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TRANSCRIPT OF AFTERNOON PROCEEDINGS

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INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

THURSDAY, 29 OCTOBER 2020

(4th day of examinations)

BEFORE THE HONOURABLE ROBERT REDLICH AM, QC

Counsel Assisting: Mr Paul Lawrie  
Mr Joseph Amin

OPERATION ESPERANCE INVESTIGATION

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

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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 Haritos, are you able to hear clearly?

2 I think you're on mute at the moment, Mr Haritos?

3 MR HARITOS: Can you hear me now?

4 COMMISSIONER: Yes, we can, thank you. So please commence the  
5 recording, if you would. It is Thursday, 29 October,  
6 approximately 2.30 pm. Mr Haritos, I'm the IBAC  
7 Commissioner. I'm conducting this examination pursuant to  
8 Part 6 of the Independent Broad-Based Anti-Corruption  
9 Commission Act 2011. Mr Paul Lawrie will be counsel  
10 assisting, and I authorise him to examine you.

11 This is what we call an inquisitorial process,  
12 that is we're not bound by the rules of evidence, although  
13 I should say that in the main we will follow the rules of  
14 evidence and the procedures which would ordinarily be  
15 followed in a court of law. Counsel assisting the  
16 Commission will ask you questions. I may also ask you  
17 questions as well, and following the completion of our  
18 questions Mr Collin, who I understand appears on your  
19 behalf, will have the opportunity to ask you further  
20 questions or to clarify any answers that you've given or  
21 add anything that you wish to.

22 The examination is being conducted by audiovisual  
23 link pursuant to Division 3 of Part 3 of the COVID-19  
24 Omnibus (Emergency Measures) (Integrity Entities)  
25 Regulations 2020. Witnesses and legal representatives are  
26 not required to stand at the commencement, breaks or end  
27 of the examination or when taking their oath or making an  
28 affirmation. Legal representatives should mute their  
29 microphone, however, unless it is for the purpose of

1 addressing me or counsel assisting during the course of  
2 the examination.

3 If, Mr Haritos, you or Mr Collin cannot hear what  
4 is being said, you should immediately raise your hand or  
5 indicate in some way that you're having difficulty hearing  
6 and we will clarify the problem. If at any stage you do  
7 not understand the questions, Mr Haritos, or would like  
8 them to be repeated, you need only say so and that will  
9 occur.

10 Please, you should advise the Commission  
11 immediately if you would like to have a break at any stage  
12 during the examination or if you want to confer with  
13 Mr Collin during the course of the examination, and we  
14 will make time for you to do so.

15 I authorise you, Mr Collin, to attend and to  
16 represent Mr Haritos. I remind you, however, that as his  
17 legal representative the non-disclosure obligations with  
18 respect to restricted matters specified in Mr Haritos's  
19 confidentiality notice also apply to you.

20 As the examination is being conducted virtually  
21 using an audiovisual link, no unauthorised persons should  
22 be present in any room from where the livestream of  
23 the virtual examination is taking place or be able to hear  
24 those proceedings.

25 <GEORGE HARITOS, sworn and examined:

26 COMMISSIONER: It's now necessary for me to advise you,

27 Mr Haritos, as to the nature or scope of the matters about  
28 which you'll be questioned. You'll be asked about your  
29 knowledge of and responsibilities of the transparency and

1 integrity of major services procurements and tendering  
2 processes within the public transport sector in Victoria,  
3 including but not limited to conflicts of interests,  
4 undeclared relationships and gifts to public officers that  
5 may give rise to actual or perceived corrupt conduct; the  
6 nature and history of your relationship with James Pinder,  
7 chief executive officer at V/Line, and Peter Bollas, head  
8 of fleet operational support, Metro Trains Melbourne,  
9 including the frequency and the nature of your  
10 communications with them; whether you or other owners,  
11 directors, officers, employees, subcontractors,  
12 associates, representatives or agents of Transclean  
13 Facilities Pty Ltd have sought to improperly influence  
14 procurement decision making through providing direct or  
15 indirect benefits to public officials, particularly in  
16 your dealings with James Pinder and Peter Bollas, in order  
17 to gain favourable contract and procurement decisions for  
18 Transclean's benefits; and, finally, the nature and level  
19 of your knowledge and involvement in Transclean's  
20 contracts with V/Line and Metro Trains Melbourne,  
21 including the variations made to those contracts, the  
22 reasons for those variations, relevant audit processes and  
23 reports, payments to Transclean arising from those  
24 contracts, and the performance of Transclean's obligations  
25 under relevant legislation and those contracts.

26 Mr Haritos, at the time that you were served with the  
27 summons to attend here did you receive a document titled  
28 'Statement of rights and obligations'?---Yes.

29 And has Mr Collin or any other lawyer explained the content of

1           that document to you?---Yes.

2   Do you understand the content of the document or do you wish to  
3           be informed of your rights and obligations again or have  
4           any aspect of them explained to you?---I do understand.

5   You understand. Very good. So, just by way of summary, your  
6           obligation is to answer questions that you're asked unless  
7           you have a reasonable excuse for not doing so. You must  
8           answer the questions even if they may incriminate you or  
9           make you liable to a penalty. You must answer the  
10          questions truthfully, otherwise you may expose yourself to  
11          the risk of a perjury charge, which carries a penalty of  
12          up to 15 years imprisonment, and, importantly, if you  
13          answer the questions truthfully, then such answers are not  
14          admissible and cannot be used against you in any court,  
15          the exception being in particular if you gave a false  
16          answer, an untruthful answer, then the answer could be  
17          used on a perjury charge. Now, I want to say something to  
18          you that I say to every witness that is required to attend  
19          for Commission examination. Counsel assisting will ask  
20          you some questions which might be described as open-ended  
21          questions, meaning that there will be no suggested answer,  
22          no facts suggested in the question that indicate that  
23          counsel assisting knows what the answer is. But you  
24          shouldn't assume that because it's an open-ended question  
25          counsel assisting doesn't already know the answer; and if  
26          you've been following any of the livestream of the last  
27          three days you will understand that this is already an  
28          investigation which has been ongoing for some time, and so  
29          counsel assisting will already have a substantial amount

1 of information that is available to him. So what I urge  
2 you to do, Mr Haritos, is to ensure that your evidence is  
3 both accurate and truthful; do you follow?---Yes,  
4 Mr Commissioner.

5 Yes, Mr Lawrie.

6 MR LAWRIE: Thank you, Commissioner.

7 WITNESS: Mr Commissioner, before we proceed - - -

8 COMMISSIONER: Yes?---I'm happy to answer all the questions.

9 In Mr Bollas's examination - - -

10 MR COLLIN: Sorry, Commissioner, can I first say something,  
11 please, before Mr Haritos makes any statement?

12 COMMISSIONER: No, I'm sorry, Mr Collin, I thought your client  
13 wanted to say something to me.

14 MR COLLIN: Just before he does - - -

15 COMMISSIONER: Is it that you know what he's going to say?

16 MR COLLIN: No, it's nothing to do with what he's going to say.

17 COMMISSIONER: Very good.

18 MR COLLIN: It's in reference to - attached to the witness  
19 summons is a statement of rights and obligations in  
20 relation to an investigation, which you've referred to,  
21 and at the bottom of p.5 it talks about privilege at an  
22 examination, and it says you may claim a privilege. So it  
23 seems to invite the witness to claim a privilege, and  
24 Mr Haritos would like to claim that privilege.

25 COMMISSIONER: Yes. In the abstract?

26 MR COLLIN: A blanket privilege as to all the evidence that  
27 he's going to give at this hearing.

28 COMMISSIONER: No, I don't follow.

29 MR COLLIN: Well - - -

1 COMMISSIONER: Mr Collin, it's a privilege in relation to all  
2 of the evidence that he is going to give.

3 MR COLLIN: Yes.

4 COMMISSIONER: Or is it a privilege that he's relying upon to  
5 avoid giving evidence?

6 MR COLLIN: No, no, it's a privilege as to all the evidence he  
7 is going to give.

8 COMMISSIONER: Yes. Obviously you have instructions. It might  
9 be better if you explain to me what is the privilege that  
10 he's wishing to claim.

11 MR COLLIN: Only the privilege set out in that section. But it  
12 says 'you may claim the privilege'.

13 COMMISSIONER: Yes. There are defined privileges at law. For  
14 example, there's a privilege about releasing legal  
15 professional advice that's been given.

16 MR COLLIN: Yes.

17 COMMISSIONER: So if that were to become an issue then he might  
18 be able to claim a privilege in relation to such a matter.

19 MR COLLIN: Yes.

20 COMMISSIONER: There are other recognised privileges at law,  
21 Mr Collin, and if any of those arise during the course of  
22 the evidence no doubt Mr Haritos will look to you to  
23 assist him in making a claim of privilege when and if it  
24 arises in relation to any particular question.

25 MR COLLIN: Yes.

26 COMMISSIONER: Do you follow?

27 MR COLLIN: I do.

28 COMMISSIONER: Very good. Yes, Mr Haritos, what is it you  
29 wanted to say?---Mr Commissioner, as I was beginning to

1 say, in Mr Bollas's examination he made a reference to  
2 COVID sanitisation - - -

3 I'm sorry, what was that?---He made a reference to the COVID  
4 sanitisation program. In the way that Mr Bollas put it,  
5 it may raise some public concerns as to the effectiveness  
6 and - the service that we carry out. I can - as of my  
7 latest report from the government, Greencap that's doing  
8 the report, I can assure you that - and I can hold it up  
9 for you - is that the compliance score is 100 per cent.

10 Yes. Mr Haritos, no doubt counsel assisting is going to ask  
11 you some questions in the course of your evidence about  
12 those issues, and that will enable you to give as fulsome  
13 an answer as you think is necessary when those issues  
14 arise. Do you follow?---I do follow, Mr Commissioner, but  
15 I just didn't want the public to be alarmed thinking that  
16 the trains won't be safe for travel.

17 Very good?---Thank you.

18 COMMISSIONER: Yes, Mr Lawrie.

19 MR LAWRIE: Thank you, Commissioner.

20 <EXAMINED BY MR LAWRIE:

21 Mr Haritos, coming up on the screen in front of you is going to  
22 be a copy of the summons, the covering letter, the  
23 statement of rights and obligations, and the  
24 confidentiality notice. This is being put on the screen  
25 before you so that you can identify those as being the  
26 documents that came to you when the summons was served on  
27 14 October of 2020. The statement of rights and  
28 obligations largely lifts from the relevant legislation.  
29 We will speed through that a little faster. But the

1 purpose is for you to identify these documents as they  
2 scroll past. Can you see them in sufficient detail for  
3 that purpose?---Yes, I do.

4 Thank you.

5 COMMISSIONER: You might, Mr Lawrie, just summarise what those  
6 documents are.

7 MR LAWRIE: Thank you. We'll just stop there. The first three  
8 pages, you've just seen the covering letter; is that  
9 correct?---Yes.

10 And on p.4 we see the witness summons to you?---Yes.

11 And that goes through to p.5. Then commencing on p.6, if we  
12 can stop there, please, is the statement of rights and  
13 obligations that you received together with the covering  
14 letter and the summons?---Yes.

15 Thank you. Go forward, please. And if we stop there we now  
16 see the confidentiality notice that was also attached with  
17 these documents?---Correct.

18 Okay. Continue on, please. And we see there further  
19 explanation from the legislation in terms of the  
20 confidentiality notice; you agree with that?---M-hmm.

21 And then finally we see a cover page which lists the documents  
22 that we have just spoken about. Mr Haritos, do you agree  
23 that they're the documents that were served upon you on  
24 14 October 2020?---They are.

25 I tender those as a bundle, Commissioner. Sorry, Commissioner,  
26 you're on mute.

27 COMMISSIONER: GH1.

28 #EXHIBIT GH1 - Bundle of documents served on Mr Haritos.

29 MR LAWRIE: Thank you, Commissioner. Mr Haritos, you operate a

1 firm called Transclean Facilities Pty Ltd, don't  
2 you?---Correct.

3 And who is - can I put it this way. That company is owned by  
4 AES Pty Ltd, isn't it?---Also correct.

5 I'm sorry, you'll have to say that again?---Also correct. It  
6 is.

7 I might just say the audio quality is not fantastic at your  
8 end. So you might just need to move forward a little bit.  
9 Thank you. And you are a co-owner and director of  
10 AES Pty Ltd?---Correct.

11 And who is the other co-owner and director?---Alex Kyritsis.  
12 Okay. When was that company incorporated?---Some 35 years ago,  
13 give or take.

14 Have you owned it that whole time?---Yes, I have.

15 And in 2010 you had incorporated Transclean Facilities Pty Ltd  
16 as a wholly owned subsidiary of AES Pty Ltd, didn't  
17 you?---Yes.

18 AES Pty Ltd went into administration in 2009, though, didn't  
19 it?---Correct.

20 Why did it go into administration?---It went into  
21 administration. It wanted to deal with its tax liability  
22 they had the time.

23 Sorry, because of tax liabilities the company had at the time;  
24 is that right?---Correct.

25 Nonetheless, despite the fact that it was under - it was a  
26 voluntary administration, I take it?---Yes, it was.

27 Despite that being the situation, Transclean was brought into  
28 being as a wholly owned subsidiary in 2010 and it remains  
29 as an incorporated company today, as an incorporated

1           entity?---It does.

2   Now, I'm sorry, you said the other owner and director of AES

3           was who?---Alex Kyritsis.

4   How long have you known Mr Kyritsis for?---Ever since he met my

5           sister, some 38 years ago.

6   So he's been your brother-in-law for 38 years?---Correct.

7   Have you been in business with him for that long?---At least

8           35 years.

9   And has it always been in the cleaning services industry?---It

10          has.

11   That you've been in business together?---It has.

12   Now, you are a director of other companies as well, aren't

13          you?---Correct.

14   Are you a director of a company known as Bega - B-e-g-a -

15          Nominees Pty Ltd?---I am.

16   And was that incorporated in July of 1994?

17   COMMISSIONER: Mr Haritos, this is not a memory test. So it's

18          perfectly permissible for you to say 'I can't be precise'

19          or 'I don't remember', if that be the case?---I can't be

20          precise, but - - -

21   MR LAWRIE: Sounds about right?---Thereabout.

22   I can take you to the extracts from the regulator if required.

23          Are you one of four directors and four owners of that

24          company? Do you own 25 per cent and are you a co-director

25          with three others?---I'm not sure how many directorships

26          that particular company has, but I do own one-quarter.

27   You own one-quarter. Can I suggest this: you own one-quarter,

28          your wife owns a quarter, Mr Alex Kyritsis owns a quarter

29          and his wife owns a quarter?---That seems to be the case.

1 That's right? And you are - all four of you - directors as  
2 well; is that right?---I'm not familiar with the ASIC  
3 register.  
4 We might go to it in a moment. Before I do that, what sort of  
5 business does Bega Nominees do?---Property ownership.  
6 And that's the only business it does?---Correct.  
7 Does it develop property or just own property for  
8 rental?---Rental property, passive investments.  
9 I'm sorry?---Passive investment.  
10 Passive rental investment?---Yes.  
11 Okay. Thank you. You would be aware of another company called  
12 Grattan Heights Pty Ltd?---Yes.  
13 You're a director of that with Alex Kyritsis?---Correct.  
14 But that's a company that appears to be wholly owned by Alex  
15 Kyritsis; do you agree with that?---I agree with that.  
16 What does Grattan Heights Pty Ltd do?---Property ownership.  
17 Is that the same sort of enterprise as Bega, that it's  
18 passive - - -?---Passive investment.  
19 Passive investment with a rental income?---Correct.  
20 Is that right?---Yes.  
21 There is another company I want to ask you about, Jinacan -  
22 J-i-n-a-c-a-n - Pty Ltd. That is another company that you  
23 are a one-quarter owner of and one of four directors of;  
24 is that right?---No, I don't think you're up to date.  
25 I think it's two owners and two directors.  
26 Okay. Who are the owners of it?---Myself and Alex Kyritsis.  
27 Okay. And are you 50 per cent owners of it?---Yes.  
28 And are you both directors of it?---Yes.  
29 And what sort of enterprise is Jinacan Pty Ltd involved

1 in?---Again, passive investment.

2 And those three companies which obviously have real estate  
3 holdings, do they engage in any other business activity  
4 other than those holdings and the receipt of rental  
5 income?---To the best of my knowledge, no.

6 And obviously being a director of all three you would know if  
7 they engaged in any other form of business, wouldn't  
8 you?---I would, and I don't believe so that they do.

9 Okay. Have you been in a position to follow these proceedings  
10 from their start on Monday morning?---Most of the time,  
11 yes.

12 Please don't think that I'm suggesting that there's anything  
13 improper in this because there isn't, but have you  
14 followed the webstream or the livestream of  
15 the proceedings on Monday?---I have followed most of the  
16 proceedings on Monday.

17 But can I ask you what's the position with Tuesday, Wednesday  
18 and this morning?---Same.

19 Same. When you say most of it, how much do you think you might  
20 have missed?---Very little. Mostly if I was making phone  
21 calls and responding to emails or such.

22 I understand?---I would have captured 95 per cent of it.

23 Thank you for that indication. That is helpful. On the back  
24 of that information, you obviously understand that much of  
25 what I will ask you is about your relationship with James  
26 Pinder. When did you first meet him?---To the best of my  
27 recollection, I would have met James late January 2013,  
28 weeks upon arriving in Australia.

29 Say that again, sorry?---Mid- to late January 2013, I think

1           that's when he arrived in Australia.

2   And how did you come to meet him at that time?---At that time

3           I met him I had an ongoing dispute with Metro for quite a

4           few months. It resulted in litigation. We were involved

5           in a bit of a trench warfare. I took the initiative of

6           organising a meeting with [REDACTED], the CEO, and

7           following that meeting all our issues was resolved, and

8           Mr James Pinder was introduced to me to restore and

9           finalise our differences.

10   Perhaps if we start there. There was litigation that was

11           commenced - - -?---2012.

12   Between you and Metro?---Correct.

13   Arising out of the carriage cleaning contract that you had with

14           Metro; is that right?---That is correct.

15   There were essentially two contracts that you had with Metro at

16           that time. You had contract for provision of cleaning

17           services for stations and similar infrastructure;

18           yes?---Yes.

19   And then you had a separate contract which was for the

20           provision of cleaning services to rolling stock and

21           carriages?---Also correct .

22   And the dispute started - well, first of all, when did you

23           commence litigation against Metro arising out of the

24           carriage contract?---As good as I can remember, probably

25           four months before. So about September 2012.

26   2012 or 2011?---2012, I believe.

27   2012; okay. Were the proceedings issued in the County Court or

28           the Supreme Court?---I believe in the Supreme Court.

29   And how much were you suing for?---I cannot recall because

1           there was a brief for litigation and it was resolved  
2           rather quickly.

3   According to your memory, how long was the litigation alone  
4           for?---Maybe four months, maybe less.

5   You were claiming for payments that you said you were due for  
6           services that you had rendered; is that right?---That was  
7           one, yes.

8   And was Metro counter- - did they have a defence or a  
9           counterclaim suggesting failure of Transclean to perform  
10          contractual obligations?---Also my claim was against bogus  
11          non-performances notices.

12   Yes. So they had issued non-performance notices under the  
13          contract?---Correct.

14   And that became part of the litigation?---It did.

15   The meeting that you described with the then CEO of Metro, how  
16          far did that get to settling the litigation between you  
17          and Metro?---How long did it take?

18   I'm sorry, I couldn't understand that?---How long did it take  
19          to settle the litigation with Andrew?

20   No, the meeting that you described that you had with the CEO of  
21          Metro, did that finalise the litigation or was it just the  
22          start of negotiations that then had to deal with all the  
23          details of the settlement? Did you do the deal at that  
24          meeting, or did Mr Pinder come in after the meeting and  
25          set the stage to do the deal?---Me and [REDACTED] agreed on  
26          our differences, and Mr Pinder came in to finalise the  
27          amounts of money that was owed to me.

28   So would you describe Mr Pinder's role as to put into action or  
29          to put into effect essentially the matters that had been

1           agreed upon between you and the CEO?---Correct.

2   Is it as a result of that interaction with him that you

3           developed a relationship with Mr Pinder?---Yes, it was.

4           It was the first time that I met him, and we probably met

5           on two or three occasions to prepare the settlement.

6   So is that two or three occasions during 2013?---Correct, over

7           a period of maybe two, three weeks.

8   And, if I was to suggest to you that the litigation was finally

9           and formally settled by a deed of settlement and release

10          in September 2013, that would accord with your memory as

11          to the timing?---Yes.

12   That's September 2013; okay?---I haven't got the documents, and

13          it's so long ago, but it seems about right.

14   Okay. By that time would you describe yourself as having

15          developed a friendship with Mr Pinder?---I probably

16          developed a friendship with Mr Pinder earlier than that,

17          following our meetings. He was new in Melbourne and, not

18          having any friends here and so forth, we did develop a

19          friendship, a lot of things in common. Premier League and

20          Chelsea featured a lot. As it turned out - - -

21   Sorry, you are talking Premier League soccer, Chelsea Football

22          Club and fishing, are you?---No, fishing I excluded.

23          Mostly with the Premier League and Chelsea, which he had a

24          passion for.

25   Which he had a passion for?---Correct. And James lived in

26          Tribeca Apartments in East Melbourne, and about a block

27          away every two - twice a month I would take all my

28          management staff out to dinner, and Mr Pinder was invited

29          along, where he met my management staff and friends of.

1 Now, I might break away from Mr Pinder for a moment to ask you  
2 about your management staff. I would like to understand,  
3 please, who does what at Transclean. Perhaps we can start  
4 with that time, at 2013. I would like you to just turn  
5 your mind to various people, whether they were there in  
6 2013, and then I'll ask you what the situation is today,  
7 obviously?---Yes.

8 But, as at 2013, through AES Pty Ltd you could be thought of as  
9 a half-owner of Transclean Facilities Pty Ltd?---Yes.

10 And the same could be said, albeit that it's through the  
11 mechanism of AES, that Alex Kyritsis was also a director  
12 and half-owner?---I believe so, Mr Lawrie.

13 And, as you've said, he was your brother-in-law of some  
14 35 years, or perhaps - - -?---Correct.

15 A shorter period of time back then, of course, but a  
16 longstanding brother-in-law. Your wife, did she ever have  
17 a role at Transclean?---Never.

18 Okay. Now, Alex Kyritsis has a nephew Steven Kyritsis? That  
19 is a nephew by marriage, as I understand it; is that  
20 right?---Incorrect, Mr Lawrie. Alex Kyritsis is a son.

21 Son; my apologies. Sorry, that's my fault. So he's your  
22 nephew by marriage, I meant to say?---Correct.

23 Thank you. Thank you for that. And were both Alex and Steven  
24 working there at Transclean back in 2013?---Yes.

25 Marie Tsakopoulos, is her first name properly said as 'Marie'  
26 or 'Maria', or does she go by both?---Goes by both.

27 And she works for Transclean?---Currently, yes.

28 When did she start with Transclean?---About 2014 or - I'm not  
29 quite sure, but appears to be the right timing.

1 About 2014. Do you know what she did before she joined  
2 Transclean?---For a number of years she was facility  
3 manager at Downer Engineering.  
4 And Downer Engineering does work in the railway industry,  
5 doesn't it?---Across the board.  
6 And what role does she currently perform at  
7 Transclean?---Contract manager for V/Line.  
8 To manage the V/Line - - -?---Contract.  
9 Contract, okay. When did she start performing that  
10 role?---Upon commencement in 2018.  
11 Upon commencement of the contract in 2018?---Correct.  
12 What was her role before the V/Line contract came into  
13 being?---For a number of years she was one of two contract  
14 managers for Metro stations.  
15 For the Metro stations contract?---That's correct.  
16 Did she ever have a role managing the Metro carriages  
17 contract?---No.  
18 Okay. Now, [REDACTED], does she have a role at  
19 Transclean or not?---No, she doesn't.  
20 Do you know her?---Yes, I do.  
21 And she's the sister of Marie Tsakopoulos; is that  
22 right?---Dual relationship. Also the wife of [REDACTED]  
23 [REDACTED], who is an assistant contract manager for V/Line.  
24 I see. So there's two connections?---Correct.  
25 She's both the sister of Marie Tsakopoulos and also the wife of  
26 [REDACTED] who - sorry, what role does [REDACTED]  
27 play at Transclean?---Paul assists Marie in the management  
28 of the V/Line contract. So assistant contract manager.  
29 Okay. So [REDACTED] reports to Marie Tsakopoulos in that

1           role, does he, or is he her second-in-charge, if I can put  
2           it that way?---Parallel in charge. [REDACTED] is more  
3           responsible for the original contract in V/Line.

4   Okay. Are there any other personnel within the management of  
5           Transclean that I haven't covered, that I haven't named,  
6           that are important personnel in the management  
7           structure?---In which contract?

8   For Transclean across the board?---Well, we've got [REDACTED]

9           [REDACTED].

10   What does he do?---He's my general manager. I've got Norma  
11           (indistinct), who is my contract manager for Metro Trains.

12   Yes?---I've got Steven Kyritsis, who assists Norma in the  
13           managing of Metro Trains.

14   I think we've mentioned Steven already, but yes. And does that  
15           cover it, once we include those extra two names?---It does  
16           cover it.

17   COMMISSIONER: How long, Mr Haritos, has Steven been in that  
18           role?---In the last four years maybe, five.

19   MR LAWRIE: What's the situation with the workforce of  
20           Transclean? Are they - that is the workers that go out  
21           onsite and actually do the cleaning, are they employees or  
22           contracted or subcontracted? What's the  
23           arrangement?---Direct employees, casuals, and certain  
24           aspects on a subcontract basis.

25   I'm sorry?---Casuals, direct employees, and from time to time  
26           subcontract labour may be brought on board.

27   Without including the time-to-time subcontracted workers, how  
28           many employee workers does Transclean have?---There's  
29           Transclean, there's AES Services and there's Proclean,

1           which manages the payroll.  
2 I see?---Between three - maybe 300.  
3 So under the umbrella of AES do I understand that Transclean  
4           has the operational side of the business, and then the  
5           human resources side of the enterprise is under the  
6           umbrella of Proclean; is that right?---The payroll.  
7 So Proclean is the employer?---Yes, Proclean is the employer.  
8 But employing them to do services that have been contracted for  
9           by Transclean?---Correct.  
10 Okay. Thank you.  
11 COMMISSIONER: Mr Lawrie, what's the connection between  
12           Proclean and Transclean?  
13 MR LAWRIE: Certainly. I will ask that question, Commissioner.  
14           Who are the owners of Proclean?---Arthur Suantaros,  
15           I believe.  
16 Okay.  
17 COMMISSIONER: It's a company that's at arms-length from you,  
18           is it, Mr Haritos?---It is.  
19 MR LAWRIE: Do you know if Mr Suantaros owns it with anyone  
20           else or solely?---I'm not sure on that one, Mr Lawrie.  
21 Do you know who the directors of Proclean are?---I don't. My  
22           accountant will have all those details.  
23 But at least as we sit here it's Mr Suantaros, who is Proclean,  
24           who is the employer of the personnel that are utilised for  
25           the delivery of services that have been contracted for by  
26           Transclean?---And Transclean manages the payroll and all  
27           its liabilities.  
28 I see, okay. The two contracts that you had at Metro, you had  
29           the station contract and the carriage contract. The

1 station contract which was for both stations and depots,  
2 that is to provide cleaning services, started in November  
3 2010, didn't it?---With Metro, yes.

4 And was that a three year plus two year plus two year  
5 contract?---Yes, it was, Mr Lawrie.

6 And you also had - the carriage contract, did that start just a  
7 few months later in February 2011?---That is correct.

8 Was that also a three year plus two year plus two year  
9 contract, yes?---Yes, it was.

10 So both contracts come up for their first option, if I can put  
11 it that way, at the end of three years in 2013 or 2014.  
12 As at 2014, the three-year anniversary for the carriage  
13 contract, you've got past that litigation; that litigation  
14 has been settled. Were there any ongoing problems between  
15 you and Metro in respect of that contract in 2014 at the  
16 time it was coming up for its first option?---No, there's  
17 no issues.

18 How much revenue was coming to Transclean from that contract at  
19 that time in 2014?

20 COMMISSIONER: I'm sorry, which contract, Mr Lawrie?

21 MR LAWRIE: The carriage contract with Metro, Commissioner.

22 COMMISSIONER: Thank you.

23 MR LAWRIE: Mr Haritos, I'm not asking you to be precise, but  
24 in terms as best you can recall what revenue was flowing  
25 to Transclean as a result of that carriage contract by the  
26 time of its third birthday in 2014?

27 COMMISSIONER: Do you mean gross revenue?

28 MR LAWRIE: Gross revenue, yes?---Mr Lawrie, it will only be a  
29 guess. Maybe in the vicinity of three to 4 million, and

1           that's only a guess.

2   Were you having any ongoing difficulties with Metro as that

3           contract came up to its third birthday?---None whatsoever.

4   None whatsoever.   Were you now engaged in regular

5           communications with Mr Pinder?---No, after the litigation

6           process my engagement with Mr Pinder with work was less

7           limited.

8   I think you might mean to say 'more limited'; is that

9           right?---With work less limited, but we still maintained a

10          friendship and - - -

11   Okay, I understand.   Did he have any involvement with you when

12          discussions were had at the time of exercising the first

13          option on that contract?---None whatsoever.   That was

14          organised at my meetings I had with [REDACTED].

15   I see.   That extension or, sorry, the exercise of that option

16          was discussed directly between you and the CEO, was

17          it?---Correct.

18   You understand at the end of 2017 Mr Pinder left Metro, is that

19          right?   Sorry, end of 2015, I mean to say?---Yes, that

20          seems to be correct.

21   And he went back to the UK for a time, didn't he?---He went to

22          the UK.

23   And of course during this first period that we've been talking

24          about did you come to meet Mr Peter Bollas?---Peter Bollas

25          I would have met around about 2015, 2016.   It seems about

26          right.   I can't remember exactly.

27   How did you come to meet him?---I met him at a restaurant in

28          Johnstone Street where Mr Pinder used to bring a lot of

29          his staff from work to that particular restaurant, and

1           that's where we were introduced.

2   Did you become friends with Mr Bollas?---Mr Bollas, 2015,  
3           probably saw him three times a year.

4   And was that always socially or were there any business related  
5           interactions?---Only work related, and maybe eight, 10  
6           phone calls all year.

7   And what sort of work related interactions were you having with  
8           Mr Bollas?---Very minimal.

9   Could they be described as contract management  
10          discussions?---The rolling stock contract, 95 per cent.  
11          Our involvement with the train is with the train  
12          presentation officers.

13   I see?---And that has been the case for the last 30-odd years  
14          or so, or 25.

15   COMMISSIONER: You mentioned you met Mr Bollas when you joined  
16          Mr Pinder and his staff for a luncheon?---It was at a  
17          dinner, Mr Commissioner.

18   A dinner, was it?---Correct.

19   Do you know why you were invited?---We met at the restaurant.  
20   No, but was it just - were you invited to attend the  
21          dinner?---No. Twice a month I will have a table for my  
22          management staff. As it turned out, Mr Pinder was invited  
23          on a number of occasions and because he lived a block  
24          away, and he liked the restaurant, he would bring a lot of  
25          his staff with him. That's how we met.

26   But on the occasion that you said - - -?---I was introduced to  
27          Peter.

28   Yes?---Being involved with rolling stock.

29   I see?---And being Mick and Gary's boss.

1 Thank you.

2 MR LAWRIE: Again talking about both the carriage contract and  
3 the station contract that you had with Metro, we  
4 understand that they had at their maximum seven-year  
5 terms?---Correct. The end of that franchise.

6 Sorry, that's designed to coincide with the end of the Metro  
7 franchise, did you say?---Correct. Seven years.

8 When the station contract came to an end in 2017 did you tender  
9 for the renewal for the new contract?---Yes, I did.

10 Do you know who else tendered for it?---Most of the major  
11 companies.

12 And those major companies, companies such as ISS Facilities  
13 Services; is that right?--Correct.

14 GJK?---GJK, Spotless, maybe some interstate companies.

15 Is Wayne one of them?---No. Wayne's would not have been one of  
16 them.

17 They're not a player as far as you're concerned?---To that  
18 level, no. They might have been, but I'm just saying that  
19 going to walkthroughs and tender briefings and so forth,  
20 I could not recall seeing Wayne there. They might have  
21 been.

22 So I appreciate that these enterprises are your competitors,  
23 but some you would regard as at the same level you are and  
24 serious competitors and others you wouldn't; is that  
25 right? For example, Spotless is a big player?---Spotless  
26 is a big player, yes.

27 But you don't regard Wayne as being a genuine competitor to you  
28 in terms of big contracts that you might tender for; is  
29 that right?---That is right.

1 Okay. Were there any difficulties that you were encountering  
2 with Metro when you were coming up to the - well, the  
3 tender process for the new stations contract after  
4 2017?---None whatsoever.

5 Was there any particular reason you felt that you lost that  
6 contract to a competitor?---Obviously we went through a  
7 stringent procurement process, as you would expect from an  
8 organisation the size of Metro, and a decision was made  
9 and you accept the decision.

10 Of course, but it must have represented a significant impact on  
11 the revenue to Transclean to lose a major contract like  
12 that; is that right?---Yes, it would have, but that's the  
13 nature of the business.

14 I appreciate that. But in terms of the hit that Transclean  
15 takes to its revenue by not coming in as the new  
16 contractor after 2017 how much revenue did you  
17 lose?---I think the station contract at that time would  
18 have been in the vicinity of 18 million.

19 Per annum?---Per annum.

20 And that compares with a per annum gross revenue value of the  
21 carriages contract of how much at that time?---For Metro?

22 Yes?---Much smaller. In the region of 5 million, Mr Lawrie.

23 Thank you. As I understand it in this pair of contracts the  
24 stations and depots contract is by far the bigger piece of  
25 the puzzle at \$18 million approximate gross revenue and  
26 the - - -?---(Indistinct).

27 And the carriage contract I think you said at four - I think  
28 you said 4 million or 5 million?---In the vicinity of  
29 five.

1 Is the smaller brother of the two contracts?---Correct.  
2 To your understanding - it was ISS Facilities Services that got  
3 the new contract for the stations, wasn't it?---It was.  
4 It still is.  
5 Did you know or understand that the contract that they secured  
6 with Metro was a three plus two plus two contract or  
7 otherwise?---It would be the same terms as my rolling  
8 stock contract.  
9 And so at least at the back of your mind you would have pegged  
10 in 2010 as an opportunity potentially that might come up  
11 to win back that contract, if the option wasn't exercised  
12 by Metro?---2010?  
13 Yes?---We're in 2020 now.  
14 Sorry, you're absolutely right. It's the end of the  
15 day?---2020.  
16 Thank you for correcting me. 2020 you had marked that year off  
17 as the third birthday of the stations contract and perhaps  
18 the first opportunity, if the option wasn't exercised, for  
19 you to win back that business; is that a fair  
20 summation?---Going back three years ago definitely not  
21 would have been a possibility. But since it has become a  
22 possibility.  
23 Can I ask you now about your business with V/Line. You also  
24 secured a contract with V/Line, didn't you, in 2018 to  
25 provide carriage cleaning services?---That is correct,  
26 Mr Lawrie.  
27 Was that the first time you had secured such a contract with  
28 V/Line?---We would have tendered previously, but in 2018  
29 we were successful.

1 Do you recall the earlier years in which you tendered  
2 unsuccessfully?---Not at the top of my head.  
3 Maybe - maybe 10 years ago.  
4 Okay. When did you start the tender process for the 2018  
5 V/Line contract? When did you start preparing the tender  
6 for submission?---We would have gotten an invitation maybe  
7 as early as February. I'm not quite sure.  
8 Now, by that stage we have got Mr Pinder sitting in the chair  
9 as the CEO of V/Line; is that right?---Correct, and he's  
10 been there for some time.  
11 You had re-established contact with him, I presume, after he  
12 spent a short time in England between his tenure at Metro  
13 and then taking up the role of CEO at V/Line?---Yes,  
14 I did.  
15 You will recall that he came back to Australia at the start  
16 of - sorry, at the end of 2016. Did you re-establish  
17 contact with him fairly promptly after that?---I think  
18 I probably established contract when arriving here for  
19 maybe on one occasion. Then, as he said in his  
20 examination, he went back to the UK and he started work  
21 back in January.  
22 Did you keep in contact with him while he was in the  
23 UK?---During his brief spell or his long spell?  
24 Brief spell - well, I call it brief, but it's something in the  
25 order of 12 months or thereabouts?---During the 12 months,  
26 yes, he may have called me a couple of times and vice  
27 versa. He may have called me once and I may have called  
28 him the other time.  
29 And so by the time he comes back to Australia and takes up the

1 post as CEO I presume you knew that was happening and took  
2 the opportunity to re-establish contact pretty  
3 quickly?---It's just we have a very strong friendship, not  
4 only with myself, but also with my management staff and  
5 friends of my management staff.

6 If we can think about this period of time now and moving  
7 forward into 2016 we've got Mr Pinder returned from the  
8 UK, taken up a position as the CEO, what started out as  
9 your interaction with him at the end of the Metro dispute  
10 has become a friendship, has it? That's a fair way to  
11 describe it?---Yes.

12 COMMISSIONER: I'm sorry, can I just intervene. Mr Haritos,  
13 your last answer, 'A strong friendship', that was with  
14 Mr Pinder, and then you added something about your staff.  
15 Who were you referring to in relation to a strong  
16 friendship with your staff?---Probably a strong friendship  
17 with me because we had a lot of things in common, and also  
18 a friendship with my management staff and friends of my  
19 management staff.

20 Yes. You understand the notion of a conflict of interest? Do  
21 you understand that notion, Mr Haritos?---I do.

22 And particularly in the context of the Public Service, was that  
23 friendship of such a nature that Mr Pinder would have had  
24 to declare a conflict of interest?---During the Metro  
25 days?

26 No, let's just make it simple. From the time he came back and  
27 renewed your friendship or continued it, was it a  
28 friendship that you think required him to declare it for  
29 the purpose of conflict of interest?---In my mind there

1           was no conflict of interest.

2   So the answer - it never crossed your mind that it was a  
3           relationship that required any declaration by him as a  
4           public servant?---Upon coming back he said, 'Look,  
5           friends, but it can't be like the Metro days. You know,  
6           we can't be socialising as much as we do. We have to keep  
7           our distance.' And I respected that and we did keep our  
8           distance. But the friendship still remained.

9   Yes, Mr Lawrie.

10   MR LAWRIE: Thank you, Commissioner. So just focusing on this  
11           time, this is the return from the UK by Mr Pinder, he's  
12           taking up the role as CEO. In 2016 or perhaps later in  
13           2017 did you enter into a betting syndicate with  
14           him?---During the Metro days we'd go to the races, we'd go  
15           to Formula One, we'd probably spend some time at the  
16           casino, and I think it was 2017 at a race meeting, a  
17           Chairman's Club lunch, I think there was about six, seven  
18           of us, and over lunch we all put in a couple of hundred  
19           dollars and everybody got a chance to select a race and  
20           make a bet, and I did very well from the group, and then  
21           James suggested that we should do it more frequently,  
22           mostly as a hobby and a challenge.

23   So what you're describing is at a single race meeting where  
24           seven people are together at a lunch, pooling a bit of  
25           money and then making bets at that one race  
26           meeting?---No - - -

27   And comes the idea of a wider syndicate?---Everyone made a  
28           choice to bet on whatever race they chose.

29   Yes?---And a couple of bets that I made turned out to be

1           successful on the day.

2   Was Mr Pinder part of that lunch?---Yes, he was.

3   Was Mr Bollas part of that lunch?---Yes, he was.

4   And so the idea comes for a more permanent betting syndicate,  
5       does it?

6   COMMISSIONER:  No, a hobby, he said.

7   MR LAWRIE:  Hobby, thank you, Commissioner?---Hobby, yes.

8   Did you form a group for that purpose or not?---We started off  
9       initially with - I put in 5,000; James put in 5,000  
10       together with Peter.  I said, 'It fits in with me.'  
11       I think that started in February, and it went on for a few  
12       months.

13   February of what year?---It would have been 2017.

14   So Mr Pinder puts in 5,000.  I didn't understand whether you  
15       and Mr Bollas were putting in 5,000 together or  
16       separately.  What was it?---No - - -

17   COMMISSIONER:  I'm sorry, he said Mr Haritos put in 5,000 and  
18       Mr Pinder and Mr Bollas put in 5,000 together?---That's  
19       the understanding I had at the time.  (Indistinct) as  
20       well.  You know, 'I'll put in for five,' along those  
21       lines.

22   MR LAWRIE:  How long did that group last for?---Not long.  It  
23       may have went for April, May, two, three months maybe.

24   From February 17 for two to three months?---Correct, or  
25       thereabouts.

26   Was it successful?---(Indistinct).

27   I'm sorry, I couldn't hear that?---For that particular brief  
28       period, maybe an even break situation.

29   So you've got a total of \$10,000 in the kitty, it's gambled on

1 horses, is it, on horse racing?---Only on horses and  
2 multiple bets on a Saturday, occasionally mid-week meeting  
3 as well.

4 And so that group had its ups and downs. Was there any ever a  
5 time when people had to - either yourself or Mr Bollas or  
6 Mr Pinder had to put in funds to top up the kitty?---Peter  
7 was never involved in it. It was just - he said, 'I'll  
8 leave it all to James' or something along those line. And  
9 it went on for three or four months. And, as I said  
10 earlier, Mr Lawrie, this was just a - have fun, hobby, and  
11 a challenge. Obviously our livelihoods didn't depend on  
12 it.

13 I understand?---They left it up to me to minimum investment  
14 with a possible maximum return.

15 So it remained alive for two or three months from February  
16 2017. How did it come to an end? Was there any money  
17 left in the kitty or did you just decide to call it quits  
18 and then divide what was left in the kitty?---Probably  
19 decide at the end split what was left in the kitty.

20 There's no worthwhile racing meetings from May until about  
21 September.

22 And when you split the kitty up, as the group came to its end,  
23 how much was left in the kitty that was split?---It could  
24 only be a guess. Out of a starting pool of about 10,000  
25 maybe we split 15, 16, maybe somewhere along those lines.  
26 It wasn't - - -

27 Fifteen or 16?---Take away the 10 so we're left with five,  
28 6,000 profit.

29 I see. So over two to three months that \$10,000 all up made a

1 profit of about five, and that was divided up and the  
2 whole thing comes to an end after a few months?---Correct.  
3 Is that right?---That is correct. And I think that particular  
4 time I spent a bit of time overseas, and I started again  
5 with James in probably a few months after that.  
6 When was that?---It would have happened - - -  
7 Can we call that group number 1 that we've just talked about?  
8 So we might come back and ask some more questions about  
9 it. We'll call what just happened, those few months from  
10 February to March or April 2017, we'll call that group  
11 number 1; okay? Are we now talking about a second  
12 enterprise, are we?---Then we probably restarted the  
13 process about September - - -  
14 Of 2017?---2017. And that probably would have ran through,  
15 only a guess, maybe until about March or April.  
16 Of what year?  
17 COMMISSIONER: You said 'we'. Who is the 'we',  
18 Mr Haritos?---Me and James. Peter was not part of it.  
19 Just the two of you?---It was just the two of us.  
20 MR LAWRIE: So this is group number 2 running from September  
21 2017 through to when?---We probably gave it a break about  
22 after the autumn carnival or, sorry, the Sydney carnival,  
23 say about April.  
24 Of what year?---Now would be 2018.  
25 So it goes from September 17 to April 18. That's group 2. And  
26 that's you and Mr Pinder, just the two of you?---Correct.  
27 Were there any other enterprises like this after group  
28 2?---Again, a brief spell for a few months and started  
29 again prior to the autumn - to the spring carnival and

1           probably ran through until - went through until March,  
2           April of this year.

3 We can call that group 3, can we?---We can.

4 Was that you and Mr Pinder, just the two of you again?---Yes,  
5           the two of us.

6 When you put money in to re-establish the kitty when you  
7           started group 2, how much did you put in?---As  
8           I controlled the betting and the selections and the risk,  
9           the starting bet would be 5,000 each.

10 How successful was group 2? Did it make a profit?---Group 2 we  
11           would have made a profit, yes.

12 How much?---Maybe in the vicinity of 15,000, 20,000. We're  
13           talking about bets of - outlaying bets of \$500 - - -

14 I understand that?---A thousand dollars.

15 So let's just recap. Let's just recap, if we may. Group 1 has  
16           a starting kitty of \$10,000 and makes a profit of \$5,000  
17           by the time it comes to an end; is that right?---About  
18           that. Only a guess, but pretty close to it. We probably  
19           walked away with our money, and made a little bit on top.

20 Group 2, which is just you and Mr Pinder, starts with how much  
21           each?---Again, 5,000.

22 So a total kitty of 10,000 and makes a total profit of how  
23           much?---Fifteen, 20,000, in round figures, looking at  
24           the - - -

25 That's profit?---Profit.

26 Group 3 starts with how much contribution by each of you into  
27           the kitty?---Again five.

28 And by the time it comes to an end how much - has it made a  
29           profit or a loss?---It's made a profit.

1 How much?---Probably in the vicinity of 35,000 or thereabouts.  
2 Thirty-five. So you turn 10 into 35, is that right, in  
3 group 3?---About right, yes.  
4 How often would you distribute the winnings? Like, if you were  
5 well in excess of the kitty would you distribute  
6 winnings?---Not necessarily.  
7 Or would you just let the kitty grow?---Let the kitty grow,  
8 unless there was a need for either myself or for James to  
9 take money out, we'll do that.  
10 So what I want to understand is both groups 2 and group 3 were  
11 profitable, but were the profits paid out out of a surplus  
12 from time to time or was it simply that the kitty was  
13 distributed in full when the group came to an end?---The  
14 group came to an end in end of March, April this year.  
15 Let's think about group 3. You start with 10. Over its life  
16 it makes a profit of 35. As its making that profit are  
17 you distributing some of the profit or do you just wait  
18 until the end and split it in - - -?---We distribute  
19 profits of, say, you know, 5,000, and then maybe another  
20 5,000 after a few months.  
21 Ten thousand. Did you ever make a payment of 10,000 to  
22 Mr Pinder?---Never that high. Only when the kitty came to  
23 an end due to the TABs being closed and not being able to  
24 gamble. So whatever money was in the pool we split it  
25 and - - -  
26 When you're splitting the pool at the end of the life of  
27 the group it's not going to be an even number, most  
28 likely, is it?---No, more or less pay the overs or the  
29 unders.

1 But it's going to end up as an odd number, most likely. You  
2 know, if you've made a \$35,000 profit, it might be  
3 \$17,526, something like that?---No, it was taken out in  
4 stages.

5 I see?---Because of the lockdown we didn't know when the TABs  
6 were going to open or not, and it's just when to the  
7 current restriction, there was no sign there would be any  
8 opening any time soon, until at least the end of the year.

9 As you're paying it out in stages - I asked you whether or not  
10 you ever paid an amount of \$10,000 to Mr Pinder in one  
11 hit, and you said 'no'. Would the maximum that you ever  
12 paid him in one hit be \$5,000?---It could have been 5,000,  
13 it could have been 6,000.

14 But never 10?---Ten was the final payment.

15 When did you make the final payment in group 3?---In  
16 August - the day of - - -

17 The day of the search warrant on 19 August?---Correct.

18 I see. That's when group 3 came to an end, was it?---That's  
19 when group 3 came to an end.

20 How much did you pay out?---Sorry?

21 How much did you pay out to Mr Pinder at the conclusion of  
22 group 3 at 19 August?---Ten thousand.

23 Precisely 10,000?---Exactly 10,000.

24 Had you ever paid him 10,000 on any previous occasion, a  
25 precise amount of \$10,000 out of the winnings on any  
26 previous occasion?---No, the maximum would have been - how  
27 it worked - - -

28 No, what you're saying, Mr Haritos, is that on 19 August, the  
29 day on which Mr Pinder had a search warrant executed on

1 your house, that was the same day that you liquidated the  
2 pool from group 3 and paid him out precisely \$10,000; is  
3 that what you're saying?---Correct.

4 Had you ever previously paid him from that pool an amount of  
5 \$10,000?---As best as I can remember, never that high.  
6 Never that high. Okay. On how many occasions have you paid  
7 him an amount of that order, say, 5,000 or \$6,000? On how  
8 many occasions have you done that prior to the final  
9 payout from group 3?---Group 3, maybe on three occasions,  
10 four occasions. Again it's only a guess. I have to - - -  
11 You have to think about it. You paid these amounts out to  
12 Mr Pinder in cash, that is folding money?---Yes. Bet it  
13 in cash. I don't have a TAB account or a betting account.  
14 Bet in cash.

15 Sorry, you didn't have a TAB account?---I don't have.  
16 How were you placing these bets?---At the TAB physically.  
17 Physically at the TAB?---Correct.

18 And so you were receiving - when you win you're receiving cash  
19 over the counter at the TAB; is that right?---That's  
20 correct.

21 Okay. Did you keep a ledger?---Not a ledger, but I kept a  
22 running balance for one or two months of the transactions.  
23 When we're talking about a ledger, Mr Lawrie, we're  
24 talking about two, maybe three bets on a Saturday.  
25 Yes?---So in a month you may have had two, you may have had  
26 eight tickets, 10 tickets.

27 And Mr Bollas was never part of group 3, was he?---No.  
28 And he was never part of group 2, was he?---No. And I'm not  
29 sure about group 1 either because back then I would see

1 Peter about three times a year, and maybe speak to him on  
2 the phone eight to 10 times in a year.

3 Okay. As you were following the proceedings did you see the  
4 video that came across showing Mr Pinder at his front  
5 porch on 19 August 2020?---I would have actually missed  
6 that video, but during the proceedings I was able to  
7 follow what happened.

8 This was when he arrived back at his home very shortly after  
9 meeting you at Williamstown?---Correct.

10 On the 19th?---Yes.

11 And he was carrying an envelope, and that had \$10,000 in it.  
12 Was that an envelope that you prepared?---That was the  
13 envelope where the balance of the moneys were.

14 The balance from group 3?---Correct. The final balance.

15 Did you ever tell Mr Pinder what horses you were betting  
16 on?---He never showed an interest. He just left it all up  
17 to me.

18 Really?---I think in the early stages - - -  
19 Isn't part of this a hobby and part of it the enjoyment you get  
20 for knowing that you have a horse running in the third and  
21 you can turn the radio on and listen to it and ride it  
22 home, vicariously?---It's a hobby for me.

23 And it's an investment for Mr Pinder, is it?---Mr Pinder was  
24 happy to, yes, be part of the investment.

25 And did he ever ask you, you know, when group 3 turned 10,000  
26 into a profit of 35, did he ever ask you, you know, 'Which  
27 ones were the big wins'?---Yes - - -  
28 'What did we really score on'?---Mostly the quadrellas and  
29 maybe a couple of running doubles.

1 You got a couple of quadrellas, did you?---That's the only bet  
2 that I play.

3 Sorry, you only bet on quaddies or quadrellas, is  
4 that?---That's right.

5 Now let's just be clear, that's where you've got to pick four  
6 winners in the one race meeting in specified races,  
7 yes?---You've got to pick the winner in four specified  
8 races.

9 The quadrella often pays a very big dividend, doesn't it? That  
10 is arguably the toughest bet to make at a race meeting,  
11 isn't it?---Correct. That's why I'll probably do one bet  
12 or two bets.

13 Which quadrellas did you win?---On various meetings.

14 No, look, what I'm saying - look, Mr Haritos, I think even the  
15 most part-time punter would appreciate that a quadrella is  
16 a pretty special beast to win. It can pay  
17 potentially - it's not unheard of for a one dollar bet on  
18 a quadrella to win 3,000; you would know that, wouldn't  
19 you? It could pay huge dividends?---And more, yes.

20 And you have to bet the four legs at the meeting before the  
21 first leg starts; you have to get four winners in  
22 specified races, yes?---Correct. Usually the last four.

23 When you win a quadrella you open a bottle of champagne, don't  
24 you?---Sometimes you - sometimes you don't even get the  
25 money back.

26 When you bet on these quadrellas - now, it's more than one that  
27 you brought home, wasn't it?---Yes.

28 Okay. When you bet on them what wager did you make? Was it  
29 \$10 or a hundred or what? What did you put on the

1           quaddie?---Bet ticket it could have been 500, it could  
2           have been 800, it could have been 1,000.  
3    You put \$1,000 on a quadrella and it came home; is that what  
4           you're saying? What was the dividend that that - first of  
5           all, let's take it one at a time because this is very  
6           successful betting, if I might say. How many quadrellas  
7           did you bring home?---I would bet - the point I would like  
8           to make clear - - -  
9    No, how many did you bring home? How many did you win for  
10           group 2 and group 3?---All my winnings were based on  
11           quadrellas.  
12   Okay. How many successful quadrellas did you have?---I may  
13           have two a month, and made a loss. I could have had one a  
14           month, and made a profit.  
15   Are you saying - seriously, are you saying you brought home two  
16           successful quadrellas - I notice Mr Collin's nodding, but  
17           he's not giving evidence. Are you saying that you brought  
18           home two successful quadrellas per month?---I could have  
19           won two successful quadrellas on a Saturday and made a  
20           loss.  
21   All right. Which was the first one that was successful? What  
22           race meeting and how much did it pay  
23           approximately?---I didn't keep a record of the race  
24           meeting.  
25   No, but you would remember it, surely?---It would have been  
26           wins of 2,000, 3,000, 5,000. There might have been no  
27           winnings for the next three months.  
28   But didn't you bet \$1,000 as the wager on the quadrella? Are  
29           you saying you won a quadrella and it paid 3 to 1?---I may

1           have put a thousand on a quadrella and got back - --  
2   Sorry, Mr Commissioner?  
3   COMMISSIONER:  I thought his evidence was he might have bet 500  
4           or a thousand.  
5   MR LAWRIE:  Thank you, Commissioner.  Sorry, I'll put that  
6           question again.  You make a wager on a quadrella of 500 to  
7           1,000 and you say you get a winning of 3,000.  So are you  
8           saying that each quaddie that you won paid 3 to 1 or 6 to  
9           1 or something in between?---It doesn't pay odds.  It  
10          pays a - - -  
11   A dividend?---A dividend.  
12   Yes.  So you're either paid \$3 or \$6?---Sorry?  
13   Are you saying the dividend of this quadrella that you brought  
14          home paid either \$3 or \$6 or somewhere in between, are  
15          you?---I can't understand.  
16   COMMISSIONER:  Per dollar.  
17   MR LAWRIE:  Per dollar.  You're the gambler.  You're the  
18          punter, Mr Haritos.  You know what a dividend is.  It's  
19          how much you get paid per dollar wager, isn't it?---Yes.  
20   You're the one bringing home two successful quadrellas a month.  
21          You must know what a dividend is ?---I know what a  
22          dividend is.  
23   Yes, okay?---It gets a little bit more complicated than that,  
24          Mr Lawrie.  You can have a \$500 ticket but will only get  
25          you 80 per cent of the pool, depending on the number of  
26          horses you've got in each leg.  
27   You're sometimes betting the field in one leg, are you?---No,  
28          multiple runners.  
29   I get you.  I get you.  But, anyway, you get them home.  Which

1 race meetings?---Usually metropolitan meetings on  
2 Saturday.  
3 Sorry, which one?---Metropolitan.  
4 Metropolitan?---Like, every Saturday there's a metropolitan  
5 city meeting. It could be Caulfield. It could be  
6 Flemington. It could be Moonee Valley. It could be  
7 Sandown. They are the four main tracks. Occasionally if  
8 there's a carnival I will probably bet on the Sydney  
9 carnival as well.

10 COMMISSIONER: Mr Lawrie, I see - - -

11 MR LAWRIE: You see the time, Mr Commissioner.

12 COMMISSIONER: I see the time, Mr Lawrie. When it's a  
13 convenient point you might stop.

14 MR LAWRIE: That is convenient, Commissioner.

15 COMMISSIONER: Just two questions, Mr Haritos. The first is  
16 the cash that you received when a gamble was successful,  
17 where did you pay that money into?---Sorry?

18 What did you do with the cash that you obtained?---Kept it in  
19 my drawer at home.

20 You didn't pay it into a bank account?---No, no.

21 That's consistently over the - over the entire time of the  
22 three syndicates you've mentioned, whatever cash you  
23 obtained you kept at home?---That is correct.

24 Are you sure?---Positive.

25 Very good. The second thing I wanted to ask you was your state  
26 of mind about the propriety of being in a gambling  
27 syndicate with Mr Pinder. If I followed what you've told  
28 me about conflict of interest you didn't perceive being in  
29 a gambling syndicate with Mr Pinder created a conflict of

1 interest for him?---At that particular time I only saw  
2 Mr Pinder as a friend, and in my mind and - I never saw  
3 him as the CEO of V/Line. But in the proceedings - - -  
4 I'm really not - I'm really not so much interested in - I'm  
5 sorry, I'm not so much interested in why you didn't see it  
6 as a conflict. I just want to be clear you didn't view  
7 the fact that you were in a betting arrangement with him  
8 as creating a problem for him?---No.

9 So you would have had no reason to keep - so you would have had  
10 no reason - you would have had no reason, Mr Haritos, to  
11 want to make your payments to Mr Pinder secret?---I would  
12 have had no reason for me to make it secret, but since  
13 Mr Pinder became a public figure I was conscious and aware  
14 of the fact.

15 I'm sorry, I don't follow that. You just told me a moment ago  
16 you didn't think about that. What were you conscious of,  
17 Mr Haritos, and when did that consciousness start?---As  
18 soon as Mr Pinder started to appear on TV and feature in  
19 news et cetera or in the paper.

20 When? When was that?---It would have been like 12 months after  
21 his appointment at V/Line.

22 Yes. And what did you think followed after that?---Before  
23 that, we would be having a coffee at Toorak Village on a  
24 table outside and if the distribution was 3,000 I'd hand  
25 it over to him on the table. But, as I said, as he  
26 indicated himself, I was more discrete.

27 You decided to do that or did he suggest you should?---I don't  
28 know who decided. It could have been me. It could have  
29 been Mr Pinder.

1 Yes. This might be a convenient time then, Mr Lawrie.

2 MR LAWRIE: Thank you, Commissioner.

3 COMMISSIONER: Mr Haritos, we'll adjourn until 10 am tomorrow  
4 morning. Under the confidentiality notice you are obliged  
5 not to discuss the restricted matters that are touched on  
6 in your summons or the matters about which you've been  
7 told you're going to be questioned or that you know you're  
8 going to be questioned about. I exempt from that, you're  
9 free to discuss that with your wife and your immediate  
10 family, but otherwise you're not to engage in any  
11 communications about the issues that we're exploring with  
12 anyone else; do you follow that?---I do follow that,  
13 Mr Commissioner.

14 And if you did otherwise you would be in breach of the  
15 confidentiality notice; you understand that?---I do  
16 understand that.

17 Very good. We'll adjourn until 10 am tomorrow morning?---Thank  
18 you, Mr Commissioner.

19 <(THE WITNESS WITHDREW)

20 ADJOURNED UNTIL FRIDAY, 29 OCTOBER 2020

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