you always need working majorities to be able to achieve good policy. When it's done in local government, apparently you call it corruption. When it's done in state and federal parliaments, it's actually called party politics. Parties organise around the majority in order to get legislation and in order to get things done. That is the only motive that I had and I was supported by a good businessman who were very keen to see the initiatives we took in Casey such as the customer service charter, the fact that we were killing it on every metric and measurement in local government except for planning, and many of the initiatives that we had introduced to bring the council to the 21st century and bring the city to the 21st century. That is the only motivation I had in terms of working with Mr Penman and in relation to Yarra Ranges, and as it turned out that was a very short-lived aspiration because of the commencement of the IBAC inquiry.

Yes, Mr Tovey.

MR TOVEY: Thank you. In respect of Yarra Ranges had you

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1           discussed that with Janet Halsall?---Yes, I did. 02:34:19PM

2   And had you discussed with her using the same methodology you 02:34:23PM

3           did at Casey to take over Yarra Ranges?---I'm not sure 02:34:28PM

4           what methodology you're referring to because - - - 02:34:33PM

5   Did you discuss - - - 02:34:36PM

6   COMMISSIONER: Mr Tovey, let Mr Aziz finish, please. 02:34:38PM

7   MR TOVEY: Sorry?---In council campaigns I have proven to be 02:34:42PM

8           very successful at it. I ran strategy for the candidates. 02:34:48PM

9           I'm well aware of what it takes to get someone elected to 02:34:50PM

10          local government, which is very difficult, and so my 02:34:53PM

11          discussions with Ms Halsall at the time revolved around 02:34:56PM

12          getting in touch with the Liberal Party network in the 02:35:01PM

13          Yarra Ranges Council so that we can begin the process of 02:35:05PM

14          candidate identification. She has assisted me on two of 02:35:11PM

15          the council campaigns and she was effectively my campaign 02:35:16PM

16          manager as well and she - - - 02:35:20PM

17   Was that in 2016?---And 2012. 02:35:25PM

18   What role did she play in 2016?---Like I said, she was my 02:35:29PM

19          campaign manager. 02:35:35PM

20   Anybody else's?---Yes, she also coordinated the printing and 02:35:37PM

21          the distribution of material for another 20 or so 02:35:43PM

22          candidates that were running in that election that we 02:35:50PM

23          wanted to support. 02:35:53PM

24   And had you organised that? Had you organised her 02:35:57PM

25          involvement?---I asked her to be involved and she happily 02:36:05PM

26          volunteered her spare time to do so. She's of course a 02:36:07PM

27          former mayor of the City of Casey. 02:36:10PM

28   Who provided the funds?---The candidates that I know - - - 02:36:13PM

29   No, who provided the funds to Ms Halsall?---I don't know, 02:36:20PM

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Mr Tovey, but what I do know is that the candidates that I supported, including myself, held substantial fundraisers to help fund their campaigns. Now, whether or not they got funds from someone else is something that I'm not aware of because I didn't focus on the financial side at all. I simply focused on strategy and it was up to each candidate to ensure that their printing bills were being paid.

Did you ever speak about the way in which the 2016 campaign was being organised with Mr Woodman or Ms Wreford?---I would say yes to that, but not only Woodman and Wreford. There were hundreds of people that were interested in the campaign and as the results were being counted and released by the Electoral Commission my phone was running hot with many people ringing asking me, 'How's it going?' People are generally interested in how the outcome of the election's shaping up, especially if they're involved, the local residents and people who have interest in the City of Casey.

Look, let me tell you that we've already heard a lot of evidence in respect of the 2016 campaign from Ms Wreford and others, and it was corrupt and fraudulent in the way it financed candidates with false invoices through Ms Halsall and those sorts of things. Is that the model you wanted to export to Yarra Ranges?---No, because it's not a model that I knew anything about. Did Ms Wreford tell you in her evidence that I told her to keep her nose out of the campaign?

You organised the whole thing?---Of course, and I organised the

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1 strategy to win the election, but the funding was 02:38:14PM  
2 something entirely different and separate, and the problem 02:38:17PM  
3 was that Wreford was calling me trying to intervene in the 02:38:21PM  
4 strategy and I said to her that it's not her place to do 02:38:24PM  
5 that and I need to be left to do my job because I want to 02:38:28PM  
6 make sure that everything we've worked hard for over the 02:38:31PM  
7 last eight years is not wasted and that we do get good 02:38:36PM  
8 candidates elected to the City of Casey. 02:38:39PM  
9 It was a strategy that she says you discussed with her and with 02:38:42PM  
10 Mr Woodman at a meeting at a Chinese cafe, I think it was; 02:38:46PM  
11 is that the case?---I don't recall that. I might have 02:38:51PM  
12 mentioned to - - - 02:38:55PM  
13 I think she said it was Chelsea. I would have to 02:38:56PM  
14 check?---I don't recall that, but I would have certainly 02:38:59PM  
15 discussed the campaign with many, many people, including 02:39:02PM  
16 the two people that you've just referred to. But they 02:39:05PM  
17 weren't decision makers in terms of the strategy. 02:39:09PM  
18 I (indistinct) the strategy. 02:39:13PM  
19 And here you were preparing to set up Halsall as the campaign 02:39:15PM  
20 manager for the Yarra Ranges candidates who you wanted 02:39:21PM  
21 elected; is that right?---Ms Halsall is a very 02:39:29PM  
22 effective and - - - 02:39:36PM  
23 No, I'm just asking you - I'm not asking you anything about 02:39:37PM  
24 Ms Halsall. Will you just listen to the question? We 02:39:40PM  
25 have to finish this sooner or later, you understand, okay? 02:39:43PM  
26 So just listen to the question. Did you arrange with 02:39:44PM  
27 Ms Halsall to be the campaign manager at Yarra Ranges if 02:39:47PM  
28 required?---I discussed with her, but there were no 02:39:53PM  
29 arrangements made. 02:39:57PM

1 And did you offer her \$10,000 to do that?---I don't recall 02:39:57PM  
2 exactly the terms, but in any fundraising we do, whoever 02:40:03PM  
3 is running the campaign needs to be remunerated because 02:40:09PM  
4 it's a lot of work. 02:40:13PM  
5 And did you discuss with her the fact that you'd paid her 02:40:13PM  
6 \$5,000 on the last occasion, that is for 2016 Casey 02:40:17PM  
7 elections?---Look, I believe that she was paid that amount 02:40:23PM  
8 of money for that election, yes. 02:40:27PM  
9 By whom?---Through the fundraising that we undertook or the 02:40:30PM  
10 sources that she may have had access to; I don't know. 02:40:35PM  
11 All right. Getting back to - - - 02:40:39PM  
12 COMMISSIONER: Mr Tovey, just before we move on, it's an 02:40:43PM  
13 opportune time to ask you, Mr Aziz, was there a political 02:40:47PM  
14 element to the group that was being proposed might take 02:40:55PM  
15 over Yarra council?---Generally it would have been 02:41:00PM  
16 predominantly Liberal, Commissioner, but - - - 02:41:07PM  
17 What do you see as the benefits for local council in there 02:41:13PM  
18 being a political component, and I'm really now talking 02:41:18PM  
19 about the major political parties. What do you see as the 02:41:22PM  
20 benefit at local council level to the councillors taking 02:41:26PM  
21 up a political position?---The benefit is that the mind 02:41:33PM  
22 set of those individuals is business focused. They run 02:41:39PM  
23 council budgets with enormous discipline. They focus on 02:41:44PM  
24 the growth areas like Yarra Ranges and Casey in terms of 02:41:49PM  
25 trying to create employment opportunities for their 02:41:52PM  
26 residents and making sure that the planning at the 02:41:55PM  
27 strategic level is done appropriately and that council is 02:42:01PM  
28 moving ahead and not distracted by peripheral issues that 02:42:04PM  
29 are not the domain of local government, like planet change 02:42:09PM

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or refugee policy. We have seen many of the inner city councils get distracted by these issues. Although they are very important, they are not actually the domain of local government. So I have had experience personally in Casey with councillors that basically saw their job as attending functions where scones are being served and, you know, generally doing very low-level mundane activities. The mind set that I took to my job is that this was a huge business, it needed to be managed properly, and it needed to have people that are capable of understanding budgets, capable of understanding what it takes to put a strategic plan together, capable of organisational reform that is ground breaking, and that's exactly what was achieved at Casey. And I wanted to export that model - not corruption as Mr Tovey suggested, because it has nothing to do with corruption - but it's actually a model of good governance based on people that have had real life experiences, have produced results themselves and can apply those skill sets in a local government setting.

What's that got to do with politics, though, Mr Aziz? Are you suggesting that there's only one political party that could offer those skills?---No, I'm not suggesting that at all. But from my experience - - -

I wonder whether you could try and grapple with - can I make this point to you. If you take the opportunity with each question that's asked to make a long speech, we will double the length of time that you need to be giving evidence, and I'm sure you don't want that. So, I do earnestly ask you to try and answer the questions without

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making a speech. What I'm interested in trying to understand is why politics assumes the importance that it does at local government level. What is the benefit at a local council level to people aligning themselves with a political party?---Commissioner, with all respect I believe I've partly answered that question and that is that council, like parliament, is a democratic body that works on the majority of votes, and so it is important to have a working group of people that can collaborate with each other and make good decisions instead of opposing each other all the time and that have a mind set that is inclined that way. And it is a political body, there's no doubt about it, and that's the benefit to local government when you have a cohesive group of councillors that can actually act together as a governing party within that council.

One of the criticisms that has been made from a number of sources, not just about Casey Council but some other local councils, is that there's a tendency for a group of councillors to vote en bloc, to vote as one. Why is it that a local community should not be able to expect each individual councillor to vote on an issue according to its merits as the individual councillor perceives it? Why is it necessary for there to be an en bloc voting approach?---Commissioner, what used to happen at Casey is that when there were opposing views around the council table you would often hear the words, 'Let's hear the debate in the chamber and then we'll make our minds up as to which way we're going to vote.' There was no coercion

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1 to vote a certain way. There was no bullying of people to 02:46:21PM  
2 vote a certain way. But what I'm saying is not in terms 02:46:24PM  
3 of a voting bloc, but in terms of a collective mind set 02:46:27PM  
4 that is focused on the grand strategic priorities. The 02:46:31PM  
5 reason I'm making a speech, Commissioner, in relation to 02:46:38PM  
6 this issue is because the reputation of the City of Casey 02:46:40PM  
7 has been dragged through the mud, in my view mostly 02:46:43PM  
8 unfairly since the beginning of this inquiry, and all the 02:46:49PM  
9 great things that we have achieved for our community have 02:46:51PM  
10 been completely forgotten, and we have been basically 02:46:54PM  
11 painted as a bunch of corrupt people that have done 02:46:59PM  
12 nothing else except take bribes from developers, and 02:47:02PM  
13 nothing could be further from the truth. I apologise if 02:47:06PM  
14 that's frustrating you, but it's 10 years of my life, 02:47:09PM  
15 actually more like 27 years in public life, that has been 02:47:11PM  
16 brought to an end because of the way Mr Tovey commenced 02:47:15PM  
17 this inquiry. 02:47:19PM

18 Mr Aziz, the large part of that answer again is not responsive 02:47:21PM  
19 to what I'm trying to pursue with you and, as I say, the 02:47:26PM  
20 longer you continue to make those speeches, the longer it 02:47:32PM  
21 will take for the matters that need to be addressed with 02:47:37PM  
22 you to be properly explored. Do you understand 02:47:40PM  
23 that?---Yes, I do, but I'm not sure how else to answer you 02:47:44PM  
24 in terms of the position you're talking about voting 02:47:46PM  
25 blocs. 02:47:51PM

26 There's been a very large body of evidence already received by 02:47:53PM  
27 the Commission which shows that you, together with a small 02:47:56PM  
28 group of councillors, in relation to Mr Woodman's 02:48:03PM  
29 interests all voted en bloc, and that by the time you came 02:48:09PM

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to consider a recommendation or motion concerning his  
developments, you all adopted a unified position. Now, is  
that simply because in each case each of those individual  
members of your group reached the view that that was the  
right decision to make? Is it as simple as that, or is  
there something that we should be concerned about in the  
fact that you vote en bloc?---In my view, Commissioner, it  
is as simple as that and the reason is, if I may, if I may  
explain that.

Yes?---The reason is that no one was ever coached or coerced to  
vote on anything relating to Woodman or any other person  
before the vote came to council. People made their  
decisions based on the arguments they heard and what was  
presented in the council chamber. Now, we need a bloc in  
order to elect a mayor that we believe is capable of  
leading the council, so that happens all the time. But  
those blocs interchange. They are very fluid within  
councils. Certainly within our council in the mayoral  
election before last that's exactly what occurred. People  
switched their vote at the last minute. So, I mean, they  
are not my bloc. There are people that - there are  
colleagues that have often opposed my views on a number of  
things, and that is clear from the council records on many  
of the items that we have debated. So, sometimes they  
will vote with me on an issue. On other issues they'll  
vote against me. They are entitled to vote whichever way  
they like.

Yes. Mr Aziz, when you commenced your period at Casey Council  
or immediately before you commenced it, you were initially

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1 a member of the Labor Party, were you not?---Yes, I was. 02:50:10PM  
2 And when did you change from the Labor Party to the Liberal 02:50:13PM  
3 Party?---During the campaign before I got elected. 02:50:18PM  
4 And was that because you perceived that others who were members 02:50:24PM  
5 of the Liberal Party and who were proposing to 02:50:29PM  
6 stand - this is the 2008 elections, I think?---Yes. 02:50:34PM  
7 Was that because you perceived that they had skills that the 02:50:38PM  
8 Labor Party members could not offer or was there some 02:50:42PM  
9 other reason?---No, the real reason, Commissioner, is that 02:50:45PM  
10 the Labor Party members that I was associating with at the 02:50:48PM  
11 time were asking me to do some unethical things if I was 02:50:52PM  
12 successful, and I refused to be a part of that, and that's 02:50:58PM  
13 well documented in the local media and I have copies of 02:51:01PM  
14 those articles when they came out. 02:51:03PM  
15 All right. Yes, Mr Tovey. 02:51:05PM  
16 WITNESS: So, Commissioner, can I explain what I was asked to 02:51:09PM  
17 do or is that not relevant? 02:51:12PM  
18 COMMISSIONER: Well, I'm not sure that it is, unless you think 02:51:14PM  
19 it's got some relevance to the issues that we are wanting 02:51:19PM  
20 to explore with you. I'm more interested in understanding 02:51:22PM  
21 why it is that it's thought that allegiance to or loyalty 02:51:27PM  
22 to a political party has any real benefit to offer at 02:51:34PM  
23 local council level?---Like I said, it delivers a working 02:51:39PM  
24 majority which you need in a democratic body and it also 02:51:44PM  
25 delivers a mind set that is united in terms of the 02:51:48PM  
26 strategic, I guess, priorities of the future. 02:51:52PM  
27 Yes, Mr Tovey. 02:51:56PM  
28 MR TOVEY: Could we please bring up court book 6325 to 6327. 02:52:03PM  
29 Sorry, I tender that last telephone intercept, 02:52:25PM

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Mr Commissioner.

COMMISSIONER: Yes. Conversation between Mr Aziz and Mr Grossi of 24 October 2019, exhibit 254.

#EXHIBIT 254 - Conversation between Mr Aziz and Mr Grossi of 24/10/19.

COMMISSIONER: Mr Tovey.

MR TOVEY: Thank you. This is an email - if we can just scroll down, please. Let's go back up. So this is an email forwarded to you by Watsons. Sorry, forwarded by you to Watsons on 15 March 2018, and if you could just have a look then at the two documents which are attached to that. Scroll down, thank you. So that's 6326 and there's another one at - is there another one there as well? Can we scroll up? Sorry, scroll down, 6327. All right. Now, those are documents prepared by you?---As far as I can recall, yes.

Certainly you've accepted the documents emailed by you to Mr Woodman?---Yes.

And this is on 15 March?---Yes.

This is the week before repayments other than the ATO repayment are being made. So what you send to Mr Woodman is two sets of calculations; is that right?---Yes.

Why two sets?---Because I was considering the possibility of rolling over the investment if I had accumulated enough cash from the divorce settlement and following the sale of a number of properties at their valuation value. That didn't transpire because a number of the properties that were sold where the proceeds were coming to me were actually sold at far less than the valuation. So I think

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1 I mentioned the prices were as low as 620 for one property 02:56:02PM  
2 that was actually valued at 720 to 730 12 months earlier. 02:56:05PM  
3 So the amount of funds that I was expecting out of the 02:56:13PM  
4 sale of the three remaining Santa Monica properties did 02:56:16PM  
5 not transpire, and therefore I could not go ahead with 02:56:20PM  
6 rolling on the investment of 600,000 with Mr Woodman, 02:56:24PM  
7 which was earning me obviously a sizeable chunk of 02:56:30PM  
8 interest every month. They just didn't transpire. It was 02:56:34PM  
9 a possibility into the future, but it just didn't happen. 02:56:41PM  
10 If we just look at the 600, 3956, there's \$600,000 plus 02:56:43PM  
11 allocation of \$540,000. What's the allocation of 02:56:53PM  
12 \$540,000? 600 is obviously the principal. What's the 02:56:59PM  
13 allocation?---They were the additional funds that 02:57:03PM  
14 I possibly was expecting to get from the settlement of 02:57:09PM  
15 those properties where the proceeds were coming to me, in 02:57:12PM  
16 addition to some other funds that I was able to retain 02:57:16PM  
17 following the divorce settlement. 02:57:19PM  
18 I suggest to you that in fact if you add 600,000 and 540,000 02:57:22PM  
19 you get to 1.14 million, don't you? That's the second dot 02:57:35PM  
20 point?---Yes. 02:57:40PM  
21 The third dot point, 'Retain invested \$15,000 per month until 02:57:41PM  
22 May 2018'?---Yes. 02:57:49PM  
23 Right? So you want to continue the cash payments until 02:57:53PM  
24 May?---Yes. 02:58:00PM  
25 They'd go for the whole period of 12 months. Then you've got, 02:58:01PM  
26 'Payout 353,000 on 10 May'. That's a payout which did in 02:58:13PM  
27 fact take place?---But the third dot point didn't actually 02:58:18PM  
28 take place because he was disbursing from the 02:58:25PM  
29 600,000 - - - 02:58:31PM

1 Let's just take this a step at a time. The payout of 353,063 02:58:31PM  
2 was the payout to the solicitors?---Yes. 02:58:36PM  
3 All right. And then you say, 'Remainder 787,000'. What you 02:58:39PM  
4 say there is that's the money you were instructing Woodman 02:58:49PM  
5 that you thought you were entitled to?---That included the 02:58:55PM  
6 remainder of the initial investment of 600,000, plus what 02:59:00PM  
7 I was expecting to get in cash from the divorce 02:59:04PM  
8 settlement. The 'Retain invested at 15,000 per month 02:59:07PM  
9 until 10 May 2018 inclusive' did not occur because as 02:59:13PM  
10 Mr Woodman was disbursing funds he was actually paying me 02:59:17PM  
11 a lower interest based on the funds that were remaining 02:59:20PM  
12 invested with him. So, the 15,000 was fixed on 600,000 02:59:24PM  
13 invested, but as the money was drawn down to pay various 02:59:26PM  
14 other parties he was paying me the interest on what was 02:59:31PM  
15 remaining with him, not on the 600,000. 02:59:35PM  
16 The fascinating part about this is that Ms Wreford gave 02:59:40PM  
17 evidence that in her conversations with you from early 02:59:45PM  
18 2018, she couldn't work out exactly why, but you were 02:59:52PM  
19 indicating to her that you had an agreement with Woodman 03:00:00PM  
20 which would reward you with in excess of 03:00:05PM  
21 \$700,000?---That's absolutely not true. 03:00:13PM  
22 No? I mean, ultimately you received the payments you did as a 03:00:15PM  
23 result of the \$600,000 repayments. But all of a sudden in 03:00:24PM  
24 December of 2018, just as the Spicer Thoroughbred payments 03:00:34PM  
25 ran out, fortuitously Mr Woodman promised to give you 03:00:44PM  
26 \$600,000 over the next two years?---The \$600,000 you said 03:00:48PM  
27 that was written in the consulting contract was pure 03:00:56PM  
28 coincidence in terms of matching the previous investment 03:00:59PM  
29 figure. If - can I just finish my answer, Mr Tovey? 03:01:02PM

1 Yes, please?---If I was able to get that money as payment out 03:01:08PM  
2 of Woodman, I'm fascinated as to why I couldn't get it 03:01:11PM  
3 from May 2018 until December 2018. The reason I couldn't 03:01:15PM  
4 was because I wasn't actually doing any work, nor did 03:01:21PM  
5 I have any money invested with him at the time. I was 03:01:25PM  
6 doing work for Spicer Thoroughbreds and I did not know 03:01:28PM  
7 Woodman was involved with them, but if I really was after 03:01:32PM  
8 \$15,000 a month or whatever, or \$25,000 a month as it 03:01:36PM  
9 turned out to be, why didn't that start in May 2018? Why 03:01:42PM  
10 did it wait until December? I then missed out on - - - 03:01:46PM  
11 Mr Aziz, can I advise you to be very careful about what you 03:01:49PM  
12 say? I'm going to take you eventually to documents 03:01:54PM  
13 whereby you chase up Woodman payments to Spicer 03:01:58PM  
14 Thoroughbreds. Now, if you want to say these things, it's 03:02:03PM  
15 all very well, but you're just going to dig a huge hole 03:02:06PM  
16 for yourself; do you understand? Now, are you sure that 03:02:09PM  
17 you had no idea ever in respect of Spicer Thoroughbreds 03:02:12PM  
18 and Woodman's connection?---I'm sure on the basis of what 03:02:18PM  
19 I remember about the whole thing starting as a result of a 03:02:24PM  
20 conversation between Bernard Lee and myself, and I spoke 03:02:27PM  
21 to Bernard Lee about the amount of work I would need to do 03:02:32PM  
22 on creating the governance framework and we agreed on an 03:02:37PM  
23 amount of money which was \$2,500 a month plus GST and that 03:02:42PM  
24 was increased to \$3,500 a month plus GST for a couple of 03:02:47PM  
25 months because of the work that was done and the amount of 03:02:51PM  
26 work that was being generated. But I did not know that 03:02:54PM  
27 Mr Woodman was actually behind those payments or that he 03:02:57PM  
28 made payments that correlated with those payment dates to 03:03:03PM  
29 me. 03:03:06PM

1 All right. So you didn't ever chase up any payments from 03:03:07PM  
2 Mr Woodman to Spicers?---I can't recall ever doing that 03:03:10PM  
3 because the payments - - - 03:03:14PM  
4 It's impossible that you could have because they were totally 03:03:15PM  
5 unrelated, so far as you knew?---Well, the entity that was 03:03:17PM  
6 paying me was actually Spicers, so why would I chase 03:03:23PM  
7 Woodman for any? 03:03:26PM  
8 If I could just address something you remarked upon before we 03:03:29PM  
9 diverted to Spicers, and that is to the effect that if 03:03:36PM  
10 you'd wanted \$700,000 before the agreement was reached in 03:03:45PM  
11 respect of the Little River so-called consultancy, you 03:03:53PM  
12 would have been able to get it from Mr Woodman. Now, the 03:03:59PM  
13 thing is, is it not, that as of October of 2018 you were 03:04:03PM  
14 in a position where you were negotiating and indeed had 03:04:14PM  
15 drawn up contracts of sale to sell your house at 5 Barak 03:04:19PM  
16 Avenue to Mr Woodman for something in the vicinity of 03:04:25PM  
17 \$700,000 and then let you live there for free and you buy 03:04:30PM  
18 it back for nothing?---I think - - - 03:04:36PM  
19 Had you reached that agreement?---No, and that's a 03:04:40PM  
20 complete - - - 03:04:46PM  
21 Is it something that you ever contemplated?---I contemplated 03:04:46PM  
22 Mr Woodman, along with a number of other private lenders, 03:04:50PM  
23 because I was struggling to get a loan to finance the 03:04:52PM  
24 property over myself as part of the divorce settlement. 03:04:55PM  
25 Mr Aziz, what you did was you had drawn up a contract of sale 03:05:00PM  
26 to Allwood Pty Ltd for the full amount, and 03:05:03PM  
27 Allwood Pty Ltd was Mr Woodman's company?---Yes, and - - - 03:05:09PM  
28 And in the end it went sour and you spat the dummy and said, 03:05:12PM  
29 'I'm not going to keep on voting for you in respect of 03:05:18PM

1 Hall Road unless you start looking after me better'?---No, 03:05:21PM  
2 I didn't do that at all, with all due respect. 03:05:24PM  
3 Mr Woodman, like I said, was one of a number of private 03:05:27PM  
4 financiers who Wreford had actually suggested to me 03:05:31PM  
5 because we were struggling to get a loan from a lender, a 03:05:35PM  
6 proper lender, and he was going to buy our house, 03:05:39PM  
7 capitalise the stamp duty cost, and then I was actually 03:05:43PM  
8 going to pay him a mortgage and I said I wanted the 03:05:48PM  
9 protection, given that I'm paying a mortgage on the 03:05:53PM  
10 property that he owns, of having some sort of agreement 03:05:55PM  
11 that shows that I'm living there rent free, because 03:05:59PM  
12 I didn't want to be paying rent and mortgage at the same 03:06:02PM  
13 time. It never materialised. I didn't spit the dummy on 03:06:05PM  
14 anything. The discussions that I had with Wreford at the 03:06:09PM  
15 time were around the mayoralty and how frustrating things 03:06:13PM  
16 had been. 03:06:21PM  
17 I didn't ask you about your discussions with Wreford, did 03:06:21PM  
18 I?---No, but I - - - 03:06:25PM  
19 I'm simply asking you about what arrangement you had with 03:06:26PM  
20 Mr Woodman. I don't care what you discussed with Wreford 03:06:29PM  
21 for the time being. So if we can just focus?---Yes, I'm 03:06:32PM  
22 focused, but I'm - - - 03:06:34PM  
23 Okay?---Sorry, Mr Tovey, what you have proposed in terms of the 03:06:37PM  
24 sale to Mr Woodman of the property was actually entirely 03:06:41PM  
25 discussed with Wreford, not with Woodman. 03:06:46PM  
26 Did you discuss this with Lorraine Wreford?---Yes. 03:06:49PM  
27 COMMISSIONER: I'm sorry, Mr Aziz, I may have misunderstood 03:06:55PM  
28 something you said earlier. I thought you left me with 03:06:59PM  
29 the impression that you didn't have much faith or 03:07:03PM

1 confidence in Ms Wreford?---That's correct, yes. 03:07:05PM  
2 But you had gone into these considerable details about 03:07:10PM  
3 negotiating the sale of your place solely with 03:07:17PM  
4 her?---That's because she was acting as a finance broker 03:07:21PM  
5 for me attempting to get finance and couldn't. And so she 03:07:24PM  
6 was always suggesting to me alternative means of finance, 03:07:28PM  
7 including going to private lenders. So, yes, I was 03:07:32PM  
8 discussing these matters with her. Where I didn't have 03:07:36PM  
9 faith in her was in relation to - - - 03:07:40PM  
10 No, no, I don't really want some other explanation. Who 03:07:42PM  
11 produced the draft documents that you were contemplating 03:07:47PM  
12 signing?---She asked me to get my conveyancer to draw up a 03:07:51PM  
13 contract. 03:07:57PM  
14 Based upon your discussions with her?---Yes. 03:07:59PM  
15 And, Mr Aziz, did she say before you went and got your 03:08:03PM  
16 conveyancer to do this that she had sought and obtained 03:08:09PM  
17 Mr Woodman's consent or agreement to such an 03:08:13PM  
18 arrangement?---She said it would be under consideration as 03:08:18PM  
19 part of a broad range of private lenders, and that's why 03:08:22PM  
20 I departed from Lorraine altogether and got finance 03:08:26PM  
21 through another broker that was recommended to me by a 03:08:30PM  
22 friend. She wasn't able to secure finance for me. 03:08:34PM  
23 Mr Tovey. 03:08:38PM  
24 MR TOVEY: You see, both Mr Woodman and Ms Wreford - sorry, 03:08:40PM  
25 I must apologise first. Before I was interrupting when 03:08:50PM  
26 you were referring to Ms Wreford because I thought you 03:08:54PM  
27 were talking about your accountant, who is Refa; is that 03:08:58PM  
28 right?---Sorry, can you come again? 03:09:03PM  
29 What's the name of your accountant who advises you?---In 03:09:05PM

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relation to what?  
Sorry, do you have an accountant by the name of  
Refa?---Wreford?  
Wreford - - -?---No, I don't.  
Or Refa? No, okay. In any event, I had misinterpreted you  
saying 'Wreford' for another word. But if we could just  
move on from that. Both Ms Wreford and Mr Woodman have  
given evidence at various stages that from early 2018 you  
were indicating that you felt that you were entitled to  
about \$700,000; they came close to accommodating you with  
the sale of Barak Avenue or the purchase of Barak Avenue  
by Mr Woodman; but that was in fact stymied by The Age  
article in October of 2018, after which they had to pull  
in their horns because there couldn't be any obvious  
association between you and Woodman such as would be  
documented if you sold him a house. Now, was that the  
case?---No, because if that was the case, why did we sign  
the Little River agreement?  
Well, they both went on to say that the Little River agreement  
was the option to provide them - sorry, once the Barak  
Road option disappeared, the Little River option was lit  
upon as a way of funneling \$600,000 to you?---I don't  
believe Mr Woodman would have said that, because that's  
not the truth. I don't know what Ms Wreford said, but the  
reality is if that was the case why would I have done so  
much work as a result of the Little River agreement? If  
I was going to get paid \$25,000 a month anyway, why would  
I have done the mountain of work that I had done for the  
Little River project to get off the ground in terms

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1 of - - - 03:11:18PM  
2 We'll go to that, but you gave evidence - last time you gave 03:11:19PM  
3 evidence you said that the only work you had done in 03:11:23PM  
4 respect of the Little River project was to produce a 03:11:26PM  
5 40-page document?---That was the result of hundreds of 03:11:30PM  
6 hours of research, and in any case what was going to 03:11:37PM  
7 contribute to the Little River agreement was a full PhD 03:11:42PM  
8 which I had intended on completing but has now been 03:11:45PM  
9 stopped as a result of the IBAC investigation. 03:11:49PM  
10 Is the truth of the matter that you have never even - you have 03:11:52PM  
11 never ever applied for a PhD?---No, that's not true. I 03:11:56PM  
12 did apply for the PhD. But anyone that knows anything 03:12:01PM  
13 about - - - 03:12:01PM  
14 Where did you apply?---Southern Cross University. 03:12:04PM  
15 And was that a formal application?---Yes, it was. 03:12:07PM  
16 Or just a discussion that you had with somebody?---No, it was a 03:12:10PM  
17 formal application accompanied by proposal. 03:12:13PM  
18 When was that?---I believe I submitted my first proposal in 03:12:18PM  
19 March 2019. 03:12:21PM  
20 Mr Woodman said that you told him that you in fact had a PhD 03:12:24PM  
21 ?---Mr Woodman had full access to my CV because I gave it 03:12:32PM  
22 to him before signing the Little River agreement, and it 03:12:37PM  
23 doesn't state anywhere on there that I have a full PhD. 03:12:40PM  
24 So you gave it to him before signing the agreement. On how 03:12:43PM  
25 many occasions had you met him before you signed the 03:12:50PM  
26 agreement, that is in respect of the Little River 03:12:52PM  
27 project?---On at least two occasions that I remember where 03:13:03PM  
28 we discussed the whole mechanics of the PhD and how it was 03:13:07PM  
29 running, and the fact that I wanted to introduce him to 03:13:11PM

1 the group of engineers that I was working with - - - 03:13:15PM  
2 So when did you first meet him?---I can't recall the exact 03:13:19PM  
3 date, but the discussions took place around late October 03:13:25PM  
4 early November 2018. 03:13:28PM  
5 And where did you meet him?---I believe I met him one time at 03:13:33PM  
6 the Sandhurst Club and the other time I met him was at a 03:13:36PM  
7 cafe in the city on William Street. The name escapes me. 03:13:42PM  
8 Sorry, I think it might have been called Little Billy 03:13:53PM  
9 Cafe. 03:13:56PM  
10 Yes?---Because we used to meet Wreford there a lot because it 03:13:56PM  
11 was around the corner from her house. 03:13:59PM  
12 And anywhere else?---I can't remember, Mr Tovey. I don't 03:14:03PM  
13 believe so. 03:14:10PM  
14 COMMISSIONER: Mr Tovey, I see the time. Is it a convenient 03:14:15PM  
15 moment to have a break? 03:14:18PM  
16 MR TOVEY: Yes. 03:14:19PM  
17 COMMISSIONER: We'll have a 10-minute break, 03:14:21PM  
18 Mr Aziz?---Commissioner, can I ask you is it your 03:14:24PM  
19 intention that we finish by four? 03:14:26PM  
20 Quarter past four?---Quarter past four. Thank you very much. 03:14:28PM  
21 (Short adjournment.) 03:14:46PM  
22 COMMISSIONER: Mr Rubenstein, are we ready to proceed? 03:29:20PM  
23 MR RUBENSTEIN: Yes, we are, Commissioner. 03:29:23PM  
24 COMMISSIONER: Thank you. Yes, Mr Tovey. 03:29:25PM  
25 MR TOVEY: I'm going to get back to the calculations in a 03:29:49PM  
26 minute, but while we're discussing the issue of your PhD 03:29:51PM  
27 and how honest you have been about that, could I ask you, 03:30:00PM  
28 please, to have a look at 6322 I think it is initially. 03:30:06PM  
29 6323. Sorry, 6324. All right. So this is from Sinead 03:30:22PM

1 Flatley at the Local Government Inspectorate. Do you 03:30:40PM  
2 recall that coming to you in August of 2019 suggesting to 03:30:49PM  
3 you that 'it's alleged that you declared a conflict of 03:30:55PM  
4 interest during a council meeting on 19 March 2019. 03:31:00PM  
5 During this meeting a resolution was carried for you to 03:31:10PM  
6 attend a Smart City education tour in New York. You 03:31:13PM  
7 advised that due to the PhD you are currently studying you 03:31:19PM  
8 had an indirect financial interest in the resolution and 03:31:25PM  
9 therefore abstained from voting.' Do you recall that 03:31:28PM  
10 query coming?---Yes, I do. 03:31:31PM  
11 So in June 2019 had you indicated to other councillors to 03:31:34PM  
12 justify you getting finance to attend a conference in 03:31:47PM  
13 New York on Smart Cities that you were in fact doing a 03:31:51PM  
14 PhD: yes or no?---Yes, I did. (Indistinct) long before 03:31:58PM  
15 then. 03:32:04PM  
16 And why did you let other councillors know that you were in 03:32:04PM  
17 fact doing a PhD when you weren't?---But I was doing a 03:32:08PM  
18 PhD. Mr Tovey, you don't enrol in a PhD like you do in 03:32:15PM  
19 any normal course. It actually takes you about a year 03:32:24PM  
20 just to come up with the topic that you're going to 03:32:26PM  
21 research. 03:32:28PM  
22 But you were telling people, including the council, that you 03:32:28PM  
23 were studying a PhD, i.e. that you were doing a PhD, and 03:32:33PM  
24 this was in March of 2019?---Yes, I actually commenced 03:32:41PM  
25 that discussion about the PhD in December and November of 03:32:46PM  
26 2018. 03:32:51PM  
27 I'm not talking to you about a discussion about 03:32:52PM  
28 the possibility. What I'm talking to you about is whether 03:32:55PM  
29 or not you told the council that you were studying for a 03:32:59PM

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PhD before you had even applied to do a PhD?---But I had applied, Mr Tovey. In March 2019 I submitted my first proposal, and I continued to work on that throughout 2019 with the person who was going to supervise it at Southern Cross University. So I did make the application. But it's actually not a quick process, as you are intimating. It takes a lot of research just to get precise about the topic, and that's exactly what I was doing. I was also developing concepts that I was presenting - - -

I don't want to know about developing concepts. I want to know about whether or not you were doing a PhD when you told fellow councillors you were in March 2019. Were you or weren't you? Were you doing a PhD or not?---I submitted my application to the Southern Cross University.

COMMISSIONER: You weren't yet studying for your PhD at that point?---Yes, preparing my PhD at that point and submitting the application contemporaneously.

I'm sorry, I don't follow, Mr Aziz. It's perhaps not a matter of the greatest moment, but do you mean to say you were studying for your PhD before your application to apply for a PhD had actually been formalised?---Yes, that's correct, Commissioner. I actually had to research the proposal itself and develop a literature review and develop concepts that I was going to research. Now, I was focused on artificial intelligence in terms of my PhD and I had in fact submitted to my academic supervisor the application by March 2019. But I started this whole process back in November and December 2018.

I'm sorry, and how did the preparation for applying for a PhD

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03:35:06PM

1 give rise to a conflict?---Because it was possible that by 03:35:12PM  
2 the time the conference came around that my proposal by 03:35:18PM  
3 the university would have been accepted and I would have 03:35:26PM  
4 been formally enrolled and, given that I was invited to 03:35:28PM  
5 New York to deliver a speech on artificial intelligence 03:35:31PM  
6 and local government, I believed that that may give rise 03:35:36PM  
7 to a conflict and I was just alerting the councillors to 03:35:41PM  
8 that possibility. 03:35:45PM

9 I see. 03:35:48PM

10 MR TOVEY: Wasn't it simply a backhanded way of you trying to 03:35:50PM  
11 indicate that you were somebody who was eminently 03:35:53PM  
12 qualified to get a trip?---I didn't really need to prove 03:35:56PM  
13 that or show that, Mr Tovey. I have a masters degree by 03:36:00PM  
14 research and an honours degree by research and several 03:36:05PM  
15 advanced diplomas. My academic history speaks for itself. 03:36:09PM  
16 I didn't need to do that. 03:36:13PM

17 So when did you formally apply to do a PhD?---As I said, in 03:36:14PM  
18 March 2019. 03:36:18PM

19 Could you look at the next page? This is something written by 03:36:20PM  
20 you following the query in August 2019. And you look at 03:36:48PM  
21 the paragraph at the bottom of the page there. Just stop 03:37:01PM  
22 it there, please. 'Confirmation that there was never at 03:37:05PM  
23 any stage a formal PhD application and that I was simply 03:37:16PM  
24 engaged in research ideas can be obtained from my 03:37:19PM  
25 mentor'?---Sorry, I'm not reading that. Where does it say 03:37:27PM  
26 that? 03:37:31PM

27 See where the hand is on the document? So there you wanted to 03:37:31PM  
28 demonstrate the opposite. You were saying that you 03:37:38PM  
29 definitely hadn't applied for a PhD?---But I had applied 03:37:40PM

1 for a PhD, and the proposal was under consideration by the 03:37:45PM  
2 university and required several re-works for it to be 03:37:49PM  
3 acceptable by the university. Now, at the time I wrote 03:37:53PM  
4 that email I had just been discharged from hospital after 03:37:56PM  
5 eight days, including four days in intensive care, from 03:38:00PM  
6 heart failure. 03:38:05PM  
7 So you had forgotten, had you, that you had been approved and 03:38:06PM  
8 indeed you were able to give the details of somebody who 03:38:10PM  
9 could specifically provide information asserting that you 03:38:12PM  
10 hadn't been formally approved?---I hadn't forgotten that 03:38:15PM  
11 I had been formally approved because I wasn't formally 03:38:19PM  
12 approved at that stage. 03:38:24PM  
13 I tender those two pages, Mr Commissioner?---Mr Commissioner, 03:38:25PM  
14 I had to do several re-works of that proposal itself for 03:38:29PM  
15 it to be acceptable by the university, and that required 03:38:34PM  
16 providing a more expansive and more extensive literature 03:38:38PM  
17 review, which I was constantly working on. IBAC seized my 03:38:43PM  
18 computer and can very well see the records of my PhD 03:38:48PM  
19 sitting on that computer and the amount of research that 03:38:50PM  
20 I had to develop. It was over 2,000 pages of evidence 03:38:53PM  
21 which IBAC had which showed the extent of the work that 03:38:57PM  
22 I had done to prepare for submission of my PhD proposal 03:39:02PM  
23 and indeed for the concepts that I was developing that 03:39:07PM  
24 would feed into Mr Woodman's Little River project 03:39:09PM  
25 proposal. 03:39:13PM  
26 Could I tender those two pages, please, Mr Commissioner? 03:39:18PM  
27 COMMISSIONER: The email chain of 15 March 18 from Mr Aziz to 03:39:33PM  
28 Watsons will be exhibit 255. 03:39:38PM  
29 #EXHIBIT 255 - Email chain of 15/03/18 from Mr Aziz to Watsons. 03:39:41PM

1 COMMISSIONER: What were the dates of those two emails, 03:39:43PM  
2 Mr Tovey? 03:39:46PM  
3 MR TOVEY: The first one was 15 August 2019. The second one is 03:39:50PM  
4 undated, but had to be after 16 August. 03:39:55PM  
5 COMMISSIONER: Very good. Record of 15 August 19 and undated 03:40:01PM  
6 further commentary on Mr Aziz's PhD will be exhibit 256. 03:40:16PM  
7 #EXHIBIT 256 - Record of 15/08/19 and undated further 03:40:25PM  
8 commentary on Mr Aziz's PhD. 03:40:17PM  
9 MR TOVEY: We seem to have become somewhat diverted when we 03:40:33PM  
10 were addressing page 3956 of the court book, which was the 03:40:39PM  
11 first page of calculations which you sent to Mr Woodman in 03:40:47PM  
12 March of 2018. 03:40:53PM  
13 COMMISSIONER: Mr Tovey, the document now on the screen is 03:41:12PM  
14 different to the one previously shown - - - 03:41:15PM  
15 MR TOVEY: Sorry. Sorry, it was 6326 and 6327. There are a 03:41:19PM  
16 number of versions of the same document. So I apologise. 03:41:43PM  
17 Could we go back a page, please, or forward a page. So 03:42:15PM  
18 there we go. In any event we got to the stage where you 03:42:27PM  
19 get down to, 'Remainder 787,000'. So what you've done is 03:42:33PM  
20 you've started off with a total of 1.14 million and then 03:42:40PM  
21 you've indicated payments going out of that, including 03:42:44PM  
22 your cash monthly payments and your payout to the 03:42:52PM  
23 solicitor as part of the matrimonial settlement, and that 03:43:00PM  
24 brings the 1.14 down to 1,140 - sorry, down to 787,000; is 03:43:03PM  
25 that right?---Yes. 03:43:14PM  
26 Hence the word 'Remainder 787,000'. Then you work out what's 03:43:23PM  
27 going to happen to the excess, that is the difference 03:43:31PM  
28 between the \$600,000 capital investment and the 787,000, 03:43:41PM  
29 which leaves you with 187,000; true?---According to the 03:43:49PM

1           calculations at the time, yes. 03:43:59PM

2    You work out that you start off with 1.14 million. You then 03:44:05PM

3           deduct the cash payments already made. You then deduct 03:44:11PM

4           the amount paid in the matrimonial settlement, and that 03:44:17PM

5           leaves you with the 600,000 plus 187,000, which you 03:44:23PM

6           indicate you want to have disbursed in a certain way, and 03:44:28PM

7           that is 100,000 to a third party, 87,000 in cash, and 03:44:34PM

8           15,000 in a monthly return; right?---Mr Tovey, none of 03:44:46PM

9           that eventuated. 03:44:59PM

10   No, this is what you were proposing at the time. I'm just 03:44:59PM

11          trying to work out what's in your head?---What's in my 03:45:04PM

12          head is based on an additional allocation of funds that 03:45:06PM

13          I would be able to secure had the properties that were 03:45:09PM

14          being sold or settling had come to me at their valuation 03:45:14PM

15          value, which they didn't. A lot of them were actually 03:45:19PM

16          sold below valuation because unfortunately my former wife 03:45:21PM

17          was not very cooperative in the sale process and she had 03:45:25PM

18          joint decision making in relation to the sale of those 03:45:30PM

19          properties. 03:45:33PM

20   So in the end you have the proposal that 600,000 then remain 03:45:33PM

21          invested and you get cash of \$15,000 a month up until 03:45:44PM

22          10 December; is that right?---If I had secured the funds 03:45:49PM

23          out of the matrimonial settlement to be able to continue 03:45:54PM

24          the \$600,000 investment, but I didn't and none of that 03:45:57PM

25          eventuated. 03:46:01PM

26   None of your dot points there - you talk about an allocation of 03:46:08PM

27          \$540,000. It's a matter of what that means. That 03:46:12PM

28          calculation, I suggest to you, makes it absolutely clear 03:46:17PM

29          that that's an allocation of money that Woodman is giving 03:46:22PM

1 you. There's no reference elsewhere in that list, is 03:46:24PM  
2 there, of you putting money in? No reference anywhere. 03:46:30PM  
3 When you go through step by step what's going to happen 03:46:33PM  
4 there's no suggestion there you put extra money in or how 03:46:35PM  
5 much you put in?---There's no reference in the allocation 03:46:38PM  
6 that that was coming from Woodman. I made that allocation 03:46:43PM  
7 calculation, from memory, based on my expected return of 03:46:47PM  
8 equity as a result of the sale of the three Santa Monica 03:46:50PM  
9 properties, plus the existing cash that I would get out of 03:46:55PM  
10 the matrimonial settlement. Unfortunately it did not 03:46:59PM  
11 eventuate. 03:47:02PM  
12 And so how much did you get in the end?---Out of the Santa 03:47:05PM  
13 Monicas? 03:47:08PM  
14 Or out of the settlement that you could have 03:47:10PM  
15 allocated?---I don't think - I got the equity in Barak 03:47:16PM  
16 Avenue. 03:47:22PM  
17 That certainly wasn't something that was going to be available 03:47:22PM  
18 to you until the tenant was out of the place, was 03:47:25PM  
19 it?---No. 03:47:29PM  
20 You couldn't sell Barak until the tenant left in February 2019. 03:47:30PM  
21 So you weren't going to get any money out of Barak at that 03:47:36PM  
22 stage, were you?---I wasn't intending to sell Barak. 03:47:40PM  
23 I was hoping to keep that property for my children, to be 03:47:44PM  
24 able to see my children on the weekends, which is 03:47:47PM  
25 primarily what I was using it for and primarily why I sold 03:47:50PM  
26 it, because I wasn't being able to get to see my children. 03:47:53PM  
27 But I was expecting at least \$300,000 from the Santa 03:47:57PM  
28 Monica sale. That didn't eventuate. I think in the end 03:48:06PM  
29 I got somewhere in the vicinity of \$45,000, because they 03:48:08PM

1 all sold well below valuation, and I was expecting to get 03:48:12PM  
2 a return on investment from the Lodex money that 03:48:16PM  
3 I invested, and there would have been funds from 03:48:22PM  
4 the settlement such as the 18,000 you mentioned earlier. 03:48:27PM  
5 So - - - 03:48:30PM  
6 You don't settle with your wife until April, do you?---No, 03:48:34PM  
7 I don't settle - - - 03:48:46PM  
8 Let's just get the sequence right. When did you 03:48:46PM  
9 settle?---I think the settlement occurred in May, 03:48:50PM  
10 actually. 03:48:52PM  
11 Okay. So settlement happened in May. Then you've got to sell 03:48:53PM  
12 the Santa Monicas. How many of them do you have to sell? 03:49:03PM  
13 Four of them?---Three. 03:49:06PM  
14 Three of them. Say reasonable expectation four months later 03:49:08PM  
15 you'll get the money if it all goes well?---No, because 03:49:15PM  
16 there were discussions at the time about putting the 03:49:20PM  
17 properties for sale before mediation so that the money 03:49:24PM  
18 could be ready by the time mediation had concluded and 03:49:27PM  
19 been endorsed by the court, and the money could have gone 03:49:34PM  
20 into the trust account of either my lawyer or her lawyer. 03:49:37PM  
21 But this is already March, isn't it?---Yes. So those 03:49:41PM  
22 discussions were ongoing in anticipation of the mediation. 03:49:44PM  
23 And so what's the earliest you could have got the money from 03:49:46PM  
24 the Santa Monicas?---Probably as early as May, once it was 03:49:49PM  
25 all settled and (indistinct) by the court. 03:49:54PM  
26 So in May you could have got the money that was going to help 03:49:58PM  
27 you - that you hoped would - hoped would enable you to 03:50:04PM  
28 give the additional allocation of 540,000?---Yes. 03:50:10PM  
29 But, you see, what you've done is you have calculated there 03:50:22PM

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that as at 10 May you already have the allocation and you do deductions from 10 May which leaves with a remainder of 787,000, and then you pay out 187,000 from that remainder, and there's no possibility of you putting any money in at that time, is there?---No, there is every possibility had the properties been advertised and sold by the time the mediation came around, because once the agreement was reached at mediation the money was disbursed fairly quickly; and, secondly, they are all projections. Nothing of what has been written down there ever materialised. They were all projections in - - -

It has to be real, doesn't it? You're not doing this just for the fun of it. You're doing this in the expectation or the hope that it will occur?---I'm doing this to give him an indication that I'm prepared to continue investing the money with him to be able to get access to the amount of money I was projecting and hoping to get out of the valuations that were done on the Santa Monicas only a few months earlier; and, like I said, the properties sold well below valuation.

But, assuming that the earliest you could possibly hope to get the money from the Santa Monicas is May, why would you be releasing \$187,000 to yourself on 10 May?---That \$187,000 was the remainder of the 600,000 that I had initially invested with him and after deducting the 350,000 that were paid to my ex-wife's solicitor. That had nothing to do with the allocation that was projected in the first bullet point.

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wherever the other calculation is? Okay. This is the other calculation you sent him; all right? Can you tell us what that's about?---Yes, once again that was based on the second contract of 370,000 that I had discussed with him and proposed.

It was a sham, wasn't it, because that arrangement didn't exist? There was no arrangement whereby you had invested \$370,000 at 5 per cent; that just did not happen?---Mr Tovey, with all due respect, we've covered that ground earlier and I did explain to you - - - Would you be kind enough to answer the question? Is it the case - - -

MR RUBENSTEIN: Mr Tovey, excuse me, with all due respect, you asked the question to Mr Aziz, he was answering the question, and then you cut him off to put an alternative question. If you let him finish answering the first question that you put to him you might get the answer that you are seeking.

MR TOVEY: As your counsel wishes, Mr Aziz, I'll ask the question again. Was there any basis in fact to satisfy the notations on that calculation that you had invested \$370,000 at 5 per cent for 12 months? You had never done that, had you?---There was actually an intention to do that and it was presented as part of mediation negotiations and (indistinct) by the other side, even though the other side was aware that the initial amount drawn from the amount was 600,000. But in view of the overall settlement that she was able to achieve those calculations were - - -

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1 COMMISSIONER: No, no, Mr Aziz, that's why counsel tried to cut 03:54:33PM  
2 you off, because we didn't want you to take this 03:54:37PM  
3 opportunity to repeat for the sixth time your explanation 03:54:41PM  
4 for what they understood at the mediation. There isn't 03:54:44PM  
5 any need to go back there. You've made your position very 03:54:47PM  
6 clear?---Commissioner, I'm not sure how else I can answer 03:54:50PM  
7 counsel's question. 03:54:56PM  
8 MR TOVEY: The question is a simple one. Did you as a matter 03:54:57PM  
9 of fact have \$350,000 - \$370,000 invested at 5 per cent 03:55:00PM  
10 for 12 months?---In the end it wasn't invested at 03:55:08PM  
11 5 per cent. It was invested - - - 03:55:12PM  
12 All right. So does that mean the answer to that simple 03:55:15PM  
13 question is, no, you never had an investment of \$370,000 03:55:17PM  
14 at 5 per cent for 12 months?---The answer is that it was 03:55:23PM  
15 proposed but it never went ahead. None of these 03:55:27PM  
16 calculations ever went ahead. 03:55:31PM  
17 You see, this isn't at the time when you are discussing with 03:55:33PM  
18 Mr Woodman what's happening; this is in March the 03:55:37PM  
19 following year when you're getting the money back . Why 03:55:41PM  
20 is it in March of the following year when you are getting 03:55:45PM  
21 the money back that you are referring to an agreement 03:55:47PM  
22 which doesn't exist and which indeed you knew by that 03:55:50PM  
23 stage was never going to happen?---Because, like I said, 03:55:54PM  
24 that agreement was presented at mediation and it had to be 03:55:58PM  
25 part of a lot of considerations that I was advising 03:56:02PM  
26 Mr Woodman of because he was in possession of the money 03:56:06PM  
27 and needed to disburse it according to my instructions. 03:56:08PM  
28 That's getting closer, isn't it? You are advising Mr Woodman 03:56:12PM  
29 what rubbish you had been pedalling at the Family Court 03:56:14PM

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and to your wife so he could cover with you with the sham contract which you had conjured up after the original 600,000 contract was drawn?---(Indistinct) very disrespectful language, but I reject all that.

COMMISSIONER: Mr Tovey, I don't think you need to go back there. You've covered your position and Mr Aziz has made his position clear.

MR TOVEY: Thank you. All right.

COMMISSIONER: I do want to ask you, though, Mr Aziz, if we go to the document that - the email which had these two attachments in it, the heading is, 'Attachments - calculations A' document, and that's the one which deals with the \$600,000 loan, and then the second one is headed 'Forward'. Does that have some significance, that you describe one as the 'calculations' and the other as 'forward'?---Simply, Commissioner, the 'calculations' related to the position I was taking at mediation, and 'forward' related to a possible future position if I was able to secure enough funds to continue investing in Mr Woodman and attract the high rate of mezzanine finance. But what you might have been able to do in the future is what you've set out in the calculations. The 'forward' is simply what you say is how the \$370,000 should be described and treated. Who was that to be forwarded to?---It wasn't to be forwarded to anyone. The word 'forward' there in my belief refers to what might happen in the future. So maybe I wrongly named the documents the other way around. But there's no forward to anyone, otherwise IBAC would have intercepted that forward from

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1 Mr Woodman, if I was sending this to him to send on to 03:58:37PM  
2 somebody else, and I didn't. So - - - 03:58:42PM  
3 I'm sorry, I don't follow. Are you suggesting that you were 03:58:47PM  
4 aware in March 2018 that the Commission was investigating 03:58:51PM  
5 you?---No, what I'm saying is that if it is your 03:58:57PM  
6 suggestion that the 'forward' document was titled so that 03:59:04PM  
7 it could be forwarded to someone, that by the time you 03:59:06PM  
8 came around to investigate these matters you would have 03:59:11PM  
9 identified who the forward was. But these documents were 03:59:13PM  
10 not designed to be forwarded to anyone. They were just 03:59:17PM  
11 designed for Mr Woodman to understand what I was hoping to 03:59:20PM  
12 do in future should I secure enough funds to be able to 03:59:25PM  
13 continue investing. That is all. The name is entirely 03:59:30PM  
14 insignificant beyond that. 03:59:38PM  
15 Yes. Yes, Mr Tovey. 03:59:41PM  
16 MR TOVEY: Thank you. A point in time in which I - I wanted to 03:59:44PM  
17 start having a look, Mr Aziz, at the amount of cash that 04:00:28PM  
18 came into your possession from the time that Mr Woodman 04:00:34PM  
19 has told us he first raised with you the Cranbourne West 04:00:46PM  
20 rezoning, which was around late 2013. So I've started in 04:00:54PM  
21 November of 2013. I just want to go through with you. 04:01:03PM  
22 I just want to get to the starting point. What you've 04:01:12PM  
23 already told me is that you had no regular payments of 04:01:16PM  
24 cash coming in; is that right?---Mr Tovey, I had an 04:01:21PM  
25 operating dental surgery which was producing obviously 04:01:28PM  
26 deposits into an account. 04:01:31PM  
27 Not many people pay cash at the dentist, do they?---Some people 04:01:33PM  
28 do. But I - - - 04:01:39PM  
29 How could you be taking cash at the dentist if you're losing 04:01:41PM

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money? Surely that would be counterintuitive, wouldn't  
it?---Not necessarily, because you would be covering your  
costs out of other accounts where salaries and other  
things were being paid, such as my salary. But it is not  
counterintuitive that people pay cash for their dental  
treatment, and then the dental may actually - the dental  
practice may actually be making a loss - - -  
And so would you put dental surgery - as a manager, are you  
saying you were putting dental surgery cash in the private  
accounts of yourself or the joint accounts of yourself and  
your wife?---It was going into the surgery regular every  
day payment account and some of it was actually being held  
at home as savings. But you can't hide cash in a dental  
practice because you have software that can't be altered.  
So even if the payment is made in cash, if that's what  
you're intimating, it still shows up on our software, and  
that's the download that the accountant gets when they do  
their BAS statements every three months.  
No, but I'm asking you were you taking cash from the surgery  
and not putting it in the business account but putting it  
in your private account?---Well, it's my money. I could  
do whatever I like with it.  
It's not your money at all, is it? It's your wife's money  
and - - -?---It's the family's money, and she was very  
reluctant to be involved in any financial matters either  
to do with the practice or anything else. So it's money  
that I actually helped create by managing this business  
and I could do whatever I liked with it as long as it's  
declared and fully accounted for to the authorities, which

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1           it was because of the reasons I explained. 04:03:41PM

2   How much cash did you take out of the - up until - between the 04:03:44PM

3           beginning of 2014 and the time you and your wife separated 04:03:50PM

4           how much cash did you take out of the business and put in 04:03:58PM

5           your own account?---I can't remember. 04:04:00PM

6   What are we talking about? Are we talking about 50,000, 04:04:04PM

7           100,000, 5,000? How much?---Whatever I say here, whether 04:04:10PM

8           it's \$5,000 or a million dollars, I would be not telling 04:04:14PM

9           you the truth on both occasions because our lives are very 04:04:19PM

10          complex and I would not in a million years remember how 04:04:23PM

11          much cash was being generated at the time. You know, my 04:04:28PM

12          memory is scant even on the most recent events, but 04:04:33PM

13          I certainly don't remember because the flows of money in 04:04:36PM

14          and out of our accounts, because of the amount of 04:04:40PM

15          investments that we were doing and the businesses that we 04:04:45PM

16          were running were quite substantial. 04:04:47PM

17   COMMISSIONER: Mr Aziz, did you not say earlier that the 04:04:53PM

18          beneficiaries of the dental revenue was a family trust of 04:04:58PM

19          which there were four beneficiaries?---Yes. 04:05:05PM

20   Would you be able to take the money and deposit in your own 04:05:08PM

21          account?---Well, if I was one of the beneficiaries and 04:05:11PM

22          that was an agreement made between the beneficiaries, yes. 04:05:14PM

23   I'm not interested in what might have been. Can you tell us 04:05:19PM

24          what was?---Commissioner, I can't recall. I mean, we had 04:05:22PM

25          a family trust that was operating the dental practice. 04:05:28PM

26          There was money going into the dental practice account, 04:05:32PM

27          and obviously money needed to be withdrawn from that on 04:05:35PM

28          occasions to pay bills and other things, and money that we 04:05:38PM

29          back then quarantined for other purposes. But everything 04:05:44PM

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was accounted for by our dental software.

Do you actually remember withdrawing a cash amount that was meant to go to the family trust? Do you actually remember withdrawing or taking home the cash payment for yourself and placing it in your - either in an account of yours or keeping the cash at home for future purposes for yourself? Do you actually remember that?---I remember that that would have happened on a few occasions, yes.

You understand why Counsel Assisting is asking you these questions, don't you?---Not really, Commissioner, I'm sorry, I don't.

You don't appreciate that you are eventually going to have to explain various cash amounts in your possession at various times? That hadn't occurred to you?---I don't know what cash amounts you're referring to, Commissioner, but obviously when they are presented to me I can explain them to the best of my ability according to the memory that I have.

Yes, thank you.

MR TOVEY: Did you at any stage have a large amount of cash stashed away not in the bank?---I mean, I'll just give you a quick example - - -

No, I don't want examples. I just want an answer to a simple question. Did you at any stage after 2014 have stashed away large amounts of cash that were not in the bank?---Yes.

When?---Probably from the time the dental practice actually started in 2011, and it was at times deposited in the bank and at times it was retained and we spent it on various

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1 things. I can't recall exactly what it was spent on, but, 04:07:49PM  
2 yes, the answer is yes. 04:07:54PM  
3 So how much - in 2014 what was the total takings of the dental 04:07:56PM  
4 practice?---I'm sorry, I don't remember that. 04:08:05PM  
5 COMMISSIONER: I think that's a big ask, Mr Tovey. 04:08:10PM  
6 MR TOVEY: Approximately? Are we talking about 50,000? 04:08:13PM  
7 I mean, you ran it, you have told us. You managed it. 04:08:16PM  
8 Are we talking about 50,000, 100,000, 200,000?---You mean 04:08:20PM  
9 gross revenue? 04:08:24PM  
10 Yes?---It would have been closer to 600,000. 04:08:25PM  
11 And how much of that was cash?---Possibly 10 to 20 per cent. 04:08:33PM  
12 So you could have had up to 60,000 a year cash. And did you 04:08:42PM  
13 take all the cash?---At times I would deposit the cash in 04:08:48PM  
14 accounts that belonged to my children, and that's where 04:08:53PM  
15 that \$100,000 that was quarantined from me came from. At 04:08:58PM  
16 times, like I said, we spent it on things relating to the 04:09:04PM  
17 house. At times it was just accumulated for savings 04:09:07PM  
18 purposes. 04:09:12PM  
19 So how much of the cash that came into the practice did you 04:09:16PM  
20 take out of the till and put in your own private 04:09:22PM  
21 account?---I don't recall, Counsel. I don't recall if 04:09:25PM  
22 I have ever done that, in fact. In fact I think it was 04:09:33PM  
23 either retained at home or disbursed, as I have explained, 04:09:35PM  
24 into the children's account or to pay for goods and 04:09:39PM  
25 services that we needed. 04:09:44PM  
26 So you can't recall ever taking cash from the practice and 04:09:46PM  
27 putting it into your private account?---I can't recall, 04:09:49PM  
28 no. I'm not saying it never happened, but I can't recall. 04:09:55PM  
29 So if it did happen it would be a rarity?---I also can't 04:09:59PM

1 comment on that because I can't recall. I mean, these are 04:10:04PM  
2 matters that have occurred several years ago. 04:10:07PM  
3 So, according to Mr Woodman, he's approached you in respect of 04:10:10PM  
4 the Cranbourne West amendment by January of 2014, and he's 04:10:26PM  
5 met with you in respect of that, and if you look at 04:10:33PM  
6 22 January 2014 there is a deposit to your account of cash 04:10:43PM  
7 of \$20,000. Where did that come from?---I don't know. 04:10:54PM  
8 I can't recall. But it certainly wasn't from Mr Woodman. 04:11:02PM  
9 Were you in the habit of depositing cash amounts of \$20,000 in 04:11:04PM  
10 your account?---Yes, I was, and even more than that. 04:11:09PM  
11 I mean, I remember once having - you mentioned Zagames 04:11:15PM  
12 before. I remember once having a substantial Keno win off 04:11:22PM  
13 a very small bet and it was in the vicinity of \$25,000, 04:11:27PM  
14 and I just deposited that into the account. 04:11:31PM  
15 COMMISSIONER: Mr Aziz, I think since I asked you had you 04:11:38PM  
16 looked at your transcript of your evidence at the private 04:11:43PM  
17 examination it's been drawn to my attention that your 04:11:48PM  
18 solicitors spent two days reviewing the transcript 04:11:51PM  
19 following your examination. 04:11:55PM  
20 MR TOVEY: I think it was his barrister, Mr Commissioner. 04:12:02PM  
21 COMMISSIONER: Or his barrister, thank you. 04:12:05PM  
22 MR TOVEY: Mr (Indistinct) I think. 04:12:08PM  
23 COMMISSIONER: Have you not prepared yourself to address the 04:12:10PM  
24 question of where various cash deposits have come from 04:12:12PM  
25 over the period since 2014?---Commissioner, I can't 04:12:17PM  
26 remember, but I would emphatically deny that any of those 04:12:23PM  
27 cash amounts actually came from Mr Woodman. I did not 04:12:27PM  
28 have a commercial relationship with Mr Woodman until the 04:12:33PM  
29 \$600,000 loan started in around May 2017. Before then 04:12:36PM

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I had absolutely no connection to Mr Woodman.  
Again, I was really wanting you to answer my question, not make  
a speech. You have probably already doubled the length of  
time that you'll need to be examined for because you  
simply won't answer the questions. My question was: since  
you gave your evidence in private examination have you  
prepared or attempted to prepare to provide an answer for  
various cash deposits that we find in your account?---No,  
I haven't, Commissioner.  
Yes, Mr Tovey.  
MR TOVEY: 20,000 cash that you can't recall that. We go then  
into 3 and 4 February of 2014, and at that stage there are  
important matters before council which I'll take you to  
later on relating to C219 in which you took a lead. On  
5 February there is a deposit of \$9,000 cash into your  
account. On 10 February there is a deposit of \$8,000 cash  
into your account. Can you explain to us how before  
critical resolutions relating to C19 in February 2015,  
before you've paid in 20,000, immediately after you've  
paid in 17,000?---Like I said, they were not amounts of  
money that were paid to me by Mr Woodman. I can't recall  
exactly the source of those funds but, like I said, there  
have been occasions when I have had significant winnings  
out of Keno. There have also been occasions where I have  
accumulated cash through the dental practice and it just  
gets deposited in my lot. All the involvement that I have  
had with the Cranbourne West amendment is to move a motion  
for council to consider it as a new policy proposal.  
I have no other involvement in Cranbourne West following

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1           that. 04:14:57PM

2 I'm not suggesting that every cash payment that I refer to came 04:15:00PM

3 from Mr Woodman, because I will be suggesting to you later 04:15:03PM

4 that you took cash wherever you could find it from other 04:15:06PM

5 people who were also involved with the council. But these 04:15:10PM

6 particular amounts I'm pointing out as having a particular 04:15:15PM

7 coincidence with critical votes which you led in February 04:15:18PM

8 2014, and I'm asking you whether you remember those?---No, 04:15:23PM

9 I don't. 04:15:29PM

10 In February 2014 you made one, two, three, four deposits 04:15:32PM

11 totalling \$45,000 cash into your account. Where did that 04:15:40PM

12 money come from?---I - - - 04:15:45PM

13 18,000, 17,000, 5,000 and 5,000, all in round 04:15:47PM

14 figures?---I don't recall. 04:15:53PM

15 In August of 2014 there is another series of - sorry, there's 04:16:05PM

16 another critical vote in respect of C219, in August, and 04:16:09PM

17 September and October, and you would be surprised to know 04:16:15PM

18 no doubt that the cash payments started up again. In 04:16:22PM

19 September of 2014 there was \$10,000 paid into your 04:16:28PM

20 accounts in cash: 4,000, 4,000, and 2,000. Don't know 04:16:33PM

21 anything about that?---Don't recall, sorry. 04:16:41PM

22 In October of 2014 there was an amount of 10,000 paid in; don't 04:16:46PM

23 recall that?---No. 04:16:58PM

24 On 15 October?---No. 04:16:59PM

25 And also you deposited two cheques from Zagames, one for nearly 04:17:00PM

26 4,000, one for just over 19,000. Do you remember getting 04:17:08PM

27 - one is 6 October and 13 October, twice within a week you 04:17:15PM

28 get cheques from Zagames. Now, you've already told me 04:17:19PM

29 about occasionally winning on Keno and, other than that, 04:17:24PM

1 your gambling was totally insignificant. How often did 04:17:28PM  
2 you win Keno? Sort of win it every week, would 04:17:31PM  
3 you?---Some weeks I had a good streak of luck - I used to 04:17:35PM  
4 use Zagames as a meeting place at times, and some weeks 04:17:39PM  
5 I would have a good streak of luck and some weeks I don't 04:17:44PM  
6 have a good streak of luck. 04:17:47PM  
7 All right. So 6 October - I mean, it wasn't that you were 04:17:48PM  
8 passing money through the Zagames gambling arrangements, 04:17:55PM  
9 particularly gaming machines, in a way which allowed you 04:18:00PM  
10 to launder money by losing a certain part but at least 04:18:05PM  
11 sanitising what was left? You weren't laundering money 04:18:09PM  
12 through Zagames, were you?---Absolutely not. 04:18:12PM  
13 All right. In any event on 6 October 2014 there was a cheque 04:18:16PM  
14 from Zagames banked by you for \$3,935.10. On 13 October 04:18:22PM  
15 of 2014 there was a cheque from Zagames banked by you of 04:18:31PM  
16 \$19,104.80. And then 10,000 cash. So here we are, we 04:18:36PM  
17 started off this exercise in November of 2013, and we're 04:18:46PM  
18 already up to \$102,000 in cash payments. It's a huge 04:18:54PM  
19 amount. Surely you'll remember where some of that came 04:19:01PM  
20 from?---I don't. If I did, I would answer your question. 04:19:03PM  
21 Would that be an appropriate time? 04:19:06PM  
22 COMMISSIONER: Just to be clear, Mr Aziz, you've made no 04:19:11PM  
23 attempt to go through your records and try and identify 04:19:13PM  
24 where these cash payments have come from?---Firstly, 04:19:18PM  
25 Commissioner, I don't have access to most of these records 04:19:23PM  
26 anymore, and the reason being is that documentation was 04:19:27PM  
27 taken from the property when I was overseas in China, and 04:19:30PM  
28 I don't have electronic access to those banking records 04:19:34PM  
29 anymore; and I certainly can't recollect what was made out 04:19:38PM

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of the surgery or what activities I was engaged in at the  
time in terms of Zagames or anything else of that nature  
that would have generated this much cash. But I can  
assure you that none of those deposits had anything to do  
with any commercial arrangements that I had with  
Mr Woodman.

Have you made enquiries from your bank as to whether or not you  
can get access to the records?---I haven't because  
I didn't even know about those amounts until they were  
mentioned in today's hearing.

I take it you're familiar with Ms Wreford's evidence?---No, I'm  
not. I'm familiar with certain parts of it, in terms of  
what was published in the media. But I'm not familiar  
with all of her evidence, no.

All right. It is a convenient time then, Mr Tovey.

MR TOVEY: Yes, thank you, Mr Commissioner.

COMMISSIONER: Very good. Mr Rubenstein, I'm not sure whether  
it's still necessary for you to review that transcript in  
light of the fact that Mr Aziz's counsel spent some two  
days. Presumably he's made a summary of the evidence.

MR RUBENSTEIN: Commissioner, may I clarify a number of points.

COMMISSIONER: Yes.

MR RUBENSTEIN: Firstly, Mr Chadwick, who is a solicitor of  
Moray & Agnew acting for Mr Aziz, was in the context of a  
different application given access to the transcript to  
review the transcript. Now, that was an application in  
the County Court for a forfeiture order in respect of some  
proceeds of sale of the Barak property. So he was given  
access to review the transcript for the purposes of the

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1 preparation of Mr Aziz's case in that application. 04:21:43PM

2 COMMISSIONER: I see. 04:21:48PM

3 MR RUBENSTEIN: It wasn't a transcript that was reviewed or 04:21:49PM

4 considered broadly for the purposes of Mr Aziz giving 04:21:52PM

5 evidence here today at IBAC. 04:21:57PM

6 COMMISSIONER: Yes. I see. You would like access to the 04:22:00PM

7 transcript? 04:22:04PM

8 MR RUBENSTEIN: I have not seen it. My understanding is IBAC 04:22:05PM

9 has emailed my instructor today during the course of the 04:22:08PM

10 hearing today to say that there would be a copy of that 04:22:12PM

11 transcript made available in a Dropbox or some external 04:22:15PM

12 database. 04:22:20PM

13 COMMISSIONER: Good. 04:22:21PM

14 MR RUBENSTEIN: So if we're provided with that - I don't think 04:22:22PM

15 we have that yet. I certainly don't have confirmation 04:22:26PM

16 that that's been received. 04:22:28PM

17 COMMISSIONER: Yes. 04:22:30PM

18 MR RUBENSTEIN: We will then review that overnight, and if 04:22:31PM

19 I may ask for this, Commissioner. It will then be 04:22:33PM

20 necessary for me to approach Mr Aziz - now, he's under 04:22:39PM

21 oath and I wouldn't ordinarily do this - but to approach 04:22:42PM

22 him if there are any issues arising from that transcript 04:22:44PM

23 that I would need to give him some advice on in the 04:22:48PM

24 context of the answers that he gave then and answers 04:22:51PM

25 today, that issue has been enlivened. I would only raise 04:22:54PM

26 with him or advise him on that particular aspect. 04:22:58PM

27 But if, Commissioner, your response to that is 04:23:03PM

28 that I'm not to communicate those matters with him at all 04:23:06PM

29 then the answer is it's almost pointless me reviewing that 04:23:09PM

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transcript because I can't give him any advice about answers that he gives today and answers that he gave previously.

COMMISSIONER: Yes.

MR RUBENSTEIN: So I would seek to have the ability to communicate - - -

COMMISSIONER: Mr Rubenstein, if I can interrupt you. I have no objection to you accessing the transcript and providing Mr Aziz with such advice as you see fit. I said earlier in the introduction to his examination if at any stage Mr Aziz wants to seek your assistance he's free to do so, and I don't place any constraints on you in giving him advice in relation to that evidence. Do you follow?

MR RUBENSTEIN: Yes, I do. Thank you, Commissioner.

COMMISSIONER: Very good.

MR RUBENSTEIN: The only other housekeeping matter, if I may, we've heard what you've had to say and what my learned friend has had to say about the timing of this examination. We were given notice of the timing of this examination by IBAC some days ago. I've had some other commitments which has meant that I will be in other matters tomorrow afternoon and on Wednesday. My instructor, Mr Peck, will be sitting in and will be representing Mr Aziz in the times that I'm unable to be here. But I will be here for tomorrow morning for the session before the break. So I just want - just as a matter of courtesy to let both you, Commissioner, know and my learned friend to know that there will be a little bit of tag teaming just because of availability between

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counsel and instructing solicitors.

COMMISSIONER: Thank you for that advice. I take it Mr Peck  
has been following the proceedings thus far.

MR RUBENSTEIN: He has.

COMMISSIONER: Very good. Thank you for that information.

We'll adjourn until 10 am tomorrow morning.

<(THE WITNESS WITHDREW)

ADJOURNED UNTIL TUESDAY, 17 NOVEMBER 2020

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