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INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

WEDNESDAY, 18 NOVEMBER 2020

(31st day of examinations)

BEFORE THE HONOURABLE ROBERT REDLICH AM, QC

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

OPERATION SANDON INVESTIGATION

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

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

1 UPON RESUMING AT 1.47 PM: 01:47:13PM
2 <SAMEH AZIZ, recalled: 01:47:13PM
3 <EXAMINED BY MR TOVEY, continued: 01:47:13PM
4 COMMISSIONER: Are we ready to proceed? Mr Peck? 01:47:16PM
5 MR PECK: Yes, Commissioner. 01:47:25PM
6 COMMISSIONER: Mr Aziz, I noted after your last answer before 01:47:26PM
7 we adjourned that not only were you asked at the outset of 01:47:30PM
8 the private examination whether or not you wished to have 01:47:35PM
9 legal representation but you were also informed that at 01:47:39PM
10 any stage during the course of the examination if you 01:47:45PM
11 wished to seek legal representation the Commission would 01:47:48PM
12 provide you with an opportunity to do so. Do you 01:47:52PM
13 remember?---I don't recall; but, yes, I guess so. 01:47:56PM
14 Very good. Yes, Mr Tovey. 01:48:01PM
15 MR TOVEY: Could the witness please be shown court book 01:48:05PM
16 page 4433. That's an email from Lorraine Wreford to you 01:48:11PM
17 on 5 June 2018 and it reads, 'Sam, can you please make out 01:48:43PM
18 your invoices to Spicer Thoroughbreds \$2,500 plus GST and 01:48:47PM
19 send them to bernard@spicerthoroughbreds.com.au. Send one 01:48:54PM
20 today for last month, then one for the first of each 01:49:01PM
21 month.' Up until that point of time Lorraine Wreford had 01:49:08PM
22 been bringing to you or arranging for you to be getting 01:49:12PM
23 \$15,000 a month by way of repayments of the \$600,000 loan, 01:49:18PM
24 hadn't she?---Not consistently every month, no. 01:49:28PM
25 Regularly?---Not regularly even, no. 01:49:31PM
26 Did she from time to time arrange to deliver you money or for 01:49:35PM
27 money to be delivered to you, cash money of \$15,000 a 01:49:44PM
28 month which you have characterised as interest payments in 01:50:02PM
29 respect of the \$600,000?---She had on occasions, yes. 01:50:05PM

1 All right. And here's that same person who's been arranging 01:50:11PM
2 cash payments for you writing to you in respect of 01:50:17PM
3 invoices that you are to send, one for the last month and 01:50:22PM
4 then one on the first of each month to come. You told me 01:50:29PM
5 before that the only communication you had with her was 01:50:35PM
6 chasing up with Bernard Lee documents that he had been 01:50:39PM
7 tardy in providing, did you not?---Yes, and I didn't 01:50:42PM
8 solicit that email. 01:50:47PM
9 I didn't ask you whether you solicited the email. But that's 01:50:48PM
10 an email whereby she, your money communicator with 01:50:54PM
11 Mr Woodman, is telling you what to do with Spicers. Why 01:51:00PM
12 is she doing that?---Maybe at the direction of Mr Lee 01:51:05PM
13 himself. 01:51:09PM
14 So do you agree now that it was Ms Wreford who advised you as 01:51:12PM
15 to the process which would be used in reimbursing you for 01:51:20PM
16 whatever was happening with Spicer Thoroughbreds?---No, 01:51:28PM
17 because I discussed that with Mr Lee at the time of his 01:51:32PM
18 initial discussion or subsequent discussions with me about 01:51:37PM
19 where the invoices would go to, which organisation. 01:51:41PM
20 Is there any reason you know of why Mr Lee with whom you were 01:51:44PM
21 dealing couldn't email you to tell you what the 01:51:49PM
22 arrangements are that you were making with him?---Yes, 01:51:52PM
23 Mr Lee was travelling all the time and it was difficult to 01:51:57PM
24 catch him on occasions, and of course he was Lorraine 01:52:00PM
25 Wreford's domestic partner. So maybe that's the reason 01:52:03PM
26 why he asked her to send me that email. 01:52:07PM
27 But I thought you were saying that so far as you knew Lorraine 01:52:09PM
28 Wreford had nothing to do with Spicer 01:52:12PM
29 Thoroughbreds?---Well - - - 01:52:15PM

1 No, I just want to know first of all is that what you say?---Is 01:52:16PM
2 that what I said? 01:52:21PM
3 Yes. So far as you were aware - is it the case that insofar as 01:52:22PM
4 you were aware Lorraine Wreford had nothing to do with 01:52:28PM
5 Spicer Thoroughbreds other than being the partner of 01:52:32PM
6 Bernard Lee?---Yes, that's what I understood her to be. 01:52:36PM
7 And Mr Lee was an employee of Spicer Thoroughbreds, was he 01:52:40PM
8 not?---I believe so, yes. 01:52:47PM
9 And what was his role?---I believe that he was working in a 01:52:49PM
10 marketing capacity. He was their marketing manager. 01:52:56PM
11 You signed a contract with Mr Lee, did you not?---I signed a 01:53:00PM
12 contract that was conveyed to me by Mr Lee, but I believe 01:53:05PM
13 it was signed by Brad Spicer, the director or principal of 01:53:09PM
14 the company. 01:53:13PM
15 I'm asking you did you sign a contract with Bernard 01:53:14PM
16 Lee?---I recall signing a contract that was presented to 01:53:19PM
17 me by Mr Lee. 01:53:22PM
18 And was that signed by Mr Lee?---I can't recall. 01:53:25PM
19 COMMISSIONER: I'm sorry, Mr Aziz, I'm not clear now. In 01:53:34PM
20 answer to the same question two answers ago you said you 01:53:37PM
21 signed the contract and that Mr Spicer had signed the 01:53:41PM
22 contract. Do you remember saying that?---Yes. I can't 01:53:45PM
23 recall, Commissioner, who was the other signatory on the 01:53:49PM
24 contract, but I assumed it to be Mr Spicer. I can't 01:53:53PM
25 remember what the contract said. 01:53:59PM
26 Mr Aziz, do you not see why you need to be more careful about 01:54:01PM
27 your answers?---Commissioner, these things have happened a 01:54:07PM
28 long time ago and - - - 01:54:12PM
29 No, I'm not talking about things a long time ago. I'm talking 01:54:14PM

1 about the accuracy of the answers you give. So you said a 01:54:17PM
2 moment ago that you signed a contract which Mr Spicer had 01:54:24PM
3 signed. It's now clear you don't know whether he signed 01:54:27PM
4 it or Mr Lee signed it?---Yes, I'm assuming it was 01:54:31PM
5 Mr Spicer. 01:54:37PM
6 All right. 01:54:37PM
7 MR TOVEY: And so what was your role then once you had signed 01:54:42PM
8 up? Were you an employee of Spicers?---I had been given 01:54:49PM
9 an initial appointment as the chairman of a future equine 01:54:54PM
10 investment fund. But my role was as a consultant to the 01:54:58PM
11 organisation to draft the governance framework to support 01:55:02PM
12 the establishment of the fund and also to start doing the 01:55:08PM
13 groundwork to identify whether or not there would be 01:55:14PM
14 investors interested in investing in that sort of fund. 01:55:17PM
15 So the question I asked you, though, was were you an employee 01:55:21PM
16 at any stage. Were you a manager at Spicers?---No, I was 01:55:25PM
17 a consultant to the organisation. 01:55:31PM
18 Were you a business development manager?---That wasn't my role, 01:55:36PM
19 no. I was consulting on a specific matter for the 01:55:41PM
20 organisation. 01:55:45PM
21 Could you look at document - sorry, I tender that email, 01:55:47PM
22 Mr Commissioner. 01:55:54PM
23 COMMISSIONER: That will be exhibit 273. 01:55:56PM
24 #EXHIBIT 273 - Email from Ms Wreford to Mr Aziz on 05/06/18, 01:56:00PM
25 court book page 4433. 01:56:00PM
26 MR TOVEY: Could you look, please, at this document, page 3955. 01:56:06PM
27 Are you familiar with that document?---Yes, I recall it. 01:56:28PM
28 That's a document headed, 'Executive chairman agreement', and 01:56:31PM
29 claims to have been effective from 1 July 2018. Is that 01:56:41PM

1 your handwriting there or somebody else's?---I don't 01:56:46PM
2 recognise that to be my handwriting. 01:56:50PM
3 All right. 'Between the following parties, Showdown Racing 01:56:53PM
4 Club Pty Ltd' - if we can just go back up to the top; 01:57:00PM
5 thank you - 'and Sam Aziz as executive chairman of 01:57:12PM
6 the board of directors.' Was there any such thing as 01:57:18PM
7 Showdown Racing Pty Ltd, ABN as given? Was that ever to 01:57:23PM
8 your knowledge a company?---I believe that was conveyed to 01:57:29PM
9 me by Mr Lee at the time to be the company that would 01:57:37PM
10 ultimately be the host or be responsible for the equine 01:57:42PM
11 investment fund. 01:57:48PM
12 Had that company been set up at this stage on 1 July? Was it 01:57:49PM
13 ever set up?---I didn't make those enquiries. 01:57:54PM
14 You are executive chairman of the board of directors, according 01:57:58PM
15 to this. Don't you know whether the company actually 01:58:04PM
16 existed or not?---Not of the board of directors of the 01:58:10PM
17 company but of the board of directors of the equine 01:58:15PM
18 investment fund that was to follow. 01:58:18PM
19 That's not what the agreement says there, is it? In any event, 01:58:20PM
20 the thing is you don't know then; even though you're 01:58:26PM
21 chairman - executive chairman of the board of directors, 01:58:32PM
22 you don't understand whether or not this company ever 01:58:35PM
23 really existed?---I understood that this would be a 01:58:38PM
24 company that could possibly be a subsidiary of Spicer 01:58:42PM
25 Thoroughbreds; and, no, I didn't make those enquiries at 01:58:48PM
26 the time - - - 01:58:50PM
27 (Indistinct) ABN was just something that somebody had made 01:58:52PM
28 up?---I don't believe that to be the case; but I don't 01:58:58PM
29 know the answer to that, no. 01:59:00PM

1 So you really have no idea about any of the corporate structure 01:59:02PM
2 of Sandown Racing Club Pty Ltd? 01:59:05PM
3 COMMISSIONER: Showdown. 01:59:09PM
4 MR TOVEY: Sorry, Showdown. 01:59:11PM
5 COMMISSIONER: I'm sorry, Mr Aziz, can you just clarify for me 01:59:15PM
6 you recall I asked you some questions earlier this morning 01:59:19PM
7 about an entity that was going to - to whom the prospectus 01:59:22PM
8 would relate?---Yes. 01:59:28PM
9 Is that your understanding, that Showdown Racing Club Pty Ltd 01:59:32PM
10 was contemplated to be that entity?---I can't remember the 01:59:38PM
11 exact discussions, whether that would be the entity or 01:59:46PM
12 whether it would be Spicer Thoroughbreds. But 01:59:50PM
13 I understood Showdown Racing Club to be a subsidiary of 01:59:54PM
14 Spicer Thoroughbreds. 01:59:57PM
15 Yes, but if you wouldn't mind grappling with my question. The 02:00:07PM
16 entity over which - to which the prospectus would relate 02:00:16PM
17 and to which you would be the chairman, was that 02:00:21PM
18 contemplated to be Showdown Racing Club?---It may have 02:00:27PM
19 been. It may have been, but I can't recall. 02:00:31PM
20 But do you have any memory of agreeing to be executive chairman 02:00:35PM
21 of some other entity that wasn't going to be managing and 02:00:40PM
22 responsible for the club?---No, this is the only 02:00:47PM
23 chairmanship that I was offered alongside the consulting 02:00:52PM
24 opportunity to do the research for the equine investment 02:00:58PM
25 fund. 02:01:01PM
26 So may we assume then if that was the organisation of which you 02:01:01PM
27 were to be chair that it was contemplated that it would be 02:01:08PM
28 Showdown?---Not necessarily, Commissioner, because we 02:01:14PM
29 wanted to do the work first and then work out what was the 02:01:21PM

1 best corporate structure. Because I did not have any 02:01:25PM
2 memory of that particular name carrying any significance 02:01:29PM
3 for me when I saw the document. The idea was to do the 02:01:33PM
4 work first and then work out the corporate structure 02:01:38PM
5 arrangements. 02:01:44PM
6 I'm sorry, so I go back a few questions. Does that mean that 02:01:46PM
7 it was possible that you were going to be chairman of two 02:01:51PM
8 different organisations: this one and whatever the 02:01:53PM
9 ultimate corporate entity was to whom the prospectus would 02:01:56PM
10 relate?---No, the chairmanship as I understood it was to 02:02:01PM
11 be of an equine investment fund. 02:02:04PM
12 Yes?---That was the name of the organisation whose board of 02:02:07PM
13 directors I was supposed to be chairing. Now, whether 02:02:10PM
14 Showdown Racing Club was shown on there as the 02:02:14PM
15 organisation paying for the consulting or whether it was 02:02:18PM
16 shown on there as the organisation providing resources to 02:02:22PM
17 enable the prospectus to be drafted, I did not ask those 02:02:25PM
18 questions at the time because I relied on my dealings with 02:02:31PM
19 Mr Lee to be the main funnel into this project. 02:02:35PM
20 Do you see if you look at the terms and conditions - I'm just 02:02:41PM
21 trying to get some clarity around this arrangement, 02:02:45PM
22 Mr Aziz. If we look at the terms and conditions do you 02:02:48PM
23 see that it refers to confirmation that this is the 02:02:54PM
24 agreement in place at 30 June, and Mr Spicer is to be the 02:03:00PM
25 bloodstock agent, procure the racehorses for the company, 02:03:05PM
26 and that you're to be remunerated for that role as 02:03:11PM
27 executive chairman 'as per our private agreement'. So can 02:03:15PM
28 we not deduce from that that this was at that - at that 02:03:20PM
29 point of time Showdown Racing Club was contemplated to be 02:03:24PM

1 the entity to whom the prospectus that you were required 02:03:29PM
2 to prepare documentation related?---Yes, can I please see 02:03:34PM
3 the terms and conditions because I can't see them? 02:03:40PM
4 I'm sorry, I'm sorry; I thought they were in front of 02:03:42PM
5 you?---No, they weren't. Yes, I guess once I've read 02:03:46PM
6 them, I guess that could be deduced; yes. 02:04:10PM
7 Yes. I'm not sure, Mr Tovey, are you putting to Mr Aziz that 02:04:13PM
8 Showdown was not in fact an incorporated entity at that 02:04:18PM
9 time? 02:04:21PM
10 MR TOVEY: I am. 02:04:24PM
11 COMMISSIONER: I'm sorry? 02:04:26PM
12 MR TOVEY: That's where I was going, yes. 02:04:27PM
13 COMMISSIONER: Yes, very good. 02:04:29PM
14 MR TOVEY: So we go back up to the top again, thank you. So 02:04:30PM
15 you see the agreement is between yourself and Showdown 02:04:35PM
16 Racing Club Pty Ltd. I want to suggest to you that that 02:04:42PM
17 was never a company. What do you say about 02:04:46PM
18 that?---I wasn't aware of that, Mr Tovey. 02:04:51PM
19 I thought you told me you had done some special study as a 02:04:52PM
20 company director; is that right? A diploma in - what was 02:04:58PM
21 that diploma you told us about?---Advanced diploma in 02:05:05PM
22 company directorship. 02:05:09PM
23 Well - - -?---Also why is that funny? Sorry, I'm sorry, 02:05:10PM
24 Commissioner, I find the sarcasm in this quite insulting. 02:05:15PM
25 COMMISSIONER: Yes?---I would really appreciate it if you could 02:05:19PM
26 direct Mr Tovey to stop laughing at me, because I'm not 02:05:23PM
27 making things up. I'm trying to answer - - - 02:05:26PM
28 MR TOVEY: Well, sir, let's face it: you then have a better 02:05:29PM
29 knowledge than most as to the nature and duty of company 02:05:33PM

1 directorships; is that right?---For companies that are to 02:05:36PM
2 be created, yes; not for preliminary agreements. 02:05:42PM
3 But that doesn't say this is a preliminary agreement, does it? 02:05:48PM
4 It says that you've been appointed as the executive 02:05:52PM
5 chairman of the company. What's an executive chairman in 02:05:56PM
6 your understanding as a person who has special 02:06:00PM
7 qualifications in company directors' behaviour?---An 02:06:04PM
8 executive chairman actually has decision making capacity 02:06:07PM
9 as opposed to a non-executive chairman or a non-executive 02:06:11PM
10 director. However, this was an entity that was yet to be 02:06:16PM
11 created. We were starting from scratch. I wasn't a 02:06:19PM
12 director of Showdown Racing Club. I was going to be an 02:06:23PM
13 executive chairman of an equine investment fund that was 02:06:27PM
14 seeking to establish itself. And so when you laugh at me 02:06:32PM
15 for not knowing if this company had existed or not, 02:06:37PM
16 I didn't care whether this company had existed or not 02:06:41PM
17 because I wasn't going to be executive chairman of that 02:06:43PM
18 company. 02:06:46PM
19 But, Mr Aziz, you put yourself forward as somebody who has 02:06:47PM
20 extensive experience in the public service, in 02:06:52PM
21 investigations, you're aware of AUSTRAC, you have 02:06:58PM
22 specialist qualifications as a company director, and you 02:07:02PM
23 see there a term and condition that appoints you as 02:07:06PM
24 executive chairman of a company that doesn't exist. How 02:07:11PM
25 is it that you allowed yourself to be appointed as an 02:07:15PM
26 executive chairman of a company? That's what it says, 'of 02:07:19PM
27 the company'. How did you manage to allow yourself to be 02:07:24PM
28 appointed an executive chairman of the company which is 02:07:28PM
29 Sandown Racing Pty Ltd which doesn't exist?---I once again 02:07:34PM

1 refer you to my understanding that the executive 02:07:39PM
2 chairmanship role related to the equine investment fund, 02:07:43PM
3 not to that particular company, whether it existed or not. 02:07:47PM
4 It doesn't mention the equine investment fund there, does it? 02:07:52PM
5 It only mentions the company, which is clearly Showdown 02:07:56PM
6 Racing Pty Ltd?---The equine investment fund was always 02:08:00PM
7 the intended aim of this entire exercise, and that's what 02:08:02PM
8 Mr Lee had been discussing with me. And I guess you take 02:08:06PM
9 people at their face value in terms of what they're 02:08:10PM
10 talking to you about. There was no - there was no 02:08:12PM
11 functioning organisation yet where I would have fiduciary 02:08:17PM
12 duty, if you like, to understand anything in terms of its 02:08:23PM
13 compliance or anything else of that nature. It was 02:08:26PM
14 starting from scratch. Now, whether Mr Lee or Mr Spicer 02:08:30PM
15 had intended to register that name eventually or not, 02:08:34PM
16 I just was excited by the prospect of beginning this 02:08:39PM
17 particular project and thinking about the possible things 02:08:43PM
18 that we could have achieved with it. I was excited by all 02:08:48PM
19 that, and I was absolutely certain that it would be a 02:08:50PM
20 worthwhile opportunity and the details would be worked out 02:08:58PM
21 at an appropriate stage in the future. 02:09:01PM
22 The ABN that's cited there would indicate that the company that 02:09:02PM
23 is being referred to has already been incorporated. That 02:09:08PM
24 would occur to you, would it not, as a person who is 02:09:11PM
25 reading what has been sent to you with specialist training 02:09:15PM
26 as a company director?---Not necessarily. Anyone can get 02:09:17PM
27 an ABN. You don't have to be - - - 02:09:20PM
28 The ABN that there is cited is in fact the ABN of Spicer 02:09:24PM
29 Thoroughbreds. How did that come to be?---Well, it may 02:09:30PM

1 have been that Showdown Racing Club was a subsidiary of 02:09:33PM
2 Spicer Thoroughbreds. 02:09:36PM
3 Or was it the fact that this was being cobbled together on the 02:09:38PM
4 run by you and Mr Lee to facilitate corrupt 02:09:42PM
5 payments?---I had no input into the drafting of this 02:09:51PM
6 agreement. It was presented to me and I read it and 02:09:53PM
7 I agreed to sign it. 02:09:57PM
8 Can you just go down to the bottom, please. Mutually agreed to 02:09:58PM
9 by the first party, Bernard Lee, and yourself, the second 02:10:03PM
10 party. You're the putative executive chairman from what 02:10:27PM
11 you've told us. I thought Bernard Lee was a marketing 02:10:32PM
12 manager. How does he come to appoint you as the executive 02:10:38PM
13 chairman?---I don't know what role Mr Lee played exactly 02:10:43PM
14 in the organisation. He introduced himself to me at one 02:10:49PM
15 stage, from memory, as a marketing manager. But I don't 02:10:52PM
16 know if in the corporate structure he also had purchased 02:10:56PM
17 part of the organisation and whether or not he had 02:11:00PM
18 authority from Mr Spicer to actually sign that agreement 02:11:02PM
19 or not. I didn't do those enquiries. 02:11:06PM
20 You didn't ask him. 02:11:08PM
21 COMMISSIONER: Mr Aziz, I'm just troubled by the fact that - 02:11:12PM
22 you would regard yourself as a relatively astute 02:11:19PM
23 businessman?---On occasions, yes. 02:11:22PM
24 So this is the document that formalises a contractual 02:11:28PM
25 obligation for you to be paid fees for services that you 02:11:37PM
26 are rendering?---Yes. 02:11:41PM
27 And it was the entity that was going to procure racehorses 02:11:45PM
28 worldwide?---Yes. 02:11:57PM
29 This was the entity about whom or in relation to whom the 02:11:59PM

1 prospectus would relate, because in the end the investors 02:12:05PM
2 would invest in the fund which owned these horses?---Yes. 02:12:10PM
3 There's a term that's used in the law, Mr Aziz, for a document 02:12:16PM
4 which has no legal validity. It's called a sham. If the 02:12:26PM
5 entity Showdown Racing Club is non-existent then this 02:12:32PM
6 document was a sham. And in all of the time that you 02:12:39PM
7 thereafter researched - did your research it never became 02:12:44PM
8 apparent to you that the structure, the documents that you 02:12:49PM
9 were required to prepare related to a non-existent 02:12:53PM
10 entity?---I wasn't focused on that at all, Commissioner. 02:13:02PM
11 I was actually focused on getting the information together 02:13:04PM
12 for the prospectus to be created and then beyond that for 02:13:08PM
13 looking at all the compliance that needed to be done in 02:13:12PM
14 order for this fund to be established. I wasn't looking 02:13:16PM
15 at this preliminary instrument that was signed. I didn't 02:13:18PM
16 do research into that. 02:13:24PM
17 If compliance was any part of the actual work you were doing 02:13:25PM
18 then the very first step was the fund that is going to run 02:13:34PM
19 this entity has to exist?---Yes, and it hadn't existed at 02:13:41PM
20 the time. It was yet to be created. So the compliance 02:13:47PM
21 I refer to is the compliance that the fund would be 02:13:53PM
22 required to meet in order to attract investors legally. 02:13:56PM
23 Yes, Mr Tovey. 02:14:00PM
24 MR TOVEY: If you look at clause 1.4, 'The first party' - that 02:14:21PM
25 is the non-existent company - 'agrees to remunerate 02:14:24PM
26 Mr Aziz for his role as executive chairman as per our 02:14:30PM
27 private agreement.' Did you ever render an invoice to 02:14:36PM
28 Showdown Racing Club Pty Ltd?---I believe all my invoices 02:14:43PM
29 went to Spicer Thoroughbreds. 02:14:53PM

1 And why was that, if in fact the arrangement was with Showdown 02:14:57PM
2 Racing Club Pty Ltd?---It may have been that it was 02:15:05PM
3 explained to me that eventually that this would be the 02:15:08PM
4 corporate vehicle by which the equine investment fund 02:15:11PM
5 would be created under, but for now Spicer Thoroughbreds 02:15:17PM
6 was the company sponsoring this project. 02:15:22PM
7 Could you please have a look at document - I tender that 02:15:26PM
8 document, Mr Commissioner. 02:15:29PM
9 COMMISSIONER: That will be exhibit 274, agreement of 1 July 18 02:15:34PM
10 between Showdown Racing and Aziz. 02:15:42PM
11 #EXHIBIT 274 - Agreement between Showdown Racing and Mr Aziz of 02:15:38PM
12 01/07/18, court book page 3955. 02:15:38PM
13 MR TOVEY: The next document is 4308. Could we have that up, 02:15:49PM
14 please. That's an agreement between yourself and Spicer 02:15:52PM
15 Thoroughbreds, you understand that, dated allegedly 1 July 02:16:10PM
16 of 2018. This is exhibit 86A. 02:16:15PM
17 COMMISSIONER: I'm sorry, what was the exhibit number? 02:16:28PM
18 MR TOVEY: 4308 is exhibit 86A, Mr Commissioner. 02:16:31PM
19 COMMISSIONER: Thank you. 02:16:35PM
20 MR TOVEY: I'm sorry, that might not be right. I'm just 02:16:41PM
21 looking at my chart. Perhaps I'll have that checked. 02:16:43PM
22 Sorry, Mr Commissioner, we're just having some computer 02:16:55PM
23 problems. In any event, if we just get up 4308. I'm not 02:16:57PM
24 sure that is an exhibit. That's an agreement dated 02:17:02PM
25 1 July, all right, between Spicer Thoroughbreds and Sam 02:17:10PM
26 Aziz. Can we scroll down, please. That's Spicer 02:17:17PM
27 Thoroughbreds appointing you, that is, 'The first party, 02:17:31PM
28 Spicer Thoroughbreds, agrees to contract the second party 02:17:34PM
29 as business development manager effective from 1 July 02:17:40PM

1 2018.' You told me specifically only five minutes ago, 02:17:45PM
2 10 minutes ago, that you were not a business development 02:17:50PM
3 manager but you were a consultant and you specifically 02:17:54PM
4 said you were not a business development manager. How is 02:17:58PM
5 it that that is the term of the agreement that we're now 02:18:02PM
6 looking at?---Because perhaps I was consulting in that 02:18:06PM
7 capacity, but I was never an employee of Spicer 02:18:12PM
8 Thoroughbreds. I was never paid - - - 02:18:15PM
9 Do you recall, Mr Aziz, I asked you whether you were a business 02:18:18PM
10 development manager and you said, and you said 02:18:23PM
11 specifically, no, you were not; you were just a 02:18:29PM
12 consultant. How is it that you are signing a contract 02:18:32PM
13 which purports to have you as business development 02:18:34PM
14 manager?---Because you can be a business development 02:18:37PM
15 manager in a consulting capacity. You develop business 02:18:40PM
16 with the organisation as a consultant as opposed to 02:18:44PM
17 someone that turns up to work 9 to 5, gets paid 02:18:48PM
18 superannuation and leave entitlements. This wasn't a 02:18:52PM
19 full-time opportunity. 02:18:56PM
20 The ABN there of 41021649046 is in fact the business - the ABN 02:19:12PM
21 of Bernard Lee as a sole trader. Do you know how that 02:19:25PM
22 came to be?---No. 02:19:34PM
23 Are you able to give us any insight as to why Mr Lee would be 02:19:36PM
24 creating documents relating to companies that don't exist 02:19:42PM
25 or including ABNs which are his own and not that of Spicer 02:19:46PM
26 Thoroughbreds?---No, I don't know the answer to that 02:19:56PM
27 question. 02:19:59PM
28 If we go back to the agreement, 1.2, 'The first party' - that's 02:20:04PM
29 Spicer Thoroughbreds - 'agrees that the role of business 02:20:10PM

1 development manager includes but is not restricted to 02:20:25PM
2 business development via horse share sales, race days 02:20:30PM
3 attendance, non-race day functions, and events as a 02:20:36PM
4 representative of the company.' You told us that all you 02:20:40PM
5 were doing was developing documentation and you hoped to 02:20:45PM
6 raise a general concept with some of your - some people in 02:20:51PM
7 your network. What's this business about signing a 02:20:55PM
8 contract to be involved in horse share sales, race day 02:20:58PM
9 attendance and non-race day functions and which says 02:21:04PM
10 nothing at all about any of the other things you've told 02:21:09PM
11 us about?---Because that is had the fund actually been 02:21:11PM
12 established in that 12-months period, they were some of 02:21:15PM
13 the things that Mr Lee spoke to me about that I would be 02:21:20PM
14 invited to do. However, none of that materialised because 02:21:23PM
15 the fund never got off to even being an investment 02:21:26PM
16 prospectus or a prospective for investment for other 02:21:31PM
17 people to invest in. I don't remember the terms of this 02:21:34PM
18 contract. Like I said, these matters have occurred a long 02:21:37PM
19 time ago. 02:21:42PM
20 That relates to you receiving \$5,500 a month, including GST. 02:21:52PM
21 Did that ever happen?---No. The amount I was receiving 02:22:07PM
22 was between 2,500 to \$3,500 a month plus GST, depending on 02:22:11PM
23 the work that was done. 02:22:20PM
24 But this is the document which is signed the day after the 02:22:23PM
25 previous document we've looked at where you've become 02:22:27PM
26 executive chairman. So you're now executive chairman plus 02:22:31PM
27 business development manager. Can we just scroll down and 02:22:37PM
28 see who's signed this; down to the bottom, please. That's 02:22:40PM
29 signed by Bernard Lee of Spicer Thoroughbreds and yourself 02:22:54PM

1 allegedly on 1 July 2018. How could you be executing a 02:22:59PM
2 contract binding Spicer Thoroughbreds with Bernard Lee, 02:23:07PM
3 who is only the marketing manager?---Like I said to you, 02:23:16PM
4 Mr Tovey, I don't know what authority Mr Lee had from 02:23:25PM
5 Mr Spicer to sign the document, because I had met with 02:23:29PM
6 Mr Spicer and he gave me an indication that these 02:23:33PM
7 arrangements would be forthcoming. So I assumed, as in 02:23:38PM
8 any organisation, that when the boss delegates to one of 02:23:42PM
9 his employees that employee can execute agreements on 02:23:44PM
10 behalf of the organisation, and I made an assumption in 02:23:47PM
11 this case, as on the prima facie of it I'm entitled to, 02:23:51PM
12 that this was the case. 02:23:57PM
13 You told me that you had executed an agreement with Brad 02:24:00PM
14 Spicer. Do you maintain that that was the case, or 02:24:05PM
15 perhaps you were wrong about that?---What I told you on 02:24:09PM
16 the basis of the best of my recollection, and what I'm 02:24:12PM
17 telling you now on the basis of having seen the document, 02:24:14PM
18 which I couldn't even remember - I think it's only natural 02:24:19PM
19 that when you present the document in front of me that 02:24:23PM
20 I could tell you who was the co-signatory. Now, at the 02:24:27PM
21 time it's not abnormal for me or unusual to think that it 02:24:31PM
22 maybe was Mr Spicer that co-signed it because he was one 02:24:37PM
23 of the people that I was meeting with and I knew him to be 02:24:41PM
24 the principal of the company. 02:24:43PM
25 Isn't it the fact that both those documents are shams - that 02:24:45PM
26 is, the previous document you were shown, the executive 02:24:51PM
27 chairman agreement, plus this - designed to cover the fact 02:24:55PM
28 that Mr Woodman was using Spicer Thoroughbreds as a 02:24:59PM
29 vehicle to funnel to you funds?---Absolutely not because 02:25:05PM

1 I wasn't aware of Mr Woodman's involvement with Spicer 02:25:10PM
2 Thoroughbred. 02:25:14PM
3 Mr Woodman was asked this question in evidence, page 135: 'Did 02:25:15PM
4 you funnel funds through Spicer Racing to Mr Aziz?' And 02:25:35PM
5 he then said, 'Spicer Racing?' I said, 'No, it's a simple 02:25:42PM
6 question. Did you funnel funds through Spicer Racing to 02:25:46PM
7 Mr Aziz; yes or no?---Yes, sir.' Can you understand why 02:25:49PM
8 he might say that?---Well, if he did, he certainly didn't 02:25:54PM
9 tell me about it, and that's not the first time Mr Woodman 02:25:59PM
10 has hidden information from me. 02:26:02PM
11 Mr Woodman went on to say at page 142 and 143 these 02:26:05PM
12 consultancies were really just an excuse - sorry, he 02:26:27PM
13 agreed that the consultancies were really just an excuse 02:26:35PM
14 to pay you money that you were insisting on getting 02:26:38PM
15 because of your role as a councillor; what do you say 02:26:42PM
16 about that?---That is absolutely not true. 02:26:47PM
17 Any reason why Mr Woodman might lie about that as - you had 02:26:53PM
18 some recent falling out?---No. But if I - if that was my 02:26:59PM
19 intention, then I would have been paid the \$25,000 that 02:27:03PM
20 you allege for the Little River contract was actually not 02:27:07PM
21 true from the time that we've executed that agreement, if 02:27:13PM
22 that was the case. 02:27:17PM
23 I'm not seeking to ask you to make arguments. You're here, 02:27:19PM
24 Mr Aziz, not as an advocate but hopefully as a witness 02:27:25PM
25 who's going to tell the truth. I was simply asking you: 02:27:28PM
26 is there any reason that you can understand why Mr Woodman 02:27:33PM
27 might say this occurred or might have agreed that this 02:27:39PM
28 occurred because you were insisting on getting 02:27:44PM
29 paid?---Absolutely not, because I wasn't insisting on 02:27:47PM

1 getting paid anything. I was excited by the prospect of 02:27:49PM
2 this investment equine vehicle, and that's why I agreed to 02:27:52PM
3 participate. I did not have any concept of Mr Woodman's 02:27:57PM
4 involvement behind it. 02:28:01PM
5 Ms Wreford, when she gave evidence at one stage, indicated that 02:28:03PM
6 your rapacity was such that she wasn't sure who was 02:28:06PM
7 bribing who when it came to financial arrangements between 02:28:11PM
8 you and Mr Woodman; do you have any comment on that? 02:28:15PM
9 COMMISSIONER: Was that 'capacity' or 'rapacity'? 02:28:22PM
10 MR TOVEY: No, 'rapacity'. 02:28:25PM
11 COMMISSIONER: Yes. 02:28:26PM
12 MR TOVEY: You agree it was such that she couldn't work out who 02:28:27PM
13 was bribing who; was that the situation, that you were 02:28:30PM
14 demanding money over a period of time from 02:28:36PM
15 Mr Woodman?---That would be extortion, not bribery, 02:28:44PM
16 wouldn't it be? 02:28:47PM
17 Certainly would?---Well, certainly not. 02:28:48PM
18 COMMISSIONER: I think to do justice to yourself, Mr Aziz, 02:28:53PM
19 I take it you deny not merely extortion but you deny 02:28:58PM
20 receiving any bribe; is that your position?---That's 02:29:04PM
21 correct. 02:29:07PM
22 Have we established, Mr Tovey, whether that already is an 02:29:14PM
23 exhibit? 02:29:17PM
24 MR TOVEY: I don't think it is. 02:29:19PM
25 COMMISSIONER: In any event, no harm done, that will be 02:29:21PM
26 exhibit 275. 02:29:23PM
27 #EXHIBIT 275 - Agreement between Mr Aziz and Spicer 02:29:25PM
28 Thoroughbreds of 01/07/18, court book page 4308. 02:16:15PM
29 MR TOVEY: Could you look, please, at 4154. Now, if we could 02:29:39PM

1 just scroll up, please. Sorry, scroll down. There you 02:30:24PM
2 are on 2 August of 2018 involved in, what's that, a 02:31:08PM
3 WhatsApp communication or is it a text? I think it's a 02:31:18PM
4 WhatsApp communication. 'Hi Lorraine, I called Bernard 02:31:25PM
5 today but he didn't return my call. Can you advise when 02:31:30PM
6 the invoice will be paid. Thanks.' Is that from you or 02:31:33PM
7 was that you chasing up the payment of moneys through 02:31:39PM
8 Lorraine Wreford?---Sorry, I can't see that on the screen. 02:31:44PM
9 Where is it? 02:31:49PM
10 At the bottom of the page?---Yes. Can you scroll down a bit 02:31:53PM
11 more, please? Yes. 02:32:00PM
12 Is that you following up your fees again - sorry, following up 02:32:10PM
13 your fees with Lorraine Wreford?---I'm following up my 02:32:15PM
14 fees with Bernard, but, because I couldn't get access to 02:32:19PM
15 him or he didn't return my call, I'm forwarding it to his 02:32:23PM
16 domestic partner. 02:32:28PM
17 I want to suggest to you the reason that you had gone to 02:32:29PM
18 Lorraine Wreford is because she still was your money 02:32:31PM
19 contact with John Woodman ?---No. 02:32:36PM
20 So you haven't been able to get in touch with Bernard today, 02:32:47PM
21 but you want her to advise when the invoice will be paid. 02:32:54PM
22 I take it you say you didn't expect her to be able to give 02:32:57PM
23 you that information; you wanted her to go back to 02:33:01PM
24 Bernard; is that right?---That's right. 02:33:04PM
25 Could the witness, please - - - 02:33:21PM
26 COMMISSIONER: Is that an exhibit, Mr Tovey? 02:33:24PM
27 MR TOVEY: No, it's not. 02:33:27PM
28 COMMISSIONER: That will be exhibit 276. 02:33:28PM
29 #EXHIBIT 276 - WhatsApp communication dated 02/08/18, court 02:33:31PM

1 book page 4154. 02:33:31PM

2 MR TOVEY: Could we please have up on the screen now chart 02:33:43PM

3 number 1. I'm sorry, Mr Commissioner, that chart has now 02:33:45PM

4 been updated and is chart number 20, I'm told - 26. So 02:34:52PM

5 could we have up chart 26, please. Thank you. Could we 02:34:58PM

6 scroll down, please. Just focusing on the yellow section 02:35:39PM

7 of the chart, if we might. So you'll see at the top of 02:35:47PM

8 the chart a \$30,000 BPAY payment from Watsons paid to the 02:36:07PM

9 ATO on your behalf. I take it from what you've already 02:36:24PM

10 told me you don't deny that?---No, I don't. 02:36:26PM

11 If I could just ask you while we've got that payment up there 02:36:31PM

12 was that a payment that needed to be kept hidden from 02:36:39PM

13 prying eyes, that is the fact that Watsons were paying 02:36:46PM

14 30,000 on your behalf?---No. No. Would you like to know 02:36:49PM

15 why the payment was made? 02:36:55PM

16 It's okay. I'll take you back to it. We'll just stick now to 02:36:56PM

17 the Watsons payment - to the Spicer payments. You'll see 02:37:05PM

18 that Watsons paid Spicers \$2,750 by electronic funds 02:37:12PM

19 transfer on 5 June, and on the same day exactly the same 02:37:23PM

20 amount is transferred to you. Did you have any knowledge 02:37:31PM

21 of that?---No. 02:37:38PM

22 So, if we just stop there, here's Watsons, where you already 02:37:44PM

23 know John Woodman has been up until just before this 02:37:57PM

24 paying you \$15,000 a month cash, and the very same Watsons 02:38:03PM

25 who up until a month or two before have been paying you 02:38:16PM

26 \$25,000 a month cash, start making regular payments 02:38:20PM

27 precisely covering money that you are getting by Spicers. 02:38:26PM

28 Do you say that's a coincidence?---Sorry, I object to the 02:38:32PM

29 factuality that you have just expressed there. There's no 02:38:38PM

1 factuality in what you have just said. You said \$25,000 02:38:41PM
2 cash. I take it you are referring to the Little 02:38:44PM
3 River - - - 02:38:47PM
4 I should have said \$15,000 cash?---Yes, and can we acknowledge 02:38:48PM
5 at least why that money was being paid to me? 02:38:52PM
6 No, I just want to know that the money was being paid. You 02:38:55PM
7 have made it clear in previous evidence why it was being 02:39:00PM
8 paid. You understand that it's in contention why it was 02:39:02PM
9 being paid. So I'm simply raising with you the fact that 02:39:06PM
10 that \$15,000 a month has been paid up until May of 2018; 02:39:10PM
11 you understand that?---Because there was a contract. 02:39:16PM
12 Sorry, that 15 - yes. Whether it's a contract or whatever, 02:39:18PM
13 you're getting - the \$15,000 payments ran out in May, and 02:39:23PM
14 here we are in June, the same people who have been giving 02:39:29PM
15 you the \$15,000 payments start precisely covering every 02:39:34PM
16 payment Spicer Thoroughbreds has made to you in 02:39:41PM
17 circumstances where you have entered into contracts with 02:39:45PM
18 Mr Lee which on their face are shams. Now, you can 02:39:47PM
19 understand that that might raise a degree of 02:39:53PM
20 suspicion?---Sure, and another factuality issue, Mr Tovey, 02:39:58PM
21 is that I wasn't paid \$15,000 in May because Mr Woodman 02:40:03PM
22 was reducing the interest payment according to what was 02:40:06PM
23 remaining from the original \$600,000 investment in his 02:40:10PM
24 possession. So he was calculating the 30 per cent 02:40:14PM
25 interest based on the balance and then making that payment 02:40:17PM
26 to me. So the payment that I received in May certainly 02:40:20PM
27 was far less than \$15,000. I can't remember how much it 02:40:23PM
28 was, but it was less than that. 02:40:27PM
29 That's got nothing to do with the proposition I'm putting to 02:40:29PM

1 you. I'm putting to you that he's been paying you cash up 02:40:32PM
2 until May, and then in June the same person who's been 02:40:35PM
3 paying you cash every month starts covering Spicer 02:40:41PM
4 payments to the cent month after month after month. Now, 02:40:46PM
5 do you say that's a coincidence?---Absolutely, because if 02:40:50PM
6 I had any knowledge of that arrangement why would I go 02:40:54PM
7 through all this rigmarole of working with Spicers for the 02:40:56PM
8 sake of \$2,500? He could have just given that to 02:41:01PM
9 Ms Wreford to give me in cash, if that's what you are 02:41:06PM
10 insinuating. 02:41:09PM

11 COMMISSIONER: No, no, Mr Aziz, the question was: is it a 02:41:10PM
12 coincidence that the cash payments in one form from 02:41:13PM
13 Mr Woodman cease and then the following month they 02:41:21PM
14 continue but in a different form?---Sir, I don't know what 02:41:23PM
15 arrangements Mr Woodman had. It is a coincidence, in my 02:41:27PM
16 mind, because I don't know what arrangements he had with 02:41:31PM
17 Spicer Thoroughbreds, and I was certainly not privy to any 02:41:33PM
18 arrangements that he had. My negotiations were primarily 02:41:38PM
19 with Bernard Lee and then Brad Spicer afterwards. 02:41:41PM

20 MR TOVEY: So if we just go through this then. On 5 June in 02:41:45PM
21 goes \$2,750 from Watsons, on the same day out the same 02:41:50PM
22 amount to you. Do you see that?---Yes. 02:41:57PM

23 On the same day again, another \$2,750, and again it goes out to 02:42:05PM
24 you; right? On 12 July - - - 02:42:16PM

25 COMMISSIONER: Mr Tovey, I think Mr Aziz can see the flows of 02:42:28PM
26 money. Can we move on from that? 02:42:32PM

27 MR TOVEY: Yes. So then in September it goes up to \$3,850, and 02:42:40PM
28 so in September, on 6 September, Watsons pay in \$3,850; on 02:42:49PM
29 10 September, you take out exactly the same amount. Would 02:43:05PM

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you agree that as a matter of logic, being a man who is obviously well trained and well educated, that it's impossible that those mirroring transactions could be coincidental?---Not necessarily. I mean, I can already see a couple of inconsistencies of your argument from the dates that are presented. So can you take me through what happened in July, please?

What's happened is either - what I'll say is that within - often sometimes on the same day, but either a week before or a week after, sometimes a little more, you get a specific amount, Watsons covers that amount; do you agree that that's the thrust of the chart?---That's what the chart is trying to suggest. But I think you said 'on the same day', when clearly there are discrepancies in the dates between apparently when Watsons gave the money to Thoroughbreds and when Thoroughbreds gave the money to me. I did not know that there was an arrangement between Watsons and Thoroughbreds. I was billing Thoroughbreds.

COMMISSIONER: Mr Aziz, what you need to grapple with is the fact that, whether it's the same day or two days before or three days after, an identical amount goes from Watsons to Spicers and then from Spicers into your or Global Business Advisory's account, and what's being asked of you is do you accept that there's a connection between the two, that it's not coincidental that those identical payments are being made?---It's not a connection I was aware of, Commissioner.

MR TOVEY: There's nothing more you want to say? I'll give you the opportunity again. Do you say that there is some

02:43:11PM
02:43:18PM
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02:44:01PM
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02:44:09PM
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02:44:18PM
02:44:20PM
02:44:23PM
02:44:30PM
02:44:33PM
02:44:38PM
02:44:45PM
02:44:53PM
02:44:56PM
02:45:00PM
02:45:04PM
02:45:08PM
02:45:18PM
02:45:21PM

1 other explanation for those payments other than the fact 02:45:25PM
2 that Watsons were mirroring Spicer's payments to 02:45:30PM
3 you?---I don't understand what that explanation is, but 02:45:36PM
4 I was not aware of any arrangements between Watsons and 02:45:42PM
5 Spicer Thoroughbred in relation to myself. 02:45:46PM
6 And you say that even though you were communicating with 02:45:52PM
7 Lorraine Wreford following up on invoices and indeed 02:45:55PM
8 discussing the way in which invoices were going to be paid 02:46:00PM
9 going forward?---I did not discuss how invoices would be 02:46:03PM
10 paid. She volunteered that information to me, and I don't 02:46:10PM
11 know why she did that. But I only followed up with her on 02:46:14PM
12 the non-payment of an invoice when I couldn't get in touch 02:46:19PM
13 with her domestic partner. 02:46:23PM
14 And you say that despite the fact that the agreements that were 02:46:24PM
15 entered into in respect of this alleged arrangement are on 02:46:29PM
16 their faces at least a sham?---I wasn't aware that they 02:46:33PM
17 were a sham at the time. 02:46:38PM
18 And you say that irrespective of the fact that both Wreford and 02:46:39PM
19 Woodman gave evidence that this was a process by which 02:46:45PM
20 money was being funneled to you, and Mr Woodman said that 02:46:49PM
21 was your idea?---Not the first time that Wreford and 02:46:56PM
22 Woodman have surprised me with the evidence they have 02:47:01PM
23 given at IBAC compared to what I know is the reality. 02:47:04PM
24 Can you give any other logical reason why it might have been 02:47:07PM
25 that these payments to you were being mirrored by 02:47:11PM
26 Woodman?---I have no idea. 02:47:15PM
27 You've had plenty of time to think about this. You've known 02:47:18PM
28 about it for years. Have you at any stage come up with 02:47:21PM
29 any possible explanation other than corruption?---Sorry, 02:47:27PM

1 what do you mean I've known about them for years? 02:47:32PM
2 You've known about the Spicer payments, haven't you?---Yes, 02:47:35PM
3 I have known about the Spicer payments, but I don't know 02:47:39PM
4 what's the connection - - - 02:47:42PM
5 Did you not, having given evidence - sorry, when I say 'for 02:47:44PM
6 years', at least going on for a year, in any event, or 02:47:48PM
7 perhaps a bit more. Isn't the Spicer payments something 02:47:51PM
8 you discussed with Ms Wreford, having given 02:47:54PM
9 evidence?---No. 02:48:04PM
10 Did you give evidence about Spicer payments when you last gave 02:48:04PM
11 evidence last year?---I can't recall unless I see the 02:48:07PM
12 transcripts again. 02:48:11PM
13 COMMISSIONER: Mr Aziz, I think you've told us that your 02:48:13PM
14 primary discussions and source of contact was Mr Lee and 02:48:21PM
15 that you were looking to Mr Lee for these monthly 02:48:26PM
16 payments; correct?---Yes. 02:48:31PM
17 So is it reasonable to assume that if Mr Lee is the person who 02:48:34PM
18 has responsibility for passing to you each of these 02:48:43PM
19 specific monthly amounts then he must also be aware of the 02:48:48PM
20 source from which those funds are coming?---I presume so. 02:48:55PM
21 Yes. And so can you think of any reason, Mr Aziz, why Mr Lee 02:49:05PM
22 would arrange to get from Watsons these specific amounts 02:49:14PM
23 to cover the same amount that he has to pay you but 02:49:21PM
24 conceal from you the fact that the funds are coming from 02:49:26PM
25 Watsons?---Yes, that's the point I was trying to make, 02:49:33PM
26 Commissioner. I don't know what arrangement Mr Lee had 02:49:37PM
27 with Watsons or Spicers had with Watsons. I can't think 02:49:40PM
28 of anything because nothing communicated to me. 02:49:43PM
29 I'm giving you the opportunity to proffer any explanation that 02:49:48PM

1 you have for why Mr Lee would enter into an arrangement 02:49:51PM
2 with Watsons to have funds go from Watsons to Spicers and 02:49:57PM
3 then pass on from Spicers to you identical amounts of 02:50:05PM
4 money?---If I had one I would offer it to you. 02:50:10PM
5 So you have no explanation?---No, and I'm not going to 02:50:14PM
6 speculate because I don't know what arrangement existed 02:50:19PM
7 between the two. 02:50:22PM
8 This is an arrangement that inures for your benefit?---Sorry? 02:50:24PM
9 These are arrangements for your benefit?---As a result of work 02:50:33PM
10 I was doing for Spicers through Mr Lee's direction. 02:50:38PM
11 I wasn't - look, I was aware at some stage that Mr Woodman 02:50:42PM
12 had some involvement in the racing industry from matters 02:50:47PM
13 that I heard throughout my role in Casey, and mainly 02:50:51PM
14 through one of my council colleagues. But I had no idea 02:50:59PM
15 what his involvement particularly with Spicers was or that 02:51:03PM
16 he and Mr Lee had some arrangement that I wasn't privy to. 02:51:07PM
17 That's what I was aware of. 02:51:12PM
18 My last point which I invite you to comment on, it rather 02:51:15PM
19 raises as a prominent hypothesis that at the commencement 02:51:22PM
20 of this arrangement Mr Lee, when he proposed to you the 02:51:29PM
21 use of Spicer Thoroughbreds and your involvement, was 02:51:38PM
22 intending from the very beginning to be the vehicle or 02:51:44PM
23 conduit through which Watsons would pass to you these 02:51:48PM
24 specific amounts. Can you think of any reason why Mr Lee 02:51:55PM
25 would seek to engage you for consulting services and use 02:52:01PM
26 himself as a conduit?---I can't think of a reason. 02:52:05PM
27 I can't believe that all this work would go into something 02:52:13PM
28 like this when, if the intention was for Mr Woodman to 02:52:17PM
29 make payments to me, that could have been directly 02:52:21PM

1 facilitated from Mr Woodman to me. But I was not aware of 02:52:26PM
2 Mr Woodman's involvement. 02:52:29PM
3 Had anything occurred in the period May/June, the period when 02:52:33PM
4 the previous form of cash payments to you in relation to 02:52:43PM
5 other work that you've told us you were doing for 02:52:47PM
6 Mr Woodman or the repayment of the \$600,000 in cash, had 02:52:50PM
7 anything at all occurred that might explain why further 02:52:58PM
8 payments would want to be concealed?---No. And the 02:53:02PM
9 payments that Mr Woodman was making monthly on the 02:53:07PM
10 \$600,000 investment ceased and were significantly 02:53:11PM
11 beginning to reduce from about February 2018 as the 02:53:16PM
12 principal amount was being drawn upon. So I did not 02:53:20PM
13 receive \$15,000 up to - - - 02:53:24PM
14 No, I followed that point you made, Mr Aziz. But you can't 02:53:27PM
15 think of any reason then again as a matter of continuity 02:53:33PM
16 the repayments of your cash loan or investment to 02:53:39PM
17 Mr Woodman ended and immediately thereafter these new 02:53:45PM
18 payments commenced?---No, I can't. 02:53:49PM
19 Yes, Mr Tovey. 02:53:54PM
20 MR TOVEY: You see, Ms Wreford has told us that for a period of 02:54:05PM
21 time there was an attempt to try and find some basis on 02:54:09PM
22 which to justify you getting paid over a period of time an 02:54:15PM
23 amount something in excess of \$600,000, and this went on 02:54:20PM
24 for a period of over a year. Do you have any comment to 02:54:26PM
25 make on that?---Yes. It's absolutely false. I think 02:54:29PM
26 Ms Wreford has a very vivid imagination and I think she's 02:54:33PM
27 settling old scores in the nastiest way possible. So 02:54:38PM
28 I don't believe that that was the case at all. And 02:54:43PM
29 I think whenever Ms Wreford has intervened in either 02:54:46PM

1 Little River or previous council campaigns I have tended 02:54:53PM
2 to tell her to basically stay back in her box. And 02:54:56PM
3 I think there are other matters as well that might cause 02:54:59PM
4 her to give unfavourable testimony about me and be quite 02:55:01PM
5 imaginative about it. 02:55:05PM
6 Was it the case - and what about Mr Woodman? What about him? 02:55:07PM
7 Have you had a falling out with him as well insofar as 02:55:15PM
8 he's said that the Spicer payments were at your instance 02:55:20PM
9 so as to funnel money to you?---I don't know what pressure 02:55:24PM
10 Mr Woodman was on or under when he gave testimony to you 02:55:29PM
11 to give you that information. But, no, I haven't had a 02:55:33PM
12 fall-out with him. Obviously the Little River project has 02:55:38PM
13 come to an end because of the commencement of this 02:55:42PM
14 inquiry. But a lot of things have come to an end as a 02:55:46PM
15 result of the commencement of this inquiry. So I don't 02:55:50PM
16 hold that as a grudge against anybody. It's just the way 02:55:54PM
17 things are. 02:55:57PM
18 What I want to suggest to you is that - - - 02:56:01PM
19 COMMISSIONER: I'm sorry, Mr Tovey. I see the time. I think 02:56:08PM
20 we should give Mr Aziz a break. We'll adjourn for 02:56:11PM
21 10 minutes now, Mr Aziz. 02:56:15PM
22 (Short adjournment.) 02:56:19PM
23 COMMISSIONER: Mr Aziz, how are you feeling?---Okay given the 03:11:15PM
24 circumstances, I think, Commissioner. 03:11:21PM
25 As I say, if at any stage you feel you're struggling a bit, 03:11:23PM
26 just indicate so and we'll adjourn or, if necessary, we'll 03:11:29PM
27 stop for the day. Do you follow?---Thank you. 03:11:34PM
28 Yes. Yes, Mr Tovey. 03:11:37PM
29 MR TOVEY: Was it the case that each month between June and 03:11:59PM

1 November of 2018 you would send a Global Business Advisory 03:12:08PM
2 invoice to Spicer Thoroughbreds invoicing an amount of 03:12:16PM
3 either \$2,750 or \$3,850 for 'provision of business 03:12:28PM
4 advice'?---Yes, that's what I can recall. I think the 03:12:46PM
5 invoicing may have initially occurred under my own ABN but 03:12:52PM
6 may have been switched to Global Business Advisory 03:12:57PM
7 afterwards, after I received some taxation advice. But 03:13:02PM
8 I can't remember for sure if that was the case. 03:13:07PM
9 I don't think it makes any difference, but the information that 03:13:09PM
10 I have in my chart is that all the invoices were Global 03:13:13PM
11 Business Advisory Pty Ltd?---Okay. 03:13:22PM
12 You've got no reason to disagree with that, I take it from what 03:13:25PM
13 you say?---Yes. 03:13:29PM
14 Did Global Business Advisory Pty Ltd as an entity enter into 03:13:32PM
15 any contract with Spicers or with Mr Lee?---No, the 03:13:39PM
16 contracts were entered into through myself as the director 03:13:45PM
17 back then of Global Business Advisory. 03:13:49PM
18 I take it from what you say your position is that you were 03:13:55PM
19 totally unaware of any invoices going from Spicers to 03:13:58PM
20 Woodman?---Yes, I was not aware, no. 03:14:09PM
21 And what those invoices purported to be for?---No, if I was not 03:14:17PM
22 aware of it, I didn't know what they were for. 03:14:26PM
23 And you had no reason to understand why Mr Lee would be sending 03:14:30PM
24 to Mr Woodman invoices mirroring the amounts being paid to 03:14:37PM
25 you?---No. I did not understand the relationship between 03:14:43PM
26 them. 03:14:49PM
27 Were you aware of any horse relationship between Mr Woodman and 03:14:51PM
28 Spicer Thoroughbreds at that time?---I wasn't aware of a 03:14:56PM
29 relationship between them, no. 03:15:05PM

1 All right. Now, what I want to put to you is that what was 03:15:07PM
2 happening at this stage was that you had for some time 03:15:14PM
3 been seeking to get Mr Woodman to provide you over a 03:15:23PM
4 period of time with an amount in excess of \$600,000 03:15:28PM
5 basically as a bribe. I understand you deny that; is that 03:15:35PM
6 the situation?---Yes, I do. 03:15:39PM
7 I suggest to you that what's happened is that, the cash 03:15:40PM
8 payments having stopped in a month or two before June of 03:15:52PM
9 2018, Spicers was put together by you as a stopgap measure 03:16:02PM
10 in the hope that you would get your somewhere between 600 03:16:13PM
11 or \$700,000, or perhaps even more, from Mr Woodman by him 03:16:19PM
12 buying your house at Barak Avenue; what do you say about 03:16:25PM
13 that?---I say that that is incorrect, entirely incorrect. 03:16:29PM
14 Could you please then have a look at page 4095, which is 03:16:35PM
15 exhibit 67. 03:16:47PM
16 COMMISSIONER: Mr Tovey, the chart number 26, that's not an 03:16:51PM
17 exhibit yet in evidence? 03:16:57PM
18 MR TOVEY: No, it's not, Mr Commissioner. 03:16:59PM
19 COMMISSIONER: Very well. I'll make that exhibit 277. 03:17:01PM
20 #EXHIBIT 277 - Chart 26. 03:17:05PM
21 MR TOVEY: I'm just waiting for 4095 to come up. What I'm 03:17:20PM
22 suggesting to you is that there had been an ongoing 03:17:36PM
23 negotiation being transacted with Mr Woodman through 03:17:38PM
24 Ms Wreford, and that by August 2018 it had got to the 03:17:43PM
25 stage where this exchange on WhatsApp occurred and where 03:17:59PM
26 you said in respect of the arrangement which was being 03:18:03PM
27 negotiated, 'My understanding is this. He would buy 03:18:09PM
28 5 Barak Avenue at its current market value at \$750,000, 03:18:19PM
29 pay the mortgage out at \$490,000 and give the difference 03:18:26PM

1 to me. I would move in when the tenant moves out on 03:18:33PM
2 7 January 2019, and he would allow me to live rent free, 03:18:39PM
3 we would have an agreement for him to transfer the 03:18:46PM
4 property back to me by August 2020 at a nominal fee. Is 03:18:49PM
5 that correct?' Did you write that?---Yes, I did. 03:18:55PM
6 And did that reflect what you thought your - sorry, what your 03:19:05PM
7 understanding is or was of an arrangement you had with 03:19:15PM
8 Mr Woodman?---No. It reflected an arrangement that 03:19:19PM
9 Ms Wreford suggested in order to provide private finance 03:19:24PM
10 to purchase the property. 03:19:28PM
11 So was the idea - could I just ask you this: was the idea that 03:19:32PM
12 basically he would take over the property and you would 03:19:41PM
13 buy it back in August 2020?---Yes, having - - - 03:19:44PM
14 And in August 2020, of course, was a time at which you would 03:19:51PM
15 be - your term as a councillor would be up?---No, my term 03:20:00PM
16 as a councillor would be up in October 2020. 03:20:04PM
17 Yes, well, about that time?---No, no, it's actually two months 03:20:08PM
18 before the time. 03:20:13PM
19 Assuming that some time in late 2020 - sorry, I'll forget about 03:20:15PM
20 that matter. The arrangement was that over a period of at 03:20:27PM
21 that stage two years you would get to a point where you 03:20:31PM
22 ultimately got your house back for a nominal amount; is 03:20:39PM
23 that right?---No. The arrangement was that he would buy 03:20:43PM
24 the house, pay the stamp duty on the transfer, because he 03:20:48PM
25 wouldn't be exempt from stamp duty. I was if the house 03:20:52PM
26 was going to be transferred to my name. But I didn't want 03:20:56PM
27 to pay the stamp duty twice, because I would have to pay 03:21:01PM
28 it for him for what he incurred when he bought it, and 03:21:03PM
29 then I would have to pay it again when he transferred it 03:21:07PM

1 to me. The idea was that I would actually pay him a 03:21:10PM
2 mortgage as I would pay any other lender and then at the 03:21:12PM
3 end of it, when I'm able to get proper finance once 03:21:14PM
4 I improve my capacity to earn an income, I would simply 03:21:19PM
5 buy it back from him but pay - being paying him back for 03:21:23PM
6 the amount that he paid in full, but that it would be 03:21:26PM
7 shown as a nominal amount so that I'm not incurring stamp 03:21:30PM
8 duty twice, because of course when the house was 03:21:32PM
9 transferred - and this is why I didn't go with that 03:21:35PM
10 option, because when the house was transferred to my name 03:21:39PM
11 from my former spouse it was transferred, according to the 03:21:42PM
12 law, stamp duty free, and that's why I went with a normal 03:21:45PM
13 lender, not with private lending through Mr Woodman. 03:21:49PM
14 If you look at this document, if we just break it down into 03:21:53PM
15 segments, he would buy 5 Barak Avenue at its current 03:21:58PM
16 market value at 750,000; is that right?---Yes, because 03:22:05PM
17 that's what the house - - - 03:22:09PM
18 This is the house - sorry, I cut you off?---That's what the 03:22:11PM
19 house was worth, according to the valuation. 03:22:15PM
20 So he buys it. He pays out the mortgage of \$490,000?---Yes. 03:22:18PM
21 And he gives the difference to you?---Yes. And the - - - 03:22:37PM
22 At that stage he has paid out the mortgage and indeed paid you 03:22:42PM
23 \$750,000 - sorry, let's just take it from the other end. 03:22:53PM
24 He has paid you \$750,000, which also includes the mortgage 03:22:58PM
25 being paid out; is that correct?---Yes, it's - yes, 03:23:04PM
26 because it's - - - 03:23:04PM
27 I just want to go through this. Then the next step there is 03:23:12PM
28 you move in when the tenant moves out on 7 January 2019, 03:23:17PM
29 and he would allow you to live rent free; is that 03:23:23PM

1 right?---Yes. And there's a reason for that. 03:23:27PM
2 'We'd have an agreement for him to transfer the property back 03:23:30PM
3 to me in August 2020 at a nominal fee'; is that 03:23:35PM
4 correct?---Yes. 03:23:39PM
5 There's no reference there anywhere, is there, to you repaying 03:23:39PM
6 him anything other than a nominal fee - 03:23:43PM
7 - -?---(Indistinct) - - - 03:23:46PM
8 No, if we just take this a step at a time. Do you say that 03:23:47PM
9 there's reference there anywhere to you paying him in the 03:23:51PM
10 interim anything - sorry, paying him back anything other 03:23:57PM
11 than a nominal fee?---In that particular conversation, no, 03:24:01PM
12 but there were other conversations related to this issue 03:24:06PM
13 which are not captured here, and that's what I'm trying to 03:24:09PM
14 explain to you, Mr Tovey. 03:24:12PM
15 And do you have those other conversations?---They may have been 03:24:15PM
16 verbal conversations. They may have been emails. But, 03:24:20PM
17 no, I don't have possession of them now as we speak. But 03:24:24PM
18 I do - - - 03:24:27PM
19 You have been aware of the existence of this message for some 03:24:30PM
20 time since Mr Woodman gave evidence?---I recall sending 03:24:33PM
21 the message. 03:24:41PM
22 No, I'm just asking you: you have been aware, have you not, of 03:24:42PM
23 the existence of this message since Mr Woodman gave 03:24:47PM
24 evidence and Ms Wreford gave evidence?---If it was on my 03:24:50PM
25 WhatsApp, yes, because I don't delete my WhatsApp 03:24:54PM
26 messages, or any other messages, for that matter. 03:24:58PM
27 So have you been back to check whether there is any email or 03:25:01PM
28 any other communication that you have access to which adds 03:25:04PM
29 to that and explains that in fact it was to an extent 03:25:09PM

1 legitimate?---All my messages unfortunately were lost from 03:25:15PM
2 my phone when I lost my Australian number on 20 February 03:25:18PM
3 2020. So even that message I no longer have access to 03:25:22PM
4 because that WhatsApp communication was not backed up. So 03:25:27PM
5 I can only rely on my memory in terms of what we discussed 03:25:33PM
6 as an arrangement, with Ms Wreford. I didn't even discuss 03:25:37PM
7 this with Woodman. But she was suggesting him to me as a 03:25:42PM
8 possible private financier, and the reason I say I live in 03:25:46PM
9 it rent free is because I didn't want to pay him a 03:25:49PM
10 mortgage as well as rent. I would be living in a property 03:25:53PM
11 not in my name and I legally wanted to ensure that I was 03:25:55PM
12 not liable to him for rent as well as the payments of the 03:25:59PM
13 mortgage. 03:26:03PM
14 The evidence that's been given so far when Ms Wreford and 03:26:05PM
15 Mr Woodman have given evidence about this was that this 03:26:14PM
16 was understood to be a process which was initiated by you 03:26:17PM
17 to explain, to facilitate the provision to you of 03:26:23PM
18 somewhere in the vicinity of \$700,000 or more?---If it 03:26:30PM
19 was, why didn't I go through with it? 03:26:36PM
20 No, I'm telling you that's what the evidence is. You disagree 03:26:37PM
21 with that, do you?---They can say whatever they like. 03:26:43PM
22 I mean, I know what happened and I know what didn't 03:26:46PM
23 happen, and what certainly didn't happen is that 03:26:50PM
24 arrangement because I did not feel comfortable with that. 03:26:52PM
25 Ms Wreford suggested that arrangement. 03:26:56PM
26 Mr Aziz, that arrangement did not happen, I'd suggest to you, 03:26:57PM
27 not because you didn't feel comfortable with it but 03:27:06PM
28 because The Age wrote an article suggesting that there was 03:27:10PM
29 a corrupt relationship? 03:27:14PM

1 COMMISSIONER: Just a moment. You're checking on him, are you, 03:27:22PM
2 Mr Peck? 03:27:35PM
3 MR PECK: Commissioner, yes, we're just checking on him now. 03:27:35PM
4 Excuse me for a moment, Commissioner. 03:28:35PM
5 COMMISSIONER: We'll adjourn for five minutes and you can find 03:28:37PM
6 out what the problem is, Mr Peck. 03:28:41PM
7 MR PECK: Thank you. 03:28:41PM
8 (Short adjournment.) 03:28:46PM
9 COMMISSIONER: Are we ready to proceed, Mr Peck? 03:34:34PM
10 MR PECK: Yes, I think we're back up and running, Commissioner. 03:34:36PM
11 COMMISSIONER: Thank you. Yes, Mr Tovey. 03:34:39PM
12 MR TOVEY: You were saying that the reason that it didn't go 03:34:54PM
13 through was what, according to your perspective?---I just 03:34:57PM
14 didn't feel that it was a workable arrangement in terms of 03:35:06PM
15 my future aspirations for the property and what I wanted 03:35:09PM
16 to do, which is to have control of the property and not 03:35:15PM
17 have to pay a mortgage and then live in someone - in the 03:35:20PM
18 property in someone else's name, and then have all these 03:35:24PM
19 legal documents explaining why I was living there rent 03:35:27PM
20 free. 03:35:30PM
21 It wasn't the fact that Mr Woodman didn't want to go through 03:35:32PM
22 with it?---I believe Mr Woodman wanted to entertain this 03:35:37PM
23 for a long time, and if I had an inclination that I did 03:35:42PM
24 not want to go through with it then that would have been 03:35:49PM
25 my decision because I had to make a decision as to how the 03:35:53PM
26 property was going to be transferred. 03:35:57PM
27 Did Mr Woodman either directly or through Ms Wreford ever 03:35:59PM
28 advise you that he didn't want to go through with it in 03:36:04PM
29 late 2018 because it wasn't the right time?---No. In 03:36:09PM

1 fact, I recall communication - I can't remember again on 03:36:13PM
2 which forum - where it was indicated to me that he would 03:36:19PM
3 want to go through with it but he would want the 03:36:23PM
4 settlement to occur in January or February some time. 03:36:25PM
5 So he wanted to put it back - when was it that you originally 03:36:31PM
6 wanted this transaction to take place?---I was hoping to 03:36:36PM
7 really have it finalised by December/January. 03:36:40PM
8 And why was he wanting to put it back until 2019?---I can't 03:36:44PM
9 recall, but I remember getting a communication from 03:36:53PM
10 Wreford that that was the case, and I said - I remember 03:36:58PM
11 saying to Wreford at the time that it would be best if we 03:37:03PM
12 don't go through with a private borrowing situation and 03:37:07PM
13 that she should apply through one of her lenders to try 03:37:11PM
14 and obtain a loan for me. 03:37:17PM
15 Did Mr Woodman indicate that he didn't want to go through with 03:37:19PM
16 it because there had been an Age article suggesting a 03:37:23PM
17 corrupt relationship between him and you?---No. Everyone 03:37:30PM
18 was aware of that Age article but - - - 03:37:34PM
19 And once that article came out it would have been very 03:37:37PM
20 dangerous, would it not, to have on paper the commercial 03:37:42PM
21 dealings in a property between you and Woodman or one of 03:37:47PM
22 his companies?---If that was the case, why did he enter 03:37:51PM
23 into an agreement with me on 1 December 2018, some two 03:37:57PM
24 months after that article was published anyway? 03:38:02PM
25 At the time that you were putting forward this arrangement or 03:38:05PM
26 putting forward this as your understanding of the 03:38:18PM
27 arrangement in August of 2018, was it the case that this 03:38:20PM
28 was the only arrangement that you had been discussing with 03:38:29PM
29 Ms Wreford or Mr Woodman?---In relation to private finance 03:38:34PM

1 through Wreford, yes. But I had spoken to a few other 03:38:42PM
2 people about obtaining private finance from them. 03:38:45PM
3 No, in respect of possible property dealings with 03:38:50PM
4 Mr Woodman?---That was the only one, yes. 03:38:54PM
5 In respect of 5 Barak Avenue?---Yes. But I think we may have 03:38:57PM
6 spoken - the whole idea was to increase my borrowing 03:39:07PM
7 capacity either through the direct transfer of the 03:39:11PM
8 property or to lose another property and therefore lose 03:39:14PM
9 the mortgage on that property to increase my borrowing 03:39:20PM
10 capacity. 03:39:22PM
11 The idea, was it not, was through one of his companies to 03:39:23PM
12 shuffle to you \$750,000 and for you to give back a small 03:39:30PM
13 amount of that, a token amount of that, in August of 03:39:37PM
14 2020?---No, he wouldn't be shuffling that amount of money 03:39:45PM
15 to me because each of the properties had a substantial 03:39:48PM
16 mortgage on them. I mean, the 490 for Barak Avenue was 03:39:51PM
17 the lowest of all the mortgages, so I would instantly lose 03:39:55PM
18 the mortgage value at least, and the arrangement was 03:40:00PM
19 always going to be that I would actually pay him back 03:40:05PM
20 whatever he paid, plus the stamp duty cost, plus the 03:40:06PM
21 monthly interest for a time until I was able to get new 03:40:10PM
22 finance through a normal lender. 03:40:15PM
23 Did Mr Woodman ever visit that property?---I don't believe so, 03:40:19PM
24 no. 03:40:29PM
25 So your relationship with him was such that he was going to buy 03:40:33PM
26 a property from you, retain it until at least August of 03:40:37PM
27 2020, pay \$750,000 out, and not even inspect or value the 03:40:47PM
28 property; is that - - -?---I'm absolutely sure had this 03:40:58PM
29 arrangement gone ahead that if I was Mr Woodman I would 03:41:05PM

1 have visited the property. I also recall offering to send 03:41:08PM
2 Wreford copies of the official valuation notices on this 03:41:13PM
3 property, which was obtained through a sworn valuer. So 03:41:17PM
4 that 750 was the accurate figure for the value of 03:41:22PM
5 the property. It was neither an inflation or a deflation. 03:41:26PM
6 I was just trying to present the true market value of 03:41:30PM
7 the property to her and to him but - - - 03:41:34PM
8 So you say that even after The Age article came out in October 03:41:38PM
9 you thought this was still going to go ahead, is that 03:41:43PM
10 right, and so did Mr Woodman?---And - - - 03:41:47PM
11 Just yes or no?---Yes. 03:41:52PM
12 All right. So what was it that from your perspective after an 03:41:55PM
13 Age article alleging corruption between you would lead 03:42:07PM
14 Mr Woodman to be involved in putting on paper an 03:42:15PM
15 association between the two of you involving a financial 03:42:20PM
16 dealing? I mean, what hold - did you have a hold over him 03:42:23PM
17 of any sort?---No. 03:42:28PM
18 Can you think of any reason why he would want to do that?---No. 03:42:30PM
19 There's nothing in this for him, even on your explanation. 03:42:37PM
20 Why, after an allegation of corruption, do you think he 03:42:44PM
21 would be so attracted to your proposition as to go ahead 03:42:47PM
22 and put his name to a financial arrangement between the 03:42:55PM
23 two of you?---My understanding is that Mr Woodman was 03:43:00PM
24 buying properties everywhere all the time and he - Wreford 03:43:04PM
25 offered this to me as a way of possibly attracting private 03:43:09PM
26 finance. He was going to be earning interest on that 03:43:13PM
27 finance, which was going to be at a higher rate than any 03:43:18PM
28 bank would give me, and I just needed a stopgap measure in 03:43:21PM
29 order to be able to transfer the property to my name 03:43:26PM

1 eventually. So - - - 03:43:29PM
2 Wouldn't - I'm sorry, I cut you off again?---I can't answer 03:43:32PM
3 that question for him, but it was certainly offered to me 03:43:36PM
4 via Wreford. 03:43:41PM
5 Woodman said that this was a proposal by you whereby you were 03:43:41PM
6 going to get the use of \$600,000 or greater than \$600,000. 03:43:45PM
7 You disagree with that?---Get from where, though? Where 03:43:51PM
8 does the 600,000 come from? 03:43:55PM
9 That's from him?---If he's paying 490,000 to discharge the 03:43:56PM
10 mortgage and the leftover would be given to me, where is 03:44:02PM
11 the 600,000, given that I would have had to repay him all 03:44:06PM
12 that money - - - 03:44:09PM
13 I'm sorry, do you have some difficulty in grappling with the 03:44:10PM
14 fact that by paying off \$490,000 of your mortgage he's 03:44:14PM
15 giving you \$490,000?---But he's not, because the property 03:44:19PM
16 is in his name, not in my name. He's actually acquiring 03:44:24PM
17 the property in his name. 03:44:28PM
18 Yes, all right. So of the - he pays out the \$490,000. That 03:44:30PM
19 was money that you would have been paying if you wanted to 03:44:36PM
20 sell the property; right?---Correct. 03:44:39PM
21 If you wanted to sell the property you had to settle the 03:44:43PM
22 mortgage at the time you sold?---Correct. Yes. 03:44:46PM
23 Normally you would pay it. This time he is paying it. Don't 03:44:49PM
24 you understand that?---Mr Tovey, I would really appreciate 03:44:52PM
25 you not patronise me. I do understand that. I'm trying 03:44:58PM
26 to make you understand my point of view in terms of my 03:45:01PM
27 understanding of what's there on the screen. 03:45:04PM
28 So his understanding was that he was expected to be providing 03:45:10PM
29 you with funds. The net result was that you would be 03:45:15PM

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provided with either funds or, I'll interpolate, value in excess of \$600,000. He was wrong about that?---Yes, the only value I would be provided with is the difference between 750 and 490, which I would have had to pay him back on top of the 490 at the time the property would be transferred over, plus stamp duty, plus all the mortgage repayments I'd be making to him, and I didn't want to double up by paying mortgage and rent at the same time because it would not be a fair arrangement.

Can we just scroll down. So that's at 4.10 pm. At 5.01 pm you then say, 'I also now have an alternative if he wants a property in his name.' Lorraine then says at 5.02, 'Send me your idea (I'm still in a meeting).' And then immediately after that or shortly after that you say, 'He can just buy one of the Santa Monicas, at the advertised price and through the agent. Number 1 Santa Monica has a tenant and covers the mortgage. The price is \$695,000, and we can then have a nominal agreement to hand it back. I would still need to refinance 5 Barak through the higher income contract that Bernard drafted, then sell it and use the difference to rent something in Casey and pay 12 months in advance till I get a job. That then secures my position.' Did you write that?---Yes, I did.

And is this an alternative way of arranging for approximately \$700,000 of value to come into your pocket?---No. So why on earth would he want to buy one of the Santa Monicas, do you think?---To relieve me of a mortgage for which I was responsible that would then allow me to refinance 5 Barak Avenue.

03:45:19PM
03:45:27PM
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03:45:48PM
03:45:51PM
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03:46:59PM
03:47:03PM
03:47:10PM
03:47:16PM
03:47:18PM
03:47:25PM
03:47:30PM
03:47:37PM
03:47:44PM
03:47:50PM
03:47:57PM
03:48:00PM

1 What was there between you that would motivate him to do 03:48:03PM
2 that?---Like I said, Mr Woodman, as far as I understood, 03:48:10PM
3 was buying properties everywhere, and I did go to Wreford 03:48:13PM
4 and say I need finance, and she said, 'I can explore 03:48:19PM
5 private financing options for you,' and he is one of the 03:48:21PM
6 people that she suggested to me, and that was something 03:48:25PM
7 that I had suggested in case he did not like 5 Barak 03:48:28PM
8 Avenue once he inspected it. 03:48:33PM
9 You see, Mr Aziz, what we're discussing here has to be looked 03:48:36PM
10 at in context. What's Mr Woodman's relationship with you? 03:48:43PM
11 He's somebody whose projects you vote on in front of 03:48:50PM
12 council; is that right?---No. He's someone that I have 03:48:56PM
13 known as part of the many constituents that come to me on 03:48:59PM
14 issues, and he's someone that I have trusted enough in the 03:49:03PM
15 past to invest \$600,000 with, and he has paid me the 03:49:05PM
16 return that was contractually agreed upon and then 03:49:13PM
17 returned that money to me at the agreed period. 03:49:15PM
18 Is he somebody on whose projects you voted in council time and 03:49:18PM
19 time again?---At the time I don't recall voting on any of 03:49:24PM
20 his projects or whether any of his projects were coming 03:49:27PM
21 up. 03:49:31PM
22 Oh, Mr Aziz, look, do you want to reflect on that? Don't you 03:49:32PM
23 understand that you could be digging a huge hole for 03:49:44PM
24 yourself if you maintain that position? I don't want to 03:49:47PM
25 see that happen unnecessarily. Just reflect on it and 03:49:51PM
26 tell me whether you want to stick with that 03:49:55PM
27 answer?---Well, thank you for your kindness, but I'm being 03:49:57PM
28 honest in saying I don't recall if at the time that 03:50:00PM
29 communication was made whether I was voting on a Woodman 03:50:04PM

1 project any time soon in the future. I don't recall that. 03:50:09PM
2 I may have, but it certainly would not have entered into 03:50:12PM
3 my thinking that this had any relationship to do with the 03:50:16PM
4 way that I voted on the project or not. 03:50:19PM
5 But at this stage, Mr Aziz, you know that you are voting 03:50:23PM
6 regularly on Woodman projects; is that right?---I recall 03:50:34PM
7 that the last time I voted on a Woodman-associated project 03:50:41PM
8 was back in either April or May 2018. But I don't recall 03:50:50PM
9 what was coming up in relation to a future project of his 03:50:57PM
10 because if there was something, and depending on the 03:51:03PM
11 timing of this message relative to when the council agenda 03:51:07PM
12 comes up, I wouldn't necessarily know about that project. 03:51:11PM
13 I suggest to you you had been voting regularly on the 03:51:14PM
14 Cranbourne West rezoning, you had introduced and got 03:51:17PM
15 through the Pavilion Estate, and you were moving into the 03:51:21PM
16 H3 intersection at this stage. Now, is that not the 03:51:27PM
17 case?---The vote on the Cranbourne West project was an 03:51:33PM
18 initial vote by me or a notice of motion actually moved by 03:51:39PM
19 me in 2014, and I wasn't aware that Woodman had a 03:51:42PM
20 financial interest in the project. In fact I wasn't aware 03:51:46PM
21 until several years later that he was representing the 03:51:50PM
22 developer who owned that parcel of land. And the entire 03:51:55PM
23 issue was sponsored by another councillor by the name of 03:52:02PM
24 Gary Rowe. I had very little to do with Cranbourne West 03:52:04PM
25 afterwards. Yes, I do recall voting on the Pavilion 03:52:07PM
26 Estate, and then again I voted on a matter of principle in 03:52:12PM
27 relation to what was the best outcome for the residents of 03:52:15PM
28 my municipality. But I don't recall the H3 intersection. 03:52:17PM
29 I do recall voting on it, but I don't recall when that 03:52:21PM

1 came to council. So if you could refresh my memory 03:52:24PM
2 I would be eternally grateful. 03:52:26PM
3 That was just heading towards council at that stage. I think 03:52:29PM
4 it came up ultimately in September/October?---Yes. 03:52:32PM
5 Do you remember giving Mr Woodman any - Ms Schutz or Mr Woodman 03:52:41PM
6 any assistance in respect of H3?---They approached me, and 03:52:46PM
7 I was asked by the then mayor of the day to lead the 03:52:52PM
8 debate because he needed to leave the room for a conflict 03:53:02PM
9 of interest that he had declared. And - - - 03:53:04PM
10 So the answer is yes?---The answer is yes. But I'm glad you 03:53:07PM
11 told me it came up in October or September, because 03:53:11PM
12 I certainly don't remember it coming up at the same time 03:53:14PM
13 as this communication was taking place. 03:53:16PM
14 But by this time you were, I would suggest, routinely in 03:53:18PM
15 Mr Woodman's pocket?---I reject that emphatically. I was 03:53:25PM
16 never in Mr Woodman's pocket. 03:53:29PM
17 Are you saying that you had no idea that he was involved in the 03:53:30PM
18 Cranbourne West rezoning until years later?---I did not 03:53:37PM
19 know he was involved in the Cranbourne West. I don't 03:53:42PM
20 believe he was ever involved; I believe that he was 03:53:46PM
21 representing at one stage as a town planner the owners of 03:53:48PM
22 that property. But back in 2014 I was not aware of his 03:53:52PM
23 involvement, and the reason I moved that motion is once 03:53:57PM
24 again because there was a glut of industrial land in the 03:54:01PM
25 south-east. 03:54:04PM
26 Was it Mr Woodman who came to you and asked you to move that 03:54:05PM
27 motion?---It was several people that spoke to me about it, 03:54:08PM
28 and he may have been one of them. But - - - 03:54:14PM
29 Was another one Mr Kenessey?---No. Sorry, Kenessey you mean? 03:54:15PM

1 Is that Mr Tom Kenessey? 03:54:23PM
2 Yes?---Yes, Mr Tom Kenessey did approach me at one stage. 03:54:26PM
3 And did Megan Schutz approach you?---No, not in relation to 03:54:31PM
4 Cranbourne West. 03:54:35PM
5 All right. Anyway, let's get back to at this stage we're 03:54:36PM
6 simply going through the way - some of the financial 03:54:41PM
7 relationships. So here we are you're providing here, at 03:54:43PM
8 page 4095 for the transcript, a proposal for him to buy 03:54:53PM
9 the Santa Monicas which have a tenant that covers the 03:55:02PM
10 mortgage. The price is 695,000. 'And then we can have a 03:55:09PM
11 nominal agreement to hand it back.' So there again you're 03:55:16PM
12 doing the same thing. You're proposing that he buys it, 03:55:19PM
13 and then the nominal agreement I assume is the same as the 03:55:25PM
14 nominal amount you referred to in the previous message; 03:55:30PM
15 you buy it back for next to nothing. 'I would still need 03:55:35PM
16 to refinance 5 Barak through the higher income contract.' 03:55:37PM
17 So what was the higher income contract?---I believe that 03:55:45PM
18 was the contract that you had presented from Spicer 03:55:53PM
19 Thoroughbreds about where the monthly consulting fee was 03:55:57PM
20 going to go had the work on the equine investment fund 03:56:00PM
21 continued beyond that date. 03:56:06PM
22 Well, it looks like you had some arrangement that was going to 03:56:09PM
23 be taking place through Bernard Lee which was going to 03:56:14PM
24 give you enough money to be able to pay off the Barak 03:56:18PM
25 Avenue mortgage or to pay down the Barak Avenue mortgage; 03:56:24PM
26 am I right about that?---That arrangement was already 03:56:27PM
27 happening, and that was the between 2,500 to 3,500 monthly 03:56:30PM
28 consulting fee that I was getting. 03:56:37PM
29 And what's the higher income contract?---That is the higher 03:56:38PM

1 income contract because it was increased for the last two 03:56:45PM
2 months of it from 2,500 to 3,500 per month. 03:56:49PM
3 And this is something you're discussing with Lorraine Wreford 03:56:57PM
4 whom you're approaching about financial arrangements with 03:57:04PM
5 John Woodman?---No, I was approaching her about - as a 03:57:07PM
6 mortgage broker to find a financing option for me. And 03:57:11PM
7 again I would challenge the word 'nominal' in that message 03:57:16PM
8 from the interpretation you have derived from it to the 03:57:21PM
9 intent that I had when I drafted the message. Am I able 03:57:25PM
10 to explain that? 03:57:37PM
11 Do you need to make some further explanation? Please?---In 03:57:40PM
12 relation to 'nominal', yes. 03:57:44PM
13 I've asked you about that. If there is an explanation, 03:57:48PM
14 please?---Okay. So thank you. The explanation is that if 03:57:52PM
15 he did not want to keep that property and I was in the 03:57:56PM
16 market for a secondary property eventually once I had 03:58:00PM
17 secured Barak Avenue, because I started the divorce 03:58:03PM
18 process having had built up over my career some seven or 03:58:09PM
19 eight investment properties and lost them all through the 03:58:14PM
20 divorce process. So I wanted to rebuild that portfolio. 03:58:16PM
21 Because I had been involved in the building of this 03:58:19PM
22 particular property, and it was a good property, I was 03:58:22PM
23 happy to buy it back off him. So the nominal agreement 03:58:25PM
24 was all about me having the opportunity to buy it back off 03:58:30PM
25 him at some stage once I had been able to get my financial 03:58:34PM
26 house in order through increasing my employment income. 03:58:39PM
27 COMMISSIONER: Mr Aziz, you mentioned the word 'mortgage 03:58:47PM
28 broker'. Who was the mortgage broker?---Lorraine Wreford. 03:58:51PM
29 So she held herself out as a mortgage broker?---She worked for 03:58:58PM

1 a company called Resolve Finance, and that's how she 03:59:06PM
2 promoted herself to me when she was aware that I was 03:59:09PM
3 seeking to refinance. In fact she gave me her business 03:59:12PM
4 card and sent me an email or a message saying, 'I'm now 03:59:16PM
5 doing this. If you can find any business for me, I would 03:59:20PM
6 be grateful.' And I tried to refer people to her and 03:59:26PM
7 certainly tried to refer myself to her. But unfortunately 03:59:29PM
8 she was very unsuccessful in securing any type of finance 03:59:31PM
9 for me. 03:59:36PM
10 I'm sorry, but you are talking about her here as a mortgage 03:59:38PM
11 broker in dealing with these ideas involving you and 03:59:42PM
12 Mr Woodman?---Yes, because she suggested Mr Woodman to me 03:59:47PM
13 as a possible source of private financing. 03:59:51PM
14 So she was a mortgage broker simply looking to Mr Woodman as a 03:59:54PM
15 means of finance?---Yes, and then she became a mortgage 04:00:00PM
16 broker looking to other lenders as in normal lending 04:00:04PM
17 institutions for mortgage finance, and she was 04:00:08PM
18 unsuccessful in both endeavours and I had to go with a 04:00:12PM
19 different mortgage broker. 04:00:16PM
20 So on this occasion when you're dealing with her she was not 04:00:16PM
21 acting as Mr Woodman's gopher?---No, she was acting as 04:00:21PM
22 someone I generally sought advice from about how to obtain 04:00:26PM
23 finance to resolve all these property issues. 04:00:30PM
24 Yes, Mr Tovey. 04:00:36PM
25 MR TOVEY: When it came to the Little River agreement there was 04:00:41PM
26 a contract dated a date in December of 2018. I think it 04:00:46PM
27 was some time in late December. I'm just trying to pick 04:01:01PM
28 up on the date. But, in any event, when was it that you 04:01:02PM
29 first discussed the possibility of you providing a 04:01:11PM

1 consultancy being of the nature of the Little River 04:01:18PM
2 consultancy to Mr Woodman?---I believe we started 04:01:23PM
3 discussing it from late October to early November. 04:01:27PM
4 Yes. And did you discuss it with him or did you discuss it 04:01:33PM
5 with Lorraine Wreford initially?---She actually approached 04:01:38PM
6 me and told me that Woodman wanted to have a chat to me 04:01:43PM
7 because he's embarking on this amazing world first project 04:01:48PM
8 in Greater Geelong and that it has a lot of intersections 04:01:53PM
9 with the Smart Cities work that I was doing and the 04:01:57PM
10 research that I was looking to embark upon with Smart 04:02:00PM
11 Cities. And we arranged a meeting and we spoke, Woodman 04:02:04PM
12 and I, once with her present and once without her present. 04:02:07PM
13 So the first communication you had in respect of Smart Cities, 04:02:15PM
14 ignoring who said what to whom, was with Lorraine Wreford; 04:02:21PM
15 is that right?---She approached me, yes. But apparently 04:02:25PM
16 she approached me at his direction. 04:02:29PM
17 COMMISSIONER: So she was here acting as his gopher?---As his 04:02:33PM
18 gopher, that's right. 04:02:39PM
19 I'm using that term because that's how you described her 04:02:40PM
20 earlier; is that not correct?---That's correct, 04:02:43PM
21 Commissioner. A glorified gopher. 04:02:45PM
22 MR TOVEY: And if she were to say it was you who came up with 04:02:53PM
23 this idea that would no doubt you would say be a 04:02:56PM
24 lie?---I didn't even know that Woodman was involved in 04:03:03PM
25 Little River. All I was focusing on was the research that 04:03:05PM
26 I wanted to do and the PhD that I wanted to commence, and 04:03:10PM
27 I was being overly ambitious because I was looking at 04:03:16PM
28 doing a masters degree and a PhD together, but they were 04:03:20PM
29 both related to planning and Smart Cities. So how could 04:03:23PM

1 I have possibly have known about what Woodman's projects 04:03:26PM
2 are going to be for me to approach her about it? 04:03:31PM
3 Would you just indicate to me this. Were you in the habit of 04:03:34PM
4 calling Mr Woodman the Blood Donor?---Yes, I've called him 04:03:42PM
5 that on a couple of occasions. 04:03:47PM
6 And is that because - you've never called him that to his face, 04:03:49PM
7 he told us, because he didn't know about it?---He 04:03:54PM
8 certainly knew about it because we had a discussion about 04:03:58PM
9 it and I can tell you exactly why that name came about. 04:04:00PM
10 Well, was that a name used by you and Ablett in discussions 04:04:04PM
11 about Mr Woodman?---I called him that because of a 04:04:10PM
12 conversation we had once where Woodman and I were working 04:04:19PM
13 on a project for Monash Children's Hospital and Casey 04:04:26PM
14 Hospital. So he approached me and asked me if council was 04:04:32PM
15 willing to commit to some funds for this charity project, 04:04:36PM
16 and I said I was happy to raise it in the council chamber. 04:04:40PM
17 And that happened in 2016. And then I asked him, I said, 04:04:43PM
18 'John, what makes you interested in this? I mean, this is 04:04:48PM
19 a side of health that I wasn't aware that you would be 04:04:51PM
20 interested in.' He said, 'No, I think about health all 04:04:53PM
21 the time.' And then he jokingly said, 'I sometimes think 04:04:56PM
22 about donating blood as well.' And from that moment on 04:04:59PM
23 I sometimes referred to him as the Blood Donor, and 04:05:02PM
24 that - - - 04:05:05PM
25 This is a conversation that you had with him. Is there any 04:05:06PM
26 reason why Mr Ablett would be - Mr Commissioner, I'm told 04:05:12PM
27 that there are some technical issues. I don't know what 04:05:22PM
28 they are. 04:05:26PM
29 COMMISSIONER: There is an echo to your questions. I haven't 04:05:30PM

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detected thus far that there's been any difficulty however
in understanding the questions. I see the time. We might
at this stage adjourn for the day and recommence at 10 am
tomorrow?---Thank you.

MR PECK: Thank you, Commissioner.

<(THE WITNESS WITHDREW)

ADJOURNED UNTIL THURSDAY, 19 NOVEMBER 2020

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