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TRANSCRIPT OF MORNING PROCEEDINGS

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INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

WEDNESDAY, 9 DECEMBER 2020

(42nd 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 COMMISSIONER: Mr Nehme, I'm the IBAC Commissioner. I'm 10:14:04AM  
2 conducting this examination pursuant to Part 6 of the IBAC 10:14:09AM  
3 Act 2011. Mr Tovey of counsel will assist and will ask 10:14:14AM  
4 you questions, as may I. At the end of the examination 10:14:20AM  
5 your legal representative will also be able to ask further 10:14:26AM  
6 questions that expand on anything that she wishes to 10:14:33AM  
7 explore with you, although I have encouraged legal 10:14:37AM  
8 representatives during these public examinations to 10:14:41AM  
9 intervene during the course of the examination if it's 10:14:45AM  
10 thought that at a particular point it will be helpful that 10:14:48AM  
11 you add whatever counsel thinks is appropriate rather than 10:14:52AM  
12 wait until the end of the examination. 10:14:56AM  
13 This is an inquisitorial process, which means 10:14:58AM  
14 that we're not bound by the rules of evidence, although by 10:15:02AM  
15 and large I have followed the rules of evidence as they 10:15:05AM  
16 would apply in a court of law. The examination is, you'll 10:15:10AM  
17 be aware, video recorded. It is open to the public. The 10:15:15AM  
18 examination is being conducted by audiovisual link 10:15:20AM  
19 pursuant to Division 3 of Part 3 of the COVID 2020 10:15:24AM  
20 Regulations. 10:15:32AM  
21 There may be times, Mr Nehme, when the audio 10:15:33AM  
22 makes it difficult for you to hear or you may not 10:15:36AM  
23 understand a question. In either event you should 10:15:39AM  
24 indicate immediately if you're having any difficulty and 10:15:43AM  
25 we'll either attend to the audio or have the question 10:15:46AM  
26 asked again or rephrased if you have some difficulty 10:15:50AM  
27 understanding it. 10:15:53AM  
28 I note that Ms Borg is present to represent you, 10:15:57AM  
29 instructed by Michael Gough of Rigby Cooke Lawyers. 10:16:03AM

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I note that where an examination is being conducted virtually using an audiovisual link, no unauthorised person should be present in any room from where the live stream of the virtual examination is taking place or be able to hear those proceedings. But you're able to see Ms Borg, are you not, Mr Nehme?

MR NEHME: On the screen, yes, Commissioner.

COMMISSIONER: Thank you. The scope of the matters about which you are to be questioned are as follows: the nature of your relationship with Mr Sam Aziz or persons or entities associated with him, including any business or financial dealings between yourself and Mr Aziz or associated persons or entities; your knowledge of matters the subject of the scope and purpose described in the further information and directions for public examinations in Operation Sandon, and in particular as they apply to the City of Casey Council or planning or property purchase, sale and development activities in relation to the Casey Lifestyle Centre; and your knowledge of communications or discussions between yourself and Mr Aziz in relation to any court proceedings involving Mr Aziz.

<ANDREW NEHME, sworn:

COMMISSIONER: Mr Nehme, at the time that you were served with a summons to attend this virtual hearing, did you also receive a document entitled 'Statement of rights and obligations'?---Yes. Yes, I did.

Has Ms Borg explained that document to you?---Yes, she has.

Do you understand the content of the document or do you wish to be informed of your rights and obligations or have

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anything further explained to you?---No, I'm comfortable  
with that. The only question I do have, Commissioner,  
I've got some notes here of dates and things. Am I okay  
to have these with me or would you prefer they're not  
here?  
They are your personal notes, are they?---My personal notes,  
that's correct.  
Yes, you may make reference to them if you wish?---Thank you.  
So let me summarise, Mr Nehme. Is that the correct  
pronunciation of your name?---Nehme, yes, thank you.  
Your obligation is to answer the questions that you're asked  
unless you have a reasonable excuse for not doing so. You  
must answer the questions even if they may incriminate you  
or make you liable to a penalty. You must answer the  
questions truthfully, otherwise you may expose yourself to  
a risk of a perjury charge which carries a penalty of up  
to 15 years imprisonment. Importantly, if you answer the  
questions truthfully, then that answer is not admissible  
and cannot be used against you in any court, the primary  
exception to that being of course if you gave a false  
answer, then that answer could be used against you in a  
perjury charge. Do you follow?---Sure.  
Now, Mr Nehme, I give this caution to every witness in both  
private and public examinations, but there are particular  
reasons why I need to give this caution to you because, as  
you would be aware, we have examined Mr Aziz at some  
length both in public and in a private examination, and  
the evidence that he's given about matters concerning you  
on those two occasions is utterly irreconcilable, and so

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10:20:18AM  
10:20:22AM  
10:20:26AM  
10:20:31AM  
10:20:37AM

1 you will need to consider your position very carefully as 10:20:43AM  
2 the questioning goes on. I encourage you, if you feel the 10:20:46AM  
3 need at any point of time to seek a break to speak with 10:20:52AM  
4 Ms Borg, that you take advantage of that 10:20:57AM  
5 opportunity?---Sure. 10:21:01AM  
6 And just bear in mind when counsel asks you what we call 10:21:01AM  
7 open-ended questions, that is a question which doesn't 10:21:07AM  
8 suggest an answer to you, that you should not assume 10:21:11AM  
9 counsel doesn't already know the answer to that question. 10:21:15AM  
10 It's not a game, but obviously counsel will be looking to 10:21:20AM  
11 you to give truthful answers regardless of the level of 10:21:23AM  
12 information that's provided in the question. Do you 10:21:27AM  
13 follow?---Yes, I do. 10:21:30AM  
14 Very good. Yes, Mr Tovey. 10:21:31AM  
15 <EXAMINED BY MR TOVEY: 10:21:34AM  
16 Mr Nehme, in October of 2016 the first of a number of payments 10:21:36AM  
17 were made to the account of Nesrine Armanious, who was the 10:21:49AM  
18 wife of Sam Aziz. You're no doubt aware of that, are 10:21:58AM  
19 you?---Yes, I am. 10:22:01AM  
20 Each of those payments were immediately preceded by a payment 10:22:03AM  
21 into your account, that is the Nehme Group of Companies' 10:22:12AM  
22 account, from somewhere else; you understand that?---Yes, 10:22:18AM  
23 I do. 10:22:24AM  
24 Where did that money come from?---It came from Action Group 10:22:25AM  
25 Australia, which is an entity here in Australia. 10:22:33AM  
26 Can we just have this turned up a bit. I'm having difficulty 10:22:37AM  
27 hearing you. Sorry, it came from?---You asked me where 10:22:40AM  
28 the money that I lent Sam - sorry, can you hear me? 10:22:56AM  
29 I can hear you. I'm just getting the volume increased. I want 10:23:01AM

1 to know where the money came from that ended up in the 10:23:08AM  
2 NGOC account?---The Nehme Group is my personal account. 10:23:12AM  
3 Yes?---And I get paid as a consultant from Action Group 10:23:16AM  
4 Australia. 10:23:20AM  
5 COMMISSIONER: I'm sorry, I didn't catch the last bit of that. 10:23:21AM  
6 What did you say, Mr Nehme?---I'm remunerated by Action 10:23:24AM  
7 Group Australia. 10:23:28AM  
8 Yes. What's the directorship and ownership of Action Group 10:23:30AM  
9 Australia?---I'm a director of Action Group Australia and 10:23:37AM  
10 the beneficiary is Action Group Holdings in Kuwait. 10:23:44AM  
11 Yes. Are you the only director?---No. Sheikh Mubarak Al Sabah 10:23:48AM  
12 is also a director. 10:23:55AM  
13 Yes. And who are the principal shareholders?---Action Group 10:23:56AM  
14 Holdings in Kuwait. 10:24:00AM  
15 Yes, and is that a trust company?---It's - I don't know the 10:24:03AM  
16 structure in Kuwait to be honest, Commissioner, but it's a 10:24:09AM  
17 company that is owned by Sheikh Mubarak and his family, as 10:24:13AM  
18 I'm aware. 10:24:20AM  
19 And so what is your relationship with - sorry, what's the 10:24:21AM  
20 surname of the Sheikh?---Al Sabah, Sheikh Mubarak. 10:24:24AM  
21 So is it appropriate to refer to him as Sheikh Mubarak?---Yes, 10:24:29AM  
22 that's fine. 10:24:34AM  
23 What's your relationship with him and his family?---I'm a 10:24:35AM  
24 consultant to him in Australia and I'm also a residing 10:24:39AM  
25 director of his companies in Australia. 10:24:45AM  
26 And your role as a director of Action Group Australia, did you 10:24:49AM  
27 have authority, express authority, to withdraw funds from 10:24:56AM  
28 the Action Group Australia account to pay into your 10:25:02AM  
29 personal account and then further to pay that money into 10:25:06AM

1 the Aziz Armanious account?---So, the money I was owed 10:25:11AM  
2 from Action Group, and that's a typical situation I get 10:25:15AM  
3 paid out of Action Group into my personal account, and 10:25:21AM  
4 then I choose out of my personal account where those funds 10:25:23AM  
5 go to. Hence they were transferred to Armanious's 10:25:27AM  
6 account. 10:25:34AM  
7 I'm sorry, you said something about being owed money. What did 10:25:35AM  
8 that mean?---Money that I as a consultant to Action Group 10:25:38AM  
9 I get paid through doing - as a consultant doing deals, 10:25:43AM  
10 consulting, get director's fees. So money I was owed was 10:25:48AM  
11 coming through to Action Group and then I get paid out of 10:25:52AM  
12 that. 10:25:56AM  
13 So each of the amounts that were withdrawn from Action Group 10:25:56AM  
14 Australia that went into your personal Nehme account - - 10:26:01AM  
15 -?---Yes. 10:26:06AM  
16 And then from there to Mr Aziz or to Armanious, they were 10:26:06AM  
17 payments of consulting fees to you, were they, that were 10:26:13AM  
18 outstanding?---Consulting fees and director's fees. 10:26:18AM  
19 Yes. Yes, Mr Tovey. 10:26:22AM  
20 MR TOVEY: And were these part of regular and ongoing payments 10:26:24AM  
21 coming to you from AGA?---Yes, they were. 10:26:28AM  
22 And who was your contact at AGA?---Sheikh Mubarak. 10:26:32AM  
23 And would he have to approve all payments going to you?---Yes, 10:26:37AM  
24 he would, or the office in Kuwait would. 10:26:42AM  
25 And did you submit invoices at the time? Are you in a position 10:26:45AM  
26 to provide any invoices that you submitted for that amount 10:26:52AM  
27 in consulting fees?---I would have. I don't have copies 10:26:55AM  
28 of them. But I would have to achieve it which is the 10:27:02AM  
29 normal process. 10:27:07AM

1 I just have difficulty understanding this. You came here 10:27:08AM  
2 knowing that those amounts were in contention. Whether or 10:27:11AM  
3 not those amounts were given to you to pay Aziz or to pay 10:27:17AM  
4 you was an issue. How is it that you haven't looked to 10:27:20AM  
5 see whether there are consultancy invoices submitted by 10:27:24AM  
6 you in order to demonstrate that in fact that's the way in 10:27:30AM  
7 which the money came to you? 10:27:36AM  
8 MS BORG: Commissioner, if I could object at this point. The 10:27:38AM  
9 summons said to attend to give evidence, not to produce 10:27:40AM  
10 documentation. If my friend wanted particular 10:27:43AM  
11 documentation, he could have asked for it and I could have 10:27:47AM  
12 instructed Mr Nehme to be able to satisfy that summons. 10:27:50AM  
13 So he's giving evidence of questions being asked of him. 10:27:55AM  
14 He was not asked to produce any documents. 10:27:59AM  
15 COMMISSIONER: Yes, I don't agree with you, Ms Borg. What 10:28:02AM  
16 counsel is asking is whether or not Mr Nehme, being alive 10:28:05AM  
17 to the issues which were to be pursued with him, he made 10:28:12AM  
18 enquiries to satisfy himself that there was documentation 10:28:15AM  
19 that established what he was going to assert in evidence; 10:28:20AM  
20 do you follow? 10:28:24AM  
21 MS BORG: I follow what the Commissioner is saying. 10:28:27AM  
22 COMMISSIONER: Yes, Mr Tovey. 10:28:31AM  
23 MR TOVEY: What do you say about that, Mr Nehme?---Could you 10:28:36AM  
24 repeat? What do I say about? 10:28:39AM  
25 Did you or did you not look at your records to determine 10:28:41AM  
26 whether or not you had invoiced for these so-called 10:28:47AM  
27 consulting fees?---I didn't refer, no. No, I didn't. 10:28:51AM  
28 Sorry, Mr Tovey, understand I get director's fees, I get 10:28:58AM  
29 consulting fees, I get incentive fees, so there's money 10:29:02AM

1 coming in all the time. So I don't have staff, I don't 10:29:06AM  
2 have a PA, so that's how we've worked for 15 years between 10:29:10AM  
3 myself and Action Group Holdings in Kuwait. 10:29:18AM  
4 COMMISSIONER: Are the director's fees to you paid on a regular 10:29:22AM  
5 basis?---Yes, they are. 10:29:24AM  
6 Are they for a fixed amount?---Yes, they are. 10:29:26AM  
7 And what is the amount and what's the regular basis on which 10:29:30AM  
8 they're paid?---It's about \$120,000-odd roughly a quarter. 10:29:33AM  
9 And that's paid as a lump sum, is it?---In two payments, so 10:29:42AM  
10 it's separated between the two entities, from our hotel 10:29:46AM  
11 entity and our holding company, and paid into Nehme Group. 10:29:52AM  
12 What, paid by two amounts of 60,000, is it?---About 60-odd 10:29:56AM  
13 thousand, yes. 10:30:03AM  
14 And the consulting fees, how are they paid to you?---They are 10:30:05AM  
15 paid depending on what the asset was or what the fees 10:30:09AM  
16 relate to, so whether it's hotels, whether it's - because 10:30:12AM  
17 we're diverse in what we do as a group, but subject to 10:30:14AM  
18 what fees I'm owed from which activity. 10:30:17AM  
19 So presumably you are in a position to identify for the 10:30:20AM  
20 Commission the consulting work that you did that explains 10:30:23AM  
21 these particular fees that you received?---Yes. 10:30:32AM  
22 Very good. Yes, Mr Tovey. 10:30:37AM  
23 MR TOVEY: And you have access to records showing what each of 10:30:40AM  
24 these payments related to in terms of what consulting they 10:30:43AM  
25 were paying for?---I will have access or the office in 10:30:48AM  
26 Kuwait will have access. 10:30:53AM  
27 You're telling me you submit invoices for consulting fees. 10:30:55AM  
28 I take it from what you say you keep records of those 10:31:02AM  
29 invoices?---I'm sure there would be records, yes. 10:31:05AM

1 When you say you're sure there would be records, that's not 10:31:11AM  
2 something that there could be any confusion about. If you 10:31:16AM  
3 are regularly submitting invoices or consulting fees - - 10:31:18AM  
4 -?---I would have - - - 10:31:18AM  
5 Look, 'would have' is not what I'm asking you?---There will be 10:31:24AM  
6 records. 10:31:28AM  
7 There will be records. All right. Where are those 10:31:28AM  
8 records?---They'd be files at home, I assume, where all 10:31:32AM  
9 the records are kept in our filing system. 10:31:36AM  
10 So if we resume tomorrow you're going to be in a position to 10:31:40AM  
11 provide those?---Yes. 10:31:45AM  
12 And the electronic copies of those, just to ensure that they 10:31:46AM  
13 weren't something that was recently made up?---Not a 10:31:50AM  
14 problem. 10:31:53AM  
15 Okay. When you put in an invoice, how does it work? 10:31:54AM  
16 COMMISSIONER: Is it an invoice for consulting fees, Mr Tovey? 10:32:14AM  
17 MR TOVEY: Yes. So your fees come from the Action Group 10:32:17AM  
18 Australia. They come in two ways, do they not: they come 10:32:26AM  
19 either as director's fees, is that right?---That's 10:32:31AM  
20 correct. 10:32:34AM  
21 Or they come as amounts that you have invoiced for?---For 10:32:34AM  
22 incentive fees or consulting fees. There's a range of 10:32:42AM  
23 different activities. 10:32:46AM  
24 Yes. Do you have control of the AGA account in 10:32:47AM  
25 Australia?---I have one sign-off and someone else has the 10:32:57AM  
26 second sign-off electronically. 10:33:01AM  
27 And who's the other person?---Our financial controller. 10:33:03AM  
28 Who's that?---Diana Latham. 10:33:06AM  
29 And she is here in Australia, is she?---Yes, she is. 10:33:10AM

1 She works for NGOC?---No, she doesn't. She works for Action 10:33:13AM  
2 Hotels. 10:33:17AM  
3 All right. So in any event, when we're talking about the 10:33:19AM  
4 payments that you ultimately paid on to Mr Aziz, you say 10:33:26AM  
5 those payments were always a result of invoices; is that 10:33:32AM  
6 right?---It should be with invoices. But it wasn't 10:33:39AM  
7 unusual due to the relationship, Mr Tovey, that I would 10:33:41AM  
8 transfer funds and maybe over a phone call and then 10:33:45AM  
9 provide an invoice later. So it's a 15-year relationship 10:33:49AM  
10 with Sheikh and I was never paid on time, there were a lot 10:33:52AM  
11 of incentives. So an invoice would have been procured at 10:33:58AM  
12 some point, but it's not unusual for me to make a payment. 10:34:02AM  
13 COMMISSIONER: So I take it from what you just said, Mr Nehme, 10:34:07AM  
14 that you haven't looked at these particular payments - - 10:34:13AM  
15 -?---No. 10:34:19AM  
16 To see whether or not you had rendered an invoice at the time 10:34:19AM  
17 of or before those payments were made out of Action Group 10:34:23AM  
18 to the Nehme Group?---Correct. That's correct, 10:34:27AM  
19 Commissioner. 10:34:32AM  
20 So it might be that there was no invoice that had been raised 10:34:32AM  
21 at the time of the payment, but there was a general 10:34:36AM  
22 arrangement you had with Action Group that enabled you to 10:34:39AM  
23 say in advance by phone call, 'I'd like these 10:34:45AM  
24 funds'?---I have a consultancy agreement with Action Group 10:34:51AM  
25 Holdings and with Action Hotels, so there's dates in there 10:34:55AM  
26 and it breaks down payments, et cetera, and what they're 10:34:58AM  
27 related to. 10:35:01AM  
28 Yes. 10:35:03AM  
29 MR TOVEY: So, first of all, looking at the consultancy 10:35:07AM

1 payments, you render an invoice?---Most cases, more of 10:35:10AM  
2 recent since we've had a financial controller, Diana 10:35:19AM  
3 Latham, she renders invoices. 10:35:23AM  
4 In 2016 did you render an invoice?---I can't remember. 10:35:27AM  
5 COMMISSIONER: For each of these payments, you mean, Mr Tovey. 10:35:30AM  
6 MR TOVEY: Yes, for these payments?---I can't remember. 10:35:33AM  
7 In 2016 did you render an invoice for any consultancy 10:35:35AM  
8 payments?---I can't remember. I'd have to go back and 10:35:39AM  
9 have a look. More than likely, but - - - 10:35:44AM  
10 I thought you explained to us only a little while ago that 10:35:46AM  
11 these were consultancy payments. Is it the truth that 10:35:50AM  
12 you're now saying you've got no idea whether they were or 10:35:54AM  
13 they weren't?---I do have an idea, but you're asking me 10:35:57AM  
14 did I and I can't confirm. I'm sure I did, but I haven't 10:35:59AM  
15 gone back to my files to confirm. But more than likely, 10:36:02AM  
16 yes. But I said I don't have staff. Two or three years 10:36:08AM  
17 ago Diana came on board as our financial controller of our 10:36:14AM  
18 group. Otherwise it's just me. 10:36:18AM  
19 Yes?---And I know since Diana's been on, I can assure you she's 10:36:22AM  
20 quite diligent, I can say there are invoices - - - 10:36:28AM  
21 I don't need to know your history with Diana. What I want to 10:36:31AM  
22 know is whether in 2016 you were in 2016 in the habit of 10:36:35AM  
23 issuing invoices for payments pursuant to your 10:36:43AM  
24 consultancy?---I'd have to go back and check, to be 10:36:49AM  
25 honest, Mr Tovey. 10:36:53AM  
26 So there might be no invoice payments at all in 2016?---I'd 10:36:54AM  
27 have to go back and check. As I said, since Diana's been 10:36:59AM  
28 on it's been a lot more diligent. 10:37:02AM  
29 I just want you to answer the question. From your perspective 10:37:05AM

1 it's quite possible that there mightn't have been any 10:37:08AM  
2 invoices rendered for the whole of 2016?---It might be 10:37:10AM  
3 possible. 10:37:13AM  
4 COMMISSIONER: And so does that mean that the nature of your 10:37:18AM  
5 relationship with Sheikh Mubarak was such that he was 10:37:22AM  
6 content for you to withdraw funds out of his company, 10:37:30AM  
7 Action Group Australia, without you necessarily ever 10:37:35AM  
8 rendering an invoice in relation to those funds?---Sorry, 10:37:38AM  
9 could you repeat that question, Commissioner? 10:37:44AM  
10 As I've just understood your evidence, it might well be that 10:37:47AM  
11 during 2016 you didn't render invoices for some or all of 10:37:52AM  
12 these consulting fees; correct?---Yes. 10:37:56AM  
13 So does that mean that your arrangement with Sheikh Mubarak was 10:37:59AM  
14 such that he was content for you to withdraw funds out of 10:38:05AM  
15 his company, notwithstanding that you might never render a 10:38:09AM  
16 formal document invoicing those consulting fees?---Yes. 10:38:13AM  
17 Why would that be, Mr Nehme? Is that something peculiar to the 10:38:24AM  
18 relationship of the Nehme Group of Companies to 10:38:34AM  
19 Mr Mubarak's company, that you would have liberty to 10:38:38AM  
20 withdraw funds from his company without rendering any 10:38:42AM  
21 documentary account to which those funds related? Why 10:38:46AM  
22 does that occur?---It's just the nature of the business, 10:38:54AM  
23 I guess, Commissioner. There's a lot of trust involved, 10:38:57AM  
24 15 years history with him and his family. 10:39:03AM  
25 Yes?---I lived and worked in Kuwait with him. There's a very 10:39:08AM  
26 close relationship. 10:39:14AM  
27 A trusting relationship?---Absolute trusting relationship. 10:39:17AM  
28 Yes, Mr Tovey. 10:39:21AM  
29 MR TOVEY: In respect of those amounts in September, October, 10:39:29AM

1 November totalling over one quarter of a million dollars 10:39:39AM  
2 that you ended up providing to Mr Aziz, did you ever have 10:39:45AM  
3 a conversation with anybody else about the provision of 10:39:49AM  
4 those funds at the time; that is, somebody else within 10:39:55AM  
5 your corporate structure?---No. Not that I can recall, 10:40:00AM  
6 no. 10:40:07AM  
7 Did you ever speak to anybody about when funds were going to 10:40:07AM  
8 arrive in your bank account?---Sorry, can you - - - 10:40:13AM  
9 Yes. Did you speak to anybody in your corporate structure, 10:40:20AM  
10 that is Sheikh Mubarak or anybody else on the Kuwaiti 10:40:26AM  
11 side, to determine when funds would be available to pay 10:40:33AM  
12 you?---I would have spoken to the office. I can't recall 10:40:36AM  
13 whether the funds were already here in Australia out of 10:40:45AM  
14 Australian entities or they came from offshore. There are 10:40:49AM  
15 times where the funds are already here and transferred 10:40:53AM  
16 into Action. There were times where the funds came from 10:40:56AM  
17 offshore into Action Group Australia and then to me. So, 10:41:00AM  
18 to answer your question, Mr Tovey, I would have spoken to 10:41:03AM  
19 someone in the office in Kuwait to say, 'I need some 10:41:08AM  
20 funds,' and that was quite common. 10:41:13AM  
21 COMMISSIONER: Just so I understand, Mr Nehme, Action Group 10:41:18AM  
22 Australia had an account in Australia?---That's correct. 10:41:22AM  
23 Yes, and your director's fees and consulting fees were paid 10:41:27AM  
24 into that account and then transferred from that account 10:41:33AM  
25 to the Nehme Group of Companies; is that the 10:41:37AM  
26 position?---That's correct, Commissioner. 10:41:41AM  
27 MR TOVEY: And you were a signatory, were you - sorry, you and 10:41:53AM  
28 another person were signatories to the AGA account in 10:41:58AM  
29 Australia?---We are signatories, that's correct. 10:42:01AM

1 Do you have the statements of the AGA account?---Sorry? 10:42:05AM  
2 You had access to the bank statements and all the bank records 10:42:10AM  
3 of the AGA account?---That's correct, yes. 10:42:14AM  
4 Are you telling me now that you don't know - you've never 10:42:17AM  
5 checked as to where the money came from to fund the 10:42:20AM  
6 140,000 or the 21,000 or the 15,000 or the other 10:42:25AM  
7 payment?---Sorry, your question is did I ever check 10:42:31AM  
8 or - - - 10:42:38AM  
9 Yes. Simple?---Why would I check? I'm not sure why you're 10:42:38AM  
10 asking me why I would check. 10:42:43AM  
11 You're aware, are you not, that the allegation that the 10:42:45AM  
12 Commission is investigating is that money was bribe 10:42:50AM  
13 money?---Incorrect. 10:42:54AM  
14 You're aware of that allegation?---Absolutely incorrect. 10:42:57AM  
15 I'm not asking you whether it's correct or not. I'm asking you 10:43:01AM  
16 whether you are aware of the allegation?---I am aware of 10:43:05AM  
17 the allegation, yes, and I'm telling you it's incorrect. 10:43:08AM  
18 And the source of the money is critical to making a judgment 10:43:12AM  
19 about that. It's difficult to understand why you wouldn't 10:43:16AM  
20 have made any enquiry about the source of the funds that 10:43:24AM  
21 you ultimately handed over; do you understand?---It was 10:43:27AM  
22 put to the funds of money that I'm owed, Mr Tovey. So 10:43:29AM  
23 Nehme Group was owed those funds. So what I choose to do 10:43:33AM  
24 with those funds has nothing to do with Action Group 10:43:36AM  
25 Holdings. They're my personal funds what I choose to do 10:43:41AM  
26 with, (indistinct) for anyone else. 10:43:46AM  
27 We understand that's what you say, sir?---That's a fact. 10:43:47AM  
28 You understand that the allegation is it's a bribe and it came 10:43:50AM  
29 from - through you from a group of companies. You've 10:43:55AM

1 understood that, have you not, to be the allegation that's 10:44:02AM  
2 being investigated?---I understand - I don't understand 10:44:06AM  
3 because it's not a bribe. All I understand is the money 10:44:13AM  
4 came from Nehme Group. 10:44:17AM  
5 You understand - don't you understand what the allegation 10:44:20AM  
6 is?---I'm sure the allegations are there and I do 10:44:23AM  
7 understand what you're trying to allege, but I'm saying to 10:44:28AM  
8 you it's absolutely incorrect. 10:44:33AM  
9 But you could readily - - - 10:44:34AM  
10 COMMISSIONER: Mr Tovey, just a moment. The allegation that 10:44:38AM  
11 Mr Tovey's raised concerns the purchase of some real 10:44:47AM  
12 estate from the Casey Council; correct? You understood 10:44:55AM  
13 that's the allegation that relates to that issue of the 10:45:00AM  
14 purchase of land from the Casey Council?---That's not what 10:45:05AM  
15 Mr Tovey said. He's basically saying it's an alleged 10:45:10AM  
16 bribe. He didn't refer to what that bribe is about. 10:45:16AM  
17 No, I'm not talking about what Mr Tovey has referred to. But 10:45:19AM  
18 I take it you've followed Mr Aziz's evidence and you've 10:45:23AM  
19 talked to Mr Aziz about these issues?---Yes. 10:45:26AM  
20 And you understand that the allegation is that in exchange for 10:45:28AM  
21 Mr Aziz assisting your organisations - and I now speak in 10:45:34AM  
22 the royal you, meaning either the Nehme Group or the 10:45:40AM  
23 Action Group Australia - that Mr Aziz assisted you in 10:45:44AM  
24 achieving the sale from Casey Council to your corporate 10:45:50AM  
25 group or the land that you wanted to acquire. You 10:45:56AM  
26 understand that's the nature of the allegation?---Sure, 10:46:01AM  
27 yes. 10:46:05AM  
28 And part of the allegation is that in exchange for receiving 10:46:05AM  
29 Mr Aziz's assistance you paid him a substantial sum of 10:46:09AM

1 money. Call it a bribe, call it a success fee, that's the 10:46:14AM  
2 allegation; do you understand?---I understand that's the 10:46:18AM  
3 allegation. 10:46:22AM  
4 And you knew that?---Yes. 10:46:22AM  
5 Who actually acquired that land? Was it your group of 10:46:26AM  
6 companies or was it Action Group Australia?---No, Action 10:46:31AM  
7 Realty Australia acquired - sorry, Commissioner, can 10:46:38AM  
8 I just - just to be clear, what year are you talking? 10:46:41AM  
9 Because there was a leasehold sale in 2005 of Casey 10:46:47AM  
10 Lifestyle Centre and then there was a freehold 10:46:53AM  
11 purchase - sorry, a leasehold purchase; a freehold 10:46:56AM  
12 purchase of Casey Lifestyle Centre through a tender and 10:47:01AM  
13 there was also a purchase of 1 to 9 Regency which is also 10:47:05AM  
14 part of a council tender as well. So can I just be clear 10:47:11AM  
15 what you're referring to? 10:47:15AM  
16 Mr Tovey, which of these purchases is it that you're focused 10:47:16AM  
17 on? 10:47:23AM  
18 MR TOVEY: It's the 2016 purchase of the lifestyle centre and 10:47:24AM  
19 the adjoining property?---Just to be clear, it's the 10:47:26AM  
20 freehold of the lifestyle centre as in 2005 we had already 10:47:32AM  
21 purchased the leasehold. 10:47:36AM  
22 No, it's when you bought the freehold in 2016. You must 10:47:38AM  
23 understand that the allegation is that Aziz assisted you 10:47:42AM  
24 to deal with the council in order to secure the selling of 10:47:49AM  
25 the freehold in 2017?---Sorry - - - 10:47:57AM  
26 Yes, in September of 2016, sorry?---So the purchasing of the 10:48:14AM  
27 freehold of Casey and the purchasing of the freehold of 10:48:21AM  
28 Regency? 10:48:24AM  
29 Well, the Casey Lifestyle Centre, tell me if I'm wrong, and the 10:48:26AM

1 Regency address were next door to each other; is that 10:48:31AM  
2 right?---That's correct. 10:48:38AM  
3 They were both purchased together by one of your group?---So, 10:48:39AM  
4 Casey was purchased under Action Realty Australia. 10:48:44AM  
5 Yes?---From memory. And Regency was purchased under a new 10:48:51AM  
6 entity but under the same beneficiaries as they were both 10:48:56AM  
7 (indistinct). 10:49:01AM  
8 I'm sorry, Mr Nehme, what's the relationship between Action 10:49:01AM  
9 Group Realty and Action Group Australia?---Same 10:49:07AM  
10 beneficiaries, same - sorry, different beneficiaries, 10:49:12AM  
11 Commissioner. Sorry, I'm going back on memory here. 10:49:27AM  
12 Action Realty Australia were similar but not exact 10:49:30AM  
13 beneficiaries because it was held in Switzerland, and 10:49:36AM  
14 Regency was held in Kuwait by Action Group Holdings. 10:49:47AM  
15 Right. But in the end was it the Sheikh Mubarak family that 10:49:53AM  
16 benefited from the acquisition?---I don't know the 10:50:01AM  
17 structure of those beneficiaries in Kuwait, but Sheikh 10:50:06AM  
18 Mubarak was involved. I don't know who else is involved 10:50:12AM  
19 in the - or the structure of the offshore entities. 10:50:15AM  
20 Yes. So if the allegation were true - I understand you deny it 10:50:21AM  
21 - but if the allegation were true that the funds that came 10:50:37AM  
22 from Action Group Australia into Nehme Group of Companies 10:50:40AM  
23 and hence to Mr Aziz were part of a bribe or part of a 10:50:48AM  
24 success fee, it's in the context where it was ultimately 10:50:53AM  
25 the family of those entities, Mr Sheikh Mubarak's family, 10:51:01AM  
26 that were the beneficiaries of the purchase of that real 10:51:07AM  
27 estate?---Commissioner, Sheikh Mubarak and his family and 10:51:10AM  
28 associates were the beneficiary. However, I just want to 10:51:18AM  
29 reclarify the money from Action Group to Nehme Group is a 10:51:20AM

1 very different issue. It's a separate issue. But to 10:51:28AM  
2 answer your question, yes, they were the beneficiaries, 10:51:33AM  
3 but I don't know the structure offshore. 10:51:37AM  
4 Yes. Yes, Mr Tovey. 10:51:40AM  
5 MR TOVEY: So getting back then to the money coming into the 10:51:46AM  
6 Nehme Group of Companies, that was your family company, 10:51:50AM  
7 was it?---Correct. Yes. 10:51:53AM  
8 And your current position is, so far as you're aware, you've 10:51:55AM  
9 got no idea whether you invoiced to get that money 10:52:05AM  
10 in?---Off-hand I don't - I can't confirm. 10:52:10AM  
11 It might have been money that was just paid in haphazardly for 10:52:13AM  
12 some sort of other arrangement; is that what you're 10:52:19AM  
13 saying?---No. It's money that was paid in for work that 10:52:23AM  
14 I've done and it wasn't unusual to be paid years later for 10:52:27AM  
15 work that I'd done. It was all subject to cash flow. 10:52:33AM  
16 Was that included in - have the Nehme Group of Companies 10:52:37AM  
17 provided tax returns since that time?---Absolutely. Yes. 10:52:45AM  
18 And will that money be accounted for in those tax returns as 10:52:49AM  
19 income to you?---Yes. 10:52:55AM  
20 Insofar as the money was received, you say you don't know if it 10:52:58AM  
21 was from invoices. What else might it have come from if 10:53:07AM  
22 it wasn't from invoices?---It could be just a verbal 10:53:11AM  
23 conversation between me and Sheikh probably in the office 10:53:14AM  
24 to say, 'I need some money'. 10:53:17AM  
25 And so it's possible then, is it, that you've rung up the 10:53:19AM  
26 Sheikh and said, 'Look I need some money to lend to a 10:53:23AM  
27 friend'?---No. 10:53:26AM  
28 In what circumstances would any of these amounts have resulted 10:53:33AM  
29 from - sorry, would have come into your account as a 10:53:37AM

1 result of a conversation you've had with the Sheikh? 10:53:42AM

2 COMMISSIONER: Mr Tovey, that's difficult because as 10:53:47AM

3 I understand the witness's evidence he doesn't know 10:53:49AM

4 whether he rendered invoices for these particular amounts 10:53:55AM

5 and, as I follow it now, he doesn't even know whether or 10:54:02AM

6 not these amounts were necessarily paid as fees for 10:54:05AM

7 consulting work as distinct from a request by him to 10:54:10AM

8 Sheikh Mubarak to forward some money. Is that correct, 10:54:15AM

9 Mr Nehme?---Yes. 10:54:21AM

10 So it could be any one of those possibilities, Mr Tovey. 10:54:22AM

11 MR TOVEY: I see. If you render an invoice, how does it work? 10:54:27AM

12 Do you get paid two days later or a month later?---It can 10:54:36AM

13 be whenever. 10:54:43AM

14 When you put in an invoice or in anticipation of putting in an 10:54:45AM

15 invoice, do you ring up and say, 'When are you going to 10:54:49AM

16 pay me'?---Most cases I'll just say, 'I'm putting an 10:54:53AM

17 invoice in,' or 'I'll pay it here,' and he'll be aware or 10:54:56AM

18 the office will be aware. It's a very loose arrangement, 10:55:00AM

19 I guess. 10:55:04AM

20 COMMISSIONER: Sorry, Mr Nehme, this may not reflect the 10:55:13AM

21 culture in Kuwait, but ordinarily if a director has an 10:55:18AM

22 arrangement with an associate company that they can get 10:55:27AM

23 money from that company whenever they want, that it will 10:55:30AM

24 only be because that other company is going to benefit in 10:55:35AM

25 some commercial way from doing so. Was that the 10:55:39AM

26 circumstance in relation to you and Sheikh Mubarak, that 10:55:44AM

27 if you were able to say to him, 'I want some money for 10:55:49AM

28 something,' it would always be because there was some 10:55:52AM

29 commercial benefit at Sheikh Mubarak's end of the 10:55:55AM

1 arrangement?---No. 10:56:00AM

2 So he might just give you money without there being any benefit 10:56:02AM

3 for Action Group Australia if you asked for it?---Correct. 10:56:06AM

4 And could that have been the explanation in 2016 for these 10:56:11AM

5 funds?---I'm not sure, Commissioner. Again, I'd need to 10:56:18AM

6 go back. No, I honestly don't know. Just to be clear, 10:56:21AM

7 Commissioner, on several occasions if I requested funds, 10:56:27AM

8 whether it be for personal use or whatever, he was always 10:56:33AM

9 there to support me and my family, and always has been. 10:56:39AM

10 Right. And when you made such a request, was it on the basis 10:56:42AM

11 that it was yours then to keep or was it in the 10:56:47AM

12 expectation that you would have to return those funds to 10:56:50AM

13 the Mubarak group?---It depends. I can't recall. In most 10:56:54AM

14 cases - most cases it was done as a good gesture, there's 10:57:05AM

15 a relationship there. 10:57:13AM

16 Yes?---I can't recall - I honestly don't recall, Commissioner. 10:57:15AM

17 All right. Is part of - I mean, some might think that's a 10:57:21AM

18 strange sort of working relationship, Mr Nehme, but is it 10:57:27AM

19 in part explained because you were very successful in 10:57:30AM

20 achieving sound commercial gains for his 10:57:37AM

21 organisation?---I worked in Kuwait with the group as well, 10:57:45AM

22 so there's been a long history there, and there's been 10:57:49AM

23 some great commercial activity between us. But we're very 10:57:54AM

24 diverse in what we do. 10:57:57AM

25 Yes?---We're in oil and gas, we're in construction, we're in 10:57:58AM

26 all different sectors. So there's a relationship there 10:58:05AM

27 and there's also a cultural thing there which is hard to 10:58:07AM

28 explain, Commissioner. 10:58:10AM

29 All right. Yes, Mr Tovey. 10:58:12AM

1 MR TOVEY: I think I was asking you about invoices. You just 10:58:21AM  
2 put in an invoice and it would be paid whenever it was 10:58:27AM  
3 paid; is that the situation?---Pretty well, or no invoice 10:58:30AM  
4 and I would still take the money. The money would still 10:58:34AM  
5 transact. 10:58:40AM  
6 Before this money was given to Aziz, did you make any 10:58:40AM  
7 arrangements with anybody in respect to money becoming 10:58:50AM  
8 available to you on specific days?---Sorry, can you repeat 10:58:57AM  
9 that? 10:59:03AM  
10 Yes. At the time of or before making the arrangements with 10:59:04AM  
11 Aziz, did you make arrangements for somebody to provide 10:59:09AM  
12 money to you on specific days?---I don't recall, no. 10:59:16AM  
13 So that didn't happen, is that what you say?---My understanding 10:59:25AM  
14 what you're asking, Mr Tovey, is did I make arrangements 10:59:32AM  
15 with anyone - - - 10:59:40AM  
16 Yes, for money to be available on specific days in the 10:59:41AM  
17 future?---No. Not that I'm aware, no. 10:59:49AM  
18 Did you discuss with anybody the availability of money into the 10:59:51AM  
19 future?---I would have discussed with Sheikh or the office 10:59:56AM  
20 I need some money. 11:00:02AM  
21 Yes?---But I can't tell you when. It just would have been - we 11:00:07AM  
22 speak a lot. It would have been a general discussion. 11:00:13AM  
23 Did he tell you that money might be available to you on 11:00:15AM  
24 specific dates in the future?---No. 11:00:19AM  
25 How was it arranged that the money was paid into the NGOC 11:00:30AM  
26 account on the days on which it happened to be paid 11:00:35AM  
27 in?---Sorry, your question again, Mr Tovey? 11:00:42AM  
28 There were four payments into the NGOC account which were 11:00:47AM  
29 on-paid to Aziz?---Yes. 11:00:51AM

1 Or to Armanious?---Yes. 11:00:52AM

2 How was it arranged that those payments would be made on those 11:00:57AM

3 specific dates?---The money, for example, if it was here 11:01:01AM

4 I would have transferred it and if that was money I'm owed 11:01:08AM

5 I would then transfer it into Nehme Group and deal with it 11:01:11AM

6 as I wish to do. 11:01:15AM

7 COMMISSIONER: I'm sorry, I don't - there shouldn't be any 11:01:16AM

8 mystery about your evidence, Mr Nehme. If I've followed 11:01:19AM

9 you correctly, you have no memory of how you actually went 11:01:22AM

10 about getting these particular payments. They could have 11:01:29AM

11 been consulting fees. They could have been simply a 11:01:32AM

12 request you made of Sheikh Mubarak for some money. So 11:01:35AM

13 I take it you can't really answer Mr Tovey's question as 11:01:42AM

14 to how it came about that these moneys were paid on these 11:01:45AM

15 particular dates, can you?---I'm not understanding the 11:01:49AM

16 question clearly. 11:01:56AM

17 Please correct me if I'm wrong. If I've understood your 11:01:58AM

18 evidence, as you sit here now you are unable to say 11:02:02AM

19 whether those various payments were made as a result of 11:02:08AM

20 consulting fees that you were owed; you are unable to say 11:02:16AM

21 whether you rendered invoices for consulting fees; you are 11:02:19AM

22 unable to say whether these might have been payments that 11:02:22AM

23 you just asked Sheikh Mubarak to make to you?---That's 11:02:24AM

24 correct. 11:02:28AM

25 So then the answer to Mr Tovey's question some time ago now 11:02:28AM

26 must be, 'I don't know how it came about that these 11:02:36AM

27 payments were made on these particular dates'?---Yes, 11:02:39AM

28 sure. 11:02:43AM

29 And that takes us back to Mr Tovey's original question, which 11:02:43AM

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was: given you've been following Mr Aziz's evidence and the exploration of this issue with him, why didn't you make it your business to come here with the answers to these questions? You must have realised that your credibility in relation to why you've made these payments would be in issue. Did you not realise that?---I still can't and am still struggling to understand why it is an issue that I lent Mr Aziz money. I'm not quite sure where the issue is, and I got paid back. So I'm not quite sure where the issue is, Commissioner.

Well, perhaps we'll explore the evidence and maybe I'll return to your state of mind about whether you understood what the issues were a little later?---Sure.

MR TOVEY: You see, you received amounts of \$21,000 on - sorry, Mr Aziz was given by you \$21,000 on 30 September of 2016. On 27 October he's given \$140,000. On 15 November he's given \$75,000. And on 25 November he's given \$15,000. So these are different payments of different amounts made on different days. What I asked you before was at the time that this arrangement was made with Mr Aziz to pay Mr Aziz, why didn't you just give him - perhaps I should ask you this question first: had you made any arrangements to get specific amounts of money on specific days in the future?---No.

Thank you. One other thing before I get started on some other matters and we'll come back to this much later on. You are aware, having been through Mr Aziz's evidence, that he was referred to a draft affidavit relating to matters concerning his matrimonial problems. You're aware of that

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1 draft affidavit and its contents?---Yes, I am. 11:05:54AM

2 Did you ultimately sign that affidavit?---Yes, I did. 11:05:56AM

3 Did you sign it in that form?---In which form? 11:06:01AM

4 In the form of the draft that was provided in evidence?---Do 11:06:07AM

5 you have a copy of the signed - - - 11:06:16AM

6 I'll take you back to it, but I'm just asking you 11:06:18AM

7 whether - perhaps whether you recall at this stage whether 11:06:24AM

8 or not the affidavit you ultimately signed had contained 11:06:26AM

9 the same information as the draft affidavit that Mr Aziz 11:06:33AM

10 was asked about in evidence?---I don't have the signed 11:06:36AM

11 copy. I've seen the draft. But unless I see the signed 11:06:39AM

12 copy, I can't confirm that was the same one that I signed. 11:06:44AM

13 Okay. 11:06:49AM

14 COMMISSIONER: Mr Nehme, do you have any reason to think that 11:06:53AM

15 the affidavit you signed was in substance different to the 11:06:57AM

16 draft that Mr Aziz has referred to in 11:07:02AM

17 evidence?---Commissioner, I know I was given an early 11:07:08AM

18 draft which I wasn't prepared to sign, and I didn't want 11:07:11AM

19 to get too involved in his matrimonial issues. But if 11:07:18AM

20 someone has a copy of the signed affidavit - - - 11:07:23AM

21 The short answer is you don't know whether the affidavit you 11:07:30AM

22 signed is in the same form as the draft?---Correct. 11:07:33AM

23 MR TOVEY: There was, you've told us, a draft affidavit that 11:07:39AM

24 you refused to sign?---Yes. 11:07:44AM

25 Was that an affidavit presented to you by Mr Aziz?---Yes, it 11:07:46AM

26 was. 11:07:53AM

27 So am I correct - and tell me if I'm wrong - that the contents 11:07:53AM

28 of that affidavit had been put in the affidavit by Mr Aziz 11:07:59AM

29 on his own initiative and presented to you for 11:08:05AM

1 signature?---I'm not sure whether he put that in or not. 11:08:08AM  
2 In any event - perhaps I'll just approach it from the other end 11:08:14AM  
3 - was a document which Mr Aziz had prepared on your 11:08:19AM  
4 instructions or which he had prepared and sought you to 11:08:23AM  
5 agree with?---Not on my instructions. He prepared. 11:08:27AM  
6 And when he came to you with this document, what was it that 11:08:34AM  
7 you disagreed with?---From memory, Mr Tovey, there were a 11:08:37AM  
8 number of issues, personal issues, that I wasn't aware of, 11:08:43AM  
9 so I couldn't sign it. 11:08:46AM  
10 And what issues were they?---I can't remember off-hand, to be 11:08:48AM  
11 honest. I honestly can't remember. 11:08:52AM  
12 You understand that in seeing Mr Aziz's evidence and heard him 11:08:57AM  
13 cross-examined about what he said in private session - he 11:09:06AM  
14 said a number of things in private session which you might 11:09:08AM  
15 be taken to later on - but one of the things he said in 11:09:11AM  
16 private session related to the repayment of the \$250,000. 11:09:14AM  
17 Now, your affidavit it would appear has been provided to 11:09:25AM  
18 the Family Court to show that \$250,000 was paid to 11:09:31AM  
19 you - sorry, was repaid to you in cash. Sorry, 230 was 11:09:43AM  
20 repaid to you in cash. You're aware of that allegation 11:09:50AM  
21 being made?---Yes. 11:09:53AM  
22 The thing is that the account that Mr Aziz gave in private 11:09:54AM  
23 makes that explanation absolutely impossible; you 11:10:06AM  
24 understand that from what you've seen?---No, I don't. 11:10:09AM  
25 Did he ask you to sign an affidavit that this money had come 11:10:18AM  
26 from a bank account?---He had told me in the past of where 11:10:22AM  
27 the money had come from. 11:10:27AM  
28 Yes?---So where the money had come from. 11:10:30AM  
29 And where did he say it had come from?---Westpac Berwick where 11:10:32AM

1 he withdrew the funds. 11:10:37AM

2 And when did he tell you that?---In one of several 11:10:40AM

3 conversations earlier. I can't recall exactly when, 11:10:47AM

4 Mr Tovey. 11:10:52AM

5 Now, it's absolutely beyond argument that that didn't happen. 11:10:59AM

6 MS BORG: Commissioner, what didn't happen? That it didn't 11:11:06AM

7 come out of that particular account or that the 230,000 11:11:10AM

8 wasn't given or both? 11:11:13AM

9 COMMISSIONER: Yes, Mr Tovey. 11:11:15AM

10 MR TOVEY: It's absolutely beyond argument that the 230,000 11:11:17AM

11 didn't come out of a bank account and indeed that all the 11:11:22AM

12 money he did take out of the bank account was used in 11:11:26AM

13 another way, not leaving any money that could be used 11:11:29AM

14 towards the 230,000. Do you understand that to be the 11:11:34AM

15 case?---I've no idea. 11:11:38AM

16 All right. So the question to you is that you were asked to 11:11:41AM

17 corroborate that he took the money out of the bank; you 11:11:54AM

18 understand that by signing an affidavit to that effect or 11:11:58AM

19 that you'd been told that. Did you in fact sign an 11:12:02AM

20 affidavit suggesting that you had been told 11:12:04AM

21 that?---I signed an affidavit where he told me in the past 11:12:08AM

22 that he had taken money out of Westpac Berwick. 11:12:11AM

23 What was the context of him telling you that he had taken the 11:12:15AM

24 money out of the bank? What difference did it make to you 11:12:17AM

25 where he got the money from?---It's just in context of his 11:12:20AM

26 marital situation that we often discussed, but none of my 11:12:24AM

27 business. 11:12:28AM

28 COMMISSIONER: Mr Nehme, you made it your business by involving 11:12:31AM

29 yourself in the way in which you did with Mr Aziz, and you 11:12:35AM

1 understood that you were providing an affidavit which was 11:12:39AM  
2 going to be used in his Family Court proceedings to 11:12:42AM  
3 explain how he had dealt with various moneys, did you 11:12:45AM  
4 not?---All I was told, Commissioner, was he had withdrawn 11:12:53AM  
5 funds out of the Westpac at Berwick - - - 11:12:57AM  
6 No, just grapple with my question. You understood Mr Aziz was 11:13:00AM  
7 coming to you to seek your support by swearing an 11:13:04AM  
8 affidavit that would address or provide part of 11:13:08AM  
9 the explanation for what he'd done with various moneys, 11:13:12AM  
10 which in turn would be introduced to the Family Court 11:13:16AM  
11 proceedings in which he was having disputation with his 11:13:19AM  
12 wife?---Yes. 11:13:23AM  
13 So you must have determined that anything that you could say 11:13:25AM  
14 about what he did with the money, where it came from and 11:13:34AM  
15 what he did with it that you had knowledge of was 11:13:37AM  
16 accurate?---Accurate on his advice to me of where he 11:13:45AM  
17 withdrew the funds from. 11:13:49AM  
18 Yes?---I took it on word. 11:13:51AM  
19 Yes. So we can take it that there is no doubt in your mind 11:13:53AM  
20 that the explanation he gave you for where those funds 11:13:59AM  
21 came from you accurately set out in your affidavit and in 11:14:03AM  
22 the draft that was provided to you?---Yes. 11:14:08AM  
23 MR TOVEY: Was there any circumstance at the time which made 11:14:14AM  
24 you think that there was a possibility that he was lying 11:14:17AM  
25 to you as to the source of the funds?---No. 11:14:21AM  
26 To your knowledge did he have any reason to tell you as to the 11:14:24AM  
27 source of the funds?---Sorry, could you repeat that? 11:14:30AM  
28 Yes. At the time that he gave you back the money as you say, 11:14:32AM  
29 was there any reason for him to tell you the source of the 11:14:38AM

1 funds - - -?---No. 11:14:41AM

2 That you were aware of? 11:14:42AM

3 COMMISSIONER: I'm sorry, and just to clarify, the funds were 11:14:47AM

4 paid in cash, were they?---Yes, they were. 11:14:50AM

5 Is that something you normally do, receive - how much was 11:14:53AM

6 it?---230,000. 11:14:57AM

7 Is that something you normally do, receive a cash amount of 11:14:59AM

8 \$230,000 from someone?---No. 11:15:03AM

9 How often has that happened in your life?---Nowhere near in 11:15:06AM

10 that amount of money. 11:15:14AM

11 \$230,000 in cash?---How often does that happen, Commissioner, 11:15:18AM

12 you're asking? 11:15:26AM

13 Well, anything - any sum of money of that order. It's quite 11:15:26AM

14 extraordinary, isn't it?---In cash or in - - - 11:15:31AM

15 Yes, paid in cash?---Yes, it is extraordinary. But - - - 11:15:33AM

16 Did you ever seek an explanation from Mr Aziz for why he would 11:15:39AM

17 do that?---I did say to Mr Aziz, 'I transferred you the 11:15:44AM

18 money directly out of my account, so why can't I get a 11:15:48AM

19 transfer back in?' 11:15:52AM

20 Yes?---And he just kept saying, 'I've got it in cash. Here it 11:15:54AM

21 is.' 11:15:59AM

22 Do you understand - I mean, you've followed Mr Aziz's evidence 11:16:04AM

23 carefully, haven't you?---No. 11:16:07AM

24 You've spoken to him, I think - - -?---I've spoken to him, yes, 11:16:11AM

25 yes. 11:16:16AM

26 About this issue?---About the whole - everything, not just 11:16:16AM

27 this, but we've had general discussions, yes. 11:16:19AM

28 And you understand, do you, that Mr Aziz by his own admission 11:16:26AM

29 now acknowledges he falsely claimed to begin with that he 11:16:32AM

1 gave 600,000 - that he only gave Mr Woodman \$370,000 and 11:16:37AM  
2 that the balance of the \$600,000 that he withdrew in cash 11:16:46AM  
3 went to you. Did you understand that that was his 11:16:52AM  
4 explanation?---Yes. 11:16:56AM  
5 And did you also follow his evidence that he's acknowledged 11:17:01AM  
6 that explanation was false, that in fact he didn't give 11:17:06AM  
7 Mr Woodman \$370,000, he gave him \$600,000?---I haven't 11:17:09AM  
8 followed that, Commissioner, no. 11:17:16AM  
9 You haven't followed that?---No. 11:17:18AM  
10 You see, that's said to be - that \$230,000 that he says was 11:17:19AM  
11 part of the 600,000 is his explanation for the source of 11:17:26AM  
12 cash to you. You didn't follow that?---No. Commissioner, 11:17:31AM  
13 I was only made aware of this IBAC hearing when my name 11:17:38AM  
14 was mentioned and it was only through The Age who called 11:17:43AM  
15 me at the time to say this hearing was occurring. So 11:17:46AM  
16 I haven't followed this, just to be - - - 11:17:49AM  
17 You haven't followed Mr Aziz's evidence in relation to 11:17:56AM  
18 you?---We've discussed with my legal team some of the 11:18:02AM  
19 evidence, yes, but it hasn't been discussed of where the 11:18:07AM  
20 money came from, no. 11:18:10AM  
21 So you haven't been told that the explanation which Mr Aziz 11:18:12AM  
22 proffered for the source of money to go to you was false? 11:18:19AM  
23 You've not understood that?---I haven't understood that, 11:18:29AM  
24 no, but - no. 11:18:32AM  
25 And that's not been explained by your legal representatives? 11:18:36AM  
26 MS BORG: Mr Commissioner, if I could interrupt here? 11:18:40AM  
27 COMMISSIONER: Yes. 11:18:48AM  
28 MS BORG: Mr Aziz also gave evidence that irrespective of his 11:18:48AM  
29 explanation of the \$600,000 - - - 11:18:52AM

1 COMMISSIONER: Ms Borg, Ms Borg, I don't want you referring to 11:18:55AM  
2 other evidence Mr Aziz has given. Do you have an 11:18:59AM  
3 objection? 11:19:03AM  
4 MS BORG: Yes, Mr Commissioner. Out of fairness, it sounds as 11:19:04AM  
5 though the Commissioner is saying that Mr Aziz now says 11:19:09AM  
6 that the \$230,000 was bogus, which is not what his 11:19:14AM  
7 evidence was. His evidence was that he always maintained 11:19:20AM  
8 he gave the 230,000 to Mr Nehme, but he lied about where 11:19:24AM  
9 that 230,000 came from and he lied about the 600,000 and 11:19:30AM  
10 how he used that. But he never resiled from the fact that 11:19:36AM  
11 230,000 was paid to Mr Nehme. So it sounds as though, the 11:19:40AM  
12 way the Commissioner has put it to Mr Nehme, that Mr Aziz 11:19:48AM  
13 has now said that he never paid the 230,000. So I just 11:19:53AM  
14 want to be fair to Mr Nehme that that's not what was said 11:19:59AM  
15 by him. 11:20:04AM  
16 COMMISSIONER: That's not what I put to the witness, Ms Borg. 11:20:05AM  
17 Ms Borg, that's not what I put to the witness. What I was 11:20:08AM  
18 putting to the witness was that Mr Aziz has acknowledged 11:20:11AM  
19 that the source of funds which he initially said explained 11:20:16AM  
20 the \$230,000 that had gone to Mr Nehme was false, and 11:20:20AM  
21 I was asking your client whether he understood and whether 11:20:27AM  
22 you had made clear to him that that was an issue that he 11:20:30AM  
23 has to address. Mr Nehme, I ask you again: did you not 11:20:34AM  
24 understand when you came here to give evidence that you 11:20:42AM  
25 would have to deal with the fact that the explanation 11:20:44AM  
26 which Mr Aziz provided for the \$230,000 in cash that he 11:20:48AM  
27 says and you say you received, that the explanation for 11:20:55AM  
28 the source of those moneys was false; did you not 11:20:59AM  
29 understand that?---No. 11:21:04AM

1 Yes, Mr Tovey. I see the time. We might take a break for 11:21:05AM  
2 10 minutes at this stage and Ms Borg can speak to 11:21:10AM  
3 Mr Nehme. 11:21:15AM  
4 MS BORG: Mr Commissioner, if I could refer you to page 3073 of 11:21:16AM  
5 the transcript, lines 7 to 11, during the break, please. 11:21:21AM  
6 COMMISSIONER: What page was that? 11:21:27AM  
7 MS BORG: 3073. 11:21:29AM  
8 COMMISSIONER: Is that Mr Aziz's evidence? 11:21:32AM  
9 MS BORG: Yes, Mr Commissioner. 11:21:34AM  
10 COMMISSIONER: Thank you. We'll adjourn until 11.30. 11:21:36AM  
11 (Short adjournment.) 11:21:39AM  
12 COMMISSIONER: Are we ready to proceed? Mr Nehme, I'm just 11:40:11AM  
13 concerned that, if what you say is correct, you haven't 11:40:21AM  
14 been alerted to some critical parts of Mr Aziz's evidence 11:40:25AM  
15 given during the public hearing. It appears your counsel 11:40:31AM  
16 is certainly alive to the issue. Do you now understand 11:40:36AM  
17 that it was Mr Aziz's contention initially that he gave 11:40:42AM  
18 Mr Woodman \$370,000 out of \$600,000 in cash that he had 11:40:49AM  
19 withdrawn from his account and that the \$230,000 balance 11:40:58AM  
20 was cash that he gave you, and he was forced to 11:41:05AM  
21 acknowledge during the course of his evidence that that 11:41:12AM  
22 was false, that he had given the whole \$600,000 to 11:41:16AM  
23 Mr Woodman, therefore the \$230,000 couldn't have come from 11:41:22AM  
24 that volume of cash and that therefore the \$230,000 must 11:41:29AM  
25 have come from some other source. Were you not aware that 11:41:36AM  
26 that was the consequence of the evidence that he gave in 11:41:42AM  
27 private and then public examination?---Commissioner, I was 11:41:45AM  
28 only aware what Mr Aziz told me of where the funds came 11:41:49AM  
29 from. 11:41:53AM

1 And he told you that it was all withdrawn out of the Westpac 11:41:54AM  
2 account?---That's correct. 11:41:59AM  
3 Yes. As I'm trying to point out to you, his evidence disclosed 11:42:01AM  
4 that that was false?---I was only going on what he told 11:42:05AM  
5 me, Commissioner. 11:42:09AM  
6 Yes. Yes, Mr Tovey. 11:42:10AM  
7 MR TOVEY: As a matter of fairness, the evidence as it now 11:42:24AM  
8 stands creates a fundamental problem for you, and that is 11:42:30AM  
9 that Mr Aziz didn't have access to 250,000 or 230,000. 11:42:36AM  
10 There never was 230,000 in his hands, which makes it 11:42:44AM  
11 impossible for him to have given that to you in cash. 11:42:49AM  
12 Now, that's evidence against both him and you; you 11:42:52AM  
13 understand that. Now, in the light of that you want to 11:42:56AM  
14 maintain, do you, that you in fact got 230,000 in cash 11:43:01AM  
15 from him?---Yes, I did. 11:43:05AM  
16 And did you pay that back into the NGOC account from which 11:43:13AM  
17 you'd taken it?---No, I didn't. 11:43:17AM  
18 How was it accounted for?---I counted it when he delivered it 11:43:19AM  
19 to my office. 11:43:23AM  
20 How was the 230,000 or the 250,000 accounted for in the books 11:43:26AM  
21 of account? 11:43:33AM  
22 COMMISSIONER: Can we get clarity, Mr Tovey. Was it \$230,000 11:43:34AM  
23 in cash that he gave you or 250,000?---230. 11:43:39AM  
24 Yes. So you had paid him considerably more than that, hadn't 11:43:46AM  
25 you?---I've since found out by an IBAC member as recent as 11:43:51AM  
26 last Friday that there was an extra \$21,000 which I wasn't 11:43:57AM  
27 aware of, I'm now being made aware of, that was paid about 11:44:02AM  
28 a month earlier. 11:44:06AM  
29 No doubt Mr Tovey will have some questions about that. But the 11:44:13AM

1           \$230,000 that he gave you in cash, as you've explained 11:44:16AM  
2           you're not in the habit of receiving large sums of money 11:44:21AM  
3           like that. You didn't pay it into any account?---No, 11:44:24AM  
4           I didn't. No. 11:44:28AM  
5    What did you do with it?---Put it in my safe at home. 11:44:29AM  
6    Yes, Mr Tovey. 11:44:43AM  
7    MR TOVEY: And how long did it stay in your safe?---I'm not 11:44:44AM  
8           sure exactly, Mr Tovey, but a while. I can't tell you 11:44:46AM  
9           exactly. 11:44:50AM  
10   What are we talking about? Are we talking about - was it used 11:44:52AM  
11       by you?---Yes. 11:44:59AM  
12   Was it used by - - -?---Sorry, and family. 11:45:00AM  
13   Used by your wife?---Everyone. My wife has access to 11:45:04AM  
14       everything, yes. 11:45:11AM  
15   And what was - sorry, I don't want to go unnecessarily into 11:45:11AM  
16       your family affairs. Do you still have the same wife as 11:45:16AM  
17       you had then?---At this stage, yes. 11:45:20AM  
18   And what's her name?---Geordie. 11:45:23AM  
19   And how much did she receive out of the \$250,000?---The 11:45:26AM  
20       230,000? 11:45:36AM  
21   Sorry, the 230,000?---How much did she receive? Is that your 11:45:36AM  
22       question? 11:45:41AM  
23   Yes ?---It all went into the safe. 11:45:42AM  
24   No, how much did you give her? How much was she given to use 11:45:47AM  
25       out of the \$250,000? 11:45:52AM  
26   COMMISSIONER: 230,000, Mr Tovey. 11:45:55AM  
27   MR TOVEY: 230,000?---Your question is how much did she get to 11:45:56AM  
28       use? We don't have a policy within our marriage of who 11:46:01AM  
29       uses what. It's a very open - she had access to it. 11:46:04AM

1 COMMISSIONER: No, but this would have been a strange level of 11:46:11AM  
2 access. As I follow your evidence, you're not in the 11:46:13AM  
3 habit of holding at home sums of cash like this. How was 11:46:18AM  
4 it dealt with?---She was aware of where it came from as a 11:46:24AM  
5 loan repayment and it was sitting in the safe to be used. 11:46:30AM  
6 Yes. 11:46:43AM  
7 MR TOVEY: So your wife used some. What else was it used for? 11:46:45AM  
8 Did you buy any - did you buy yourself a Rolls Royce or 11:46:50AM  
9 something?---No. 11:46:56AM  
10 Was it used to buy products?---It was used to - from my memory 11:47:01AM  
11 used for a lot of things. I can't tell you exactly 11:47:07AM  
12 because it was used for a lot of everyday living, 11:47:12AM  
13 spending. We went overseas. 11:47:17AM  
14 I just want to know whether there was any traceable piece of 11:47:20AM  
15 expenditure on any large item where it might be able to be 11:47:25AM  
16 demonstrated that you paid in cash during that period 11:47:31AM  
17 immediately following the so-called receipt of 11:47:35AM  
18 the \$250,000. Was there a TV? Was there something that 11:47:41AM  
19 you might be able to put your finger on as demonstrating 11:47:46AM  
20 that you were paying large amounts of cash for items or 11:47:49AM  
21 for services?---I don't recall. 11:47:53AM  
22 Somebody who could corroborate that?---I don't recall a large 11:47:55AM  
23 item, Mr Tovey. 11:48:00AM  
24 COMMISSIONER: Mr Nehme, you're clear that you didn't pay any 11:48:03AM  
25 portion of this amount into a bank account?---Very clear, 11:48:08AM  
26 correct. 11:48:11AM  
27 So when you travelled overseas, presumably there were travel 11:48:11AM  
28 agent and tickets to be paid for. You paid for that in 11:48:16AM  
29 cash, did you?---Not the tickets, no, but we took cash 11:48:21AM

1 with us overseas for spending money. So the tickets were 11:48:25AM  
2 paid, from memory, on EFT or credit card, from memory. 11:48:31AM  
3 But the cash - you mentioned that you travelled overseas. You 11:48:36AM  
4 didn't pay for any of the costs associated with travelling 11:48:42AM  
5 overseas, that's the travel agent or the tickets. That 11:48:45AM  
6 was paid for from an account, was it?---That's correct. 11:48:49AM  
7 So you simply took some cash with you?---Yes. 11:48:52AM  
8 MR TOVEY: So your recollection is that all this cash was 11:48:59AM  
9 disbursed either overseas or in a way which would be 11:49:01AM  
10 totally untraceable?---I don't know what I have that's 11:49:05AM  
11 traceable or - it was just - I'm trying to think, 11:49:13AM  
12 Mr Tovey, of any large items that you asked before. 11:49:19AM  
13 I can't think of anything that I could put my hand on now 11:49:22AM  
14 and say, 'This is one thing.' 11:49:27AM  
15 COMMISSIONER: Any substantial amount, Mr Nehme, that would be 11:49:31AM  
16 purchased retail, ordinarily a retailer would have to make 11:49:34AM  
17 some record of the method of payment, would they 11:49:41AM  
18 not?---That's correct. 11:49:44AM  
19 Yes, Mr Tovey. 11:49:49AM  
20 MR TOVEY: When you gave Mr Aziz this money, how was it 11:49:50AM  
21 accounted for in books of account in NGOC? Was it 11:49:55AM  
22 accounted for as a loan?---It was accounted for as a loan. 11:50:03AM  
23 Accountants to look after all my financial affairs. 11:50:08AM  
24 Was that Pitcher Partners?---Sorry? 11:50:12AM  
25 Was that Pitcher Partners?---That's correct. 11:50:14AM  
26 All right. And the accounts for that year have been 11:50:16AM  
27 done?---Yes, they have. 11:50:20AM  
28 And you say that those accounts will demonstrate an asset in 11:50:21AM  
29 the balance sheet being a loan of \$230,000 to 11:50:28AM

1 Mr Aziz?---To the best of my knowledge. 11:50:35AM

2 COMMISSIONER: 250,000, Mr Tovey. 11:50:40AM

3 MR TOVEY: 230,000. 11:50:43AM

4 WITNESS: It's actually 230, only because we've just found out 11:50:44AM

5 through IBAC of the 21. 11:50:49AM

6 MR TOVEY: How did you miss the 21? 11:50:54AM

7 COMMISSIONER: You have no explanation for that 21,000, 11:50:57AM

8 Mr Nehme?---I'm quite embarrassed about it, to be honest. 11:50:58AM

9 MR TOVEY: I'd suggest - - - 11:51:03AM

10 COMMISSIONER: You've not given any sign of embarrassment thus 11:51:05AM

11 far?---Commissioner and Mr Tovey, I am embarrassed about 11:51:08AM

12 it because until I was made aware through IBAC and a 11:51:12AM

13 member of IBAC last Friday of where the transaction 11:51:15AM

14 occurred in my accounts, I wasn't aware of it. Prior to 11:51:18AM

15 that I was denying that I knew that there was 21,000 paid. 11:51:22AM

16 So I was only made aware of it as recent as last Friday 11:51:29AM

17 and it was an error, an absolute error, a human error on 11:51:36AM

18 my part. 11:51:40AM

19 MR TOVEY: That's the question, though, isn't it? If documents 11:51:41AM

20 are being made contemporaneously and not retrospectively, 11:51:44AM

21 how can it be possible that you're missing a payment which 11:51:50AM

22 is being made precisely at the time as the document is 11:51:54AM

23 being drawn up? That's the problem for you, is it 11:51:57AM

24 not?---Sorry, can you - I don't understand the question. 11:52:01AM

25 We'll go to it later on. So, let's get to just where we've 11:52:04AM

26 been recently. We know that Mr Aziz didn't withdraw any 11:52:10AM

27 funds to pay you, even though first of all that was his 11:52:15AM

28 assertion on oath and in affidavits and your assertion 11:52:20AM

29 corroborating him in an affidavit. We know those 11:52:27AM

1 assertions to be untrue; all right? We also know that the 11:52:30AM  
2 overwhelming evidence is that he had no funds and you 11:52:35AM  
3 couldn't have been paid \$250,000. We now have you saying 11:52:39AM  
4 that the money - - -?---230,000, Mr Tovey. 11:52:46AM  
5 Sorry?---230,000. 11:52:51AM  
6 230,000. We now know from what you're telling us that you say 11:52:55AM  
7 the money came back to you. Although it was a loan to 11:52:58AM  
8 your company, it was never repaid to the company because 11:53:04AM  
9 it went into your safe in cash, and it was disbursed in a 11:53:08AM  
10 way which was impossible to corroborate because all those 11:53:13AM  
11 disbursements, so far as you're aware, were cash taken 11:53:18AM  
12 overseas or other payments which can't be identified. Is 11:53:23AM  
13 that where we are?---Yes. 11:53:29AM  
14 And you've been advised as to the jeopardy you stand in in 11:53:34AM  
15 respect of ultimately - - - 11:53:38AM  
16 COMMISSIONER: Mr Tovey, I don't think that will be helpful 11:53:43AM  
17 (indistinct) Mr Nehme has received. 11:53:48AM  
18 MR TOVEY: Let's go back then to 2013, Mr Nehme. As of 2013 11:53:50AM  
19 did you already know Mr Aziz?---I was introduced to him 11:54:01AM  
20 around 2012. 11:54:08AM  
21 By whom?---A gentleman by the name of Dr Faraj who was a friend 11:54:10AM  
22 who I met who knew Mr Aziz at the time. 11:54:19AM  
23 And what was the context of you meeting him?---We just had a 11:54:23AM  
24 coffee, had a chat, a general chat. Dr Faraj said he was 11:54:27AM  
25 a councillor at Casey and 'You should meet him and have a 11:54:35AM  
26 chat,' which we did with a coffee. 11:54:39AM  
27 And at that stage was there some issue you wanted to chat with 11:54:44AM  
28 him about?---I think it was more in general at the time, 11:54:48AM  
29 and then we came up - more in general, and then as things 11:54:56AM

1 progressed there was a rental determination issue. 11:55:01AM

2 I assume - sorry, did I cut you off?---No, it's all right. 11:55:08AM

3 COMMISSIONER: So, I'm sorry, Mr Nehme, have you familiarised 11:55:18AM

4 yourself with the public evidence Mr Aziz gave as to when 11:55:22AM

5 he came to meet you and what you indicated shortly after 11:55:31AM

6 you met was the issue that you wanted to explore with him 11:55:37AM

7 concerning the lease and payments. Have you familiarised 11:55:42AM

8 yourself with that evidence?---Yes, I have. 11:55:49AM

9 And have you also talked to Mr Aziz about that evidence?---We 11:55:51AM

10 would have talked back then, yes, absolutely. 11:55:59AM

11 No, I don't mean back then. I mean since Mr Aziz gave evidence 11:56:01AM

12 or during the time that he gave evidence?---Not in 11:56:08AM

13 relation to this, no. 11:56:11AM

14 So you wouldn't be aware of the fact that that explanation for 11:56:12AM

15 when you met is completely contradicted by his private 11:56:17AM

16 evidence?---No. That's - Commissioner, when I met him, it 11:56:22AM

17 was somewhere in Docklands where we were introduced for a 11:56:31AM

18 coffee. It wasn't a long meeting. 11:56:36AM

19 Yes. But thereafter you had a number of discussions with 11:56:38AM

20 him?---Yes. 11:56:43AM

21 Concerning your leased premises and problems you were having 11:56:43AM

22 with the council?---Yes. 11:56:49AM

23 I don't know if Mr Tovey will be taking you to this, but I'm 11:56:50AM

24 conscious of the fact that in his private examination 11:56:57AM

25 Mr Aziz says he knew you long before that time?---No, 11:57:03AM

26 that's incorrect. 11:57:10AM

27 And that you had formed a strong friendship long before that 11:57:14AM

28 time and that when it came to the issues that you were 11:57:19AM

29 having with the Casey Council it became necessary for him, 11:57:23AM

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to use his words, it became necessary for him to distance himself from you so as not to create a conflict of interest in terms of issues that you wanted resolved with the council. All that evidence is false, is it? That you didn't have a pre-existing strong friendship with Mr Aziz which necessitated Mr Aziz effectively distancing himself from you and from any discussions about council matters?---Which period are you talking, Commissioner, just to be clear?

MS BORG: Commissioner - - -

COMMISSIONER: No, just a moment, please, Ms Borg. I'm talking about the period following the time that you say you first met Mr Aziz?---So around 2012?

And thereafter, yes?---And your question, sorry, Commissioner?

My question is Mr Aziz's private evidence was that he came to know you shortly after becoming a councillor, that you formed a strong friendship and that when it came to these issues that you then wanted to explore concerning your difficulties with the Casey Council, Mr Aziz had to distance himself from you because of that friendship?---So going back to my strong - I wouldn't consider it as a strong friendship in the early days of when we first met, but as friendships go on it became stronger. I'm not sure what your question is or what you're wanting me to answer, Commissioner.

MS BORG: Commissioner, can I ask for clarification, please?

COMMISSIONER: Yes. About?

MS BORG: You make reference to Mr Aziz saying he met Mr Nehme well before 2016.

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11:59:30AM

1 COMMISSIONER: Yes. 11:59:36AM

2 MS BORG: So I'm not sure if you mean 2012 or 2007, which he 11:59:36AM

3 changed his evidence on. What date is the Commissioner 11:59:42AM

4 saying - - - 11:59:45AM

5 COMMISSIONER: Ms Borg, have you read Mr Aziz's private 11:59:49AM

6 transcript? 11:59:52AM

7 MS BORG: No, I have read all his public transcript, but - - - 11:59:53AM

8 COMMISSIONER: No, I'm talking about his evidence in October 11:59:58AM

9 last year. 12:00:00PM

10 MS BORG: Yes, but he clarifies that in his current evidence. 12:00:02PM

11 He refers - - - 12:00:05PM

12 COMMISSIONER: Ms Borg, I'm not interested in what he did in 12:00:07PM

13 his public evidence. I'm interested in what he said 12:00:09PM

14 during the course of his private examination. Have you 12:00:12PM

15 not read that? 12:00:15PM

16 MS BORG: No, I haven't, Commissioner. But could I refer the 12:00:17PM

17 Commissioner to page 2975 of the public hearing 12:00:23PM

18 transcript, please? 12:00:27PM

19 COMMISSIONER: Do you have some objection to your client being 12:00:43PM

20 asked about his earlier testimony? 12:00:46PM

21 MS BORG: No, I just wanted clarification as to when the 12:00:50PM

22 Commissioner is putting to him about - - - 12:00:53PM

23 COMMISSIONER: All right. Let me put it to you explicitly, 12:00:56PM

24 Mr Nehme, which is in stark contrast to the evidence 12:01:00PM

25 you're now giving. What he told the Commission was, 12:01:04PM

26 'I first met Andrew at around 2007, even before I got 12:01:09PM

27 elected to local government, and I was introduced to him 12:01:13PM

28 through a mutual friend. I understand that Andrew was 12:01:17PM

29 also a partner in the property development industry and 12:01:21PM

1 over that time we developed a strong friendship. I had to 12:01:25PM  
2 distance myself from Mr Nehme because there were some 12:01:29PM  
3 dealings that he had specifically with the City of Casey 12:01:33PM  
4 and that wasn't a hostile distancing, that was a 12:01:37PM  
5 professional distancing in order to avoid any perception 12:01:43PM  
6 or real conflict of interest, and we just became close 12:01:46PM  
7 friends over that period of time and we used to have 12:01:49PM  
8 family dinners together. Then in 2013 Mr Nehme assisted 12:01:52PM  
9 me, and this was a mistake in the wording of the search 12:01:58PM  
10 warrants, in that it had mentioned documents relating to 12:02:05PM  
11 Medicare and Mr Nehme, it should actually be documents 12:02:09PM  
12 related to Medibank and Mr Nehme. When we were 12:02:12PM  
13 establishing our practice we were trying to achieve 12:02:15PM  
14 preferred provider status with the private health funds,' 12:02:17PM  
15 and then he goes on to talk about how you assisted him 12:02:22PM  
16 with that. So what do you say as to that, Mr Nehme, that 12:02:25PM  
17 you've known Mr Aziz since 2007, that you had a strong 12:02:29PM  
18 friendship and that when it came to his issues with the 12:02:37PM  
19 Casey Council Mr Aziz had to distance himself? 12:02:39PM  
20 MS BORG: Commissioner, I'm sorry to interrupt again, but the 12:02:45PM  
21 evidence is changed. Mr Aziz - - - 12:02:49PM  
22 COMMISSIONER: No, Ms Borg, that's not a helpful interjection. 12:02:53PM  
23 MS BORG: It's a question of fairness to Mr Nehme. 12:02:57PM  
24 COMMISSIONER: No, Ms Borg, I'm concerned with putting to your 12:03:01PM  
25 client the evidence that Mr Aziz gave the Commission on 12:03:07PM  
26 oath. 12:03:11PM  
27 MS BORG: And he also gave it on oath on the 17th of - - - 12:03:14PM  
28 COMMISSIONER: Ms Borg, the fact that Mr Aziz gives two 12:03:20PM  
29 completely irreconcilable accounts, which I adverted to at 12:03:24PM

1 the commencement of this evidence, is not a reason to 12:03:29PM  
2 object. 12:03:31PM  
3 MS BORG: It is, with respect. 12:03:31PM  
4 COMMISSIONER: All right. Well, I'm sorry, I don't accept that 12:03:33PM  
5 that's so. 12:03:37PM  
6 MS BORG: May I at least get on the transcript what my 12:03:38PM  
7 objection is, please? 12:03:41PM  
8 COMMISSIONER: I have understood your objection and I don't 12:03:42PM  
9 think it's a valid one. Ms Borg - - - 12:03:44PM  
10 MS BORG: I'm sorry, sir. 12:03:48PM  
11 COMMISSIONER: There will be numerous issues in which Mr Aziz 12:03:56PM  
12 has given contradictory accounts; do you understand that? 12:03:59PM  
13 And the fact that he's given a later account which is 12:04:03PM  
14 quite inconsistent with an earlier one is not a reason for 12:04:06PM  
15 exploring his earlier evidence; do you follow? I'm not 12:04:10PM  
16 sure that you do. 12:04:15PM  
17 MS BORG: I follow what the Commissioner is saying. But out of 12:04:17PM  
18 fairness the two versions ought to be put to Mr Nehme so 12:04:20PM  
19 he can comment on both of them. 12:04:23PM  
20 COMMISSIONER: I don't accept that, Ms Borg. If you want to in 12:04:25PM  
21 re-examination of Mr Nehme explore something else that 12:04:30PM  
22 Mr Aziz says that you think is relevant to his account, 12:04:34PM  
23 then by all means. 12:04:38PM  
24 MS BORG: Thank you. 12:04:40PM  
25 COMMISSIONER: Mr Nehme, do you want now to comment on that 12:04:42PM  
26 evidence that Mr Aziz gave as to when you first met and 12:04:47PM  
27 the nature of the relationship which developed before you 12:04:53PM  
28 started exploring with Mr Aziz the problems you were 12:04:57PM  
29 having at the Casey Council?---I don't recall meeting 12:05:00PM

1 Mr Aziz in 2007, Commissioner. I recall meeting him in 12:05:07PM  
2 around 2012, as I said, for a coffee through an 12:05:10PM  
3 introduction. But I don't recall meeting him any earlier 12:05:18PM  
4 than that. 12:05:21PM  
5 Do you remember assisting him with a matter concerning Medibank 12:05:22PM  
6 and the dental practice?---Yes, I do. 12:05:25PM  
7 And when did that occur?---I can't confirm the exact date. It 12:05:27PM  
8 was early in the piece. That was probably - I can't 12:05:34PM  
9 confirm the exact date, Commissioner, but it was 12:05:38PM  
10 early - - - 12:05:42PM  
11 Early after you say you met him?---Correct. 12:05:43PM  
12 According to Mr Aziz, he says, 'I was having dinner with Andrew 12:05:45PM  
13 and I was saying to him, you know, he was saying "How's 12:05:50PM  
14 the practice going," and I said, "It's going really good 12:05:54PM  
15 but we're not achieving traction in this area,"' and you 12:05:58PM  
16 then told him about an associate or a friend you had at 12:06:02PM  
17 Medibank who might be able to assist him. Was it over 12:06:06PM  
18 dinner that that discussion first occurred, do you 12:06:10PM  
19 remember?---I don't recall whether it was over dinner, but 12:06:12PM  
20 I recall the discussion from Mr Aziz to me about them in 12:06:15PM  
21 their practice, his wife's practice and his, of wanting to 12:06:21PM  
22 achieve Medibank as a provider, and I put two people 12:06:25PM  
23 together and that's the last I ever heard of it, 12:06:31PM  
24 Commissioner. 12:06:34PM  
25 Yes. All right. So you say it's quite wrong to suggest you 12:06:34PM  
26 had a friendship going back to in fact preceding Mr Aziz 12:06:38PM  
27 commencing at the council?---I don't recall meeting him in 12:06:44PM  
28 2007, no. 12:06:48PM  
29 But you don't recall any dealings with him between 2007 and 12:06:49PM

1 2012 or 13, none at all?---Off-hand, no. I don't. 12:06:54PM

2 Yes, Mr Tovey. 12:07:02PM

3 MR TOVEY: When you first met up with Mr Aziz then - sorry, do 12:07:22PM

4 you know of any reason why Mr Aziz would specifically give 12:07:28PM

5 evidence that he knew you from the time before he went to 12:07:31PM

6 council if that wasn't true?---No. No, I don't, Mr Tovey. 12:07:37PM

7 All right. 12:07:42PM

8 COMMISSIONER: Sorry, and for the record, at any stage did 12:07:46PM

9 Mr Aziz tell you that there needed to be some fences put 12:07:49PM

10 around your relationship whilst you were wanting to 12:07:54PM

11 explore problems that you were having at the Casey 12:07:59PM

12 Council?---He did make it very clear to me that in his 12:08:04PM

13 position there was a conflict of interest. He made it 12:08:08PM

14 very clear to me, yes, as our ward member. 12:08:12PM

15 Sorry, when was that?---That was discussed several times, 12:08:16PM

16 Commissioner. It was on many occasions. 12:08:21PM

17 And what did he say gave rise to the conflict of interest, 12:08:26PM

18 Mr Nehme?---From memory, just his position and, yes, being 12:08:31PM

19 in his position he made it very clear that as our ward 12:08:41PM

20 member - I went to him as our ward member with discussions 12:08:49PM

21 and he assisted me in people within council to talk to 12:08:52PM

22 about our issues. 12:09:00PM

23 I'm sorry, that's not an answer to my question?---Sorry, can 12:09:04PM

24 you repeat your question? 12:09:10PM

25 What did he indicate to you gave rise to a conflict of 12:09:11PM

26 interest?---Can you expand on that question, please, 12:09:19PM

27 Commissioner? 12:09:23PM

28 Yes. What did he say to you was the reason why he was in a 12:09:24PM

29 conflict of interest? What was it about your relationship 12:09:31PM

1 with him that created a conflict of interest?---I think it 12:09:35PM  
2 was more my understanding, Commissioner, of he being our 12:09:44PM  
3 ward member and mayor at the time and he was obviously 12:09:48PM  
4 cautious in his position of what was said, what he could 12:09:56PM  
5 achieve. My interpretation as well, understanding his 12:09:59PM  
6 position. 12:10:10PM  
7 You're an experienced businessman. You've been practising in 12:10:17PM  
8 the commercial area for how long now, 12:10:25PM  
9 Mr Nehme?---Twenty years. 12:10:29PM  
10 So do you understand that when we talk about a conflict of 12:10:31PM  
11 interest, it's where there are two different interests 12:10:36PM  
12 that someone has which collide or conflict. So, one 12:10:39PM  
13 interest that Mr Aziz had was his duties and obligations 12:10:46PM  
14 to the Casey Council. What was the interest that he had 12:10:50PM  
15 which conflicted with that interest? What was the 12:10:55PM  
16 interest concerning you that conflicted with 12:11:00PM  
17 that?---I don't know what his concerns were, but he always 12:11:05PM  
18 made it very clear to me, Commissioner. 12:11:10PM  
19 Yes. Yes, Mr Tovey. Just a moment. Ms Borg, is there someone 12:11:12PM  
20 sitting to your right that you're liaising with and 12:11:26PM  
21 discussing these issues with? 12:11:31PM  
22 MS BORG: Just the solicitor that you announced earlier in the 12:11:33PM  
23 hearing, Commissioner. That's all. 12:11:36PM  
24 COMMISSIONER: All right. I think it's appropriate, and we'll 12:11:40PM  
25 perhaps address this over the luncheon break, that that 12:11:44PM  
26 person also then be on camera. 12:11:48PM  
27 MS BORG: This is Michael Gough. 12:11:55PM  
28 COMMISSIONER: Yes, very good. 12:11:56PM  
29 MS BORG: Because the Commissioner had mentioned his name at 12:11:57PM

1 the beginning I didn't then say I'm sitting here - - - 12:11:59PM  
2 COMMISSIONER: That's all right. I just needed to know who it 12:12:01PM  
3 was that you were - - - 12:12:04PM  
4 MS BORG: No, absolutely. He just is camera shy. 12:12:04PM  
5 COMMISSIONER: Very good. Very good. Thank you. Yes. Yes, 12:12:10PM  
6 Mr Tovey. 12:12:12PM  
7 MR TOVEY: In any event, if you didn't meet in 2007, you met in 12:12:18PM  
8 around 2012, you were introduced by Dr Faraj, and then as 12:12:26PM  
9 a result of that you have a coffee. Is Dr Faraj present 12:12:32PM  
10 when you have this coffee or do you just meet 12:12:38PM  
11 together?---He was. He was present. There were a number 12:12:41PM  
12 of people present at the time. 12:12:42PM  
13 Who else was present?---Where we attended at the cafe there 12:12:46PM  
14 were other people there who I didn't know. So I attended 12:12:56PM  
15 by myself, and Dr Faraj was there with other people. 12:12:59PM  
16 In any event, you got to the stage where over a period of 12:13:03PM  
17 years, some time between 2012 and now, you became what 12:13:12PM  
18 you'd call close friends, were you?---We became good 12:13:24PM  
19 friends. 12:13:28PM  
20 Did you visit his home?---Yes. 12:13:29PM  
21 With your family?---Not with my family, no. 12:13:34PM  
22 Did he visit your home with his family?---Not my home. We had 12:13:39PM  
23 dinner I remember on an occasion, possibly two occasions, 12:13:48PM  
24 with his family. But not at my home, no. 12:13:53PM  
25 Did you meet his family other than at dinner?---I don't 12:13:56PM  
26 remember. I don't remember, to be honest. 12:14:08PM  
27 Do you know his current wife's name?---His newly married new 12:14:13PM  
28 wife? 12:14:24PM  
29 Yes?---Her name is - is it Rezka or Reza? 12:14:25PM

1 What's her Christian name?---Sorry? 12:14:30PM  
2 What's her Christian name?---I haven't physically met her 12:14:33PM  
3 face-to-face. I don't know. 12:14:37PM  
4 She's been with him since 2017. Did your friendship fail at 12:14:41PM  
5 some stage?---No, no. I've got a lot of friends, 12:14:49PM  
6 Mr Tovey, and friends come and go. It didn't fail at all. 12:14:57PM  
7 What about his children? What are their names?---I don't know. 12:15:00PM  
8 I can't remember. 12:15:05PM  
9 How old are they?---I'd be guessing if I told you, 12:15:05PM  
10 Commissioner, but - Mr Tovey. 12:15:10PM  
11 How many children does he have?---From his first marriage, two, 12:15:13PM  
12 a boy and a girl. 12:15:17PM  
13 And how many does he have in total?---Under his new marriage I 12:15:18PM  
14 think there's two more, from memory. But, Mr Tovey, 12:15:25PM  
15 I don't go into detail of friends and family and how many 12:15:31PM  
16 kids and - - - 12:15:35PM  
17 All right. So the real situation is so far as you say there's 12:15:36PM  
18 a friendship, it's not a family friendship; it's just a 12:15:41PM  
19 friendship between the two of you?---Correct. 12:15:45PM  
20 And it's a friendship where he doesn't come to your house - if 12:15:47PM  
21 he does come to your house, it's not with his 12:15:53PM  
22 family?---His family haven't been to my house, no. But we 12:15:57PM  
23 have entertained - - - 12:16:01PM  
24 So if that's the nature of the friendship is it fair to say 12:16:03PM  
25 it's a business friendship?---No, I think it's more - more 12:16:06PM  
26 than a business friendship. 12:16:09PM  
27 On how many occasions has he been to your home?---From my 12:16:11PM  
28 memory at least three times, from memory. 12:16:24PM  
29 We know from what he said that one of those occasions was 12:16:30PM

1 immediately after the warrant was served on him by IBAC he 12:16:36PM  
2 went to see you; do you agree with that?---He came to see 12:16:40PM  
3 me on that occasion after IBAC went through my property, 12:16:45PM  
4 and he came to see me in absolutely apologising for 12:16:55PM  
5 dragging me through this. So he came to me after my place 12:17:01PM  
6 was searched. 12:17:08PM  
7 How long after?---A dayish. 12:17:09PM  
8 Within a day?---Day or two days at the most, Mr Tovey. I can't 12:17:16PM  
9 remember exactly how many - - - 12:17:21PM  
10 And did you have any idea what IBAC were after?---At which 12:17:23PM  
11 point are you talking? 12:17:30PM  
12 When you were discussing this with Mr Aziz did you have any 12:17:32PM  
13 idea of what it was that IBAC might have been wanting from 12:17:35PM  
14 you?---IBAC told me when they raided our house what they 12:17:39PM  
15 were after. 12:17:45PM  
16 Did you relate that to Mr Aziz?---Yes, I did. 12:17:46PM  
17 And what did he say to you?---All I recall is him apologising 12:17:49PM  
18 for putting me and my family through this. He was more 12:17:59PM  
19 worried about my family and what they were put through. 12:18:03PM  
20 What was said exactly and what did you say?---I can't recall 12:18:06PM  
21 exactly what was said, Mr Tovey. 12:18:09PM  
22 How long was he there?---I can't recall. No, can't recall. 12:18:11PM  
23 COMMISSIONER: What was he apologising for, Mr Nehme?---For 12:18:19PM  
24 dragging myself and my family through this. My children 12:18:23PM  
25 were dragged through the raid, which was a horrible 12:18:28PM  
26 experience. Geordie was away at her mother. So she 12:18:31PM  
27 didn't experience it. But dragging my family through this 12:18:38PM  
28 whole thing. And then after the event of obviously IBAC 12:18:41PM  
29 and all that and the media, he just kept apologising for 12:18:45PM

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dragging my family through the mud.

Yes, but what did he say he had done for which he owed you an apology?---He didn't say he had done anything apart from dragging me through.

How had he done that?---How had he done that? In IBAC and media made it aware to everyone of what had occurred. So by then it was through the media, through IBAC, people knew about it, and he just kept apologising for this occurrence and dragging my family through it.

But you never had any discussions with him, are you saying, about what he did - - -?---No, because from my point of view, apart from being devastated what we had just been through, I actually didn't care what he did and I didn't want to know.

You didn't want to know. Do you mean to say you were not concerned whether or not any of the allegations that were being aired might be true?---What do you mean, Commissioner?

Well, I'm trying to understand what you mean, 'I didn't want to know'?---Well, my life is about my family, Commissioner, not about what other people are doing. What he's done is his business and not mine.

Yes?---But, unfortunately, myself and my family have been dragged through his affairs, which is what we struggle with.

Because of the arrangements that you made with him?---Because of the loan, the money I lent him.

No, it's not just the money that you lent him, is it, Mr Nehme? It's the role he played in facilitating the commercial

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1 objective that you wanted?---I disagree, Commissioner. 12:20:53PM  
2 Yes, all right?---Absolutely disagree. 12:20:57PM  
3 Yes. 12:21:02PM  
4 MR TOVEY: If we go to this occasion where he's come around 12:21:03PM  
5 after the warrants have been served, he's there for an 12:21:07PM  
6 indeterminant length of time and he's apologising. What 12:21:13PM  
7 was it that he was apologising for?---I repeat again, 12:21:22PM  
8 Mr Tovey, dragging my family through the mud, through the 12:21:26PM  
9 media and the exposure of this and what we had to be put 12:21:29PM  
10 through through the IBAC investigation which wasn't 12:21:36PM  
11 something we had ever incurred and hope will never incur 12:21:37PM  
12 again. Having your house raided is not - - - 12:21:42PM  
13 I understand your trauma, your unease at having been raided. 12:21:46PM  
14 It's not good for anybody?---I've got three young 12:21:51PM  
15 children - - - 12:21:55PM  
16 Yes. But he's come around to your house - - -?---Let me 12:21:56PM  
17 finish, Mr Tovey, [REDACTED] 12:21:58PM  
18 [REDACTED] - - - 12:22:01PM  
19 What you're saying is not an answer to my question?---I'm 12:22:02PM  
20 giving you the facts. It's not good for anyone. 12:22:04PM  
21 In any event I want to focus on this conversation you had where 12:22:08PM  
22 you apologise. All right. So you feel very upset that 12:22:12PM  
23 you have been raided by IBAC; is that right?---That's 12:22:16PM  
24 absolutely correct. 12:22:19PM  
25 Yes. He's apologising; is that right?---Correct. 12:22:20PM  
26 Yes. So far as you're concerned the only issue that you're 12:22:25PM  
27 aware of is a loan that he gave you - that you gave 12:22:34PM  
28 him?---That's correct. 12:22:38PM  
29 Why did you think that?---Well, it was IBAC that made it clear 12:22:38PM

1 to me on the day they raided the house that was the issue. 12:22:48PM  
2 All right?---There was nothing else raised from IBAC at the 12:22:54PM  
3 time when the 14 people raided our house that they 12:22:59PM  
4 were - - - 12:22:59PM  
5 Surely then you discussed the loan with him when he came around 12:23:06PM  
6 and said, 'Look, that's what IBAC was asking me 12:23:10PM  
7 about'?---It would have been discussed. But, again, it 12:23:16PM  
8 was irrelevant in my head, Mr Tovey, because I was paid 12:23:18PM  
9 back. 12:23:22PM  
10 Did you ask him, 'What is there about the loan that might have 12:23:25PM  
11 attracted IBAC's interest'?---No. 12:23:29PM  
12 Did you make that enquiry?---No. 12:23:32PM  
13 Did you think there was something about the loan - clearly 12:23:34PM  
14 there was something about the loan that attracted IBAC's 12:23:37PM  
15 interest. Did you know what it was already before you 12:23:39PM  
16 spoke to him?---No. No, not at all. 12:23:43PM  
17 Well, in that case you knew IBAC had an interest in that. He's 12:23:45PM  
18 apologising. Why didn't you ask him why IBAC might have 12:23:49PM  
19 an interest in that loan?---He kept apologising about 12:23:52PM  
20 dragging my family through the mud, through the media and 12:23:55PM  
21 the IBAC process. That's what he was apologising about. 12:23:58PM  
22 Can I suggest to you the reason you didn't ask him because you 12:24:03PM  
23 knew the loan was in fact either a payment in the nature 12:24:06PM  
24 of a bribe or a thank you?---That's absolutely incorrect, 12:24:10PM  
25 Mr Tovey. And I'll repeat again, you keep mentioning a 12:24:13PM  
26 bribe, absolutely not, and I'll keep saying that because 12:24:17PM  
27 that's a fact. 12:24:24PM  
28 I understand your position. Did you ask him where the 230,000 12:24:26PM  
29 he repaid you came from?---When did I - are you asking 12:24:33PM

1           when I asked him? 12:24:39PM

2   Yes, once you were aware that IBAC was investigating the loan - 12:24:40PM

3           - - ?---Can you just clarify are you saying - - - 12:24:43PM

4   Did you ask Aziz - did you ask Aziz where the \$230,000 he paid 12:24:46PM

5           you in cash came from?---At my house on that day you're 12:24:52PM

6           talking, just to be clear? 12:24:57PM

7   Yes?---No, because he told me before where it came from. 12:24:58PM

8   And didn't the fact that IBAC had raided your house make you 12:25:03PM

9           have some suspicions about the \$230,000 which he insisted 12:25:10PM

10          on repaying in cash?---Sorry, can you repeat that? 12:25:16PM

11   Yes. Look, as a businessman and as a rational human being, 12:25:21PM

12          having been raided by IBAC, did it concern you that IBAC 12:25:26PM

13          are concerned about the loan, and the loan involves 12:25:34PM

14          according to you a repayment of \$230,000 in cash?---Which 12:25:38PM

15          I got paid back. 12:25:46PM

16   Yes. But in those circumstances did you discuss that with 12:25:47PM

17          Mr Aziz when he came around?---I can't recall the 12:25:50PM

18          discussion of what we had when around there. It was 12:25:55PM

19          more - - - 12:25:58PM

20   Did you ask him what the source - did you ask him what the 12:25:59PM

21          source of the \$230,000 was, whether there was any illicit 12:26:01PM

22          aspect to the money that you had in your safe?---No. 12:26:08PM

23   And the reason I'd suggest that that conversation didn't take 12:26:14PM

24          place is because there was no 230,000 12:26:17PM

25          repayment?---I disagree with you, Mr Tovey. There was, 12:26:23PM

26          and it was - there was the payment and I disagree with 12:26:27PM

27          your comment once again. 12:26:31PM

28   So there were three occasions he came to your house. That was 12:26:32PM

29          one occasion. What were the other two 12:26:37PM

1 occasions?---I don't remember exactly. I'm just going 12:26:42PM  
2 from a long memory of three different occasions where he 12:26:45PM  
3 attended. 12:26:48PM  
4 Whereabouts were you located? I don't want you to give your 12:26:48PM  
5 private address, but what suburb?---Deeptime. That's all 12:26:52PM  
6 right; everyone else has given our private address, 12:26:58PM  
7 Mr Tovey. As IBAC have. As the media have. 12:27:02PM  
8 So did he come to your house in Deeptime?---Yes, he did. 12:27:08PM  
9 And that was on two occasions. When was the last occasion he 12:27:14PM  
10 went to your house in Deeptime before he came after the 12:27:19PM  
11 raids?---Sorry, when was the last time before or after 12:27:22PM  
12 you're asking, sorry? 12:27:29PM  
13 Sorry, before the raids?---I can't remember exactly when, to be 12:27:31PM  
14 honest, but - - - 12:27:36PM  
15 I mean, was it a year before, two years before?---I can't 12:27:37PM  
16 recall. I can't recall, Mr Tovey. 12:27:40PM  
17 What was it about?---Absolutely no idea. It may have 12:27:47PM  
18 been - I don't know. I'd be lying if I said. I don't 12:27:55PM  
19 know. He was a friend. I don't recall - you know, 12:28:00PM  
20 friends come over and I can't tell you what a lot of the 12:28:07PM  
21 discussions are. 12:28:11PM  
22 And what about the first time he came?---Can't recall. I don't 12:28:13PM  
23 recall. 12:28:17PM  
24 I mean, was this in 2019? Was it 2018? Was it 2012?---No, it 12:28:17PM  
25 wasn't - no, it wasn't 2012. I can't recall exactly when. 12:28:29PM  
26 The last time he came to my house was after the 12:28:34PM  
27 raid - sorry, prior to that one was when he returned the 12:28:45PM  
28 funds, the money, and I can't recall the time before that. 12:28:49PM  
29 I would be guessing. I'd be guessing, Mr Tovey. 12:28:52PM

1 So, in any event, when Aziz came to your house after the raid 12:29:04PM  
2 on his house you were aware - you were both aware that one 12:29:10PM  
3 of the issues that IBAC would be interested in was the 12:29:20PM  
4 loan; is that the situation?---IBAC made me aware when 12:29:24PM  
5 they raided the house of what they were looking for. 12:29:29PM  
6 I want you to focus on the conversation that you had with Aziz. 12:29:31PM  
7 Did that conversation relate to the loan?---I didn't have 12:29:39PM  
8 a conversation re the loan. It was when he visited my 12:29:42PM  
9 house after it was raided it was more apologising, in my 12:29:46PM  
10 recollection, of what we had just been dragged through. 12:29:50PM  
11 COMMISSIONER: You keep referring to that, Mr Nehme. While no 12:29:55PM  
12 doubt an unpleasant matter to have officers come into your 12:30:01PM  
13 house, how many officers do you say there were?---From 12:30:07PM  
14 memory at least 12. 12:30:10PM  
15 What about does six sound more realistic?---No. 12:30:12PM  
16 I suggest to you - - -?---Not from my recollection. 12:30:18PM  
17 As I understand it when the raid took place I'm informed there 12:30:21PM  
18 were six IBAC officers?---No, there were a lot more than 12:30:26PM  
19 that because there were people out the front in vans 12:30:29PM  
20 downloading, coming back and forth. There were a number 12:30:33PM  
21 of people - there were people sitting at our kitchen 12:30:36PM  
22 table. There were people going through private photos. 12:30:39PM  
23 There were people everywhere going through the whole 12:30:42PM  
24 house, going through garage, cars, everything. 12:30:45PM  
25 Yes. And you didn't thereafter tackle Mr Aziz about what this 12:30:49PM  
26 could all be about?---Well, as far as I was concerned, 12:30:59PM  
27 Commissioner, I - - - 12:31:04PM  
28 No, I'm not interested in what you're concerned about. 12:31:06PM  
29 I wanted clarity. You didn't thereafter ask Mr Aziz for 12:31:09PM

1 any explanation for why IBAC would be interested in 12:31:14PM  
2 you?---No, I didn't ask him. 12:31:18PM  
3 So there are one of two explanations for that. One of them 12:31:22PM  
4 might be that you already knew?---I knew from IBAC of what 12:31:27PM  
5 they were after. 12:31:33PM  
6 No, no, you already knew why IBAC would be interested in 12:31:35PM  
7 exploring your relationship with Mr Aziz?---They made that 12:31:39PM  
8 aware when they visited our house. 12:31:44PM  
9 Yes?---They made it very clear why they were there. 12:31:46PM  
10 Yes. 12:31:50PM  
11 MR TOVEY: See, the problem with that explanation, sir, is your 12:31:52PM  
12 house wasn't raided until after Mr Aziz attended there 12:31:55PM  
13 following the raid on his house; do you 12:32:00PM  
14 understand?---Sorry, can you repeat that? 12:32:06PM  
15 Yes. At the time that Aziz came to your house you hadn't been 12:32:08PM  
16 raided?---Yes, I had been. 12:32:12PM  
17 Sorry, at the time Aziz visited your house it was before you 12:32:13PM  
18 had been raided?---No, it was after we had been raided and 12:32:21PM  
19 he had been raided, and IBAC told me I was the last one to 12:32:25PM  
20 be raided on their list. 12:32:29PM  
21 So - - -?---Everyone had been raided. That's what I was told 12:32:32PM  
22 by IBAC. 12:32:41PM  
23 Excuse me. Could I be excused just for a second please, 12:32:45PM  
24 Mr Commissioner? 12:32:49PM  
25 COMMISSIONER: Yes. 12:32:50PM  
26 MR TOVEY: I want to put to you again the proposition that when 12:33:28PM  
27 Aziz came to your house it was before you were 12:33:32PM  
28 raided?---My recollection he came after we were raided. 12:33:37PM  
29 COMMISSIONER: You've now introduced the words 'my 12:33:42PM

1 recollection'?---I'm pretty certain, Commissioner, that it 12:33:45PM  
2 was after we were raided. 12:33:50PM  
3 Yes, Mr Tovey. 12:33:53PM  
4 MR TOVEY: Anyway, getting back to meetings between you, did 12:33:56PM  
5 you meet at your office as well as your house at 12:34:15PM  
6 Deepdene?---My office is my house at Deepdene. 12:34:19PM  
7 Is that the only office you have?---Yes, it is. 12:34:21PM  
8 So Aziz has been there two times and you can't recall anything 12:34:26PM  
9 that happened on either of those occasions other than it 12:34:44PM  
10 was simple friendship; is that right?---Correct. 12:34:47PM  
11 You can't recall any reason for any of those visits?---From 12:34:51PM  
12 memory, no. No. 12:34:58PM  
13 Where did you deliver the - sorry, where did he deliver to you 12:35:04PM  
14 the \$230,000?---To my house. 12:35:09PM  
15 You had forgotten that when we were just discussing his visits. 12:35:14PM  
16 You had forgotten the fact that a man has brought \$230,000 12:35:20PM  
17 in cash to your house. 12:35:26PM  
18 COMMISSIONER: I don't think that's correct, Mr Tovey?---I did 12:35:27PM  
19 say to you - sorry, Commissioner. 12:35:30PM  
20 Yes, the witness has already referred to that visit as being 12:35:33PM  
21 one of the occasions. 12:35:37PM  
22 MR TOVEY: I'm sorry, in that case I withdraw that question. 12:35:39PM  
23 How was the money brought? Was it in a briefcase?---No, 12:35:45PM  
24 it was brought in, from memory, two or three bags, 12:35:51PM  
25 shopping bags, and brought in - they were in \$10,000 lots. 12:35:57PM  
26 And I didn't individually count, I just trusted that those 12:36:05PM  
27 amounts were correct in the bundles, and I just put them 12:36:09PM  
28 out, counted them in front of him. 12:36:12PM  
29 And in what denominations?---Hundreds and 50s. 12:36:14PM

1 And was there any conversation at the time that he delivered 12:36:22PM  
2 this money as to where it had come from?---I don't recall 12:36:26PM  
3 the conversation, but all I was happy about at the time 12:36:32PM  
4 was getting my money back because I was aware of his 12:36:36PM  
5 matrimonial issues and everything else that he did tell me 12:36:40PM  
6 in the past. In fact that was one of the discussions I do 12:36:43PM  
7 recall at that time. It was more about him getting the 12:36:51PM  
8 money out due to his matrimonial issues, and I was just 12:36:54PM  
9 happy to get my money back. I wasn't happy about 12:36:59PM  
10 receiving it in cash, but I just wanted my money back. 12:37:01PM  
11 So you didn't ask him then when the one - where the money came 12:37:09PM  
12 from. Did you ever ask him where the money came from or 12:37:15PM  
13 did he volunteer that to you at any stage?---He told me it 12:37:18PM  
14 came from the \$600,000 that he withdrew from Westpac at 12:37:22PM  
15 Berwick, and on two occasions I recall where he kept 12:37:26PM  
16 saying that's where the money came from. 12:37:31PM  
17 From the \$600,000?---That's correct. 12:37:33PM  
18 And he mentioned the 600,000, did he?---That's correct. 12:37:37PM  
19 Thank you. 12:37:41PM  
20 COMMISSIONER: Mr Nehme, I just want to come back for a moment 12:37:46PM  
21 to your evidence which is I think something less than 12:37:50PM  
22 certain that Mr Aziz came to your place after the raid on 12:37:58PM  
23 your place. As I understand it the raid on your place 12:38:03PM  
24 occurred some days after Mr Aziz's raid, and you in fact 12:38:09PM  
25 told the IBAC investigators when they came to your place 12:38:16PM  
26 that Mr Aziz had visited you a couple of days earlier 12:38:21PM  
27 following the raid on his place. Might that be 12:38:26PM  
28 correct?---My recollection, Commissioner, is he came 12:38:30PM  
29 after. 12:38:35PM

1 Might it be correct that you told the investigators at the time 12:38:37PM  
2 they were at your place that Mr Aziz had visited you a 12:38:41PM  
3 couple of days earlier?---No. My recollection is no. 12:38:45PM  
4 Because of course if Mr Aziz came to see you before your place 12:38:53PM  
5 was raided then you would both have some interest in 12:38:59PM  
6 satisfying yourselves as to what IBAC's concern might be 12:39:06PM  
7 about your relationship. If he came to your place saying, 12:39:13PM  
8 'The police have been to my place' - sorry, 'IBAC have 12:39:21PM  
9 been to my place and part of their inquiries concern you,' 12:39:24PM  
10 you would have been anxious to find out what it was that 12:39:32PM  
11 was being investigated?---He did make me aware that he saw 12:39:42PM  
12 my name on the list, and he did make me aware. So I was 12:39:47PM  
13 aware IBAC were coming. But in my mind I had nothing to 12:39:53PM  
14 hide and everything was as is. There was no - I didn't 12:39:57PM  
15 have any concerns. 12:40:02PM  
16 So he told you your name was on the list of people that IBAC 12:40:03PM  
17 were interested in when searching his place; 12:40:10PM  
18 correct?---Correct. 12:40:14PM  
19 And he told you that IBAC 'was coming'?---Correct. 12:40:15PM  
20 Which means they hadn't yet been to your place, doesn't 12:40:23PM  
21 it?---Yes, but that was - that was when I spoke to him, he 12:40:26PM  
22 must have called me after - obviously after his raid. So 12:40:30PM  
23 I was - and I remember telling IBAC that I had spoken to 12:40:34PM  
24 him and he had made me aware. But he hadn't - - - 12:40:38PM  
25 I just put that to you a moment ago and you said you didn't 12:40:43PM  
26 think that was correct?---No, no, correct me if I'm wrong, 12:40:46PM  
27 Commissioner; you're saying that - you were saying that he 12:40:50PM  
28 visited my house before. He didn't visit my house before. 12:40:53PM  
29 It was after we all got raided. But he did make contact 12:40:56PM

1 with me to say, 'You're on the list. Just letting you 12:41:00PM  
2 know.' I said, 'Well' - and when they did turn up 12:41:05PM  
3 I wasn't surprised. 12:41:10PM  
4 Yes. Thank you. Yes, Mr Tovey. 12:41:11PM  
5 MR TOVEY: So your initial contact was him ringing you up, was 12:41:18PM  
6 it?---I'm pretty sure it was a phone call of him making me 12:41:23PM  
7 aware. 12:41:30PM  
8 And how long after he was raided was it that he rang 12:41:31PM  
9 you?---I can't recall. I don't - - - 12:41:35PM  
10 Did he say to you, 'IBAC has just been to raid my 12:41:36PM  
11 house'?---I can't recall exact words, Mr Tovey, but - - - 12:41:41PM  
12 Then he says to you, 'Your name's on the list. I just wanted 12:41:46PM  
13 to let you know'; is that right?---Yes. 12:41:50PM  
14 Is that all that was said?---From my recollection, yes. 12:41:54PM  
15 So it was a very short phone call?---There may have been other 12:41:59PM  
16 things said - - - 12:42:04PM  
17 I want you to be very - this is not a phone call which 12:42:06PM  
18 I suggest to you you readily forget. Somebody's ringing 12:42:09PM  
19 you to say, 'IBAC is going to come and knock on your 12:42:14PM  
20 door.' Now, what I want you to tell me is precisely what 12:42:18PM  
21 was said during that conversation, if you wouldn't 12:42:22PM  
22 mind?---It was about my name was on the list. I can't 12:42:25PM  
23 tell you precisely because it was a while ago. But I was 12:42:30PM  
24 more focused my name was on the list and IBAC were 12:42:33PM  
25 possibly coming to my house. What else was discussed? 12:42:38PM  
26 I can't remember. 12:42:43PM  
27 Well, you tell me. What was discussed? He says to you, 'Your 12:42:43PM  
28 name is on the list. IBAC is coming.' What else did you 12:42:47PM  
29 say to one another in the course of that 12:42:51PM

1 conversation?---I don't recall, Mr Tovey, because - 12:42:54PM  
2 I honestly don't recall. 12:42:57PM  
3 Did you have any conversation as to what it was they might be 12:43:00PM  
4 after?---No; not as far as I remember, no. I wasn't 12:43:03PM  
5 worried at the time, Mr Tovey. 12:43:08PM  
6 I just want to understand what happened during this 12:43:11PM  
7 conversation. So you hang up the phone having no idea why 12:43:15PM  
8 it was that IBAC might be coming to knock on your 12:43:20PM  
9 door?---No. 12:43:27PM  
10 And you hadn't raised that with Mr Aziz in that phone call; 12:43:29PM  
11 that's what you just told me?---No, well - - - 12:43:38PM  
12 Look, I suggest to you that's incredible. I mean, logically, 12:43:41PM  
13 given what you're saying about the nature of your 12:43:50PM  
14 relationship, you understand what I'm putting to you that 12:43:55PM  
15 it must be the case, if he's rung you to say, 'IBAC is on 12:43:58PM  
16 the way around,' if you're an innocent man you'd ask him, 12:44:04PM  
17 'Well, why on earth would they want to see me,' but you 12:44:08PM  
18 say that didn't happen?---It may have been discussed, 12:44:13PM  
19 Mr Tovey. I can't recall. And again I would be lying if 12:44:15PM  
20 I did say it when I don't recall exactly - you're asking 12:44:19PM  
21 me what exactly was the discussion. I can't recall the 12:44:22PM  
22 exact discussion. 12:44:25PM  
23 You knew - look, the situation is when he first contacted you 12:44:30PM  
24 you knew why IBAC was coming, did you not?---Coming to me? 12:44:36PM  
25 Yes?---No. 12:44:42PM  
26 COMMISSIONER: Mr Tovey, I see the time. When you've completed 12:44:50PM  
27 this particular point we might then adjourn and give 12:44:54PM  
28 Mr Nehme a break. 12:44:58PM  
29 MR TOVEY: Well, I have completed that particular point, 12:45:02PM

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Mr Commissioner.

COMMISSIONER: All right. So we'll adjourn until 1.30,

Mr Nehme. Have some lunch, talk with Ms Borg and we'll see you at 1.30?---Thank you, Commissioner.

<(THE WITNESS WITHDREW)

LUNCHEON ADJOURNMENT

12:45:04PM  
12:45:05PM  
12:45:08PM  
12:45:12PM  
12:45:15PM  
12:45:16PM