
TRANSCRIPT OF MORNING PROCEEDINGS

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INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

WEDNESDAY, 31 MARCH 2021

(9th day of examinations)

BEFORE THE HONOURABLE ROBERT REDLICH AM, QC

Counsel Assisting: Mr Paul Lawrie
Mr Joseph Amin

OPERATION ESPERANCE INVESTIGATION

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

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

1 COMMISSIONER: Good morning, Mr Kyritsis. 10:16:07AM

2 MR KYRITSIS: Good morning, Commissioner. 10:16:09AM

3 COMMISSIONER: I'm the Commissioner of IBAC and I'm conducting 10:16:11AM

4 these examinations pursuant to part 6 of the IBAC Act of 10:16:13AM

5 2011. Mr Lawrie of counsel will assist in asking you 10:16:18AM

6 questions, and I authorise him to do so. As I explain to 10:16:24AM

7 witnesses, this is an inquisitorial process, so the 10:16:30AM

8 Commission's not bound by the rules of evidence, and I can 10:16:34AM

9 regulate the examination as I consider appropriate, but 10:16:40AM

10 ordinarily I will conduct matters in the same way as one 10:16:43AM

11 would if one were in a court of law. 10:16:46AM

12 You'll appreciate the examination is video 10:16:50AM

13 recorded and that it is open to the public. Mr Lawrie 10:16:54AM

14 will ask you questions. I may also ask you questions as 10:17:00AM

15 well, and following the questions your legal 10:17:04AM

16 representative will have the opportunity to ask questions 10:17:08AM

17 to clarify your answers or to add anything further. 10:17:11AM

18 Ms Tittensor, I understand you appear for 10:17:18AM

19 Ms Kyritsis? You're on mute, I think. 10:17:22AM

20 MS TITTENSOR: Yes, Mr Commissioner, I do. 10:17:25AM

21 COMMISSIONER: Very good. So, look, I find it more convenient, 10:17:27AM

22 rather than you waiting until the end of your client's 10:17:32AM

23 testimony to ask him anything further or clarify things, 10:17:36AM

24 that if you feel that at the point of time he's providing 10:17:43AM

25 answers that there's any additional information or 10:17:46AM

26 clarification that would assist that you are welcome to 10:17:48AM

27 intervene at that point and indicate you would like to ask 10:17:53AM

28 him at that point rather than wait until the end of his 10:17:55AM

29 examination. Do you follow? 10:17:58AM

1 MS TITTENSOR: Yes, I do. Thank you, Commissioner. 10:18:00AM

2 COMMISSIONER: Yes. We will adjourn halfway through the 10:18:03AM

3 morning for a break. But if during the course of the 10:18:07AM

4 examination you want to take a break at any other stage or 10:18:10AM

5 speak to your counsel just indicate that you wish to do 10:18:14AM

6 so. Do you follow? 10:18:16AM

7 MR KYRITSIS: Yes. 10:18:22AM

8 COMMISSIONER: Now, the examination - I need to remind you that 10:18:24AM

9 there are still non-disclosure obligations that arise with 10:18:27AM

10 respect to restricted matters that appear in the documents 10:18:32AM

11 that you've been provided with, and if it's not clear to 10:18:37AM

12 you what they are at some point of time we can explore 10:18:41AM

13 that with you and with your counsel. 10:18:45AM

14 I require you to take an oath or affirmation, but 10:18:50AM

15 before I do so I'll just run through with you the matters 10:18:59AM

16 about which you're going to be questioned today. You will 10:19:03AM

17 be asked about your knowledge of and responsibilities for 10:19:05AM

18 the transparency and integrity of major service 10:19:09AM

19 procurement and tendering processes within the public 10:19:12AM

20 transport sector in Victoria, including but not limited to 10:19:16AM

21 conflicts of interest, undeclared relationships and gifts 10:19:20AM

22 to public officers that might give rise to actual or 10:19:24AM

23 perceived corrupt conduct; the nature and history of your 10:19:28AM

24 relationship with James Pinder and Peter Bollas, including 10:19:33AM

25 the frequency and the nature of your communications with 10:19:37AM

26 them; whether you or other owners, directors, officers, 10:19:40AM

27 employees, subcontractors, associates, representatives or 10:19:47AM

28 agents of Transclean Facilities Pty Ltd have sought to 10:19:52AM

29 improperly influence procurement decision making through 10:19:58AM

1 providing direct or indirect benefits to public officials, 10:20:02AM
2 particularly with James Pinder and Peter Bollas, in order 10:20:07AM
3 to gain favourable contract and procurement decisions for 10:20:12AM
4 Transclean's benefit, including but not limited to your 10:20:15AM
5 knowledge of and involvement in all transactions that 10:20:20AM
6 contributed to the purchase of 32 Railway Crescent, 10:20:25AM
7 Williamstown, Victoria, in late 2018 and early 2019, 10:20:28AM
8 ultimately to the benefit of James Pinder; your knowledge 10:20:35AM
9 of and involvement in payments or other benefits provided 10:20:40AM
10 by you, George Haritos or any agent of Transclean to or 10:20:44AM
11 for the benefit of James Pinder, Peter Bollas or any other 10:20:50AM
12 person employed by or connected to V/Line, Metro Trains 10:20:55AM
13 Melbourne or Yarra Trams; and, finally, the nature and 10:21:00AM
14 level of your knowledge and involvement in Transclean's 10:21:05AM
15 contracts with V/Line and Metro Trains Melbourne, 10:21:10AM
16 including the variations made to those contracts, the 10:21:14AM
17 reasons for those variations, relevant audit processes and 10:21:18AM
18 reports, payments to Transclean arising from those 10:21:23AM
19 contracts, and the performance of Transclean's obligations 10:21:27AM
20 under relevant legislation and those contracts. Do you 10:21:32AM
21 understand those are the matters about which you will be 10:21:37AM
22 questioned today? 10:21:39AM

23 MR KYRITSIS: Yes, Commissioner. 10:21:41AM

24 <ALEX KYRITSIS, sworn and examined: 10:21:57AM

25 COMMISSIONER: Mr Kyritsis, at the time that you were served 10:22:13AM

26 with a summons were you also provided with a document 10:22:16AM

27 entitled 'Statement of rights and obligations'?---M-hmm. 10:22:19AM

28 Has Ms Tittensor or some other lawyer explained to you what 10:22:23AM

29 those rights and obligations are?---Yes. 10:22:29AM

1 Do you want me to go through those again with you?---Not 10:22:31AM
2 necessary. 10:22:37AM
3 So let me just summarise then your position. Your obligation 10:22:37AM
4 is to answer questions that you're asked unless you have a 10:22:43AM
5 reasonable excuse for not doing so. You must answer the 10:22:47AM
6 questions even if they may incriminate you or make you 10:22:52AM
7 liable to a penalty. You must answer the questions 10:22:56AM
8 truthfully, otherwise you may expose yourself to a risk of 10:23:00AM
9 perjury, which carries a penalty of up to 15 years 10:23:04AM
10 imprisonment. Importantly, if you answer questions 10:23:08AM
11 truthfully, then your answers are not admissible and 10:23:12AM
12 cannot be used against you in any court, the primary 10:23:16AM
13 exception being of course if you gave false evidence then 10:23:22AM
14 your answers to that extent can be used against you on a 10:23:26AM
15 perjury charge; you understand that?---Yes. 10:23:29AM
16 There are other exceptions, which I don't think are going to 10:23:32AM
17 arise in this case, but if they did then I would raise 10:23:37AM
18 those issues with you as and when they occur. Do you have 10:23:41AM
19 any questions in relation to that?---No, not at the 10:23:50AM
20 moment. 10:23:52AM
21 Very good. Now, I say this to all witnesses in private and 10:23:54AM
22 public examinations. I'm not singling you out here. 10:23:58AM
23 Mr Lawrie will sometimes ask you what lawyers describe as 10:24:06AM
24 open-ended questions; that is, it's not a question which 10:24:10AM
25 suggests an answer to you. It's just, 'Did you speak to 10:24:15AM
26 someone on a particular day,' for example - not suggesting 10:24:19AM
27 you did or you didn't. Or he might ask you a question 10:24:24AM
28 which isn't open-ended in which he says, 'I suggest to you 10:24:27AM
29 you did speak to someone on such and such a day.' Now, 10:24:33AM

1 you follow the difference between the two?---M-hmm. 10:24:37AM

2 Please don't be misled that because counsel ask you an 10:24:38AM

3 open-ended question he doesn't already have the proof 10:24:41AM

4 available that you did speak to someone on that day; do 10:24:45AM

5 you follow?---M-hmm. 10:24:48AM

6 Your task is solely to give accurate and truthful evidence to 10:24:49AM

7 the best of your ability; you follow?---Yep. 10:24:53AM

8 Yes, Mr Lawrie. 10:24:56AM

9 MR LAWRIE: Thank you, Mr Commissioner. 10:24:59AM

10 <EXAMINED BY MR LAWRIE: 10:24:59AM

11 Mr Kyritsis, can we start, please, with your full name?---Alex 10:25:01AM

12 Kyritsis. 10:25:04AM

13 And your work address?---49 Claremont Street, South Yarra. 10:25:04AM

14 Mr Kyritsis, I'm going to take you through some preliminary 10:25:10AM

15 documents?---M-hmm. 10:25:13AM

16 These are a copy of the summons and some associated documents. 10:25:14AM

17 They'll come up on screen and we'll scroll through them 10:25:19AM

18 reasonably quickly for the purpose of you identifying them 10:25:23AM

19 as the documents that were served on you on 18 March of 10:25:26AM

20 this year?---M-hmm. 10:25:30AM

21 So that's the purpose of showing them to you. Can we please 10:25:31AM

22 bring up document 7 at p.39. Now, we'll scroll past this 10:25:34AM

23 first page but, Mr Kyritsis - sorry, can we just go back 10:25:53AM

24 to the first page. This is the summons numbered SE-3451 10:25:56AM

25 served upon you on 18 March 2021. I'll ask you to confirm 10:26:03AM

26 that after we scroll through it. Can we scroll through it 10:26:08AM

27 now, please?---Yes. 10:26:11AM

28 Do you agree with that?---Yep. 10:26:18AM

29 Together with that at document 8 at p.42 is the 'Statement of 10:26:19AM

1 rights and responsibilities' that the Commissioner has 10:26:26AM
2 already referred to. That was served upon you at the same 10:26:29AM
3 time; is that correct?---Correct, yep. 10:26:33AM
4 Document 9 at p.48, if we can scroll down to that, that's a 10:26:36AM
5 confidentiality notice directed to you; is that 10:26:51AM
6 correct?---Correct. 10:26:53AM
7 And you've read that?---Yes, I have. 10:26:53AM
8 And that was served on you at the same time; is that 10:26:57AM
9 correct?---Yes. 10:27:03AM
10 And, finally, if we can go to document 10, please, at 10:27:03AM
11 p.72 - sorry, I should say that confidentiality notice 10:27:11AM
12 attaches a portion of the IBAC Act. Do you recall 10:27:15AM
13 that?---Yes, yes. 10:27:18AM
14 Scroll through that if you wish. Then, finally, document 10 is 10:27:19AM
15 a covering letter addressed to you dated 16 March but 10:27:24AM
16 served on 18 March that accompanied those documents we've 10:27:28AM
17 just spoken about?---Okay. 10:27:33AM
18 Do you agree with that?---Yep. 10:27:35AM
19 I tender those as a bundle, Commissioner. 10:27:36AM
20 COMMISSIONER: That will be exhibit AK1. 10:27:39AM
21 #EXHIBIT AK1 - Bundle of documents served on Mr Alex Kyritsis 10:27:41AM
22 on 18/03/21. 10:27:44AM
23 MR LAWRIE: Mr Kyritsis, you are a co-director of Transclean 10:27:46AM
24 Facilities Pty Ltd, aren't you?---Yes, I am. 10:27:49AM
25 And you've been a co-director with George Haritos for quite 10:27:52AM
26 some number of years - - -?---Yes. 10:27:58AM
27 Is that correct? When did you first go into business with 10:27:59AM
28 Mr Haritos? 10:28:04AM
29 COMMISSIONER: Approximately?---We're going back in the 80s, 10:28:09AM

1 early 80s, yeah. 10:28:12AM

2 MR LAWRIE: When did you go into business with him as part of 10:28:14AM

3 Transclean Facilities?---That would have been around 2010. 10:28:17AM

4 Okay?---Yep. 10:28:27AM

5 And Transclean Facilities is owned through a holding company 10:28:29AM

6 called AES Pty Ltd?---Yes. 10:28:34AM

7 Is that correct?---Correct. 10:28:37AM

8 And you and Mr Haritos are both owners and directors of that 10:28:38AM

9 holding company; is that correct?---Yes. 10:28:42AM

10 So via that company between the two of you you completely 10:28:44AM

11 control Transclean Facilities Pty Ltd, don't you?---Yes, 10:28:50AM

12 yes. 10:28:52AM

13 COMMISSIONER: Are you equal shareholders, Mr Kyritsis?---Yes, 10:28:54AM

14 my understanding, yes. 10:28:59AM

15 So in substance you share the benefits from that, from 10:29:01AM

16 Transclean?---Yes. 10:29:06AM

17 MR LAWRIE: And your full-time job is working in your various 10:29:12AM

18 roles at Transclean Facilities, is it not?---Correct. 10:29:17AM

19 And for that you receive a salary?---Yes. 10:29:21AM

20 And do you also receive director's bonuses from time to 10:29:24AM

21 time?---Yes. 10:29:29AM

22 Are both the bonuses and the salary paid to you from Transclean 10:29:29AM

23 Facilities?---Yes. 10:29:37AM

24 Does Transclean Facilities - apart from administration staff, 10:29:38AM

25 does it employ cleaners?---It does, yes. 10:29:43AM

26 Does it employ them through its own corporate personality or 10:29:47AM

27 does it do it through Proclean Pty Ltd?---It goes through 10:29:51AM

28 mostly Proclean. 10:29:58AM

29 Now, Proclean is a company that has a sole director, which is 10:30:00AM

1 Mr Tsouhantaris; is that right?---Yes, I believe so, yep. 10:30:06AM
2 And he owns Proclean and is the director of it?---Yes. 10:30:10AM
3 And so the cleaners that you say Transclean provide in order to 10:30:14AM
4 perform its obligations under its various contracts, 10:30:25AM
5 whether they be to V/Line or to Metro, the employed 10:30:28AM
6 cleaners are provided - their pay cheque is written out by 10:30:32AM
7 Proclean?---Yes, that's my understanding, yeah. 10:30:37AM
8 There's no other connection between Proclean and Transclean 10:30:41AM
9 Facilities other than your relationship, your personal 10:30:50AM
10 history and the like, with Mr Tsouhantaris; is that right? 10:30:54AM
11 There's no corporate link?---No, not that I'm aware of. 10:30:58AM
12 Okay. 10:31:02AM
13 COMMISSIONER: Does that mean Proclean is a subcontractor for 10:31:03AM
14 the purpose of providing staff?---Providing, yeah, labour. 10:31:06AM
15 Yes. 10:31:14AM
16 MR LAWRIE: It's a subcontractor but there's no - it's not a 10:31:15AM
17 subentity in any way; do you know what I mean by that? 10:31:19AM
18 COMMISSIONER: I'm not sure what you mean, Mr Lawrie. 10:31:23AM
19 WITNESS: No. 10:31:25AM
20 MR LAWRIE: It's otherwise completely disconnected as a company 10:31:26AM
21 from Transclean?---It's a company that Transclean is a - 10:31:30AM
22 I won't say partnership, but uses to provide labour. 10:31:41AM
23 COMMISSIONER: But it's at arm's length from you?---Yeah. 10:31:47AM
24 You have no other contractual relationship - - -?---No. 10:31:51AM
25 Either with the company or with Mr Tsouhantaris?---No. 10:31:54AM
26 MR LAWRIE: How long has that arrangement been in place, that 10:32:00AM
27 Proclean would provide staff for Transclean to perform its 10:32:02AM
28 contractual obligations?---I really couldn't answer that 10:32:08AM
29 question. 10:32:14AM

1 I'm not pressing you for a precise date?---No. 10:32:14AM
2 If your memory allows you to go to a year or close to a year, 10:32:18AM
3 that would assist?---Because I'm not involved in that sort 10:32:22AM
4 of field in the business, I'd be guessing. 10:32:28AM
5 Okay?---I don't want to guess. 10:32:33AM
6 All right. 10:32:36AM
7 COMMISSIONER: What's your sense? Has Proclean been involved 10:32:37AM
8 in providing the staff for a long time?---For a long time 10:32:41AM
9 meaning, like, not 20 years, not 10. Five, six years. 10:32:45AM
10 Something - - -?---Something like that. 10:32:54AM
11 Something of that order?---Yeah. 10:32:55AM
12 Yes. 10:32:55AM
13 MR LAWRIE: You just mentioned that your role doesn't permit 10:32:58AM
14 you to be precise in that answer?---M-hmm. 10:33:01AM
15 Which leads to my next question?---M-hmm. 10:33:03AM
16 Can you please describe as accurately as possible what your 10:33:05AM
17 role or roles are at Transclean Facilities?---Well, about 10:33:09AM
18 10 years ago I took some medical advice and decided to 10:33:18AM
19 sort of cut back on my workload, and that's what's 10:33:22AM
20 happened, and about five years, maybe a little bit less, 10:33:25AM
21 I've moved my desk downstairs into the warehouse - we have 10:33:31AM
22 a warehouse downstairs and offices above - and primarily 10:33:34AM
23 I was involved in stock ordering, arranging deliveries. 10:33:38AM
24 We'd go through six, seven deliveries a day all around the 10:33:44AM
25 state. I'd be doing maintenance on equipment, repairs. 10:33:49AM
26 I've been looking after the vehicles, fleet vehicles. But 10:33:58AM
27 that sort of stuff. And my background is mechanics and 10:34:04AM
28 I enjoy using my hands. That's just what I like doing. 10:34:09AM
29 So I've been doing that for about five years. 10:34:13AM

1 That's a convenient point for us to talk about. When we talk 10:34:17AM
2 about timeframes, the next series of questions I'll ask 10:34:22AM
3 you about we'll be talking about a timeframe from 2016 up 10:34:25AM
4 until the present day?---M-hmm. 10:34:29AM
5 Does that make sense?---Yeah. 10:34:31AM
6 From what you've said, would it be appropriate to call you the 10:34:32AM
7 operations manager?---Operations in supplies, I'd say. If 10:34:36AM
8 there is a job that we recently picked up I'd be involved 10:34:47AM
9 in arranging the equipment that's necessary. I would go 10:34:51AM
10 on site, assist and set up the operation, and then pass it 10:34:55AM
11 on to the supervisor, who will be looking after it on a 10:35:03AM
12 daily basis. 10:35:07AM
13 In amongst the administration staff at Transclean there are 10:35:11AM
14 contract managers, are there not?---Yes. 10:35:14AM
15 Maria Tsakopoulos is a contract manager?---Yes. 10:35:16AM
16 Paul Bennett is either a contract manager or an assistant 10:35:20AM
17 contract manager to her; is that right?---Yes. 10:35:25AM
18 Thinking in the timeframe from 2018 onwards - - -?---M-hmm. 10:35:27AM
19 What was Maria Tsakopoulos's area of responsibility?---During 10:35:36AM
20 18? 10:35:45AM
21 Onwards?---She was in charge of the V/Line contract. 10:35:45AM
22 Was that the entirety of it, including delivery of services in 10:35:49AM
23 regional areas?---Regional was more towards Paul, yeah. 10:35:53AM
24 Have you followed any of the public examinations over the last 10:36:00AM
25 two days?---The two days, I did in the beginning. I have 10:36:03AM
26 to attend to my dad. He's had a bit of an issue with his 10:36:09AM
27 health. So I spent some time there yesterday and the day 10:36:14AM
28 before. I watched the beginning of it and I think 10:36:16AM
29 yesterday, the last one, towards the end of it. 10:36:21AM

1 And the same question in respect of the hearings that were 10:36:25AM
2 conducted in October and November of last year, did you 10:36:27AM
3 follow those public hearings?---Not a great deal. It's 10:36:32AM
4 still - it was very - at that time it was a bit of a blur. 10:36:39AM
5 The morale, the office was pretty low. We were obviously 10:36:45AM
6 still cleaning - had contracts to provide a service to, 10:36:49AM
7 and I spent a lot of time with supervisors keeping 10:36:53AM
8 the - insisting that the service must continue until 10:36:58AM
9 basically the last day. 10:37:01AM
10 I'm not asking you to provide an excuse or a justification for 10:37:02AM
11 some sort of obligation to watch them. I'm just wanting 10:37:07AM
12 to understand if you have watched the public hearings and, 10:37:10AM
13 if so, perhaps what aspects of them; do you understand 10:37:13AM
14 that? For example, did you watch the evidence of 10:37:17AM
15 Mr Haritos?---I watched a bit of that, yes. 10:37:20AM
16 Can I go back to the various staff at Transclean Facilities. 10:37:24AM
17 We've dealt with Maria Tsakopoulos. She's the contract 10:37:30AM
18 manager for the service - delivery of services under the 10:37:33AM
19 V/Line contract, and she looks after those services that 10:37:36AM
20 are delivered at Southern Cross and at North Melbourne; is 10:37:40AM
21 that correct?---Yes. 10:37:43AM
22 And Mr Paul Bennett also in part manages that contract by 10:37:44AM
23 looking after the services that are delivered at various 10:37:52AM
24 V/Line regional centres?---M-hmm, yep. 10:37:54AM
25 Is that correct?---That's correct. 10:37:58AM
26 Your son, Steven Kyritsis, also works at Transclean Facilities, 10:38:01AM
27 doesn't he?---Yes, he does. 10:38:05AM
28 What's his role?---He's assisting Norma, who is the contract 10:38:07AM
29 manager, Metro. 10:38:12AM

1 Right?---Yeah, on a day-to-day basis, inspections, dealing with 10:38:14AM
2 staff. Any issues that might arise they will work on them 10:38:22AM
3 together. 10:38:27AM
4 So what's Norma's last name?---Ottone, I think. O-t-t-o-n-e. 10:38:28AM
5 I'm not - - - 10:38:28AM
6 COMMISSIONER: (Indistinct)?---Sorry? 10:38:41AM
7 COMMISSIONER: (Indistinct)?---No. Ottone. 10:38:41AM
8 MR LAWRIE: All right. Perhaps I'll just let you have a think 10:38:46AM
9 about that one?---No, honestly - - - 10:38:49AM
10 You've just got a mental block, that's all?---No, it's 10:38:51AM
11 embarrassing, but to me it's Norma. 10:38:53AM
12 Yes, that's fine. So we've got Norma who's the - and her name 10:38:56AM
13 your memory thinks is Ottone or similar?---Yeah. 10:39:00AM
14 And she's the contract manager for the Metro contract?---M-hmm. 10:39:03AM
15 Is that right?---Yes. 10:39:08AM
16 And your son, Steven Kyritsis, is her assistant?---Yes. 10:39:09AM
17 Right. What other administrative staff are there at the South 10:39:13AM
18 Melbourne office - sorry, at the South Yarra office; my 10:39:18AM
19 apologies?---Administrative staff? 10:39:24AM
20 Yes, at the South Yarra office?---Well, there's a payroll 10:39:25AM
21 officer. There's Glenys that does all the secretarial 10:39:31AM
22 stuff. Then we have Nelson, who is the general manager. 10:39:38AM
23 Sorry, Nelson, what's his name?---Nelson. 10:39:49AM
24 That's all you know him as?---That's all I know him as, yeah. 10:39:53AM
25 And anyone else?---No, that's all I can think of. George, of 10:39:57AM
26 course. 10:40:10AM
27 Now, you would be aware, wouldn't you, as the co-owner and 10:40:11AM
28 co-director of Transclean Facilities about the winning of 10:40:20AM
29 the V/Line contract in 2018?---Yes. 10:40:23AM

1 By your company. Were you involved in that?---In the - - - 10:40:27AM
2 In the successful tendering of your company to V/Line for that 10:40:33AM
3 contract?---No. 10:40:36AM
4 Who led the charge there?---Again, there was Nelson, George, 10:40:38AM
5 I think Marie helped as well. They're the ones that I can 10:40:47AM
6 think of. 10:40:54AM
7 Did you speak with George from time to time as that process was 10:40:56AM
8 going through or as that process was being pursued; that 10:41:01AM
9 is, to win the V/Line contract in 2018?---Not really. 10:41:05AM
10 I mean, the only input that I would have put in would have 10:41:11AM
11 been equipment required, costings for those equipment. 10:41:14AM
12 That was my input for the tender. 10:41:19AM
13 COMMISSIONER: Just put aside your input for a moment, 10:41:21AM
14 Mr Kyritsis?---Yep. 10:41:26AM
15 You're married to George's sister?---Yes. 10:41:27AM
16 Correct?---Correct. 10:41:31AM
17 How would you describe your relationship with George? Are you 10:41:31AM
18 close?---Yes, we're very close. 10:41:35AM
19 Right. To your knowledge, has he ever kept secrets from you? 10:41:37AM
20 Have you become aware that there are secrets that he's not 10:41:43AM
21 disclosed to you ?---No, I'm not aware of any of the sort. 10:41:47AM
22 George doesn't say much, though. 10:41:53AM
23 So your belief is you have an open, frank relationship; is that 10:41:55AM
24 so?---Yes, yes. 10:42:00AM
25 In relation to the affairs of Transclean, have you always found 10:42:01AM
26 him to be very communicative with you about what he's 10:42:07AM
27 doing?---I think he would approach it on the basis of if 10:42:11AM
28 it's something that I needed to know he'll tell me. 10:42:20AM
29 Yes, Mr Lawrie. 10:42:24AM

1 MR LAWRIE: Thank you, Mr Commissioner. (To witness) Just 10:42:25AM
2 going back to one name for a moment. You mentioned Glenys 10:42:27AM
3 as the secretary?---M-hmm. 10:42:30AM
4 Is that Glenys Murray?---Yes. 10:42:31AM
5 And what's her role precisely? Is it strictly secretarial and 10:42:34AM
6 admin support in the office?---Oh, no, she does just about 10:42:39AM
7 everything, apart from the wages. Pays the bills. 10:42:41AM
8 Arranges for payment for the subcontractors. That stuff. 10:42:51AM
9 Okay. But, apart from that broad-based administrative support 10:42:56AM
10 role, she has no executive function within the company as 10:43:02AM
11 far as you know?---I wouldn't know. I wouldn't think she 10:43:06AM
12 has - - - 10:43:10AM
13 Okay. As the Commissioner just asked you, you are the 10:43:10AM
14 brother-in-law of George Haritos; correct?---Yep. 10:43:14AM
15 And you are also a co-director in a number of other companies 10:43:17AM
16 with him, are you not?---Yes. 10:43:25AM
17 For example, Grattan Heights Pty Ltd is a company that you, 10:43:26AM
18 your wife, George Haritos and his wife are all directors 10:43:32AM
19 of? I can take you - - -?---No, no - - - 10:43:37AM
20 I can take you to the extracts if you need to but - - -?---That 10:43:42AM
21 would be the case then, yes. 10:43:44AM
22 And you're all co-owners of that company as well?---M-hmm. 10:43:45AM
23 Is that involved in real estate development or real estate 10:43:50AM
24 investment, Grattan Heights Pty Ltd?---Yeah, it owns 10:43:53AM
25 property and provides the rent. 10:43:57AM
26 COMMISSIONER: They're investments?---Investments, yeah. 10:44:02AM
27 MR LAWRIE: That's its sole source of income as - to be a 10:44:05AM
28 company that holds real property and receive rental 10:44:09AM
29 income?---Yes. 10:44:12AM

1 Similarly with Bega Nominees Pty Ltd, you're a co-director with 10:44:13AM
2 your wife and with George Haritos and his wife, and you're 10:44:19AM
3 all co-owners of that company, aren't you?---Okay, yep. 10:44:26AM
4 That company similarly earns its money by holding real property 10:44:29AM
5 and receiving rental income?---Yes. 10:44:33AM
6 Doesn't it?---Correct, yeah. 10:44:35AM
7 Neither of those two companies do anything else to earn income 10:44:37AM
8 or to conduct business, do they?---No, no. 10:44:40AM
9 Finally, Jinacan Pty Ltd is a company that you are a director 10:44:43AM
10 of with George Haritos but which is owned by Glen 10:44:50AM
11 Geriatric Services Pty Ltd?---Yes, correct. 10:44:59AM
12 Are you a director and owner of Glen Geriatric?---Couldn't tell 10:45:00AM
13 you. 10:45:07AM
14 Okay. All right. What's the purpose of Jinacan? What does it 10:45:07AM
15 do?---Again, the same. Same principle as the Bega and 10:45:12AM
16 Grattan Heights. 10:45:15AM
17 So none of them at all have anything to do with the operation 10:45:16AM
18 of Transclean Facilities?---No, no. 10:45:23AM
19 Okay. Now, I asked you about whether or not your labours at 10:45:26AM
20 Transclean represented your full-time employment, and you 10:45:40AM
21 said they did and you receive a salary and director's 10:45:43AM
22 bonuses from time to time; is that right?---Yes. 10:45:46AM
23 Over the last two or three years, over the last three years 10:45:48AM
24 let's say, how much would you have received per annum in 10:45:53AM
25 director's bonuses?---It would be a guess. 10:45:56AM
26 Well, as accurately as you can recall?---Yeah. The last three 10:46:07AM
27 years, you say? 10:46:14AM
28 Let's take it bit by bit. In the last financial year, that is 10:46:15AM
29 the financial year ending in June 2020, how much did you 10:46:18AM

1 receive in director's bonuses?---Probably \$120,000. 10:46:23AM
2 And your salary in that year?---Would have been about 150. 10:46:35AM
3 Okay. Can I ask you the same questions, please, in respect of 10:46:43AM
4 the financial year ending June 2019?---Look, I couldn't 10:46:49AM
5 give you an exact figure. 10:46:55AM
6 Would it be about - would it be the same order of 10:46:56AM
7 magnitude?---It's hard to tell. There were occasions 10:47:02AM
8 where - I can remember occasions where we weren't getting 10:47:04AM
9 paid. There were months there where we didn't get paid, 10:47:08AM
10 and then I'd guess we'd get it in bulk. But I'd say in 10:47:13AM
11 the same ballpark, yeah. 10:47:17AM
12 You have described your relationship with George Haritos as 10:47:21AM
13 being a close one. How many years do you go back as 10:47:28AM
14 friends?---From the time I married his daughter. 10:47:31AM
15 Which was when?---His sister. 10:47:36AM
16 Sorry, sister?---Yeah. Going back 43 years. 10:47:38AM
17 And in one form or another you've been in business together 10:47:45AM
18 since the 1980s?---Yes. 10:47:48AM
19 Because you're a co-director and co-owner of Transclean, even 10:47:51AM
20 if you're not getting daily updates you surely would 10:48:00AM
21 understand the significance of Transclean winning the 10:48:05AM
22 V/Line contract in 2018, wouldn't you?---Absolutely. 10:48:08AM
23 And by that I mean the significance to the gross revenue to be 10:48:12AM
24 received by Transclean?---Yes. 10:48:15AM
25 So that was an important milestone in your mind for the 10:48:17AM
26 prospects of the company that you half-owned?---Yes, it 10:48:26AM
27 was a good contract to gain, of course. 10:48:32AM
28 That's because - we covered in some hearings last year with 10:48:34AM
29 Mr Pinder, who was the CEO of V/Line, and with Mr Haritos 10:48:43AM

1 that that contract was to earn something in the order of 10:48:50AM
2 \$17.2 million of gross revenue in its first three years; 10:48:54AM
3 that is, it would earn that money for Transclean. Did you 10:48:59AM
4 understand that? 10:49:02AM

5 COMMISSIONER: Do you mean in each of those years? 10:49:04AM

6 MR LAWRIE: No, over the three years, Mr Commissioner. (To 10:49:06AM
7 witness) So in the first three years of that contract it 10:49:08AM
8 was to bring in in the order of \$17.2 million in gross 10:49:12AM
9 revenue, something in the order of \$5.6 million per 10:49:16AM
10 annum?---Sounds about right, yeah. 10:49:20AM

11 And that is a very significant boost to the business being 10:49:22AM
12 conducted by Transclean, is it not?---Yes. 10:49:26AM

13 And that would be something that George would have spoken to 10:49:29AM
14 you about not only after the contract was won but 10:49:32AM
15 certainly in the lead-up to winning that contract?---Well, 10:49:37AM
16 yeah, he would have mentioned to me that we're going for 10:49:42AM
17 this tender and, you know, if we're successful it would be 10:49:45AM
18 great. 10:49:50AM

19 COMMISSIONER: You said a little earlier, Mr Kyritsis, in 10:49:50AM
20 answer to counsel's question that you were aware that 10:49:53AM
21 Nelson, Maria and George were engaged in exploring the 10:49:57AM
22 gaining of that contract with V/Line. What did you know 10:50:04AM
23 about what each of them were doing in order - trying to 10:50:11AM
24 gain that contract?---Well, by that I meant the actual 10:50:16AM
25 tender document, the preparation of, they would have been 10:50:20AM
26 the ones responsible for. They would have put their input 10:50:25AM
27 in how many hours they take to do a specific area. 10:50:29AM

28 I'm sorry, so it's not - did you not have any conversations 10:50:36AM
29 with the three of them during that process? You're just 10:50:40AM

1 making an assumption that they would have played that 10:50:45AM
2 role?---Yes. 10:50:47AM
3 It's the latter, is it?---It's the latter, yes. 10:50:48AM
4 I see. Yes. 10:50:50AM
5 MR LAWRIE: Did you from time to time go to meetings or 10:50:52AM
6 socialise with any persons from V/Line in the lead-up to 10:50:55AM
7 winning that contract?---I don't recall, but we did have 10:51:01AM
8 the odd social occasion. Now, whether it was around that 10:51:10AM
9 time, I don't know. 10:51:13AM
10 You've met James Pinder, the former - - -?---Yes. 10:51:14AM
11 CEO, haven't you? When did you first meet him?---I guess it 10:51:17AM
12 would have been soon after he arrived. It would have 10:51:22AM
13 been, yeah, some time after he arrived from England. His 10:51:29AM
14 time at Metro, I probably would have been introduced to 10:51:33AM
15 him through George. 10:51:36AM
16 So he was working at Metro. He goes back to the UK for 10:51:38AM
17 something like the order of a year and then comes back at 10:51:43AM
18 the end of 2016 to take up the role of CEO at V/Line; you 10:51:47AM
19 understand that?---Yes, yes. 10:51:51AM
20 When he was working at Metro you say you may have met him. Did 10:51:53AM
21 you have any dealings with him when he was at Metro?---No. 10:51:58AM
22 Did you understand that he and George were friends at that 10:52:01AM
23 time?---I knew they had a friendship, yep. 10:52:05AM
24 COMMISSIONER: What about Maria and James?---There was the 10:52:10AM
25 occasions where Maria would have been present during 10:52:16AM
26 dinner at a restaurant. I don't know whether she was 10:52:26AM
27 there at all times, but I do remember an occasion where 10:52:29AM
28 I was there and she was there as well. 10:52:32AM
29 Did you know that they had any form of 10:52:34AM

1 relationship?---Friendship, yep. 10:52:37AM

2 MR LAWRIE: Now, when Mr Pinder comes back from the UK to take 10:52:44AM

3 up his position at V/Line at the end of 2016 how would you 10:52:49AM

4 describe the friendship between Mr Haritos and Mr Pinder 10:52:54AM

5 as you saw it?---They were friends. They were friends. 10:52:58AM

6 They would see each other. I don't know how many times. 10:53:05AM

7 On the spectrum of friendship we have mere 10:53:08AM

8 acquaintance?---M-hmm. 10:53:12AM

9 And close, long-time friendship?---No, they weren't just mere 10:53:13AM

10 friends. They were friends. 10:53:17AM

11 Okay. They would socialise regularly?---My understanding, yes. 10:53:19AM

12 George might turn around one day and say 'I caught up with 10:53:26AM

13 James the other day.' 10:53:30AM

14 Would they go to the casino regularly?---I don't know. 10:53:32AM

15 What about horse racing?---Horse racing, yes. 10:53:35AM

16 Was there a betting syndicate that you knew of?---I don't know 10:53:39AM

17 about betting syndicates, but I knew - well, I witnessed 10:53:46AM

18 it. There's one particular year, around the Melbourne 10:53:50AM

19 Cup, I was there as well with my wife and James was there, 10:53:53AM

20 and they were betting. 10:53:57AM

21 Did you follow the evidence or at least that part of it last 10:53:59AM

22 year where both Mr Pinder and Mr Haritos spoke about this 10:54:03AM

23 betting syndicate that involved something like an initial 10:54:07AM

24 contribution of \$10,000 and then very, very regularly 10:54:11AM

25 would return dividends in the order of \$10,000 per month 10:54:17AM

26 based on multiple successive quadrella wagers; did you 10:54:22AM

27 hear that?---I did, yeah. 10:54:29AM

28 Did you ever see or hear anything about that sort of activity, 10:54:31AM

29 either from George or from James Pinder?---Well, I do 10:54:36AM

1 recall an occasion where on a Sunday morning going through 10:54:42AM
2 the paper and I noticed a quady paid well, and I said, 10:54:45AM
3 'How did you go with this one? Did you pick it up?' And 10:54:49AM
4 he goes, 'Yeah. And James will be pleased.' That's what 10:54:52AM
5 he said to me. 10:54:55AM
6 COMMISSIONER: I must say my impression differs from yours, 10:54:58AM
7 Mr Lawrie. I didn't understand Mr Haritos to be saying 10:55:01AM
8 that they were regularly successful with quadrellas. 10:55:03AM
9 I thought his evidence was that they were the exception 10:55:07AM
10 rather than the rule. 10:55:08AM
11 MR LAWRIE: My recollection, Commissioner, was that it was 10:55:11AM
12 sometimes one or two a month. 10:55:14AM
13 COMMISSIONER: Right. 10:55:16AM
14 MR LAWRIE: But I stand to be corrected. You were never 10:55:16AM
15 invited to be part of this club or syndicate?---No, no, 10:55:23AM
16 I don't bet. 10:55:27AM
17 And let me be clear. The questions I put in respect of that 10:55:30AM
18 syndicate were to this effect, that it was improbably 10:55:36AM
19 successful based on the evidence of both Mr Pinder and 10:55:43AM
20 Mr Haritos that there was not a single record of any 10:55:47AM
21 transaction, contribution, payout, wager, horse, meeting, 10:55:50AM
22 or anything else that might be connected with that sort of 10:55:57AM
23 activity, and finally that it was simply a cover story for 10:56:00AM
24 the payment of sums of cash in the order of \$10,000 10:56:06AM
25 regularly to Mr Pinder. You would be aware that that was 10:56:11AM
26 the position that was put?---Yes, yeah. But I'm aware too 10:56:14AM
27 that George has been doing really well with the horses, 10:56:19AM
28 you know. 10:56:25AM
29 Have you spoken to George about these hearings since October or 10:56:26AM

1 November last year?---No, no, I try to avoid all that. 10:56:32AM
2 You didn't say to him, 'George, you got asked about this 10:56:38AM
3 betting, you know'?---No. 10:56:42AM
4 'Surely, you know, you must have slips or tabs, TAB slips or 10:56:44AM
5 bookies' slips, an on-line betting account record,' you 10:56:51AM
6 must have suggested to him, 'George, you've got to go and 10:56:56AM
7 find these records,' surely? No?---No, I was aware he was 10:56:59AM
8 winning. He was picking quadies quite frequently. 10:57:03AM
9 All right. 10:57:07AM
10 COMMISSIONER: I just want to be clear about your answer in 10:57:12AM
11 relation to speaking with Mr Haritos about these 10:57:14AM
12 proceedings and the evidence. You've not talked to him 10:57:18AM
13 about the evidence that he's given and the issues that 10:57:22AM
14 were explored in the public hearings?---Look, briefly. It 10:57:25AM
15 wasn't something that we both or I went out of my way to 10:57:33AM
16 discuss it, because I know obviously, you know, not 10:57:38AM
17 allowed to discuss it for one thing, and - - - 10:57:41AM
18 Where did you get that idea from? Where did you get the idea 10:57:45AM
19 from that you couldn't talk to Mr Haritos about the 10:57:51AM
20 evidence that had been given in public 10:57:54AM
21 hearings?---When - where did I hear that? It might have 10:58:01AM
22 been at the time that he was questioned. He would have 10:58:06AM
23 said to me, 'We can't discuss this.' 10:58:09AM
24 So is it your evidence, Mr Kyritsis, that in relation to his 10:58:12AM
25 evidence and particularly his evidence on issues that it 10:58:18AM
26 was suggested involved you and him together that he hasn't 10:58:25AM
27 talked to you about those issues since he gave 10:58:30AM
28 evidence?---Yeah. 10:58:34AM
29 That's your evidence, is it?---Yes, yes. 10:58:35AM

1 Very good. 10:58:37AM

2 MR LAWRIE: And since Mr Haritos has given his evidence there's 10:58:39AM

3 been a number of adverse decisions made, adverse to 10:58:43AM

4 Transclean, that have affected its revenue; is that right? 10:58:50AM

5 You've lost contracts?---We have, yes, definitely. 10:58:54AM

6 You lost the Metro carriages contract?---Yep. 10:58:58AM

7 And the V/Line contract?---And the V/Line contract. 10:59:00AM

8 So that's a very, very substantial impact upon the revenue of 10:59:02AM

9 the company that you co-own and co-direct; is that 10:59:08AM

10 right?---Huge impact, absolutely. 10:59:12AM

11 And after Mr Haritos finished his evidence in November of last 10:59:17AM

12 year and was excused from his summons and before you were 10:59:21AM

13 served in March of this year you say you haven't spoken a 10:59:25AM

14 single word to him about - - - 10:59:30AM

15 COMMISSIONER: I don't think he said a single word, Mr Lawrie. 10:59:33AM

16 MR LAWRIE: You haven't canvassed a single subject about the 10:59:37AM

17 questioning he faced at these hearings?---Not so much 10:59:40AM

18 about the questions; just the fact that it's been 10:59:44AM

19 terrible, it's - our livelihood has gone. 10:59:50AM

20 COMMISSIONER: I'm sorry, it's what?---It's just a terrible 10:59:54AM

21 situation to be in. Our livelihood's gone. My sons' 10:59:56AM

22 futures. 11:00:00AM

23 MR LAWRIE: Well, you must have seen both the footage and heard 11:00:01AM

24 the questions where it is said quite simply that George 11:00:05AM

25 Haritos was delivering sums of cash to James Pinder; you 11:00:09AM

26 must have seen that?---Yes. 11:00:16AM

27 It was widely reported in the news as well, wasn't it?---It was 11:00:18AM

28 passed on to me by family members, yeah. 11:00:22AM

29 Including the vision on 19 August 2020 when Mr Pinder was seen 11:00:25AM

1 receiving or, sorry, holding an envelope that he placed 11:00:34AM
2 behind the front door of his house when a search warrant 11:00:40AM
3 was executed that contained \$10,000 in cash?---Yeah. 11:00:42AM
4 You would have seen that?---M-hmm. 11:00:46AM
5 And that was shortly after he had met with Mr Haritos; you knew 11:00:48AM
6 that?---Yes. 11:00:51AM
7 And you knew that that was one of the critical events that was 11:00:53AM
8 being asked about of both Mr Pinder and 11:00:59AM
9 Mr Haritos?---M-hmm. 11:01:01AM
10 See, I suggest to you in those circumstances, particularly when 11:01:02AM
11 the outworking of all this is such a major impact upon the 11:01:07AM
12 revenue of Transclean, surely you must have said, 'George, 11:01:11AM
13 what's going on? They're alleging that you've been giving 11:01:16AM
14 cash to the CEO of V/Line. What's going on there?' You 11:01:19AM
15 would have to ask that question, wouldn't you?---Of course 11:01:25AM
16 we spoke about that. 11:01:29AM
17 When did you speak about that?---It would have been probably 11:01:30AM
18 soon after. 11:01:32AM
19 Because you would desperately want to know, wouldn't you, not 11:01:33AM
20 only because you've got your responsibilities as a 11:01:38AM
21 director but you've got a personal interest because this 11:01:41AM
22 is going to impact your livelihood?---Absolutely. 11:01:43AM
23 Correct?---Absolutely. 11:01:46AM
24 So you've got two layers of very significant interest to get to 11:01:48AM
25 the bottom of this. You're a director with director's 11:01:52AM
26 responsibilities and you're an owner who relies upon the 11:01:55AM
27 income that you derive from this company; 11:01:59AM
28 correct?---Correct. 11:02:01AM
29 And for those two reasons you would want to get to the bottom 11:02:02AM

1 of what had been alleged against Mr Haritos; 11:02:05AM
2 correct?---Correct. 11:02:09AM
3 And so you would ask him plainly, I suggest, 'George, what was 11:02:09AM
4 going on on 19 August of 2020 when they say you delivered 11:02:15AM
5 cash to Mr Pinder?' Did you ask him a question like 11:02:22AM
6 that?---I definitely would have spoken to him about that. 11:02:25AM
7 I would have asked him, 'You know, what's all this about,' 11:02:29AM
8 and basically what he said, he was making payment of 11:02:32AM
9 winnings. 11:02:36AM
10 And you just took him at face value?---Well, he's my brother. 11:02:38AM
11 COMMISSIONER: Mr Kyritsis, may I assume that because of 11:02:44AM
12 the nature of your relationship with George and the open, 11:02:52AM
13 frank nature of that relationship that if George in fact 11:02:58AM
14 had a corrupt relationship with Mr Pinder and Mr Bollas 11:03:07AM
15 you would have known about it?---If it was corrupt, yes, 11:03:12AM
16 I would have known about it, I would imagine. 11:03:16AM
17 It's not conceivable, is it, that if he in effect had an inside 11:03:18AM
18 man at V/Line and at Metro through Mr Pinder and 11:03:25AM
19 Mr Bollas, he had an inside man there that would help him 11:03:32AM
20 and you in the administration of the contracts with those 11:03:35AM
21 organisations, someone that he could go to for assistance 11:03:40AM
22 if and when there were problems, you would have known 11:03:47AM
23 about it?---I guess I would have, yeah. 11:03:50AM
24 Yes, Mr Lawrie. 11:03:55AM
25 MR LAWRIE: Thank you, Mr Commissioner. I've asked you some 11:03:56AM
26 questions about the nature of your friendship or your 11:04:03AM
27 relationship with Mr Pinder, and you've already described 11:04:06AM
28 that. But were you invited to Mr Pinder's wedding in the 11:04:09AM
29 United Kingdom, in England, in 2016?---Yes, I was. 11:04:16AM

1 Did you go?---No. 11:04:20AM
2 But you were invited?---I was invited, yeah. 11:04:21AM
3 And Mr Haritos was invited?---Yes, he was. 11:04:24AM
4 Did he go?---No. 11:04:27AM
5 And was [REDACTED] also invited?---I don't know. 11:04:29AM
6 You don't know?---No. 11:04:38AM
7 And it didn't surprise you to get an invitation because you had 11:04:40AM
8 a close enough friendship with Mr Pinder at that time to 11:04:43AM
9 warrant an invitation to a wedding overseas?---No, I don't 11:04:47AM
10 think it was the - it was more of a gesture from his part, 11:04:50AM
11 I think. He invites George, so felt, 'Maybe I should 11:04:54AM
12 invite Alex as well.' That was - as far as Mr Pinder, 11:05:00AM
13 I've never rung him, he's never rung me, I haven't even 11:05:08AM
14 got his phone number on my phone. I didn't know where he 11:05:12AM
15 lived. The only times that I, as I said, socialised with 11:05:15AM
16 him was when George would ring me up and say, 'Look, we're 11:05:19AM
17 catching up tonight, if you can make it.' Did that a few 11:05:23AM
18 times. 11:05:26AM
19 What about Mr Bollas who worked at Metro? Peter Bollas, how 11:05:27AM
20 long have you known him for?---From Metro days I've known 11:05:31AM
21 of him - I can't tell you how many - how long, but I know 11:05:39AM
22 of him, yes. 11:05:47AM
23 Would it be prior to 2016?---2016, yes. 11:05:48AM
24 Would you socialise with Mr Bollas as well from time to 11:05:53AM
25 time?---I can recall Mr Bollas being part of that one 11:05:57AM
26 evening at the restaurant, so - it might have been once or 11:06:04AM
27 twice. That's about it. 11:06:08AM
28 When you refer to that evening at the restaurant, what are you 11:06:12AM
29 referring to?---We used to go to this Greek restaurant, we 11:06:15AM

1 used to do this every month just about, twice a month, 11:06:18AM
2 with our supervisors, and James, apparently he lived close 11:06:22AM
3 by, he joined us there or we'd meet him there. That's how 11:06:29AM
4 I got to know him. 11:06:36AM
5 But you spoke about that time at the restaurant?---M-hmm. 11:06:37AM
6 Was that time, that singular time that you're thinking of, was 11:06:40AM
7 that the one that was explored in the hearings that you 11:06:44AM
8 watched last year which was a meeting at Jim's Greek 11:06:47AM
9 Tavern in March of 2020?---Yeah. 11:06:52AM
10 Did you attend it?---Not always but, again, if George said to 11:06:53AM
11 me, 'I'm going out tonight. Do you want to join me,' if 11:06:59AM
12 I could I would. 11:07:05AM
13 We'll come in detail to that meeting. But that's an evening 11:07:06AM
14 out at Jim's Greek Tavern in Collingwood in March of 2020 11:07:11AM
15 that you attended; correct?---March 2020? 11:07:17AM
16 It's the one you heard questions being asked about in the 11:07:31AM
17 public hearing?---I'm just trying to recollect. 11:07:34AM
18 Do you remember that there was a series of questions that was 11:07:39AM
19 put about a particular evening at that restaurant that you 11:07:42AM
20 attended, your son attended, Mr Haritos attended, 11:07:46AM
21 Mr Pinder attended, and Maria Tsakopoulos 11:07:50AM
22 attended?---No - - - 11:07:59AM
23 Amongst others?---I don't recall that. 2020. Because, I mean, 11:08:00AM
24 over the past five years I would have seen James twice. 11:08:07AM
25 And twice only?---Yes. 11:08:15AM
26 What about Mr Bollas? How many times would you have seen him 11:08:18AM
27 over the last five years?---Once. 11:08:22AM
28 COMMISSIONER: So your knowledge, for example, about the 11:08:25AM
29 closeness of Mr Pinder's relationship with George comes 11:08:28AM

1 from George?---Yes. 11:08:31AM

2 You're also aware, I take it, that Mr Pinder and Mr Bollas were 11:08:33AM

3 friends?---I take it because those couple of times that 11:08:37AM

4 I was involved at the restaurant he was there as well. He 11:08:43AM

5 would have come with James or - yeah. 11:08:47AM

6 We've had conversations that have been recorded of Pinder and 11:08:54AM

7 Bollas talking to each other?---M-hmm. 11:09:01AM

8 About the level of assistance that they were giving Transclean, 11:09:04AM

9 including their discussions, as Mr Pinder acknowledges, 11:09:14AM

10 that with the COVID environment and the additional work 11:09:21AM

11 that was being given to Mr Haritos and Transclean that 11:09:25AM

12 they should ask for another \$50,000 from George; did you 11:09:30AM

13 see that conversation?---I did see that. 11:09:36AM

14 Yes?---I was told about it. 11:09:38AM

15 Right. But you never ever heard any suggestion from Mr Haritos 11:09:40AM

16 that he was paying Mr Pinder or Mr Bollas?---No. 11:09:47AM

17 How do you square that up with the conversation that we hear 11:09:52AM

18 between Mr Pinder and Mr Bollas?---I can't make any sense 11:09:57AM

19 out of that one. I don't know. I mean, if there was 11:10:01AM

20 something there, and George would have said something. 11:10:06AM

21 That's not the only possible explanation, is it? Mr Pinder and 11:10:10AM

22 Mr Bollas don't know they're being recorded when they're 11:10:18AM

23 talking about the level of assistance they have already 11:10:21AM

24 given Transclean and that, given that they have now 11:10:23AM

25 arranged for Transclean to do this COVID work, that 11:10:28AM

26 Mr Haritos/Transclean will be good for another 50,000. 11:10:33AM

27 Now, they don't know they're being recorded. What is the 11:10:38AM

28 conclusion that you drew from that conversation?---I don't 11:10:43AM

29 know. What can I say? I mean, it's them two talking 11:10:48AM

1 together. It never came to fruition. I can't - they 11:10:52AM
2 could have said anything on the phone. 11:10:59AM
3 That's the best you can do, Mr Kyritsis?---It is, yeah. 11:11:02AM
4 In explaining that away?---I don't understand why they would be 11:11:07AM
5 talking like that. That's what I'm trying to say. Why 11:11:12AM
6 would they? 11:11:16AM
7 Well, I suggest to you that there's only two possible 11:11:20AM
8 explanations. One is that you know why they were talking 11:11:23AM
9 like that, because you know that they were both in receipt 11:11:27AM
10 of corrupt payments from Transclean; or, alternatively, 11:11:30AM
11 you were continuously lied to by Mr Haritos. What do you 11:11:35AM
12 say as to that?---I don't think George would lie to me. 11:11:43AM
13 Very good. Yes, Mr Lawrie. 11:11:49AM
14 MR LAWRIE: Thank you, Mr Commissioner. (To witness) I take it 11:11:53AM
15 that you don't know of any payments of cash made by 11:11:55AM
16 Mr Haritos to either Mr Pinder or Mr Bollas for whatever 11:12:03AM
17 reason?---Correct. 11:12:08AM
18 Is it your sworn evidence that you're not aware of a single 11:12:10AM
19 instance, apart from this alleged gambling syndicate - 11:12:14AM
20 forget about that for a minute?---M-hmm. 11:12:21AM
21 Any singular instance where Mr Haritos has delivered cash to 11:12:23AM
22 Mr Pinder or Mr Bollas, you say that's never happened 11:12:32AM
23 according to you?---It's never happened. 11:12:36AM
24 And it flows logically from that that you would say on your 11:12:38AM
25 oath that you've never been involved in either the 11:12:42AM
26 delivery of cash to either Mr Pinder or Mr Bollas or 11:12:45AM
27 gathering together cash to be delivered for that purpose; 11:12:49AM
28 that's what you would say, isn't it?---Yes. 11:12:53AM
29 You would have heard in the public hearings about the loan that 11:12:56AM

1 Ms Tsakopoulos provided to James Pinder?---Yes. 11:13:11AM
2 To buy his house; yes?---Yep. 11:13:16AM
3 And this is the loan that she said came into existence in 11:13:20AM
4 December of 2018 to help him buy the house in 11:13:26AM
5 Williamstown; yes?---Yes. 11:13:31AM
6 You followed that evidence closely, I suggest?---I have heard, 11:13:32AM
7 yes. 11:13:36AM
8 When did you first find out about that loan?---When George told 11:13:38AM
9 me. 11:13:43AM
10 Well - - -?---He said to me - - - 11:13:44AM
11 The next question that follows from your answer is when did 11:13:46AM
12 George tell you?---It was towards the end of that year, 11:13:49AM
13 probably around November. 11:14:00AM
14 COMMISSIONER: Of what year?---It would have been 2018. It was 11:14:02AM
15 after we started the new contract. 11:14:10AM
16 MR LAWRIE: So George tells you in about November of 2018 that 11:14:13AM
17 Maria Tsakopoulos is going to lend money to the CEO of 11:14:17AM
18 V/Line?---No, he told me that Maria wants to borrow some 11:14:20AM
19 money from us. 11:14:26AM
20 And you would have said for what purpose?---Oh, well, I said, 11:14:27AM
21 'How's she going to pay it back?' 11:14:31AM
22 You want to know - first of all, how much did she want to 11:14:32AM
23 borrow?---120. 11:14:36AM
24 And your first question, quite reasonably, I suggest, is how 11:14:37AM
25 she's going to pay it back?---M-hmm. 11:14:42AM
26 And your second question would be what's it for?---I didn't ask 11:14:44AM
27 what's it for. 11:14:48AM
28 Would you want - perhaps you would want it to be 11:14:49AM
29 secured?---Didn't bother me. 11:14:54AM

1 Didn't bother you at all?---No, because George was going to 11:14:56AM
2 handle all that. So if he's obviously agreed to it I'll 11:14:59AM
3 agree with it as well. 11:15:03AM
4 You just go with the flow?---That's it. 11:15:05AM
5 Okay. When did you first understand this \$120,000 would be 11:15:08AM
6 part of money going to James Pinder?---As a loan from 11:15:15AM
7 Marie, it would have been only a week or two later. 11:15:21AM
8 So still perhaps in November of 2017?---Probably - no, no, it 11:15:25AM
9 would have been probably December. 11:15:33AM
10 December?---M-hmm. 11:15:34AM
11 Perhaps early December of 2017?---Look - - - 11:15:35AM
12 COMMISSIONER: And how did you learn that? 11:15:40AM
13 MR LAWRIE: 18, sorry, 2018, my apologies?---George told me, 11:15:43AM
14 yeah. 11:15:48AM
15 COMMISSIONER: So by that time you know that money is going to 11:15:49AM
16 go to Mr Pinder for the purchase of his house and it's 11:15:51AM
17 going to go via Maria?---Yes - - - 11:15:59AM
18 And you're going to lend money to Maria for that 11:16:03AM
19 purpose?---Lend money to Maria, who was going to have a 11:16:08AM
20 loan with James. 11:16:11AM
21 Yes. 11:16:14AM
22 MR LAWRIE: Now, Maria was the contract manager supervising 11:16:17AM
23 Transclean's performance of the V/Line contract at that 11:16:21AM
24 time; correct?---Yep. 11:16:24AM
25 And James Pinder was the CEO of V/Line at that time; 11:16:25AM
26 correct?---Yes. 11:16:32AM
27 And this is a contract that is going to deliver revenue in 11:16:32AM
28 excess of \$5 million per annum to Transclean?---M-hmm. 11:16:37AM
29 At that time; yes?---M-hmm. 11:16:40AM

1 And so your senior contract manager is about to, apparently, on 11:16:43AM
2 her version, lend a substantial amount of money to the CEO 11:16:48AM
3 of V/Line. Did you perceive a problem with that?---Well, 11:16:51AM
4 it didn't sit well with me, but I was reassured that it's 11:16:56AM
5 not coming from me or George; it's a loan between her and 11:17:02AM
6 James. 11:17:06AM

7 COMMISSIONER: Sorry, who gave you that assurance? When you 11:17:10AM
8 say it didn't sit well with you but you got some 11:17:15AM
9 assurance, who gave you that assurance?---George said, 11:17:18AM
10 'Look, it's nothing to do with us. It's basically just 11:17:22AM
11 between her and Mr Pinder.' 11:17:24AM

12 But you knew that was false, didn't you?---It didn't sit well 11:17:26AM
13 with me. 11:17:29AM

14 Because it had everything to do with you: you were going to put 11:17:31AM
15 up \$120,000 to find its way into Mr Pinder's pocket. Did 11:17:34AM
16 you not understand that you might be committing a criminal 11:17:41AM
17 offence?---At the time I saw it just purely on that basis, 11:17:44AM
18 that she's borrowed the money, she's doing this thing with 11:17:51AM
19 James. It's not that, you know, I'm doing it. 11:17:54AM

20 But she's your contract - leaving aside your role, she's your 11:17:59AM
21 contract manager. Did it not occur to you that she would 11:18:03AM
22 be committing a criminal offence in putting money into 11:18:08AM
23 Mr Pinder's hand, albeit if she was telling the truth and 11:18:11AM
24 you are that it's a loan? Did you not understand that 11:18:14AM
25 would constitute a crime?---I didn't know about being a 11:18:19AM
26 crime, no. 11:18:24AM

27 MR LAWRIE: Do you know about conflicts of interest?---Yes. 11:18:26AM
28 That's when someone has an obligation to perform their duties 11:18:29AM
29 and responsibilities in a particular way but engages in 11:18:36AM

1 activities that might compromise or potentially compromise 11:18:41AM
2 the performance of those duties; do you understand 11:18:44AM
3 that?---Yep. 11:18:47AM
4 Did you see that a substantial loan as has been put by 11:18:48AM
5 Ms Tsakopoulos would create a very significant conflict of 11:18:59AM
6 interest for both Transclean and for the CEO of 11:19:02AM
7 V/Line?---As I said, it didn't sit well with me and - - - 11:19:06AM
8 That's just a nice way of saying that this was going to be a 11:19:10AM
9 major problem, isn't it?---Well, I was reassured it's not 11:19:14AM
10 going to be a problem. 11:19:17AM
11 In fact, it was going to be such a major problem, I suggest, 11:19:18AM
12 that you appreciated very early on that it could not be 11:19:21AM
13 seen that any of this money flowing to James Pinder had 11:19:25AM
14 originated from Transclean itself; you knew that, didn't 11:19:29AM
15 you?---No, no. Initially when Marie asked for the loan 11:19:32AM
16 from George I didn't know where the money was going to go. 11:19:40AM
17 I didn't ask her, 'What do you want the money?' She just 11:19:46AM
18 asked for a loan, and my concern was how was she going to 11:19:50AM
19 pay it off. 11:19:53AM
20 You're a businessman of over 40 years?---M-hmm. 11:19:54AM
21 Yes? Is that right?---Yeah. 11:19:57AM
22 Have you spoken to Maria about - Maria about this loan?---No. 11:19:58AM
23 Have you followed the hearings that have touched - and the 11:20:04AM
24 questions that have touched on this loan?---Some of it, 11:20:08AM
25 yes. 11:20:10AM
26 Do you understand that what has been asserted by both Mr Pinder 11:20:11AM
27 and Marie Tsakopoulos is that it was going to return an 11:20:16AM
28 interest rate of - sorry, interest at a rate of 11:20:20AM
29 8.5 per cent?---M-hmm. 11:20:25AM

1 You understood that?---Yes. 11:20:26AM

2 Did you understand that at the time? Did you understand - 11:20:28AM

3 sorry, I'll - - -?---No, I wasn't aware of all that at the 11:20:33AM

4 time. 11:20:36AM

5 You had no idea about the terms of this loan?---No, no. 11:20:36AM

6 They would be important terms, would they not, because that 11:20:38AM

7 would also inform you about the risk that you were taking 11:20:42AM

8 with the money that you were forwarding to Maria?---In 11:20:45AM

9 what way? 11:20:50AM

10 Well, you want to - - - 11:20:51AM

11 COMMISSIONER: I don't think we've got an answer from 11:20:53AM

12 Mr Kyritsis. You said a couple of times now you asked 11:20:55AM

13 Mr Haritos how she's going to pay it back?---M-hmm. 11:20:59AM

14 What was the answer to your question when you raised that with 11:21:02AM

15 Mr Haritos?---He didn't sort of commit to exactly how. It 11:21:05AM

16 would either be instalments or deducted from an invoice 11:21:10AM

17 or - monthly invoices - - - 11:21:16AM

18 I'm sorry, I don't follow. What did Mr Haritos say in answer 11:21:17AM

19 to your question how is Maria going to repay that money to 11:21:20AM

20 you?---I think he said by instalments or perhaps deducting 11:21:24AM

21 it from her monthly invoice. 11:21:30AM

22 Did either of those things happen?---I didn't follow it up. 11:21:32AM

23 Let me indicate to you there's absolutely no suggestion by 11:21:39AM

24 George or Marie that either of those things 11:21:44AM

25 happened?---M-hmm. 11:21:49AM

26 Have you made any enquiry since the time that you committed 11:21:49AM

27 yourself to lending half of \$120,000, your contribution, 11:21:55AM

28 60,000, right, have you made any enquiry at any time since 11:22:03AM

29 then about how that money's going to be repaid to 11:22:08AM

1 you?---I think George mentioned that he has received some 11:22:14AM
2 money, I'm not sure how much. That she's paying it off. 11:22:17AM
3 Now, the amount, I didn't - sort of in one ear and out the 11:22:23AM
4 other, to be honest. 11:22:28AM
5 Because you do understand, Mr Kyritsis, that a prominent 11:22:30AM
6 hypothesis, prominent explanation, is you weren't 11:22:34AM
7 expecting to be repaid, that these were moneys that were 11:22:39AM
8 being gifted to Mr Pinder, and, rather, your lack of 11:22:44AM
9 understanding as to anything that's occurred since that 11:22:51AM
10 loan, that supposed loan, was entered into rather suggests 11:22:54AM
11 that might be the case; what do you say about 11:22:58AM
12 that?---Well, that's why my first question was, 'How is 11:23:03AM
13 she going to pay it off?' 11:23:06AM
14 And neither of those events that you say Mr Haritos said was 11:23:09AM
15 the means for doing so has to your knowledge 11:23:13AM
16 occurred?---He did say that he has received some payment, 11:23:18AM
17 but I can't recall amounts. 11:23:21AM
18 When did he say that, and how much was it?---I don't know. He 11:23:23AM
19 didn't mention amounts. 11:23:28AM
20 When did he say that had occurred?---It would have been 11:23:29AM
21 probably beginning of - no, it was last year, around mid 11:23:33AM
22 last year, yeah. 11:23:39AM
23 MR LAWRIE: You appreciate this, don't you, Mr Kyritsis: that - 11:23:43AM
24 what I'm suggesting to you, that this loan is a complete 11:23:47AM
25 fiction, it's a lie that's been concocted to cover the 11:23:51AM
26 transmission of money, the transmission of \$320,000, to 11:23:59AM
27 James Pinder for his favours to Transclean; you understand 11:24:04AM
28 that's the position, don't you, that's being put - - 11:24:09AM
29 -?---Yeah, that's what's been put to them. 11:24:14AM

1 Now, surely, if there was any transaction which would 11:24:18AM
2 substantiate the payment of interest or the part-repayment 11:24:20AM
3 of the loan between Transclean, or some other entities 11:24:24AM
4 that we'll come to shortly, and Maria, you would go 11:24:30AM
5 searching for that document or you would try to find the 11:24:35AM
6 tracks of that transaction, wouldn't you, and you would 11:24:40AM
7 have it here today?---Look, it wasn't up to me. I mean, 11:24:43AM
8 I've left all that up to George and - - - 11:24:47AM
9 Oh, come on?---That's what it is. 11:24:49AM
10 You're the co-director and co-owner of this company?---I am. 11:24:51AM
11 I am, but I'm not - - - 11:24:55AM
12 Your livelihood is on the line?---I was not involved. 11:24:55AM
13 Upstairs - I'm telling you, I was not involved upstairs at 11:24:58AM
14 all, with the administration and all that stuff. 11:25:01AM
15 COMMISSIONER: Just pause there, Mr Kyritsis. I imagine 11:25:05AM
16 Mr Lawrie was going to explore with you how the \$120,000 11:25:07AM
17 from you and George went to Maria. You know how it went 11:25:12AM
18 to her, don't you? You know the mechanism that was used 11:25:20AM
19 for creating the fund that went to her?---I would imagine 11:25:23AM
20 it would have been a bank transfer. 11:25:30AM
21 And you played a role in executing the relevant bank documents, 11:25:32AM
22 didn't you?---No. 11:25:36AM
23 Just think about that. 11:25:42AM
24 MR LAWRIE: Have a think about that. Just check your memory. 11:25:44AM
25 Were you involved in any of the transfers or writing 11:25:48AM
26 cheques that went to Maria Tsakopoulos as part of this 11:25:51AM
27 series of transactions?---No, I can't recall that. 11:25:53AM
28 It would be significant, wouldn't it?---It would be. 11:25:57AM
29 What I'll do is bring up a flowchart that has been shown 11:26:01AM

1 previously. This is p.903, Mr Commissioner, exhibited as 11:26:07AM
2 MT12. 11:26:12AM
3 COMMISSIONER: I'm sorry? 11:26:13AM
4 MR LAWRIE: Sorry, it's exhibited as MT12. Sorry, 11:26:14AM
5 Mr Commissioner, it's p.903. 11:26:17AM
6 COMMISSIONER: Yes. 11:26:19AM
7 MR LAWRIE: That's going to appear on the screen before you 11:26:20AM
8 now, sir. I'll just take a moment to help you orient 11:26:23AM
9 yourself with this flowchart. I take it you would have 11:26:35AM
10 seen this before but perhaps not closely; is that 11:26:38AM
11 correct?---Yeah, I have seen it but I couldn't 11:26:40AM
12 distinguish. 11:26:45AM
13 Okay. That's fine. We're just going to do a minute or two to 11:26:45AM
14 orient ourselves. At the very left you see a box 11:26:49AM
15 representing - perhaps if we can move the cursor over 11:26:53AM
16 there to point - is Transclean Facilities Pty Ltd?---Yep. 11:26:56AM
17 Do you see that there?---M-hmm. 11:27:01AM
18 Then the next column represents a number of entities through 11:27:03AM
19 which or from which money has passed, that is first of all 11:27:06AM
20 there's a cash deposit, then we have got Derek Sue and 11:27:09AM
21 Arthur Tsouhantaris, Jinacan, Grattan Heights and Bega 11:27:13AM
22 Nominees; do you see that there?---Yep. 11:27:18AM
23 The next column is the specifics of the transaction, that is 11:27:20AM
24 the mode of the transaction, the date and the amount; do 11:27:23AM
25 you see that there?---Yep. 11:27:27AM
26 The next column is the target accounts for each of those 11:27:29AM
27 transactions, starting off with at the top Andrea Bennett, 11:27:35AM
28 who received \$123,000 by electronic funds transfer on 11:27:38AM
29 4 December 2018; do you see that there?---M-hmm. 11:27:44AM

1 And then going down to the middle, the primary target account 11:27:47AM
2 in these transactions, being Maria Tsakopoulos; do you see 11:27:54AM
3 that there?---M-hmm. 11:27:58AM
4 And then Peter Bollas down the bottom - we can just not concern 11:27:59AM
5 ourselves with that part for the moment. Moving to the 11:28:06AM
6 right, we then see transactions from principally 11:28:10AM
7 Maria Tsakopoulos's account that go to James Pinder but 11:28:16AM
8 also one at the top that goes from Andrea Bennett directly 11:28:20AM
9 to the estate agent acting for James Pinder; do you see 11:28:24AM
10 that there?---Yep. 11:28:27AM
11 And this is all to do with the purchase of the property for 11:28:28AM
12 \$2.5 million in Williamstown?---Yep. 11:28:33AM
13 Now, has that little tour been sufficient for you to understand 11:28:36AM
14 the flowchart?---Yes. 11:28:42AM
15 Okay. Now, we see that as part of the \$120,000 that goes from 11:28:43AM
16 Transclean to Maria Tsakopoulos, first of all, there are a 11:28:55AM
17 number of cheques. I'm sorry, leaving aside the 11:29:00AM
18 transaction via Andrea Bennett, which I'll come to in a 11:29:09AM
19 moment, but the first of the cheques is Jinacan Pty Ltd, 11:29:13AM
20 there is a cheque and an EFT transaction, the two together 11:29:18AM
21 totalling \$60,000 on 14 January; do you see that 11:29:23AM
22 there?---Yes. 11:29:26AM
23 Now, if you want, I can take you to the statements and the 11:29:28AM
24 cheques and we can have a look at those, but you signed 11:29:33AM
25 that cheque?---I did? 11:29:38AM
26 Yes. Do you remember doing that?---No. 11:29:41AM
27 Can we please bring up p.1216. Yes, 1216. Can we just zoom in 11:29:47AM
28 there. Sorry, perhaps if we go to 1222 there will be a 11:30:07AM
29 clearer page. This is a form which puts you as a 11:30:26AM

1 co-signatory to the business bank account. Can we just 11:30:45AM
2 scroll down, please. Sorry, scroll up. Keep going. 11:30:48AM
3 There we go. Do you see there at point 4 it's got 11:31:09AM
4 'persons authorised to operate the account' and the first 11:31:12AM
5 nominated signatory to the account is yourself, Alex 11:31:14AM
6 Kyritsis; do you see that there?---Yes. 11:31:15AM
7 And it's got your signature there dated 16/7/09?---M-hmm. 11:31:16AM
8 And that is page - can we just scroll down to the page, page 11:31:23AM
9 number - 1222. 11:31:27AM
10 COMMISSIONER: I take it, Mr Kyritsis, you don't doubt you were 11:31:31AM
11 an authorised signatory for that account?---No. 11:31:34AM
12 MR LAWRIE: I tender that, Mr Commissioner. That's account 11:31:40AM
13 signatory record for Bega Nominees. 11:31:46AM
14 COMMISSIONER: I'm sorry, that's for what company? 11:31:54AM
15 MR LAWRIE: For Bega Nominees' account. 11:31:56AM
16 COMMISSIONER: I mean, Mr Kyritsis probably is not going to 11:31:59AM
17 dispute the fact that he's an authorised signatory for 11:32:02AM
18 each of those companies from which the money came. 11:32:05AM
19 MR LAWRIE: No. 11:32:09AM
20 COMMISSIONER: And that might save some time, Mr Lawrie. 11:32:10AM
21 MR LAWRIE: No, the purpose is just to demonstrate the 11:32:12AM
22 signature, Mr Commissioner. 11:32:14AM
23 COMMISSIONER: I see. 11:32:16AM
24 MR LAWRIE: Not to do it for each one. 11:32:16AM
25 COMMISSIONER: All right. That will be AK2, account signature 11:32:18AM
26 form for Bega Nominees. 11:32:28AM
27 #EXHIBIT AK2 - Account signature form for Bega Nominees. 11:32:26AM
28 MR LAWRIE: Thank you, Mr Commissioner. (To witness) If we can 11:32:30AM
29 go, please, now to p.1228, and can we just zoom out a 11:32:32AM

1 little bit so we can see all three together. These are 11:32:48AM
2 the three cheques that you signed on 14 January 2019 going 11:32:53AM
3 to Maria Tsakopoulos. The first of them is a Grattan 11:33:01AM
4 Heights Pty Ltd cheque, the second is a Jinacan Pty Ltd 11:33:05AM
5 cheque and the third is a Bega Nominees Pty Ltd cheque; do 11:33:09AM
6 you see that?---Yes. 11:33:14AM
7 COMMISSIONER: Do you accept that's your signature on each of 11:33:15AM
8 those?---It looks like my signature, but I cannot recall 11:33:17AM
9 doing this. 11:33:20AM
10 MR LAWRIE: Really? 11:33:22AM
11 COMMISSIONER: Be that as it may, be that your recollection as 11:33:25AM
12 it may, do you have any doubt that you signed these 11:33:29AM
13 cheques?---I can only go - looking at the signature, it 11:33:33AM
14 is - it looks like my signature. I know it's changed over 11:33:39AM
15 time, but ... 11:33:46AM
16 And how did you come to know that you had to execute these 11:33:47AM
17 cheques to go to Maria on to Mr Pinder?---This is totally 11:33:49AM
18 new to me. I have never seen this before. 11:33:56AM
19 No, no, assuming this is correct, then?---Yep. 11:33:58AM
20 As it appears to be, Mr Kyritsis, that you signed these 11:34:02AM
21 cheques, presumably someone had to tell you that this 11:34:07AM
22 needed to be done. Who gave you that 11:34:10AM
23 information?---I don't recall. I don't recall that. 11:34:15AM
24 But you do recall that Mr Haritos discussed with you the fact 11:34:17AM
25 that you were going to lend Maria \$120,000 that would go 11:34:22AM
26 to Mr Pinder?---Yes. 11:34:28AM
27 So who told you to do this, though?---I can't recall this, what 11:34:32AM
28 you're showing me now. 11:34:42AM
29 MR LAWRIE: You've got no memory whatsoever - - -?---No, no. 11:34:44AM

1 Of this; is that your - - -?---Yes. 11:34:46AM

2 Sworn evidence?---Why would I sign a cheque? Why wouldn't they 11:34:47AM

3 just simply transfer the funds over? 11:34:54AM

4 Well, perhaps that's a question that you can answer. 11:34:56AM

5 COMMISSIONER: I think you know the answer to that, surely, 11:34:59AM

6 Mr Kyritsis. George Haritos told us, Mr Kyritsis, when he 11:35:01AM

7 gave evidence that the way this whole issue started, the 11:35:07AM

8 genesis of the loan - genesis, rather, of Mr Pinder's 11:35:12AM

9 deposit, was that James went to George and said, 'Can you 11:35:17AM

10 find a way to get me money to pay the deposit,' and made 11:35:23AM

11 clear to George at that time, 'But the money is not to 11:35:30AM

12 come from you' - from George?---M-hmm. 11:35:33AM

13 And that he made that clear to you also, George, didn't he? 11:35:36AM

14 When he said to you, 'We've got to fund \$120,000,' and you 11:35:39AM

15 say, 'I had disquiet,' or, 'It didn't sit well with me,' 11:35:45AM

16 he assured you, 'The money that's going to James will not 11:35:51AM

17 be coming from us'?---Yes. 11:35:53AM

18 He made that clear to you?---Yes. 11:35:55AM

19 So I don't understand why, then, you don't follow what happens 11:35:58AM

20 here. This is the way of ensuring that the money isn't 11:36:02AM

21 going directly from you or you and George's companies to 11:36:07AM

22 Mr Pinder; it's going from those companies you control to 11:36:13AM

23 Maria?---Yes. 11:36:18AM

24 Isn't this why that course was followed?---I understand - 11:36:22AM

25 I understand that. But I can't recall ever signing this. 11:36:26AM

26 No, no, but you said - I'm sorry, my lengthy explanation is 11:36:28AM

27 because you were saying, 'I don't understand why this was 11:36:32AM

28 done.' I'm saying that the explanation for it is obvious, 11:36:34AM

29 isn't it?---Why it was done? 11:36:39AM

1 Why you followed this process?---To get to the 120? 11:36:41AM
2 To Maria and not directly to Mr Pinder?---Yes. But I cannot 11:36:46AM
3 recall signing these things. 11:36:53AM
4 I understand that. Yes, Mr Lawrie. 11:36:54AM
5 WITNESS: By the way, that's not my writing. 11:37:06AM
6 MR LAWRIE: Well, whose writing is it?---I don't know. 11:37:09AM
7 So someone prepared these cheques, I suggest to you, and then 11:37:13AM
8 you signed them, did you?---I can't remember signing them. 11:37:16AM
9 How many cheques do you sign in the course of a business 11:37:23AM
10 week?---The only cheques that I would sign, if Glenys - or 11:37:27AM
11 nowadays hardly, hardly ever. But only when Glenys 11:37:30AM
12 puts the - tells me we've got to pay such and such a bill 11:37:37AM
13 and I'll sign it in front of her. 11:37:39AM
14 Because the way we do business in the modern world is by - a 11:37:41AM
15 very large majority is via electronic funds transfer, 11:37:46AM
16 isn't it?---Yep. 11:37:50AM
17 And the day of the cheque has almost passed, hasn't it?---Yes. 11:37:50AM
18 And so it would be unusual for you to be writing out paper 11:37:55AM
19 cheques now, wouldn't it?---Me? No, I wouldn't. 11:37:58AM
20 It wouldn't?---No, it - no, it would be unusual, yes, yes. 11:38:01AM
21 And I suggest to you that your claim of a lack of memory of 11:38:04AM
22 signing these cheques is simply a convenient excuse to 11:38:09AM
23 avoid confronting this issue?---No. 11:38:12AM
24 You disagree?---No. I cannot recall this. The handwriting is 11:38:15AM
25 not mine obviously. I don't know whose it is. 11:38:19AM
26 COMMISSIONER: Do you see in the second cheque, 11:38:23AM
27 Mr Kyritsis?---M-hmm. 11:38:28AM
28 The one for \$40,000 from Jinacan?---Yep. 11:38:28AM
29 The original amount's crossed out?---Yes. 11:38:33AM

1 And it's then written again and there is initials underneath 11:38:36AM
2 that?---Yes. 11:38:42AM
3 They're your initials?---They look like my initials, yes. 11:38:42AM
4 That's the way you normally sign that when you're using your 11:38:45AM
5 initials?---Yes, if I make a change in the figure, yes. 11:38:50AM
6 So tell me is there any reason why I should not proceed on the 11:38:53AM
7 basis - notwithstanding you don't remember doing it, is 11:38:57AM
8 there any reason why I should not proceed on the basis 11:39:02AM
9 that you signed these cheques?---Looking at it, that's my 11:39:04AM
10 signature, yes. 11:39:13AM
11 All right?---That's not my handwriting. 11:39:15AM
12 No, but that wouldn't be uncommon, would it, that you as a 11:39:18AM
13 director would have someone on the staff that has been 11:39:21AM
14 told, 'We need to write a cheque out'?---Yes. 11:39:27AM
15 Would write out the body of the cheque for you and you would 11:39:29AM
16 just sign it?---That's possible. That has happened with 11:39:33AM
17 Glenys. 11:39:35AM
18 Yes. 11:39:36AM
19 MR LAWRIE: I tender those three cheques as a bundle, 11:39:36AM
20 Mr Commissioner. They're three cheques to 11:39:40AM
21 Maria Tsakopoulos dated 14 January 2019 at p.1228. 11:39:44AM
22 COMMISSIONER: That will be AK3. 11:39:50AM
23 #EXHIBIT AK3 - Three cheques to Maria Tsakopoulos dated 11:39:52AM
24 14/01/19 at p.1228. 11:39:45AM
25 MR LAWRIE: Thank you. Can we please bring up the flowchart 11:39:53AM
26 again, the flowchart is MT12. We see also in - on 11:39:56AM
27 15 November, do you see the \$120,000 that goes to Derek 11:40:19AM
28 Sue and Arthur Tsouhantaris from Transclean 11:40:24AM
29 Facilities?---Yes. 11:40:29AM

1 Now, that's not directed to Proclean Pty Ltd for any services 11:40:29AM
2 that it might have been providing by way of employment 11:40:35AM
3 services; this is to a joint account in those persons' own 11:40:39AM
4 names; do you understand that?---Right, yes. 11:40:44AM
5 You can't think, I suggest, of any sensible reason why 11:40:46AM
6 Transclean would be paying out that sort of money as a 11:40:50AM
7 lump sum to those persons, can you?---Derek Sue, no. 11:40:53AM
8 Arthur, possibly. What was the date of that? 11:41:06AM
9 November of 2018?---It could have been an instalment towards 11:41:14AM
10 Arthur of some money that we borrowed from him. 11:41:26AM
11 Do you say Transclean borrowed money from 11:41:34AM
12 Mr Tsouhantaris?---Yeah, yes, we did. 11:41:39AM
13 When was that?---That was a long time ago, probably nine, 11:41:41AM
14 10 years ago. 11:41:45AM
15 What was it for?---To do with - we had an issue with the tax 11:41:46AM
16 and we were trying to get some funds to pay some bills. 11:41:51AM
17 How much was it for?---It was substantial. 400, 450, I'm not 11:41:54AM
18 sure. 11:42:11AM
19 And I take it that this loan from Mr Tsouhantaris to Transclean 11:42:11AM
20 is not documented anywhere; is that right?---I don't know. 11:42:18AM
21 I never - I wasn't involved with it. I was aware that we 11:42:22AM
22 did borrow some funds. 11:42:26AM
23 Do you have directors meetings?---Occasionally, yeah. 11:42:28AM
24 Do you keep minutes?---Sometimes. 11:42:32AM
25 Do you have a secretary that assists in the conduct of those 11:42:40AM
26 meetings?---Yes. 11:42:43AM
27 For the purposes of minute taking and the like?---Yep. That 11:42:44AM
28 would be Glenys. 11:42:49AM
29 How many companies are you the director of? We've gone through 11:42:50AM

1 four so far?---I think that's it. 11:42:54AM

2 What about corporate trustees for family trust arrangements and 11:42:58AM

3 the like?---Yeah, I'm involved in that as well. 11:43:03AM

4 What's the name of that company?---Well, it's Kyritsis 11:43:06AM

5 Nominees. 11:43:10AM

6 Pty Ltd?---Yep. 11:43:10AM

7 Is that the only corporate trustee that you're involved 11:43:11AM

8 in?---I believe so. 11:43:18AM

9 COMMISSIONER: Mr Lawrie, when you're about to go on to a new 11:43:25AM

10 matter, I note the time, we might have a break, but - - - 11:43:28AM

11 MR LAWRIE: Perhaps we'll have one now, then. 11:43:31AM

12 COMMISSIONER: You sure? 11:43:32AM

13 MR LAWRIE: Yes, thank you, Mr Commissioner. 11:43:34AM

14 COMMISSIONER: Have a break for 10 minutes, Mr Kyritsis. 11:43:35AM

15 You're welcome to speak to counsel if you wish during that 11:43:37AM

16 time?---Thank you. 11:43:40AM

17 (Short adjournment.) 11:43:41AM

18 COMMISSIONER: Are you ready to proceed? 12:00:44PM

19 MR LAWRIE: Thank you, Mr Commissioner. (To witness) 12:00:46PM

20 Mr Kyritsis, I was asking you before the break about some 12:00:48PM

21 of the transactions that surrounded what is said to be the 12:00:51PM

22 loan to Mr Pinder. You understood this, though, didn't 12:00:57PM

23 you, that, of the moneys that were going to Mr Pinder, 12:01:01PM

24 \$120,000 worth was being sourced via Transclean or from 12:01:08PM

25 Transclean or from one of the three companies that we've 12:01:13PM

26 spoken about; that is, Jinacan, Grattan Heights and Bega 12:01:19PM

27 Nominees?---Going to Marie. 12:01:25PM

28 Yes, going to Marie?---The loan, yeah. 12:01:28PM

29 And you knew that that money was to go eventually to 12:01:31PM

1 Mr Pinder?---I knew that she was preparing a loan with 12:01:36PM
2 Mr Pinder, yeah. 12:01:40PM
3 But, more specifically, you knew the money that was coming from 12:01:41PM
4 Transclean or one of those three companies that we've 12:01:45PM
5 spoken about, the property group, if we can call it 12:01:48PM
6 that?---M-hmm. 12:01:52PM
7 You knew that that money was going to Mr Pinder, albeit via a 12:01:53PM
8 loan from Maria Tsakopoulos?---Yes. 12:01:57PM
9 That the ultimate destination was Mr Pinder?---M-hmm. 12:02:01PM
10 And you knew that it could not be seen to the outside world 12:02:04PM
11 that the source of those funds, that \$120,000, was 12:02:09PM
12 Transclean, didn't you?---Well, yes. But at that stage 12:02:13PM
13 I wasn't aware that there was going to be a loan as such. 12:02:20PM
14 When I agreed with George lending her 120,000, I wasn't 12:02:24PM
15 aware that that's the case. I found out later. 12:02:29PM
16 COMMISSIONER: I'm sorry, what were you not aware of?---That 12:02:35PM
17 the money was going to go to Mr Pinder. 12:02:37PM
18 No, I think you told us initially George said, 'We are going to 12:02:41PM
19 lend Maria 120,000'?---Yes. 12:02:50PM
20 And then a few weeks later I think you said - - -?---Yes. 12:02:54PM
21 In late 2018 you discovered - - -?---Yes. 12:02:58PM
22 That it was going to go from Maria to Pinder?---Yes. 12:03:00PM
23 And that's well before you signed these cheques?---Honestly, 12:03:05PM
24 I cannot recall signing those cheques. 12:03:16PM
25 But you don't dispute that you signed them, do you?---If 12:03:18PM
26 I could recall signing them, I'd say yes. I just cannot 12:03:29PM
27 recall signing those cheques. 12:03:32PM
28 I'm not sure what you think turns on your recollection, 12:03:35PM
29 Mr Kyritsis, because your evidence is between you and 12:03:41PM

1 George as the directors and the principal beneficiaries in 12:03:44PM
2 those companies you had agreed that you would convey 12:03:50PM
3 \$120,000 to Marie?---Yes. 12:03:55PM
4 So what does it matter whether you signed it or George signed 12:03:57PM
5 it; someone was giving effect to what you had agreed with 12:04:00PM
6 George?---Yes, that's fair enough. 12:04:04PM
7 MR LAWRIE: And by the time that you realised that Marie was 12:04:09PM
8 forwarding money or to be forwarding money to James 12:04:14PM
9 Pinder, you knew that it could not be seen to the outside 12:04:18PM
10 world that some of those funds were being sourced from 12:04:21PM
11 Transclean, didn't you?---I wasn't comfortable with it, 12:04:23PM
12 no. 12:04:28PM
13 Well, you knew that it just could not be shown that that was 12:04:28PM
14 where the money had come from?---M-hmm. Yes. 12:04:31PM
15 It's more than being uncomfortable. You knew you had to 12:04:34PM
16 conceal the origin of the money, didn't you?---At that 12:04:38PM
17 stage it was simply a loan between Marie. That's how 12:04:42PM
18 I actually viewed it. 12:04:45PM
19 So there was no issue from your point of view?---No, I felt 12:04:46PM
20 uncomfortable about it, but ultimately it was Marie that 12:04:50PM
21 lend the money. 12:04:55PM
22 You keep using the phrase 'I felt uncomfortable', but you 12:04:55PM
23 suggest to you it's more than that. Your level of 12:05:00PM
24 discomfort reached a point where you understood that this 12:05:02PM
25 was money that could not be seen to come from Transclean; 12:05:07PM
26 is that the case?---M-hmm. Yep. 12:05:11PM
27 And it's that understanding in your own mind that is the reason 12:05:14PM
28 why you went to the trouble of signing those three cheques 12:05:22PM
29 for some of those funds, isn't it?---Again, I'm confused 12:05:25PM

1 about these cheques. 12:05:36PM

2 You would appreciate this as a matter of logic. You can look 12:05:40PM

3 at a document and you can say, 'Well, I might not have a 12:05:44PM

4 memory of signing that, but I can see my signature on it 12:05:47PM

5 and, although I might not remember it, I accept that I've 12:05:50PM

6 signed that document;' do you understand the 12:05:53PM

7 distinction?---Yeah. Depends what document. I mean, this 12:05:56PM

8 is, you know - - - 12:05:59PM

9 Okay?---It's a lot of money here. 12:06:00PM

10 It is a lot of money; you're quite right?---And I'm sure 12:06:02PM

11 I would have remembered. 12:06:05PM

12 Well, you're quite right it is a lot of money, and that's one 12:06:06PM

13 of the reasons why I think very early on in this subject 12:06:10PM

14 you said, 'Well, I wanted to know is she going to be able 12:06:13PM

15 to pay it back.' You remember saying that?---Yeah, yep. 12:06:17PM

16 And, if she was lending the money to James Pinder, one of 12:06:24PM

17 the principal ways you could reassure yourself that she 12:06:30PM

18 had a mechanism for paying it back would be to consider 12:06:33PM

19 the agreement that she might have had with Mr Pinder; do 12:06:39PM

20 you follow me?---Yes. 12:06:43PM

21 And so, if you're so concerned to make sure that the \$120,000 12:06:44PM

22 that's coming from Transclean is going to come back, you 12:06:50PM

23 would investigate what was the nature of the contractual 12:06:56PM

24 relationship between Marie Tsakopoulos and James Pinder; 12:06:59PM

25 you would do that?---If I was the one responsible for it, 12:07:04PM

26 yes. 12:07:09PM

27 Are you responsible for anything?---Well, yeah, of course I am, 12:07:09PM

28 but not this - - - 12:07:15PM

29 Ordering stock and delivering stock?---Absolutely. Absolutely. 12:07:16PM

1 Are you responsible for anything in terms of the management of 12:07:19PM
2 Transclean or do you say you just - you're in your office 12:07:23PM
3 downstairs and that's it?---I was not involved in 12:07:27PM
4 management, administration. That's how I chose to spend 12:07:29PM
5 the last five years. 12:07:36PM
6 COMMISSIONER: To put it crudely, you were happy for George to 12:07:39PM
7 run the administration and the management of the 12:07:42PM
8 contracts?---It's been like that for many, many years. 12:07:46PM
9 MR LAWRIE: Did you ever look at the accounts?---No, I didn't. 12:07:49PM
10 I'd ask the question what the balance is, anyone owing 12:07:53PM
11 money, that type of stuff. But that was my extent of it. 12:07:57PM
12 The company accountant would prepare year end financial 12:08:00PM
13 reports; is that right?---Yep. 12:08:03PM
14 And of course a tax return for the company?---M-hmm. 12:08:04PM
15 Would you ever review the financial reports that were prepared 12:08:06PM
16 by the accountant for Transclean Facilities?---I remember 12:08:11PM
17 the accountant preparing them and giving us a copy and 12:08:14PM
18 that, but I didn't - - - 12:08:17PM
19 You never even looked at the financial reports at the end of 12:08:18PM
20 the year?---No. 12:08:20PM
21 COMMISSIONER: Was Edwin Chng also your accountant?---Yes. 12:08:23PM
22 So we've heard from Mr Chng, he was Transclean's accountant, 12:08:26PM
23 Mr Haritos's accountant, your accountant?---Yes. 12:08:31PM
24 Is it correct he never charged you fees for his services?---No, 12:08:33PM
25 I'm pretty sure he charged us a fee. 12:08:38PM
26 You personally?---Me personally? 12:08:42PM
27 He doesn't charge you fees for doing your accounts?---No. But 12:08:45PM
28 it's sort of all combined. 12:08:49PM
29 So he combines a bill that he gives to Transclean, and there 12:08:51PM

1 are other senior people at Transclean for whom he also 12:08:54PM
2 does the accounts?---I'm not sure. 12:08:58PM
3 All right. Did you speak to Edwin Chng? Did you speak to him 12:09:01PM
4 at any stage about how the \$120,000 transaction was to be 12:09:12PM
5 reflected in the books of account of the various 12:09:19PM
6 companies?---No. No. Never. 12:09:23PM
7 Do you know that these amounts are recorded in each of those 12:09:26PM
8 companies as loans being made by you and George?---Yes, 12:09:33PM
9 I'm aware of that. 12:09:39PM
10 You understood that was to happen?---Yes. 12:09:40PM
11 You knew that was going to - - -?---Yes, I knew that. 12:09:42PM
12 Very good. 12:09:44PM
13 MR LAWRIE: Did George just tell you that these would be 12:09:51PM
14 treated as directors' loans as within Bega Nominees, 12:09:52PM
15 Grattan Heights and Jinacan?---No. 12:09:56PM
16 Well, how did you come to find that out?---I didn't know. Find 12:09:59PM
17 what out? 12:10:02PM
18 Well, the money that went out from Jinacan, Grattan Heights and 12:10:03PM
19 Bega Nominees was treated as being loans to directors of 12:10:06PM
20 those companies; you understand that?---It's news to me. 12:10:10PM
21 COMMISSIONER: You just told me you did, and counsel is simply 12:10:15PM
22 asking you how did you know that?---We are talking about 12:10:18PM
23 the individual accounts, individual companies? 12:10:24PM
24 MR LAWRIE: You know the three cheques that we've gone to which 12:10:27PM
25 you say you don't remember?---Yes. 12:10:29PM
26 Those three cheques represent substantial funds going out of 12:10:31PM
27 Jinacan, Grattan Heights and Bega Nominees; you understand 12:10:36PM
28 that?---Yep. 12:10:39PM
29 You are a co-director of each of those companies, are you 12:10:40PM

1 not?---M-hmm. 12:10:43PM

2 You are a co-owner of each of those companies, are you 12:10:43PM

3 not?---Yes. 12:10:47PM

4 You understand, don't you, that the way the funds flowing out 12:10:47PM

5 via those cheques was treated within each of those 12:10:55PM

6 companies was that they were recorded as directors' 12:10:57PM

7 loans?---Okay. 12:11:02PM

8 You understand?---Yes. 12:11:02PM

9 That is it's a deduction against the equity that you might 12:11:04PM

10 enjoy from each of those companies?---M-hmm. 12:11:10PM

11 You understand?---I understand that now, yes. 12:11:12PM

12 When did you first find out that they were going to be treated 12:11:14PM

13 as directors' loans?---Now. 12:11:18PM

14 Just now? No-one told you?---No. I just found out exactly 12:11:23PM

15 now. 12:11:31PM

16 You never had the discussion with George about that?---No. 12:11:31PM

17 I knew that there would be a loan to Maria for 120. Where 12:11:39PM

18 that money came from, I never enquired. 12:11:43PM

19 Half of it is your money, isn't it? Half of it is your money, 12:11:47PM

20 isn't it?---Yep. 12:11:52PM

21 And you made no enquiry whatsoever?---No. I can't recall. 12:11:53PM

22 Earlier this morning I mentioned the fact that in this 12:11:58PM

23 purported loan there's interest to be paid by James Pinder 12:12:03PM

24 at the rate of 8.5 per cent to Maria Tsakopoulos?---Yes. 12:12:07PM

25 Do you remember me putting that?---Yes. 12:12:10PM

26 Was that the first time you've heard of that fact?---No, 12:12:12PM

27 I heard it because I was - it was discussed the other day. 12:12:15PM

28 You heard it from watching the public - - -?---Yes. 12:12:20PM

29 The public stream on Monday, did you?---Yeah. 12:12:22PM

1 Or yesterday?---I can't recall. 12:12:24PM

2 No, that's all right. Whether it's Monday or Tuesday doesn't 12:12:29PM

3 matter, but it was this week that you first learnt that 12:12:32PM

4 there was an interest rate apparently - sorry, interest 12:12:34PM

5 apparently to be paid by Mr Pinder to 12:12:37PM

6 Maria Tsakopoulos?---Yes. 12:12:41PM

7 That must have come as a surprise to you, mustn't it?---No, it 12:12:43PM

8 didn't. 12:12:48PM

9 So if I understand this correctly you're quite content for your 12:12:49PM

10 own money to go out to another person at zero interest 12:12:53PM

11 with zero security, not even subject to a written 12:12:59PM

12 agreement, no written record of that loan, and then be 12:13:05PM

13 on-lent at 8.5 per cent so that that person can make a 12:13:12PM

14 profit; you're happy for that?---The way you put it, no. 12:13:17PM

15 But I wasn't part of that. I didn't get involved in that. 12:13:23PM

16 But this is what I said, you know, you're a businessman of 12:13:26PM

17 40 years-odd or perhaps more. When you understand the 12:13:30PM

18 transaction in those terms it is completely nonsensical, 12:13:33PM

19 I suggest?---M-hmm. 12:13:37PM

20 Do you agree with that?---Well, yeah, the way it sounds, it is. 12:13:38PM

21 But I had someone else taking care of all that. 12:13:42PM

22 No-one, I suggest, Mr Kyritsis, behaving in a sensible manner 12:13:46PM

23 would conceive of lending substantial amounts of their own 12:13:52PM

24 money without an agreement, without any written record of 12:13:56PM

25 it, of the agreement?---I fully agree. 12:14:02PM

26 Without any security, and then just to have the person that 12:14:07PM

27 you're lending the money to make 8.5 per cent; it's just 12:14:10PM

28 inconceivable, isn't it?---Yeah, the way you put it, yes. 12:14:17PM

29 But, again, I didn't get involved in that. 12:14:21PM

1 You chose not to?---I chose not to. Someone else is taking 12:14:23PM
2 care of all that. I was simply asked, 'We're going to 12:14:27PM
3 lend her some money,' and I agreed to it. 12:14:31PM
4 Now that the reality of the situation has been revealed to you 12:14:33PM
5 for the first time, apparently, does it surprise you that 12:14:36PM
6 your money was used or that you were talked into having 12:14:41PM
7 your money used in that way?---Surprise me? In what way? 12:14:44PM
8 It wasn't going to a stranger. 12:14:52PM
9 Well, you were very good friends with 12:14:54PM
10 Maria Tsakopoulos?---Well, Maria has been around for a 12:14:58PM
11 while, yes. I wouldn't say very good friends, but she's a 12:15:00PM
12 friend, yeah. 12:15:03PM
13 Not going to a stranger, but you said at the outset you wanted 12:15:03PM
14 to make sure that you would get your money back?---Yes. 12:15:07PM
15 Or that she could repay it?---Yes. 12:15:09PM
16 And, apart from that question arising in your own mind, what 12:15:12PM
17 did you do to pursue the answers to that 12:15:19PM
18 question?---I didn't do anything. 12:15:23PM
19 So you raised the question in your own mind, 'How is Maria 12:15:24PM
20 going to pay this back;' is that correct?---Yes. 12:15:27PM
21 And then you proceeded to do nothing?---I didn't do anything. 12:15:30PM
22 I just wanted to make sure that George was aware of that. 12:15:32PM
23 COMMISSIONER: Can I assume, Mr Kyritsis, the reason you didn't 12:15:36PM
24 do anything is because the history of your relationship 12:15:39PM
25 with George is that you had faith in him that he wouldn't 12:15:44PM
26 do anything that would financially disadvantage 12:15:51PM
27 you?---Hundred per cent. 12:15:53PM
28 Is that the bottom line for you?---Hundred per cent. 12:15:56PM
29 You trusted him not to hurt you financially?---Definitely, and 12:16:00PM

1 I haven't seen any of that over the years. 12:16:08PM

2 MR LAWRIE: Well, do you accept that the way the transactions 12:16:13PM

3 have been encapsulated in the last few minutes is a - that 12:16:16PM

4 they were a disadvantage to you?---Perhaps, yeah. 12:16:21PM

5 You lose the use of your own money for an unspecified period of 12:16:27PM

6 time; correct?---Yes. 12:16:32PM

7 In circumstances where you are not assured that it will be 12:16:33PM

8 repaid; correct?---Yes. 12:16:38PM

9 And in circumstances where you receive not a single cent for 12:16:42PM

10 taking that risk; correct?---Correct. 12:16:47PM

11 For how long have you known Andrea Bennett?---Andrea Bennett, 12:16:57PM

12 I met her once. 12:17:01PM

13 What about Paul Bennett, her husband?---Paul Bennett worked for 12:17:02PM

14 us. 12:17:06PM

15 What was his role?---His role was managing the V/Line contract 12:17:07PM

16 regional, mostly regional. 12:17:16PM

17 Did you have much to do with Paul Bennett in the day-to-day 12:17:18PM

18 operations of Transclean?---Yeah. 12:17:21PM

19 What was that?---Oh, just whatever the requirement was. 12:17:24PM

20 I mean, as far as supplies and what have you, I would 12:17:31PM

21 assist there. I don't know, he'd fill me in on - - - 12:17:35PM

22 Sorry, keep going?---He'd be filling me in on some sites where 12:17:43PM

23 he had - maybe he had issues or just kept me in touch with 12:17:48PM

24 the V/Line. 12:17:54PM

25 What sort of issues would he be - was he turning to you to 12:17:55PM

26 solve problems at particular sites?---No, basically we 12:17:59PM

27 were just - staff wasn't - was a concern for him, reliable 12:18:03PM

28 staff. 12:18:09PM

29 Would you from time to time be called in to provide advice or 12:18:10PM

1 solutions to staffing problems?---No, not really. 12:18:14PM
2 When you say 'supplies', are you talking about cleaning 12:18:20PM
3 products that you would provide?---Yes, and the equipment. 12:18:23PM
4 Cleaning equipment?---M-hmm. 12:18:26PM
5 And personal protective equipment?---Yes. 12:18:27PM
6 Do those three things largely capture what you refer to when 12:18:30PM
7 you speak about supplies?---No, no, there's 12:18:34PM
8 chemicals - - - 12:18:37PM
9 Well, chemicals are cleaning equipment, aren't they - cleaning 12:18:38PM
10 supplies?---Yeah. 12:18:42PM
11 Cleaning chemicals, cleaning hardware like applicators and 12:18:42PM
12 wipes and mops and buckets and things?---Yep. 12:18:47PM
13 Correct? And personal protective equipment for workers?---Yes. 12:18:51PM
14 Is there anything else in those supplies?---Well, there's 12:18:56PM
15 machinery, special machinery. 12:19:00PM
16 Okay. So powered machinery?---M-hmm. 12:19:01PM
17 Such as floor cleaners?---Yes, steam cleaners. High pressure 12:19:05PM
18 machines. 12:19:08PM
19 Steam cleaners and the like. And also you said there's a fleet 12:19:09PM
20 of vehicles that's operated by Transclean?---Yes, yes. 12:19:12PM
21 How many vehicles?---At one stage we had about 14. 12:19:16PM
22 And what are they? They're small sort of transit van type 12:19:22PM
23 vehicles, are they?---Vans, utes, small trucks. 12:19:27PM
24 And so that was your area of day-to-day responsibility?---Yep. 12:19:30PM
25 Your son Steven Kyritsis of course is working - was working in 12:19:33PM
26 respect of managing or assisting to manage the Metro 12:19:44PM
27 contract; is that correct?---Yes. 12:19:47PM
28 Would you talk from time to time about how his work was going 12:19:49PM
29 and what he was doing?---Rarely. 12:19:51PM

1 How often did you see your son over the last couple of years? 12:19:55PM
2 Would you see him weekly?---Oh, yeah. 12:20:00PM
3 COMMISSIONER: I think you've acknowledged already very early 12:20:04PM
4 in your evidence, Mr Kyritsis, that you also have an open 12:20:07PM
5 and frank relationship with your son?---Yes. 12:20:10PM
6 And you would expect if he became privy to the knowledge that 12:20:12PM
7 there was a corrupt relationship between George and Pinder 12:20:21PM
8 or Bollas you would have - he would have told you about 12:20:28PM
9 it?---If he was aware of something like that he would 12:20:31PM
10 have, yeah, I would imagine, yeah. 12:20:34PM
11 Are you aware of some of the evidence that involves your son 12:20:36PM
12 that's already been published in the public 12:20:40PM
13 domain?---Apparently there was some recordings. 12:20:46PM
14 Yes. Have you discussed that with Steve and asked him - - 12:20:48PM
15 -?---No, no, I haven't. 12:20:52PM
16 Isn't that strange, Mr Kyritsis? This is your son?---Yes, 12:20:57PM
17 I haven't discussed it. 12:21:05PM
18 This is your son that the Commission is publishing evidence 12:21:05PM
19 about that suggests on its face that he's been party to 12:21:17PM
20 the payment of - to the payment of moneys which are 12:21:20PM
21 corrupt, and you've not had a discussion with him about 12:21:24PM
22 what he says about those matters?---There might have been 12:21:28PM
23 very minor discussion. 12:21:32PM
24 Tell us then what were the minor discussions?---He's got 12:21:32PM
25 nothing to worry about. 12:21:36PM
26 He said that to you?---Yeah. 12:21:37PM
27 Did you explore that further with him?---No. 12:21:39PM
28 You didn't ask him, 'Well, that's very nice, Steve, but can you 12:21:42PM
29 please address the detail of those conversations? What's 12:21:47PM

1 your explanation for them'?---No. 12:21:51PM

2 You didn't. Now, is that because you're embarrassed to pursue 12:21:54PM

3 him about it or - - -?---No. 12:22:01PM

4 What's the reason why you didn't explore that with him as his 12:22:02PM

5 father?---There is no reason. I mean, he would have said, 12:22:05PM

6 as I said, there was nothing to be worried about. So why 12:22:12PM

7 would I look even further than that? I was happy with 12:22:18PM

8 that response. That's all. 12:22:23PM

9 So, no matter how compelling the conversations might have been 12:22:28PM

10 to suggest that he was party to corrupt payments being 12:22:33PM

11 made, it's good enough for you that he says, 'Nothing to 12:22:37PM

12 worry about, dad'?---Well, he said to me he wasn't party 12:22:41PM

13 to any of that. 12:22:45PM

14 You didn't see a need to explore the detail of those 12:22:47PM

15 conversations?---No, no. 12:22:51PM

16 Yes. 12:22:56PM

17 MR LAWRIE: Did you see the evidence of Mr Bollas last 12:22:57PM

18 year?---Some of it. Some of it. 12:23:02PM

19 You would appreciate that Mr Bollas spoke very frankly about 12:23:05PM

20 the nature of his relationships with James Pinder, with 12:23:12PM

21 George Haritos and from time to time his dealings with 12:23:17PM

22 your son as well?---Yes. 12:23:21PM

23 It must have concerned you that someone was saying, well, 12:23:25PM

24 confessing to involvement in a series of corrupt 12:23:32PM

25 transactions that your son was involved in, according to 12:23:37PM

26 his version of the evidence; that must have concerned 12:23:41PM

27 you?---Of course it concerned me. But my son responded 12:23:44PM

28 to, 'There's nothing to worry about. I don't know what 12:23:48PM

29 he's on about.' 12:23:51PM

1 COMMISSIONER: People don't usually make public admissions, 12:23:57PM
2 Mr Kyritsis, people that hold senior positions within a 12:24:02PM
3 government organisation don't usually make public 12:24:07PM
4 admissions that they have been receiving corrupt payments 12:24:11PM
5 from people, do they, unless it's true?---You wouldn't 12:24:15PM
6 think so, yeah. 12:24:19PM
7 No. So it didn't trouble you at all that Mr Bollas was saying 12:24:20PM
8 that and that it was good enough for you to just get a 12:24:25PM
9 response from your son, 'Nothing to worry about, 12:24:29PM
10 dad'?---Yeah, well, that's his statement and, who knows, 12:24:35PM
11 he could have been making that up. Who knows? 12:24:39PM
12 And, leaving aside your role as his father, you didn't think 12:24:41PM
13 that as the director of Transclean you had any 12:24:45PM
14 responsibility to - I'm now giving you the benefit of the 12:24:49PM
15 doubt that you didn't previously have any knowledge that 12:24:53PM
16 there might have been a corrupt relationship. You didn't 12:24:56PM
17 see it as your obligation as a director of Transclean to 12:24:59PM
18 make any enquiries of your son or any of the other senior 12:25:02PM
19 people in Transclean to ascertain whether or not there 12:25:07PM
20 might be some substance to this most serious 12:25:12PM
21 allegation?---Well, the question was asked, but the answer 12:25:16PM
22 was there's nothing there to worry about. 12:25:20PM
23 Did you make any enquiries as a director?---To who? 12:25:22PM
24 To any of them?---No, I asked George of course and I asked my 12:25:27PM
25 son. 12:25:33PM
26 And that was it?---And that was it, yes. 12:25:35PM
27 MR LAWRIE: Do you see that by asking a question of George 12:25:39PM
28 Haritos and a question of your son and then taking at face 12:25:46PM
29 value the immediate response by them and not pursuing any 12:25:50PM

1 further enquiry is practically, for all intents and 12:25:57PM
2 purposes, no enquiry at all; do you accept 12:26:00PM
3 that?---I accept my son saying nothing to worry about. 12:26:06PM
4 I mean, I accept that. And with George as well. 12:26:10PM
5 So if George tells you something, whatever it is, the 12:26:20PM
6 likelihood is you're just going to accept it?---Look, 12:26:24PM
7 I wouldn't say, yeah, I'll accept it, but I more than 12:26:29PM
8 likely would, yeah. 12:26:34PM
9 Can we bring up, please, again, the flowchart MT12 at p.903 of 12:26:37PM
10 the brief. I want to take you, please, to this 12:26:44PM
11 transaction from Transclean which goes first up and then 12:27:05PM
12 across to Andrea Bennett. So on 4 December 2018 bank 12:27:08PM
13 account records show \$123,000 transferred by electronic 12:27:15PM
14 funds transfer to Andrea Bennett?---Yes. 12:27:19PM
15 She doesn't work at Transclean, does she?---No. 12:27:22PM
16 And it then some 13 days later goes to the real estate agent 12:27:29PM
17 acting for James Pinder; do you see that there?---Yes. 12:27:35PM
18 You would say no doubt that you had no knowledge of that money 12:27:38PM
19 going out?---No knowledge. 12:27:41PM
20 Is there a system in place to require a level of authorisation 12:27:44PM
21 or perhaps multiple authorisations for transactions over a 12:27:54PM
22 particular amount in Transclean?---Yes, there would be. 12:27:58PM
23 Just going by memory when Glenys needs to pay something 12:28:08PM
24 that's over, say, 20,000, she will ask for me to take my 12:28:11PM
25 phone up and get the code and whatever. 12:28:15PM
26 So whether it's talking about days gone past a cheque or now in 12:28:17PM
27 modern times electronic funds transfer through internet 12:28:22PM
28 banking, if it's over \$20,000 you've got a system set up 12:28:26PM
29 which requires a higher level of authorisation for the 12:28:30PM

1 transaction?---Yes, yes. 12:28:33PM

2 Is that right?---That's my understanding, yeah. 12:28:33PM

3 It's not your understanding. It's something that you've been 12:28:36PM

4 involved in from time to time, isn't it?---Yes, with 12:28:38PM

5 Glenys, yeah, and that's to pay bills. 12:28:41PM

6 And if it's over \$20,000 it requires the authorisation of a 12:28:45PM

7 director, does it?---Well, yeah, I must be the one that 12:28:49PM

8 the bank has got on the records. 12:28:54PM

9 Does it require more than one director? Does it require both 12:28:56PM

10 to authorise an EFT of more than \$20,000?---I don't think 12:29:02PM

11 so, no. 12:29:06PM

12 What about more than 100,000?---I don't think so. 12:29:07PM

13 Okay. So I presume that you would say you've got no memory of 12:29:10PM

14 this EFT of 120,000 - \$123,000?---No, no. 12:29:16PM

15 So George must have authorised it then?---Must have. 12:29:25PM

16 COMMISSIONER: So your current state of knowledge is you have 12:29:35PM

17 no memory and nothing's assisted you in recollecting that 12:29:40PM

18 Transclean was going to lend Maria Tsakopoulos or convey 12:29:49PM

19 to Maria Tsakopoulos that \$123,000 or that it was going to 12:29:55PM

20 go to Maria's sister, Andrea Bennett? You have no memory 12:30:01PM

21 of any of that?---No. I only knew it was 120,000 she was 12:30:06PM

22 borrowing. 12:30:11PM

23 But you'll see here if you look at the scheme the entirety of 12:30:12PM

24 the \$320,000, not 120,000, the entirety of the \$320,000 12:30:20PM

25 emanates from Transclean. There's the \$120,000 that 12:30:27PM

26 Mr Lawrie has explored with you that goes via the other 12:30:35PM

27 companies, Jinacan, Grattan and Bega; there's the \$123,000 12:30:39PM

28 at the top of the page which goes from Transclean to 12:30:45PM

29 Andrea Bennett to Mr Pinder's - to the real estate agent 12:30:49PM

1 for Mr Pinder's deposit?---Yep. 12:30:56PM

2 And there's the \$100,000 which goes from Transclean to Derek 12:30:59PM

3 Sue and Mr Tsouhantaris and on from there to Maria. So 12:31:09PM

4 you see on this chart - - -?---Yes. 12:31:13PM

5 That every bit of the money that went into Mr Pinder's deposit 12:31:15PM

6 came from Transclean in its origins?---Yes. 12:31:19PM

7 And the only one that you're aware of that was drawn to your 12:31:23PM

8 attention, you say, was the 120,000?---Yes. 12:31:26PM

9 You didn't know about the others?---No. 12:31:31PM

10 Mr Haritos didn't tell you, for example, that one means by 12:31:34PM

11 which he was going to get \$100,000 to Maria was through 12:31:40PM

12 returning a loan that had been borrowed - money borrowed 12:31:45PM

13 from Mr Tsouhantaris? He didn't tell you that?---He did 12:31:49PM

14 mention that. 12:31:53PM

15 That it was going to go to Maria?---No, no, he mentioned 12:31:53PM

16 that - he mentioned that much, much earlier. 12:32:06PM

17 What did he mention?---That Arthur's paying - Arthur's getting 12:32:10PM

18 the last instalment of 100,000, what was it, I think it 12:32:20PM

19 was mid-18, I think. 12:32:24PM

20 Sorry, what did he say to you?---The money that we had borrowed 12:32:27PM

21 from Arthur - - - 12:32:35PM

22 Yes?---It was getting paid back in instalments, and the last 12:32:37PM

23 instalment he mentioned to me was \$100,000 that he was 12:32:42PM

24 going to pay him. I'm pretty sure it was around mid-18. 12:32:47PM

25 You can see there that it wasn't?---It wasn't, no. 12:32:51PM

26 And Mr Haritos has said nothing about paying that last amount 12:32:55PM

27 by instalments. Mr Tsouhantaris had left \$100,000 with 12:32:59PM

28 you for a considerable time?---Yes. 12:33:05PM

29 Was it money borrowed from him by Transclean or by 12:33:07PM

1 George?---No, it would have been by Transclean, yeah. 12:33:12PM
2 So it's a debt by Transclean?---M-hmm. 12:33:21PM
3 And George never told you that the arrangement he had made with 12:33:24PM
4 Maria was, 'We'll move \$100,000 back to Mr Tsouhantaris, 12:33:30PM
5 who in turn will then give it to Marie, who's asked for 12:33:37PM
6 \$100,000 from him that she says he owes her'?---No. 12:33:40PM
7 Never told you that?---No. 12:33:46PM
8 And never told you about the \$123,000 that was going to Andrea 12:33:53PM
9 Bennett?---No. 12:33:57PM
10 But you see here from this that, despite Mr Pinder making clear 12:33:58PM
11 to Mr Haritos that none of the money that he wanted for 12:34:04PM
12 the deposit could come from George, it's all come 12:34:11PM
13 initially from Transclean?---I can see that. 12:34:15PM
14 MR LAWRIE: Thank you, Mr Commissioner. So my questions to you 12:34:25PM
15 earlier were about the processes of authorisation for 12:34:31PM
16 large transactions, and we can understand from what you 12:34:35PM
17 say that it must have been George, according to you, who 12:34:37PM
18 authorised the \$123,000 that goes to Andrea Bennett; do 12:34:43PM
19 you accept that?---Yes. 12:34:48PM
20 It's either him or it's you, isn't it?---M-hmm. 12:34:50PM
21 And you would say, no doubt, 'I have no memory of that. 12:34:53PM
22 I didn't do it'?---Yes. 12:34:58PM
23 And you've got no idea at all what that transaction was 12:34:59PM
24 for?---No, apart from the 120 that was discussed. 12:35:09PM
25 Let's leave that to one side for the moment, please. I just 12:35:14PM
26 want to focus on this now, if we may?---M-hmm. 12:35:17PM
27 The 123,000 that goes from Andrea Bennett and then subsequently 12:35:19PM
28 100,000 goes to the real estate agent, but don't worry 12:35:25PM
29 about that; 123,000 to Andrea Bennett, you've got no idea 12:35:29PM

1 as you sit here today what that could be about?---No. 12:35:35PM
2 Does that concern you?---Well, it does concern me. 12:35:39PM
3 Having gone through some of these transactions today, and many 12:35:45PM
4 of them you understanding apparently for the first time - 12:35:49PM
5 - -?---M-hmm. 12:35:53PM
6 Do you feel any level of disquiet about the amount of trust 12:35:53PM
7 that you've placed in Mr Haritos, taking him at his 12:35:56PM
8 word?---Well, there's got to be a reason. He would have 12:36:03PM
9 the answer for the 123. Just because I don't know about 12:36:06PM
10 it. 12:36:10PM
11 And whatever that answer is you would accept it?---Yeah. 12:36:11PM
12 And you wouldn't make your own enquiries just to make 12:36:17PM
13 sure?---No. 12:36:22PM
14 And you wouldn't look at the end of year financial reports to 12:36:22PM
15 see how it was recorded?---No. 12:36:25PM
16 That can come off screen now, thank you. 12:36:35PM
17 COMMISSIONER: I think, Mr Lawrie, it would be appropriate to 12:36:40PM
18 give Mr Kyritsis an opportunity to comment upon the 12:36:43PM
19 explanation Mr Haritos gave for that 123,000 to Andrea 12:36:48PM
20 Bennett. 12:36:55PM
21 MR LAWRIE: Yes. Certainly, Commissioner. Did you follow the 12:36:56PM
22 evidence of Mr Haritos where he said that these were 12:36:58PM
23 moneys that were in fact - it was essentially 12:37:07PM
24 Maria Tsakopoulos's money that was being repaid or 12:37:14PM
25 returned to her but going via her sister at her direction? 12:37:18PM
26 Did you understand that to be his explanation for this 12:37:27PM
27 transaction?---Yes, I can recall that. But I'm sort of 12:37:30PM
28 confused with the 123 instead of the 100. 12:37:35PM
29 Well, you might not be the first person to be confused about 12:37:39PM

1 that. But did you ask him, did you ask George what was 12:37:43PM
2 going on there?---No. 12:37:49PM
3 COMMISSIONER: You mean subsequent to his evidence? 12:37:55PM
4 MR LAWRIE: Yes. Thank you, Mr Commissioner. 12:37:57PM
5 WITNESS: No, no. 12:37:57PM
6 MR LAWRIE: When you heard that did you ask George, 'Well, 12:37:59PM
7 what's going on there? How come you or Transclean's 12:37:59PM
8 holding Maria Tsakopoulos's money?---No, I didn't. 12:38:01PM
9 I didn't. 12:38:02PM
10 She's an employee, isn't she?---She's an employee. 12:38:06PM
11 Is there any other contractual arrangement she has with 12:38:09PM
12 Transclean as far as you know apart from her contract of 12:38:14PM
13 employment?---Not that I'm aware of. 12:38:18PM
14 Are you aware of a company known as SNG69 Pty Ltd, it being a 12:38:32PM
15 company that would provide services to Transclean and levy 12:38:42PM
16 invoices for those services?---No, I can't recall the name 12:38:45PM
17 of the company. I would recall if you told me who was 12:38:53PM
18 behind it. 12:39:00PM
19 Can we bring up, please - excuse me for a moment. Can we bring 12:39:01PM
20 up, please, document 32 at p.881. This is a company 12:39:13PM
21 that's since been deregistered, but you see there it was 12:39:36PM
22 registered in 2010 and it was deregistered in October 12:39:40PM
23 2018, and if we go through to p.883 we'll see the former 12:39:48PM
24 company officers. That's prior to deregistration. And 12:39:54PM
25 we - I won't read out the names, but you can read them 12:40:04PM
26 yourself. Do you recognise any of those persons as being 12:40:08PM
27 persons dealing with Transclean?---No. 12:40:12PM
28 You've got no idea who they are?---No. 12:40:17PM
29 Were you aware that SNG69 was being paid substantial amounts of 12:40:24PM

1 money by Transclean from time to time and then that money 12:40:31PM
2 would be transmitted either to MMGT, which was a company 12:40:36PM
3 associated with Maria Tsakopoulos, or to one of a number 12:40:43PM
4 of group of companies that I'll come to in a minute?---Was 12:40:49PM
5 I aware of that? 12:40:52PM
6 Yes?---No. 12:40:53PM
7 I'm just going to take you to a couple of transactions as an 12:40:54PM
8 example. Can we bring up, please, p.1444. Can we zoom in 12:40:57PM
9 a little bit, please? This is the Westpac - sorry, can we 12:41:23PM
10 go to the top. Thank you. That's the Westpac account for 12:41:27PM
11 SNG69 Pty Ltd and it's for 2016. If we go down to 12:41:31PM
12 July - just scroll down to the highlighted ones, do you 12:41:39PM
13 see there that they have received, because it's been 12:41:42PM
14 credited to them as coming from Transclean Facilities, on 12:41:47PM
15 6 July \$449,000. I won't go into the precise number. 12:41:50PM
16 That's \$449,000-odd; do you see that there?---Yes. 12:41:54PM
17 And do you see on 6 July again from Transclean Facilities 12:41:59PM
18 \$85,000?---Yep. 12:42:09PM
19 So on a single day in 2016 over half a million dollars goes 12:42:12PM
20 from Transclean to this company. You've looked at the 12:42:17PM
21 directors who were at the time - you've got no idea who 12:42:20PM
22 those people are?---No. 12:42:25PM
23 You've never heard of this company before?---No. 12:42:26PM
24 No idea what relationship it may have with Transclean?---Well, 12:42:29PM
25 it sounds like it was a subcontract company that was doing 12:42:34PM
26 work for us. 12:42:40PM
27 When you say a subcontract company, is that like as in labour 12:42:42PM
28 hire or providing subcontracted labour?---Subcontracted 12:42:46PM
29 labour. 12:42:51PM

1 Okay. Can we go, please, to the next page at 1445. Do you see 12:42:51PM
2 that on 6 July the company makes a payment of \$243,600 and 12:43:02PM
3 it's to Maria, and we see the first four letters 'Tsak', 12:43:14PM
4 which I suggest is Maria Tsakopoulos?--M-hmm. 12:43:18PM
5 Do you see that there?---Yep. 12:43:20PM
6 So this is one example of what I'm talking about a company, 12:43:22PM
7 SNG69, being paid a substantial amount of money by 12:43:28PM
8 Transclean, and then that money flowing on to 12:43:32PM
9 Maria Tsakopoulos; do you see that there?---Yes. 12:43:37PM
10 At that time she was employed as the contract manager for 12:43:39PM
11 V/Line, wasn't she?---What's the date of this? 12:43:43PM
12 2016. Well, sorry, it was before her role as contract manager, 12:43:47PM
13 but she was employed by Transclean, wasn't she?---She 12:43:51PM
14 would have been employed, yes, working at Metro. 12:43:54PM
15 Looking after the Metro contract?---Yep. 12:43:56PM
16 So she was paid for her services to Transclean via her salary, 12:44:00PM
17 wasn't she?---At that stage I don't know. I'm not sure 12:44:05PM
18 whether she was on a salary or as a subcontractor herself. 12:44:09PM
19 Well, we understand that she was a salaried employee of 12:44:15PM
20 Transclean prior to this. Does that accord with your 12:44:20PM
21 memory?---No. 12:44:24PM
22 Well, when do you say she came on the books?---She would have 12:44:26PM
23 come on the books, I would say, when she started V/Line, 12:44:31PM
24 working for us at V/Line when we got the contract. 12:44:36PM
25 Okay. 12:44:40PM
26 COMMISSIONER: May I just ask you this about George and Marie. 12:44:41PM
27 You understand from the evidence that's been given by her 12:44:45PM
28 and by George that they had a very close, a very personal 12:44:51PM
29 friendship?---M-hmm. 12:44:57PM

1 Were you aware of that?---I know they were fairly close. 12:44:58PM
2 Yes?---To what extent - - - 12:45:03PM
3 Did it trouble you - did it ever trouble you that Mr Haritos 12:45:06PM
4 gave her the level of autonomy or freedom in the way in 12:45:10PM
5 which Transclean's affairs were being managed?---I was a 12:45:15PM
6 little bit concerned, but then again I relied on George's 12:45:26PM
7 judgment. 12:45:29PM
8 MR LAWRIE: Mr Commissioner, I tender those two pages. 12:45:35PM
9 COMMISSIONER: So can you just give me those details, please? 12:45:39PM
10 MR LAWRIE: Certainly. If we can just scroll up to the first 12:45:41PM
11 page, please. This is SNG69 Westpac account for June 12:45:44PM
12 2016, pp.1444 and 1445. 12:45:53PM
13 COMMISSIONER: Thank you. That will be AK4. 12:45:57PM
14 #EXHIBIT AK4 - SNG69 Westpac account for June 2016, pp.1444 and 12:46:00PM
15 1445. 12:46:00PM
16 MR LAWRIE: Thank you, Commissioner. Just one other example. 12:46:04PM
17 Can we please bring up 1441. Now, a moment ago I spoke 12:46:06PM
18 about a company called MML Cleaning. Do you remember 12:46:27PM
19 that?---MML Cleaning, yeah. 12:46:35PM
20 You've never heard of them?---No. 12:46:37PM
21 Sorry, I'm just having a look at this again. This is in 12:46:39PM
22 respect of - sorry, my apologies, it's not in respect of 12:46:51PM
23 MML Cleaning. It's again SNG69, and we see \$85,000 on 12:46:54PM
24 27 June; do you see that there?---Yes. 12:47:03PM
25 And this time we're seeing the Transclean account 12:47:07PM
26 itself?---Yep. 12:47:14PM
27 You know nothing about that?---No. 12:47:14PM
28 Never heard of the two companies that I've spoken about just in 12:47:16PM
29 the last few minutes?---No. But I would like to know 12:47:22PM

1 who's behind those companies. That way I can relate. 12:47:26PM
2 I've already taken you to SNG69?---Yes, yes. 12:47:29PM
3 We'll bring up for you MML Cleaning Pty Ltd. That page can 12:47:33PM
4 come off screen. I won't tender it, Mr Commissioner. 12:47:40PM
5 Document 33, p.887, please. This is a company that was 12:47:44PM
6 registered in February 2015 and it's currently under 12:48:13PM
7 external administration. Do you see that there?---Yes. 12:48:16PM
8 And if we scroll down to the bottom we see the current company 12:48:23PM
9 officers, and we'll have to go over the page for this, but 12:48:31PM
10 you can see the names there. So secretary and director, 12:48:33PM
11 you see the names?---M-hmm. 12:48:44PM
12 Is that person known to you?---No. 12:48:48PM
13 Never heard of them?---No. 12:48:51PM
14 Never dealt with them?---No. 12:48:52PM
15 Wouldn't have any idea what relationship they might have with 12:48:54PM
16 Transclean?---No, I don't know these people, but again 12:48:57PM
17 they might have been subcontractors. 12:49:02PM
18 That can come off screen, thank you. 12:49:04PM
19 COMMISSIONER: Before I give that an exhibit number, Mr Lawrie, 12:49:08PM
20 you first showed the witness current officers on SNG. We 12:49:11PM
21 haven't given that an exhibit number either. 12:49:21PM
22 MR LAWRIE: That was to be - excuse me for one moment. That 12:49:24PM
23 was to be - no, we haven't. My apologies. 12:49:30PM
24 COMMISSIONER: That's all right. 12:49:37PM
25 MR LAWRIE: So I'll just go back to it. 12:49:38PM
26 COMMISSIONER: Just what's the page number of it? 12:49:40PM
27 MR LAWRIE: It's 893. 12:49:42PM
28 COMMISSIONER: Very good. Current officers of SNG69 - - - 12:49:44PM
29 MR LAWRIE: Perhaps if we just say company extract - no, sorry, 12:49:50PM

1 can I just start again, please, Mr Commissioner. My 12:49:54PM
2 apologies. 881. 12:49:56PM
3 COMMISSIONER: I'll make that AK5. 12:50:01PM
4 MR LAWRIE: Thank you. So that's company extract for SNG Pty 12:50:03PM
5 Ltd. 12:50:07PM
6 #EXHIBIT AK5 - Company extract for SNG69 Pty Ltd, p.881. 12:50:07PM
7 COMMISSIONER: And then I'll make the extract for MML Cleaning 12:50:07PM
8 AK6. 12:50:11PM
9 MR LAWRIE: And that's p.887. 12:50:12PM
10 COMMISSIONER: Yes. 12:50:15PM
11 #EXHIBIT AK6 - Company extract for MML Cleaning, p.887. 12:50:15PM
12 MR LAWRIE: Thank you, Mr Commissioner. The other companies 12:50:18PM
13 that I want to ask you about that have had dealings from 12:50:22PM
14 time to time in the receipt of funds either from 12:50:29PM
15 Transclean or via another company is a company called APP 12:50:33PM
16 Group Pty Ltd where the director is Stratos Yiannakakis. 12:50:41PM
17 Does that company name or the name of that director mean 12:50:46PM
18 anything to you?---No. 12:50:50PM
19 In a similar position, the company known by TCMT Pty Ltd, where 12:50:54PM
20 the director is [REDACTED], does that company or 12:51:02PM
21 the name of that director mean anything to you?---That 12:51:05PM
22 does. 12:51:08PM
23 How?---Because I know who [REDACTED] is, and she was a 12:51:09PM
24 supervisor at Southern Cross. So she would have been a 12:51:17PM
25 subcontractor. 12:51:23PM
26 She was a supervisor at Southern Cross?---Yeah. 12:51:26PM
27 When did she start in that role?---When we - no, it wasn't when 12:51:28PM
28 we started the contract. It would have been probably the 12:51:33PM
29 beginning of 2020, something like that. 12:51:35PM

1 So at the beginning of 2020 she's supervising cleaners at 12:51:43PM
2 Southern Cross Railway Station?---Yeah. 12:51:47PM
3 In the performance of Transclean's contractual obligations to 12:51:50PM
4 V/Line?---Yes. 12:51:54PM
5 Is that right? How many staff was she supervising?---I don't 12:51:54PM
6 know. 12:51:59PM
7 How many cleaners, I should say. Don't know?---20. 12:52:00PM
8 And she's in that role from about the start of 2020?---Yes, 12:52:04PM
9 something like that. 12:52:08PM
10 Did she work for Transclean before that?---No. 12:52:09PM
11 Or was she associated with Transclean before that?---No, no. 12:52:11PM
12 I only used to see her when she used to come in and pick 12:52:14PM
13 up stock. 12:52:19PM
14 Do you know who was behind the creation of that subcontracting 12:52:19PM
15 arrangement from the Transclean end of it?---No. 12:52:25PM
16 Okay. The last company I want to ask you about is STSS 12:52:29PM
17 Facilities Pty Ltd, again in that same group that would 12:52:39PM
18 receive moneys either from Transclean or via an 12:52:43PM
19 intermediary company, and the director being Stilianos 12:52:47PM
20 Stamatakis - sorry, I've said that incorrectly, 12:52:58PM
21 Stamatakis; I'll get it right?---If it's the one I'm 12:53:01PM
22 thinking of, I refer to him as Stilios. And again I would 12:53:04PM
23 know him purely because he'd come in and pick up stock, 12:53:11PM
24 equipment. 12:53:15PM
25 Okay?---If it's that Stilios. 12:53:15PM
26 But you would - the only sensible characterisation of these 12:53:22PM
27 entities in your mind would be that they are 12:53:29PM
28 subcontractors providing cleaners to clean rolling stock 12:53:32PM
29 for V/Line?---Yes. 12:53:38PM

1 Is that right?---That's my understanding, yep. But I wouldn't 12:53:40PM
2 see them. As I said, they come in. Those two I was aware 12:53:43PM
3 of. They wouldn't come down and spend too much time 12:53:49PM
4 downstairs. Upstairs and see George or whatever. 12:53:54PM
5 It seems as though Transclean didn't employ any cleaners 12:53:58PM
6 itself; is that correct?---We would have. 12:54:04PM
7 Well, we've got cleaners employed by Proclean?---Yes. 12:54:08PM
8 That's Mr Tsouhantaris's company, isn't it?---M-hmm. 12:54:13PM
9 That you've already been asked about?---Yep. 12:54:15PM
10 And you described it as being at arm's length?---Yep. 12:54:17PM
11 Correct?---Yep. 12:54:21PM
12 You've got administrative staff that are employed by Transclean 12:54:22PM
13 that work in the office or perhaps in vehicles out of the 12:54:25PM
14 South Yarra office; correct?---Yes. 12:54:29PM
15 But they're not cleaners, are they?---The - - - 12:54:32PM
16 I'm talking about cleaning staff that climb on to carriages - - 12:54:35PM
17 -?---Yes, yes. 12:54:39PM
18 And clean carriages. All right. That's not those people, is 12:54:40PM
19 it?---Which people? 12:54:44PM
20 The cleaning staff that go on to Southern Cross Railway Station 12:54:48PM
21 late at night to clean carriages are either employed by 12:54:52PM
22 Proclean or one of these companies - - -?---Yes, yes. 12:54:58PM
23 That subcontract to Transclean?---Correct. 12:55:02PM
24 Is that right?---Yeah. 12:55:06PM
25 Now, apart from Proclean, we've got those three that we've 12:55:06PM
26 mentioned, APP Group, TCMT and STSS, which you could only 12:55:09PM
27 say, 'Well, they have to be subcontractors for 12:55:14PM
28 labour'?---Yes. 12:55:17PM
29 All right. So what I'm saying to you is that it seems from 12:55:18PM

1 that picture that Transclean itself doesn't have as a 12:55:21PM
2 salaried employee cleaners?---Sounds - yeah, sounds about 12:55:26PM
3 right, yep. 12:55:38PM
4 Now, this is sort of a big picture question, isn't it? You'd 12:55:39PM
5 have to have some idea of the way in which your company 12:55:45PM
6 that you own half of is operating? 'Do we have 200 or 500 12:55:50PM
7 cleaners on staff that we're paying annual leave, 12:55:58PM
8 superannuation and all those associated benefits for or 12:56:01PM
9 are we simply meeting our contractual obligations through 12:56:06PM
10 subcontracted staff entirely?' You'd have to have that 12:56:11PM
11 big picture understanding, wouldn't you?---Yes, I guess, 12:56:16PM
12 yeah. 12:56:19PM
13 And it's the latter, isn't it? That all the human power that 12:56:19PM
14 is required to clean these carriages in performance of the 12:56:26PM
15 V/Line contract, all that human power - - - 12:56:31PM
16 COMMISSIONER: And stations. 12:56:34PM
17 MR LAWRIE: And stations, thank you, Mr Commissioner, comes 12:56:35PM
18 from subcontracted labour, doesn't it?---That's what it 12:56:38PM
19 sounds like, yep. 12:56:43PM
20 Well, you're the director. Have I got it right or - - -?---No, 12:56:44PM
21 I am, but again I wasn't involved in administration. 12:56:50PM
22 This isn't administration. This is basically how - this is a 12:56:53PM
23 very coarse overview, a basic understanding of how you 12:56:59PM
24 operate, isn't it?---M-hmm. 12:57:05PM
25 'Do we employ 500 staff or don't we?' Isn't that a question 12:57:08PM
26 you would know as a director?---Yes. 12:57:11PM
27 And you don't, do you?---Well, if I ask the question I'll find 12:57:14PM
28 out. 12:57:19PM
29 Is that seriously your level of understanding of the company 12:57:21PM

1 expertise and the competency to do that job?---Yeah. But 12:59:32PM
2 I'm sure we'd be doing that as well as a company. 12:59:41PM
3 MR LAWRIE: And also so an organisation such as V/Line can 12:59:45PM
4 assure itself that the subcontractor is meeting its 12:59:51PM
5 obligations to pay the proper entitlements to the 12:59:54PM
6 workers?---M-hmm. 01:00:00PM
7 Provide proper occupational health and safety and site 01:00:00PM
8 training?---Yes. 01:00:03PM
9 Correct?---Yes, yes. 01:00:04PM
10 Proper personal protective equipment, all those 01:00:05PM
11 things?---M-hmm. 01:00:11PM
12 Yes? And that they had a track record for doing so?---We had a 01:00:11PM
13 track record - - - 01:00:17PM
14 No, that the subcontractor had a track record for complying 01:00:18PM
15 with its occupational health and safety requirements 01:00:21PM
16 together with - - -?---Absolutely. 01:00:26PM
17 Paying a fair wage - - -?---Yes. 01:00:28PM
18 To its workers?---Absolutely, yeah. 01:00:30PM
19 I note the time, Mr Commissioner. 01:00:35PM
20 COMMISSIONER: Yes. 01:00:37PM
21 MR LAWRIE: But, just very quickly, can we bring up 01:00:37PM
22 document 84. This has not got a page number. It's been 01:00:41PM
23 added. Can we zoom out, please, a little bit. This is 01:00:44PM
24 the V/Line contract that we've been speaking about. Have 01:01:14PM
25 you seen it before?---Yes, I've seen the contract, yeah. 01:01:17PM
26 When did you first see it?---When we got the job. 01:01:22PM
27 Did you read it?---No. 01:01:29PM
28 Okay. Let me take you to p.7 of it. So that will be - sorry, 01:01:32PM
29 there's no page number, but if we can just go to p.7, 01:01:37PM

1 I want to focus in at the bottom of the page to clause 01:01:41PM
2 2.3. There we see it. Can you zoom in on that. This is 01:01:45PM
3 about the restriction imposed by V/Line on Transclean to 01:01:48PM
4 restrict subcontracting of Transclean's obligations. 'The 01:01:53PM
5 supplier must not subcontract or delegate any of its 01:02:00PM
6 obligations under this document to a third party without 01:02:02PM
7 the prior written consent of V/Line. Such consent may be 01:02:05PM
8 withheld by V/Line in its absolute discretion. The 01:02:08PM
9 supplier will not, as a result of any subcontracting' 01:02:11PM
10 - and it goes on - 'subcontracting arrangement, be 01:02:15PM
11 relieved from the performance of any obligations under 01:02:18PM
12 this document and will be responsible and liable for all 01:02:21PM
13 acts and omissions of a subsupplier.' Is that the first 01:02:24PM
14 time you've had that read to you or that you've read 01:02:28PM
15 it?---Yeah. 01:02:30PM
16 Do you understand what it says? It says a number of things. 01:02:31PM
17 First of all, Transclean's not permitted to subcontract 01:02:36PM
18 without prior written approval of V/Line; you understand 01:02:40PM
19 that?---M-hmm. 01:02:43PM
20 And, even if it does, Transclean still remains liable for its 01:02:43PM
21 obligations to V/Line?---Right. 01:02:50PM
22 Yes?---Yes. 01:02:53PM
23 And, not only that, it will bear responsibility for acts and 01:02:54PM
24 omissions of its subcontractors?---M-hmm. 01:02:58PM
25 You understand that?---Yep, yep. 01:03:01PM
26 So that, if there's a problem that's created by one of these 01:03:03PM
27 subcontracting entities, it comes home to roost with 01:03:07PM
28 Transclean?---M-hmm. 01:03:10PM
29 You understand that?---Yep. 01:03:11PM

1 Is that the first time you've understood this?---It is. 01:03:12PM
2 And yet the entirety of the cleaning workforce is 01:03:15PM
3 subcontracted?---Just because I haven't read it doesn't 01:03:24PM
4 mean others haven't read it. 01:03:26PM
5 Yes, I know. All we can say now is that you haven't read 01:03:28PM
6 it?---M-hmm. 01:03:32PM
7 And now we've got some clarity that the entirety of the 01:03:32PM
8 cleaning workforce that's involved in the delivery of 01:03:36PM
9 services under this contract is subcontracted?---I'm not 01:03:40PM
10 even sure that it is the entirety. 01:03:43PM
11 COMMISSIONER: I think we need to sound caution there, 01:03:45PM
12 Mr Lawrie. That's the witness doing the best he can 01:03:49PM
13 responding - - - 01:03:53PM
14 MR LAWRIE: Certainly. Perhaps I'll rephrase it, 01:03:55PM
15 Mr Commissioner. 01:03:56PM
16 COMMISSIONER: Certainly a significant portion. 01:03:57PM
17 MR LAWRIE: So it's a significant portion at the very least or 01:03:59PM
18 those who work for Proclean?---Yep. 01:04:03PM
19 As you sit there now does that raise any concern, that this is 01:04:05PM
20 the way that Transclean has arranged itself to meet this 01:04:08PM
21 contract?---Well, my understanding is, for example, 01:04:13PM
22 Proclean, they met all their obligations. 01:04:17PM
23 No, that's not the question. Does it concern you that 01:04:21PM
24 Transclean has arranged its affairs to meet its 01:04:24PM
25 obligations under the contract in a way that seems to be 01:04:28PM
26 completely contrary to this provision?---As far as I'm 01:04:32PM
27 aware maybe we have got permission from V/Line. 01:04:39PM
28 You wouldn't know, would you?---I wouldn't. 01:04:42PM
29 No, all right. Is that a convenient time, Mr Commissioner? 01:04:44PM

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Sorry, I tender that - - -
COMMISSIONER: Yes, that will be AK7.
MR LAWRIE: Document 84.
#EXHIBIT AK7 - Document 84. V/Line contract.
COMMISSIONER: Mr Kyritsis, you have a break, have some lunch.
You may confer with your counsel. And we'll see you at
2.15. If you would return then, please?---Thank you,
Mr Commissioner.
<(THE WITNESS WITHDREW)

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