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PUBLIC  
HEARING

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION CREDO AND SPICER

Reference: Operation E12/2107/0821

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 1 MAY, 2014

AT 10.05AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

This transcript has been prepared in accordance with conventions used in the Supreme Court.

THE COMMISSIONER: Good morning. Before we commence today could I ask that everyone be upstanding to observe a minute's silence for the Honourable Barry O'Keefe who was a former Commissioner and whose funeral is this morning. Thank you.

**A MINUTE'S SILENCE OBSERVED**

10 THE COMMISSIONER: Thank you. Yes, Mr Watson.

MR WATSON: I call Darren Williams.

THE COMMISSIONER: Yes. Mr Heath is it? You appear for Mr Williams.

MR HEATH: Commissioner, I seek leave to leave to appear for Mr Williams.

20 THE COMMISSIONER: Yes, that leave is granted.

MR HEATH: Commissioner, Mr Williams will take the oath.

THE COMMISSIONER: Thank you, come forward, Mr Williams.

MR HEATH: He's also had section 37 and 38 explained to him and seeks the declaration.

30 THE COMMISSIONER: Thank you. Just take a seat Mr Williams. I just want to ensure that you understand that the order that I can make under section 38 of the Act protects you against the use of your answers in any civil or criminal proceedings against you but it does not protect you if you should give false or misleading evidence the Commission. You understand that?

MR WILLIAMS: Yes, I do.

40 THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by this witness during the course of the witness's evidence at this public inquiry are to be regarded as having been given or produced on objection and accordingly there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

**PURSUANT TO SECTION 38 OF THE INDEPENDENT  
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT**

**ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND ACCORDINGLY THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

10

THE COMMISSIONER: Thank you. Can the witness be sworn, please.

MR WATSON: Are you Darren Robert Williams?---Yes.

What's your current position, what employment do you have these days?  
---Ah, development manager at Buldev Group.

10 Now you're going to have to speak into the microphone and loudly so that  
the people down the back can hear you. Will you do that, please?---Yes.

And so you're still at Buldev. Buldev is a property developer is it not?  
---Yes.

It's based in Newcastle but it has developments up and down mainly on the  
coast?---Ah, yeah, all throughout New South Wales.

20 And Buldev's a pretty big operation, at least at 2010/2011 it had a turnover  
in the order of \$50 million per annum?---Ah, yes.

And has that gone up or down in recent years?---Ah, down.

One of the projects that Buldev had on its books as at 2009 was a  
62 hectare site in Mayfield, is that right?---Yes.

And that was land which used to sit under the old steelmaking operation of  
BHP?---Yes.

30 And that land of course was a very attractive potential development site?  
---Yes.

And Buldev participated in a competitive tender and its proposal  
succeeded?---Yes, that's right.

And its proposal originally was to provide for a mixture of light industrial  
and commercial buildings?---Yes.

40 And in 2009 Nathan Tinkler bought into Buldev, is that right?---About that  
time, yes.

And when Nathan Tinkler bought into Buldev it coincided with his  
purchase through one of his corporate vehicles of the coalmine known as  
Maules Creek, is that right?---Oh, I'm not aware of Mr - the detail of  
Mr Tinkler's other assets.

Surely you must have opened a newspaper in the last decade or so and seen  
that Nathan Tinkler was interested in coal?---Yes.

And he was one of your business partners in Buldev?---Yes.

Are you telling us you didn't know that he had an interest in Maules Creek?---No, I didn't know the detail of his interest, yes, he had an interest in Maules Creek, Mr Watson.

And Mr Tinkler recognised the advantage of having a coal terminal on the 62 hectare site at Mayfield didn't he?---Yes.

10 And what he wanted to do was to have Buldev's proposal altered so that it was altered from light industrial and commercial into the development of a coal terminal?---Yes.

And the idea of a coal terminal is that the coal would arrive at this point and be able to be loaded directly onto ships for export?---Yes.

And what Mr Tinkler had at Maules Creek was export grade high temp coal, correct?---Yeah, I believe so.

20 How was the coal going to get from Maules Creek to Mayfield, was it coming by train or truck?---Train I assume.

And the idea was that this development if it came through would be a billion dollar project wouldn't it?---It'd be significant, yes.

And Mr Tinkler stood to make a huge amount of money if that development could be secured, correct?---I would assume so, correct.

30 Oh assume so. Come on let's be serious. It's absolutely obvious isn't it that if that development of a coal terminal at Mayfield was secured it could have been a fortune in the pocket of Nathan Tinkler, correct?---He could have, yes.

You were aware as at December 2009 that Buldev and its associates were prohibited to make donations to State political parties. Is that right?---Yes.

40 You, Mr Williams, were involved in some of the activities in attempting to alter the development at Mayfield from light industrial and commercial to a coal terminal, correct?---Yes.

And some of the people who you spoke to over time on that issue included the former Member for Newcastle Jodi McKay?---Yes.

The current Member for Newcastle Tim Owen?---Yes.

And the current Minister for Police and Justice Mike Gallacher?---Yes.

You know Mike Gallacher don't you?---Yes, I do.

Very well?---Yes.

Was another person to whom you spoke about this issue the Member for Terrigal Christopher Hartcher?---Yes.

And you know Mr Hartcher well don't you?---Yes, I do.

From at least 2008 it had become apparent to you that the Liberal Party was likely to succeed at the 2011 election, isn't that right?---Yes.

10

Could the witness be shown Exhibit S29. Would you open this up at page 3883, that's 3883. I don't know how I always get these things wrong but I've got that – no, sorry, it's right. You'll see there that there's a, there's an email sent to you by Paul Nicolaou?---Yes.

Paul Nicolaou was the principal fundraiser for the New South Wales Liberal Party?---Yes.

The email is dated 20 June 2008?---Yes.

20

So that there's no loading to it I point out that that's before the prohibition upon property developers being donors was put in place?---Yes.

I'm not suggesting that it was in place so I do wish to point out even at that point middle 2008 Buildev had joined the Millennium Forum as a major sponsor?---Yes.

And the purpose of that was to get to know Liberal Party politicians in the lead up to the 2011 election, is that right?---Yes, it was ongoing, yeah.

30

Because there was a perception at Buildev that such connections could be of advantage to Buildev, is that right?---Yes, relationships, yes.

Relationships with politicians who make decisions?---Yes.

And relationships with politicians who make decisions as to whether or not coal terminals might be built at Mayfield, correct?---Yes.

40

Well have a look down towards the bottom, while we're on this page I'll save time I wanted to point out to you that Mr Nicolaou says something about an evening with Barry O'Farrell and then goes on and says this, "I hope you did not mind me introducing you to Nick Di Girolamo of Australian Water and Arthur Sinodinos of the NAB." Do you remember that occasion when you were introduced to those two persons?---I can't recall, no.

All right. I'll ask Mr Nicolaou about it. Well what I want to do now is just ask you to give your account as to how you came to know a man named

Tim Koelma, will you tell us about that?---Um, there's a meeting in our office, um, there was Mr Koelma, Mr Sharpe and I believe another gentleman I think it was Mr Hartcher, um, Mr Hartcher came to us to introduce a colleague of his Tim Koelma who had a marketing company and was introducing him to clients to prospectively achieve work.

And so what was Mr Hartcher doing there in this context?---Um, as a friend of Mr Koelma making the introduction.

10 And so how teed up the meeting?---Um, I'm not sure I was just asked to come into the board room the meeting was already there.

Who asked you come in?---Mr Sharpe.

David Sharpe?---Yes.

One of the co-owners of Buildev?---Yes.

20 So you're saying that he had teed it up somehow or another and you were just drawn in because you were in the office?

MR HEATH: I object to that. That's not what he said with respect, Commissioner.

MR WATSON: Well he can reject, he can deny it.

THE COMMISSIONER: All right. Yeah, well he can, he can put his own spin on it.

30 What, what did you say, Mr Williams?---I didn't organise the meeting I was invited into the meeting, I don't know who, who organised the meeting.

And what was the service or what was the arrangement - - -?---He was a marketing - - -

- - - with this Koelma man?---The arrangement, there was no arrangement he was after some work as marketing and um, media.

40 He was putting a pitch was he?---Yes.

And you've got a good recollection of this just the four of you in the room? ---To the best of my knowledge there was only four, yes.

And so he was putting a pitch to do marketing work, of what kind?---Just generic marketing there's no detail.

For whom?---Just looking for any clients.

Any clients?---Asking us to - - -

So he went to Buldev because he wanted to do work for Woolworths is that what you're telling me?---No, he was asking - - -

Sounds a bit silly doesn't --- - - - if we, if we could recommend him to anybody.

10 Well why, well could you recommend him to Woolworths?---No.

Right. So was he putting a marketing pitch to Buldev or not?---No.

What, he come to Buldev to have an appointment with two men from Buldev and not put a pitch to Buldev, is that what you're telling us?---We, we didn't use marketing servicing companies.

Well perhaps he put a pitch but you rejected the pitch could that be it? ---There was never a pitch put to me.

20 Well who was he pitching to?---He was asking us for referrals.

Why you?---'Cause we knew people in Newcastle.

I bet you a lot of Newcastle know people Newcastle?---That's right.

Why you?---I don't know.

Why was Hartcher there?---He was a colleague of Koelma I assume.

30 And you've got a clear recollection of this is how it came about?---To the best of my knowledge.

Well what emerged from it, you must have said well hold on we're getting rid of this bloke we'll get back on with our work?---The discussion was around who could use it, we suggested it was, or potentially Patinack could use some marketing services.

Sorry, who?---Patinack.

40 Patinack who?---Patinack Farms.

What, it was – did Buldev own Patinack Farms?---No.

Did you own a share of Patinack Farms?---No.

Did Mr Sharpe own a share of Patinack Farms?---No.

You had a building development company?---Yeah.



Is Patinack Farms a building development company?---No.

Well I don't understand, why would you suggest that he could be useful to Patinack Farms, what did you have to do with it?---Nothing, I thought they may have required some marketing services.

10 Well I mean it would be pretty plain that Woolworths would have required marketing services as well. Why didn't you suggest Woolworths?---I had no relationship with Woolworths.

Did you have a relationship with Patinack Farms?---I knew Patinack Farms through Troy Palmer and Nathan Tinkler.

All right. So, well what did you do about this?---Um, I told them that I'd make a - - -

20 Who's them?---I told Mr Koelma that I'd make an introduction to Mr Palmer.

And who is Mr Palmer?---He's the CFO of Patinack.

And does he have a first name?---Troy Palmer.

And so you said you'd introduce Mr Koelma to Mr Palmer?---Yes.

And did you do that?---I told Troy and gave, gave Troy his details and let them discuss it.

30 Right?---I didn't physically introduce them, no.

So you telephoned Troy, did you?---Yeah, to my recollection, yes, I telephoned Troy.

And at this stage what were Mr Koelma's tertiary qualifications in the field of marketing?---Oh, I don't know.

40 Well, hold on, you're recommending him to Mr Palmer, surely you must have asked what qualifications do you have in marketing, Mr Koelma, what background do you have?---I, I would have left that Mr Palmer, if he was going to engage him.

So some bum could walk in off the street and say, listen, I want to put a pitch to do marketing work and you'd say, oh, well, I'm going to pass you on to Troy Palmer. Is that it?---No. Coming from Mr Hartcher I deemed it be a good, a good recommendation.

Anyway, so that we've got this down correct, it was Mr Hartcher who was the link to Mr Koelma and these services. Is that right?---Yes.

Anyway, so you've rung up Mr Palmer. What contact did you have with Mr Koelma after that?---Very little.

10 What do you mean by very little, any?---Um, when Patinack wouldn't pay his invoices he would sometimes send them to me and say could I follow them through and I would email them on to Mr Palmer.

Well, why?---Because Patinack had a, had terrible history of paying bills on time.

I think that's notorious, but I'm asking why would Mr Koelma go to you? ---Probably because I made the referral to Mr Palmer.

20 But what's that got to do with it?---I don't know, you'd have to ask Mr Koelma.

Well, did this happen once or more than once?---Oh, on a few occasions.

How many is a few?---Oh, I'd say six to the, to the best of my knowledge.

So you're saying that Mr Koelma, if his fees were outstanding, would ring who, you?---He, he may have rang Patinack as well, I don't know, but he did ring me, or didn't ring me, he would email me.

30 But I don't understand. Why didn't you say, you sort that out with Patinack?---I would have said you ought to chase it up with Patinack.

So did you ever chase it up with Patinack yourself?---All I did was forward the email on to Mr Palmer.

Just on that, did you ever telephone Mr Palmer to chase it up?---I may have but I can't recall.

Why would you do that?---Just helping out.

40 Well, helping out who, Koelma?---Yeah, I assume so, yeah.

You assume so? Who else?---Oh, nobody else.

Well, why are you helping out Koelma, I thought you met him when he put a non-pitch to you in your office. You didn't know the fellow apart from that?---Oh, because of his relationship with Mr Hartcher I thought I'd help him out.

I see. So you were doing Mr Hartcher a favour?---Yes. I thought by doing Mr Koelma a favour it wouldn't hurt with our relationship with Mr Hartcher, no.

Why did you need a good relationship with Christopher Hartcher?---I've always had a good relationship with Mr Hartcher.

Well, why would you want to have a good relationship with Mr Hartcher, could he do something for Buldev?---Ah, sorry, do like what?

10

You know your company is involved in property development?---Yes.

You know you seek rezoning or approvals for things like coal terminals?---Yes.

Could Mr Hartcher be handy in those cases?---Yes.

And how could he be handy in those cases?---Um, he's in Government.

20 All right. So you saw it as a potential advantage to Buldev to deal with Mr Hartcher in that way, did you?---Yes.

All right. Now, you're convinced that that's a complete and accurate account of your contact with Koelma, is that it?---To, to my recollection, yes,.

All right. Now, in these times when Koelma chased up his invoices through you, did you meet with him face to face?---No, I don't recall meeting him.

30 How many times have you met Koelma face to face?---Um, once at the meeting and maybe once other at a, at a Liberal function maybe.

Well, can I just show you a document?---Yes.

What it is is an excerpt from some evidence that you gave on an earlier occasion here at ICAC. Do you remember that?---Yes.

On that occasion did you intend to tell the truth?---Yes, I did.

40 Did you try to tell the truth?---To the best of my knowledge, yes.

Did you tell the truth?---Yes.

I'm going to suggest to you the account that you gave to ICAC on an earlier occasion is quite, quite different. What would you say about that?---Sorry?

I'm going to suggest to you that the account that you gave to ICAC on an earlier occasion about your dealings with Mr Koelma was quite, quite

different. What do you say to that?---Are you referring to this document, Mr Watson?

I'm just referring to your earlier evidence?---Could I have a second read of this, please?

No, I'm asking you a question. I'm suggesting to you that what you'd said on an earlier occasion was quite, quite different?---Well, I can't- - -

10 What do you say to that?---I can't recall.

All right. Well, then let's help you. You'll see that this is page 171?---Yes.

THE COMMISSIONER: I'll vary the suppression order that applied to the transcript of the evidence on 27 June, 2013 to the extent as indicated in the document which is pages 171 through to 179.

20 **VARIATION OF THE SUPPRESSION ORDER THAT APPLIED TO  
THE TRANSCRIPT OF THE EVIDENCE ON 27 JUNE, 2013 TO  
THE EXTENT AS INDICATED IN THE DOCUMENT WHICH IS  
PAGES 171 THROUGH TO 179**

MR WATSON: And, Commissioner, I'll tender it now so that we've got it clearly on the record.

30 THE COMMISSIONER: Right. All right. Thank you. And that document will be Exhibit S47.

**#EXHIBIT S47 - EXCERPTS FROM TRANSCRIPT (171-179) OF  
COMPULSORY EXAMINATION HELD ON 27 JUNE 2013 WITH  
DARREN WILLIAMS**

MR WATSON: Now, have a look at this document, Mr Williams, on the page which is numbered 171?---Yes.

40 There's another barrister, Mr Gormly was asking you the questions. Do you remember the occasion?---Yes.

And he asked you in about the middle of the page about meeting Mr Koelma?---Yes.

And at about line 19 you told Mr Gormly that you met him at a meeting where he, that's Koelma, presented his desire to provide marketing services for Patinack. Do you see that?---Yes.

Well, so he came along there to you requesting marketing, to provide marketing services for Patinack?---No.

Is that it?---No. If I can correct that, it was at the end of that meeting it come out that we'd be recommending him to Patinack.

10 Well, have a look further down at line 29 and 30. Mr Gormly asks you, "Were you engaging on behalf of Patinack?" And your answer was, "No, he come to me for a simple introduction to Patinack." It seems to be that you're saying the opposite there, Mr Williams. Do you see that?---No.

No, you don't see that. All right. Well, have a look at page 175, it's the third page of the bundle. Mr Gormly asks you, "What was Koelma's interest in Patinack." And you gave an answer. Do you see that?---Sorry, can you ask that again, I was just- - -

20 Well, let's just read on. You'll see there that there's questions and answers. Mr Gormly asks you, "Why didn't he go directly to Patinack?" And you gave a reason?---Why didn't who go directly to Patinack, sorry?

Koelma, you know we're here about Mr Koelma?---Yes.

We're asking questions about Mr Koelma. Stay with me?---Mr Koelma didn't know Patinack.

30 Well, that's not what you said to Mr Gormly. At line 19 he said, he asked you why didn't Koelma go to Patinack and you told him, this is you told Mr Gormly, that you believe, "When he first rang me he'd tried to contact Patinack Farms but couldn't get through."?---I don't recall- - -

Was that just a lie to Mr Gormly, was it?---No, that was the- - -

Or inventing it as you went along?---No, that- - -

A little bit of fantasy world or something like that?---No.

It's quite different to your evidence today, you'd agree?---Yes.

40 Well, let's read on. On page 177 for example, Mr Gormly was asking you about the connection. At the top of the page he said – and I respectfully agree with him – "It seems odd that after you had no further contact with him he'd get in touch with you when his invoices weren't paid." You answered that?---Yeah.

But this is the part I wanted to show you. "You met him on one occasion?" And you said, "That's right." Do you see that?---Yes.

“And he’s never done any marketing services for Buildev?”---That’s right.

“But when his invoices to Patinack are not being paid he comes back to you.” And you agreed?---Yes.

And Mr Gormly was really asking the same questions I’ve asked you today. Why?---Only because – I can only assume because I made the introduction.

10 And you say it’s clear, it’s absolutely clear in your mind that the connection was one for marketing?---Yes.

Now I just want to tell you about some evidence that we’ve got from Mr Hartcher. He accepts that he did make the introduction to you, Mr Williams, to Buildev, he introduced Mr Koelma but he introduced him on the basis he was going to become a lobbyist for Buildev, what do you say to that?---No.

20 What do you mean, you’re saying no meaning what, you’re disagreeing with Mr Hartcher?---Yes.

That’d be wrong wouldn’t it?---Yes.

Somebody’s got it terribly wrong don’t they, somebody’s got it wrong, you or Mr Hartcher, is that right?---Yes.

Because they can’t stand together, somebody’s got to have got this wrong, you or Hartcher?---Yes.

30 Well, let me tell you what Mr Koelma says. He says that he wasn’t working on marketing for Patinack, rather he was providing what he called quote, “information on political wranglings around Maitland” unquote and other information on what he called, quote, “factional deals” unquote. That doesn’t sound like marketing does it?---No.

It sounds like somebody’s got this radically wrong doesn’t it?---Yes.

Well, what do you say about that, you say that Mr Koelma, the person who was supplying the services has got it wrong do you?---Yes.

40 Well, Mr Koelma went on, you know what he told us about his work for Patinack Farm? That the person from Patinack Farm with whom he dealt was Darren Williams. What do you say to that?---It’s incorrect.

Incorrect. So Mr Koelma somehow or another has got confused and thought he was dealing with you?---He, he - you’d have to ask Mr Koelma.

Well, we have and - - ?---Yeah.

- - - unfortunately you're in the seat today as far as I can tell and I'm asking you?---Yeah, well, it's not - - -

What do you say about it?---I didn't work for Patinack.

Well, that's not an answer to my question you see. Mr Koelma says he was mainly dealing with you. What do you say about that?---I don't know.

10 Well, what about this, Mr Koelma told us that what he was mainly doing was telling you about political wranglings around Maitland and factional deals over seats. Did you get that kind of information from Mr Koelma?  
---No.

Are you sure of that?---Yes.

Absolutely certain?---Yes.

Mr Koelma must be just going mad by the sounds of things?---Mmm.

20 Is that right? You see, the truth is, Mr Williams, Buldev wanted the connection with Koelma because it was a connection with politicians, that's the truth isn't it?---No.

He was brought to you as part of a scheme and as part of that scheme Mr Koelma would provide fake invoices for fake services which would enable Buldev as a prohibited donor to contribute to the Liberal Party, that's right isn't it?---No.

30 And the idea of using Patinack Farm was an idea to distance Buldev from any such arrangement?---No.

And the idea was that if you could use a name like Patinack Farm it would hide the fact that there was a developer involved, isn't that right?---No.

You see, I want to suggest to you that you're lying, Mr Williams, and that this was a plan that you'd worked up with two politicians?---No.

40 And those two politicians are Christopher Hartcher, he's one of them, that's right, isn't it?---He was involved in the meeting, yes.

And the other one was Mike Gallacher, the current Minister for Police and Justice, wasn't it?---I had a relationship with Mr Gallacher, yes.

Mr Williams, would you have a look at this email chain that we've been able to recover. It's a two-page document. As with any of these things it starts on the second page so if you go to it you'll see that there was an original inquiry sent by you on 2 June, 2010 and the text of it was this, quote, "Which entity will I give Mike Gallacher," unquote, do you see that?

---No, I can't see that on here, sorry.

You'll see that Mr Sharpe has responded at 5.17pm on 2 June, 2010. You can't see it?---(No Audible Reply)

Do you see on the second page, let's just focus on the second page?---Yes.

Do you see that Mr Sharpe - - -?---Yes.

10 - - - is responding at 5.17pm on 2 June, 2010?---Yes.

You'll see that the subject is quote, "Which entity will I give Mike Gallacher" unquote, do you see that?---Oh, yes, in the subject, yes.

All right. Now that flowed on from some message that you'd sent from your iPhone, this is at the bottom of page 2, at 4.57pm that same day. Do you now see it?---Yes.

20 All right. Let's have a look at what Mr David Sharpe, he's one of the people at Buildev as you've said isn't he?---Yes.

Let's look at what Mr Sharpe said about this. Quote, "Asked Nathan as I think it's best to come through Patinack to get right away from property, mining, infrastructure," unquote. What does that mean, Mr Williams? ---I don't know, you'd have to ask Mr Sharpe.

30 No, I'm asking you, you got the message. In fact, you initiated it. I'll go back a step. What did you mean when you asked this question, quote, "Which entity will I give Mike Gallacher", unquote?---I can't recall.

You can't recall. What could it be about then, speculate for us?---I can't recall what, what it was for.

All right. Well, then let's have a look at it. Mr Sharpe knew what you were talking about because he's responded with these words, quote, "Asked Nathan as I think it's best to come through Patinack, get right away from property, mining, infrastructure," unquote. What does that mean?---I don't know.

40 What do you mean you don't know? Are you trying, Mr Williams?---Yes.

Well, what's Patinack, that's Patinack Farms?---Yes, that would be.

Well, we can see there that in respect of an entity to be given to Mike Gallacher Mr Sharpe thought it was better to come through Patinack Farms. What did he mean by that?---I don't know.



It sounds awfully like the transaction which was reached with Mr Koelma doesn't it?---I don't know.

Oh, come on, Mr Williams, are you trying?---Yes.

Mr Williams, can I tell you something? We can cut this short. You can come clean now and tell us the truth about this if you like. Will you do that?---I'm answering to the best of my knowledge.

10 I don't think you are, Mr Williams, but I want to give you an opportunity, I don't want anybody to suggest you were not given an opportunity to come clean and tell the whole story, Mr Williams. Will you tell us the truth behind that exchange?---I can't recall.

What discussions have you ever had with Mike Gallacher about entities, the use of entities?---I really can't recall talking to Mr Gallacher about entities.

Speak into the microphone, I'm sure everybody in New South Wales wants to hear about this?---I really can't recall.

20

Well, what could it be about, Mr Williams?---I don't know.

Why if you sent that message is Mr Sharpe responding by suggesting the use of Patinack?---It's a question for Mr Sharpe.

No, it's a question for you, it's in response to a question you had asked Mr Sharpe?---I don't recall what the question was about.

30 Well, then what would Mr Sharpe mean by responding to your question by suggesting that Nathan be involved, that would be Tinkler would it?---I assume so, yes.

And that the idea was to get right away from property, mining, infrastructure, what would that mean?---I don't know.

40 THE COMMISSIONER: Mr Williams, can I just ask you do you agree just on the face of the message that you are in effect asking Mr Sharpe what entity, namely what body or what organisation you should give to Mr Gallacher and if one looks at the exchange it seems that Mr Sharpe is telling you that the, the requisite entity to give to Mr Gallacher is Patinack Farms, is that what it means?---You could assume that, yes, Commissioner.

Right?---Yes.

So you're giving to Mr Gallacher the information that the entity that he needs to use or employ or whatever it is is Patinack Farms?---Correct.

Right.

MR WATSON: And that happened to be the same entity that was used by Mr Koelma in his business Eightbyfive?---That's correct.

Well let's go to the first page. You'll see that the next morning 10.47am on 3 June 2010 you responded to Mr Sharpe. Do you see that?---Yes.

So apparently you understood at the time what Mr Sharpe was on about. Do you accept that?---Yes, at the time, yes.

10

You didn't send back to him and say look what the hell are you talking about?---Yes.

No, and, so you asked this question do I ring Nathan, that's Nathan Tinkler isn't it?---Yes.

Do I ring Nathan Tinkler or Troy, that's Troy Palmer isn't it?---Correct.

They're both from the Tinkler Group?---Yes.

20

So I'll read it again, "Do I ring Nathan Tinkler or Troy Palmer"?---Yes.

What about in the context of an email chain titled "Which entity will I give Mike Gallacher"?---I don't recall.

Oh come on, Mr Williams. You know that you can go to gaol for giving false evidence don't you?---Yes.

30

But you do appreciate that if you avoid answering a question that's the same thing as giving misleading evidence?---Yes, I honestly cannot recall this, this correspondence.

You see we get a lot of it down here, it's really a coward's corner I don't recall, Mr Williams, isn't it? I want you to stretch your mind. Do you want a break? We can take a five or 10 minute for you to - - -?---No, it's fine.

40

No. What do you mean? Don't dismiss it like that. This is your big chance, Mr Williams, to give this an innocent complexion. Don't dismiss it. I'll give you if you like five minutes, 10 minutes to think about what this might mean?---To my - - -

Do you want time?---To my recollection I can't recall.

Do you want time?---No.

Yeah. Well we'll press on. Don't say in due course you weren't given a chance, Mr Williams. And let's see what Mr Sharpe said in response, this is who to contact "NT" that would be Nathan Tinkler wouldn't it?---Yes.

And you did do that didn't you?---I can't recall whether I did or I didn't it was four years ago.

You see just so it's clear and I want you to know, Mr Williams, we don't go off half copped, we wouldn't put something as serious to you as this without knowing plenty of stuff. The truth is you had a close longstanding personal connection with the Shadow Minister Mike Gallacher?---Yes.

10 It was through him that the two of you hatched a corrupt scheme to make donations to the Liberal Party using the Eightbyfive business, correct?---No.

Well can I tell you by the end of this you're going to regret having giving that answer, Mr Williams. We'll press on. I tender that email.

THE COMMISSIONER: Yes. Exhibit S48.

**#EXHIBIT S48 - EMAIL TRAIL BETWEEN DAVID SHARPE AND DARREN WILLIAMS DATED 2 JUNE 2010 AND 3 JUNE 2010**

20

MR WATSON: Could the witness be shown Exhibit S9?---I've got it.

Before you open it up there was a lot of personal contact, a lot of persona contact, phone calls, text messages, emails, the whole bit between you and Chris Hartcher, is that correct?---Yes.

30 Let's just have a look at some of them and I hope this doesn't get too laborious but it seems to me that you need to have your memory refreshed. Do you want that opportunity?---Yes, I do.

Let's just have, open this volume at page 2470 for starters. Do you see there that there's an email and this is an appointment for a meeting and it's going to be with you, Mr Williams. Do you see that?---Yes.

And Mr Hartcher?---Yes.

And there's two other chaps Hilton Grugeon?---Yes.

40 He's a major property developer based in Newcastle isn't he?---Correct.

And Cole McCoy, can you help me with who that is, that could be Jeff McCloy the current Lord Mayor of Newcastle do you think?---I don't know a Cole McCoy.

Yes. But there's a Jeff McCloy the current Mayor of - - -?---The Mayor of Newcastle Jeff McCloy, yes.

And he incidentally is the proprietor of a major property development company?---Yes.

Have you been incidentally involved any scheme with them?---No.

About illicit election funding?---No, not that I recall, no.

Not that you recall. So you might have been and just forgotten is that what you're saying?---No.

10

Well, okay well let's go through it again. Have you ever been involved with them Grugeon and McCloy - - -?---No.

- - - in a corrupt funding of a political campaign?---No.

All right. Well we'll come back to that on another day. Have a look at page 2472, another example of contact between you and Hartcher, do you accept that?---Yes.

20 And look at 2473?---Yes.

More contact between you and Hartcher. Do you see that?---Yes.

2474?---Yeah.

Hartcher meeting you at your offices. Isn't that right?---Yes, yes.

Your offices were in the building called the Sparke Helmore building weren't they?---Yeah, that's correct.

30

So Hartcher's coming to you not you to him?---Yes.

Isn't that right?---Yes.

2475 more contact between you and Hartcher. Do you see that?---Yes.

2476?---Yes.

40

Another meeting with Hartcher?---Yes.

2478. This is a schedule for Mr Hartcher's Maitland visit but if you go to page 2479 you'll see that he's meeting with you amongst others - - -?---Yes.

- - - having lunch with you amongst others. Isn't that right?---Yes.

Page 2480, more contact between you and Mr Hartcher?---Yes.

Page 2481, this is fundraiser where you're going to be present?---Yes.

Do you see that?---Yeah.

And let's have a look at some of the people who were going to be present, there's a person whose name we've heard, Jorge Fernandez from Tesrol Holdings, do you see that?---Ah hmm, yes.

10 All right. Have a look at page 2400 and, oh and there's other characters. Mr O'Mahoney seems to be obsessed with Harry Triguboff so I'll point out he's going to be there. Do you see that?---Yes.

2497 let's go forward a little. More contact between you and Mr Hartcher. Do you see that?---Yes.

And let's have a look at page 2498, this is a, this is a good one it runs for some pages. This is Buldev's box at the rugby test. Do you remember this occasion?---I remember having a box at the football, yes.

20 Did you have it permanently or was it just the one-off?---No, it was all year for a number of years.

And you're inviting Chris Hartcher and a fellow called Mike Gallacher along?---Yes, that's correct.

And this was a big game and each of Mr Gallacher and Mr Hartcher attended?---That's correct.

30 And people can follow it through, it goes right through to page 2505 but they'll see there even things like thank you notes and the like. Then go to page 2509?---Sorry, what number?

Sorry, 2509 is the thank you note. What could you get from Mr Hartcher and Mr Gallacher by inviting them to the footy, t they're goog company? ---Good company and the relationship.

Right, okay. Which do you put first their good company or their relationship?---Both.

40 And let's lay it on the line what you mean by their relationship is a favourable vote in the event there was a decision to be made on the billion dollar coal terminal, correct?---No, it was our relationship so we could put our case forward.

For the billion-dollar- - -?---For all our projects.

- - -coal terminal?---But for all our projects.

All right. So it wasn't just limited to trying to manipulate politicians over one project, it was more general. Is that what you're saying?---No, it was to have a relationship, to have a voice for all our projects.

Yeah?---There was no manipulation.

10 What are we supposed to think that means, that you get a voice, that you could be heard, that you can butter up politicians in respect of the business of Buildev. Is that what you wanted?---No, you want to be able to put forward a proposal and have it- - -

Is that because you're interested in what, employing unemployed Novocastrians or was it to make money for Buildev?---Well, both, but over the years Buildev has generated significant employment opportunities.

20 All right. Well, that's good of you. Page 2510, more contact with Mr Hartcher. Do you need me to go on to help you with your memory or are you starting to bring things back?---I've always had a relationship with Mr Hartcher.

Well, let's get a bit more focus then. Have a look at page 2523 – more contact with Mr Hartcher. And then if you turn around and have a look at page 2526, I'm going to come to Mr Gallacher in due course, but at 2526 you can see exchanges of calls?---Yes.

30 This is getting closer in time to when you first – or I shouldn't say, of course it was Patinack Farms, what am I saying – it's getting very close in time to Mr Koelma putting his pitch to you, Mr Williams, the pitch he put to you to get work with Patinack Farms. Do you see this?---I see communication, yes.

All right. Well, page 2530. This is about the time that the scheme's being hatched. That's the truth of it, isn't it?---(No Audible Reply)

Isn't that right, the Eightbyfive scheme?---(No Audible Reply)

Isn't that the truth of it?---What, what do you mean by scheme?

40 The corrupt scheme. You surely must have been following this inquiry in the paper? I'm talking about the Eightbyfive scheme, I'm certainly not talking about something which was done for any other reason other than corrupt purposes. You understand that, don't you?---I understand what you're saying, yes.

All right. Well, so we can use the shorthand. Have a look at page 2531, tracking the phone calls between Hartcher and Williams and the like. Do you see all of that?---Yep.

I'll go on, it's probably necessary to be fair to you. 2538, more contact, you and Hartcher. Quite a lot of contact, isn't there?---Yes.

What were you doing, discussing some of the moves that were displayed by the Wallabies against the French at the football or what?---Just, I don't recall what the discussions were about in detail.

Well, why would you be in this much contact with Mr Hartcher? I mean were you personal friends?---Not, not, not close personal friends, no.

10

Well, then why, why are you ringing each other day in day out like two young lovers?---(No Audible Reply)

MR HENSKENS: I object to that.

MR WATSON: Oh, don't, don't bother.

THE COMMISSIONER: Well, all right, well, it's flourish. Let's, let's move on.

20

MR HENSKENS: It's offensive, it's more than a flourish, it's offensive.

THE COMMISSIONER: All right. Well, it was a, it was a simile, Mr Henskens.

MR HENSKENS: No, it was offensive and it ought not to have been used.

MR WATSON: All right. Well, I'll withdraw that and I'll apologise.

30 THE COMMISSIONER: It might, it might- - -

MR WATSON: And I'll apologise to Mr Henskens as well- - -

THE COMMISSIONER: All right. Let's go on.

MR WATSON: - - -being the only person in the room who was offended by it. But the thing is that, why then are you in this constant contact with Hartcher, what could it be about?---I, I've had contact with Mr Hartcher and many Members of Parliament for many years.

40

But what about?---Projects.

Projects, getting them on side?---No, getting to put our case forward.

Oh, look, I'll just show you quickly 2541, just for the sake of some completeness. The timing of calls becomes important in due course. Then what say we have a look at some of the contact you had with Mike Gallacher. Go back to page 2521. Do you see that?---Yes.

And there's a lot of contact there in February, April 2010. Was Mr Tinkler involved with Buldev at that stage?---Oh- - -

He was. Been involved since 2008?---Okay, yes.

We've got sworn testimony from Mr Michael Gallacher that his contact with you really ceased at a point before Mr Tinkler became involved in Buldev. What do you say to that?---(No Audible Reply)

10

MR MOSES: Commissioner, Commissioner, I seek authorisation to appear with my learned friend Ms Gall for- - -

THE COMMISSIONER: I'm sorry, I can't hear you, Mr Moses.

MR MOSES: No, yes, I'm right at the back here, but I seek authorisation to appear with my learned friend, Ms Gall, for the Minister for Police, Mr Gallacher.

20

THE COMMISSIONER: Yes, that leave is granted.

MR MOSES: Now, now just in respect of what my learned friend just put to the witness, that is not a correct reflection of what was the evidence at the compulsory examination, certainly from the notes that we took. Now, we are most concerned.

THE COMMISSIONER: All right. Well, there might, there- - -

30

MR MOSES: Now, if I can, if I can just finish, Commissioner, with all due respect. We are most concerned about the questions that are being put by Counsel Assisting. This is being done in circumstances where no prior notice was given of such assertions being made, nor was there any attempt by this Commission to question the Minister on these matters prior to these public statements by Counsel Assisting. Section 31 sub-section (6) of the Act mandates that a person required to attend before a public inquiry is entitled to be informed of the nature of the allegation being investigated. Prior to today nobody has suggested that the Minister was involved in respect of any of the matters that are subject of the allegations being investigated by this Commissioner.

40

It is most inappropriate for Counsel Assisting to have put the questions that he did in the way that he did. Counsel Assisting, with all due respect, has an issue here in respect of the way in which this matter is being conducted. He started this opening in this matter by saying that other individuals must have known of the scheme. He never asserted that other, that other individuals knew of the scheme. For some days after this Commission summonsed the Minister to appear at a public hearing, attempts have been made to ascertain what the purpose of the Minister being called would be. Now, letters were



sent to this Commission on 23 April, 2014 in respect to this matter trying to elicit information about these issues, on and 23 April, 2104, a response was received.

Now, in the correspondence importantly from one legal practitioner to another it was said that it will be assumed, unless you tell us to the contrary, that no allegations are being made concerning the Minister. Now, I telephoned my learned friend who has obligations to me as counsel in respect of what was it that was to be said about the Minister or the subject of an assertion about the Minister. Now, I got a remarkable response from him back in respect of that issue on 8, on 8, on 23 April, 2014. Firstly he informed me that he was not aware that the Commission had sent any correspondence to those instructing me. He was not aware in respect of what the Minister's position would be on the witness list. And then he said to me he was not able to disclose whether he would refer to the Minister in his opening statement, and he said, and he confused these issues we think, that he was not able to say to anybody if he'll refer to them, and he said he got in trouble recently because he told something to his wife and he then shared that with a third party. Now, that is irrelevant to whether he tells me as counsel what was going on.

Now, I told him that the Minister would like to tell the Premier if there was an allegation to be made against him, given the position that he held, and he said that he should tell the Premier that he is on the witness list. And I then informed Counsel Assisting there was a previous protocol between the previous Commissioner here that I was told of that the Premier would be notified if there was an allegation, and Mr Watson said he was not sure whether that protocol still existed.

Now this is extraordinary. Counsel Assisting is here to assist the Commission but Counsel Assisting also has his own obligations and what has just happened here is inappropriate and unfair. This is not how this Commission conducts itself and with respect my learned friend owed obligations to me in respect of this matter. This is not a show, this is not, this is not a show for my learned friend to make jokes about or badger witnesses or harass witnesses. This is about conducting an inquiry. Justice Young made it very clear in the decision in *Shaw v The Police Integrity Commission* what Counsel Assisting's obligations were and he certainly said it was not to engage in jury rhetoric and that's all we're hearing at the moment. But this is outrageous.

THE COMMISSIONER: All right. Well, Mr Moses, all of that's recorded and can I just respond very briefly to the main points.

MR MOSES: Thank you, Commissioner.

THE COMMISSIONER: First of all - - -

MR MOSES: And could I just also say, Commissioner, sorry, the email that went up on the screen as a springboard for this question was not put, was not provided to us, it is not in the documents that have been provided. What we want to know is when was it obtained by the Commission and why wasn't it given to us earlier? Because if this assertion was going to be made on this document it should have been disclosed to the legal practitioners but to put us in this position, this is not a memory test. This is not a show. This is a Commission.

10 THE COMMISSIONER: Precisely, Mr Moses, and it's a Commission that has all the powers of inquiry and operates in the same way that a standing Royal Commission operates.

MR MOSES: I'm well aware of that, Commissioner.

THE COMMISSIONER: Now let me respond to the main points.

MR MOSES: Thank you.

20 THE COMMISSIONER: First of all section 31 of the Act does not oblige this Commission to give anybody notice of the types of questions or allegations that will be put to any particular person. What it requires is that a person who is to attend a public inquiry is entitled to be informed of the general scope and purpose of the public inquiry and the nature of the allegation or complaint being investigated before or at the time the person is required to appear at the inquiry. Mr Gallacher has not yet been required to appear in the sense that he hasn't as I understand it been put in a particular place on the witness list.

30 MR MOSES: Commissioner, we are told, Commissioner - - -

THE COMMISSIONER: Let me come - - -

MR MOSES: - - - we were told - - -

THE COMMISSIONER: Mr Moses - - -

MR MOSES: - - - 20 minutes - - -

40 THE COMMISSIONER: - - - can you please let me finish? I'm making a point here - - -

MR MOSES: Well - I understand, Commissioner.

THE COMMISSIONER: - - - and I don't want this to drag on. The second - - -

MR MOSES: Well, neither do we, Commissioner.

THE COMMISSIONER: - - - thing is that, that insofar as we release a document that gives the general scope and purpose of the inquiry they are not as I have said many times in the nature of particulars. We do not release particulars, we do not give people advance notice, chapter and verse of the allegations that will be made against them. If we were to do that it would deprive the inquiry of much of its force, both by way of its investigative processes and by way of its capacity to uncover additional material.

10 The second thing I want to say is that there are confidentiality provisions in the Act which prohibit any staff of the Commission which includes Counsel Assisting from disclosing to anyone material that is in the possession of the Commission and which is regarded as confidential until and unless a decision is made to release it into the public domain.

The third thing I want to say is that as far as I am aware the email chain that has just been shown to Mr Williams literally came into the possession of Commission officers within the last 24 hours or so and that is the nature of the process. As I said to someone the other day, I think it might have been  
20 Mr Henskens, we have in the course of this inquiry continued our investigations and there is a great deal of material that has fallen as a result of those inquiries into the possession of the Commission literally within the last 48 hours. We do what we can to keep up and we do what we can to deal with those matters as and when they arise. So they are the formal matters I want to raise.

The last thing I want to say is that whilst we have as much as we can respect for Ministers of the Crown. They are not treated in any different way from any other witness coming before this inquiry. No one gets advance notice  
30 of the allegations that are going to be put to them and I'm sorry, Mr Moses, but that's the fact.

MR MOSES: Commissioner, we - with respect, Commissioner, the Minister supports the work of this Commission. We are not, we are not saying he should be treated differently but this is the position. For instance, we are told that this email was obtained 24 hours ago. Why was it not provided - - -

40 MR WATSON: It's less than that, it was literally lunchtime yesterday.

MR MOSES: Why was it not provided - - -

THE COMMISSIONER: Well, I'm sorry, I stand corrected, Mr - I stand corrected, Mr Moses, Counsel Assisting tells me it was lunchtime yesterday  
- - -

MR MOSES: But, Commissioner, still, it still was not provided until now, it should have been provided to the lawyers in the spirit of cooperation immediately.

THE COMMISSIONER: Well, Mr Moses, Mr Moses, look, at the end of the day we are not, we are not required to give advance notice of these documents to anyone. In fact, in fact it is arguable that it would breach the confidentiality provisions of the Act.

10 MR MOSES: Well, with respect, Commissioner, it wouldn't because for the same reason that documents are placed on the restricted access network to enable people to be prepared to be able to put questions or to examine matters because if the Commission's trying to get to the truth then the lawyers acting for the various parties must be provided with documents in order to be able to ascertain matters and not for it to be on the run. Now Mr Watson with all due respect has put a number of matters which have demonstrably been found later not to be correct. Now, that, that happens all the time with lawyers but at the end of the day - - -

20 MR WATSON: Sorry, I'd like an example of that before you go further.

MR MOSES: Well, well, we - - -

THE COMMISSIONER: Well, Mr Watson, let Mr Moses finish. I'm a bit concerned that this is really interrupting the evidence of this witness unduly but Mr Moses - - -

MR MOSES: Well, can I, can I just finish.

30 THE COMMISSIONER: - - - if you can please finish your submission. We know what you're complaining about. I have to give Mr Watson an opportunity to respond and then we really have to move on.

MR MOSES: Well, Commissioner, at the end of the day what we were seeking to ascertain, and this is the position I'll just put, as a matter of procedural fairness in respect of the matter is having to be told now for the first time when another witness is being cross-examined and not the Minister that it was going to be involved and I think my friend said this, that he was involved in some alleged corrupt scheme is extraordinary when he  
40 wasn't referred to in the opening, no reference was made to him in the opening that he was involved in this or what his participation was in. The closest my friend gets to is saying others must have known but now we're being told the Minister, the Minister had, was involved in a direct corrupt scheme and if - - -

THE COMMISSIONER: And I can assure you, Mr Moses, I can assure you I know from personal knowledge that that can only, could only have been asserted with any confidence as a result of the material that has come to our

attention in the last 24 hours. When Counsel Assisting opened that material was not available and it would not have been proper for him to have made any assertion at that stage.

MR MOSES: Well, Commissioner, is it possible then for any remainder of material that's come into the possession of the Commission to now be provided to the lawyers for all the parties?

10 THE COMMISSIONER: Well, we'll take that request on board but can I just say this, no doubt you are here today because Counsel Assisting made the decision that you should be here for the purposes of Mr Williams' evidence.

MR MOSES: We were told 20 minutes prior to the hearing.

20 THE COMMISSIONER: I know and that's consistent with the fact that as of yesterday lunchtime we only became aware of this information and it wasn't until frankly 7 o'clock last night when I was having a meeting with Counsel Assisting that these further developments were brought to my attention so, Mr Moses, please be assured we are doing what we can as and when the information comes to our notice. Now - - -

MR MOSES: Well, I - - -

THE COMMISSIONER: - - - I'm going to, I'm sorry, I'm going to have to give Mr Watson an opportunity to respond and then we're going to move on with, with Mr Williams. Yes, Mr Watson.

30 MR WATSON: I can assure my learned friend that I did not set out to mislead him. His recollection of our conversation was correct, I took his call out of courtesy because clause 33 of the practice notes says that people should not contact me. I told him as Counsel Assisting I could not advise one way or the other whether Mr Gallacher was referred to in the opening and it was left at that. I didn't give him any advice about what he should do and could I just go further and say the decision to use - sorry, I might as well say this now, overnight having looked at this material as Counsel Assisting Mr O'Mahoney and I will give you advice, Commissioner, that there are serious matters which will warrant further investigation and which will mean that there will probably need to be an adjournment of this hearing while they are investigated but we'll deal with that in due course. As part of that preparation I made the decision to deploy that particular email chain probably around about 20 past 9.00 this morning. I was in two minds about it. It was soon after that that I asked the Council's, sorry, the Commission's legal staff to contact Mr Gallacher's lawyers to say they should be here today, and they are. I would have thought that this will give them the opportunity to hear the allegations (not transcribable) play out. It's quite seriously the case this information has come to us very recently.

40

Not only will there be a chance for procedural fairness, I can tell my learned friend that further investigations mean Mr Williams is going to be recalled in these proceedings at a later date. I'm a little bit troubled by some of the other things that have been said about me but I've got broad shoulders and I'll push on.

MR HENSKENS: Well, Commissioner, can I- - -

MR WATSON: Would you look at page 2521?

10

MR HENSKENS: Commissioner, I'm sorry, Commissioner?

THE COMMISSIONER: Yes, Mr Henskens? I don't want this to degenerate into, you know- - -

MR HENSKENS: No, I- - -

THE COMMISSIONER: - - -everybody's opportunity to have a whinge.

20

MR HENSKENS: No, no, I understand, Commissioner. I just would like to have it noted that I support the submissions of my learned friend, Mr Moses.

THE COMMISSIONER: I'm sure you do.

MR HENSKENS: And that I repeat my submissions as to the unfairness of the way in which this hearing is being conducted that I made the other day.

THE COMMISSIONER: Yes, thank you.

30

MR MOSES: Commissioner, I just wanted to say two things. First of all, to make it clear, I am not suggesting in any way that my learned friend in any way misled me or deliberately misled me in respect of anything. I have known him for too long to know that. That's the first thing, to make that very clear. Secondly and importantly, what we're troubled about is the statement that we are having a whinge, Commissioner. We're not having a whinge, with respect. I know- - -

THE COMMISSIONER: I didn't say that about you, Mr Moses.

40

MR MOSES: Okay. Thank you, Commissioner, thank you.

THE COMMISSIONER: Yes, Mr Watson.

MR WATSON: Could you turn to page 2521?---Yes, yes.

And you'll see here on this page and the next page there's evidence of telephone contact between you and Mr Gallacher. Do you see all of that?  
---Yes.

And page 2540, more such contact. Do you see that?---Yes.

2550?---Yes.

Lot of contact. Hartcher to Buildev, Buildev to Gallacher, Hartcher to Gallacher, et cetera, et cetera. What's all that about?---(No Audible Reply)

10 It's right about the time that the pitch was put to you, isn't it?---Oh, it's about that time, yes.

Should we read anything into that?---No.

No. Okay. Have a look at page 2553, breakfast with Mr Gallacher. Do you see that?---Yes.

2554, contact with Mr Gallacher. Do you see that?---Yes.

20 2556, and this goes on, page 2557 and 2558, no, sorry, I stop there, page 2556, more contact Mr Gallacher?---Yes.

2576, more contact Mr Gallacher. Do you see that?---Yes.

2582, a meeting between you, Mr Williams, Mr Hartcher and Mr Gallacher? ---Yes.

Do you see that?---Yes.

30 And then if we turn over, that's the first invoice from Eightbyfive?---Yes.

Do you see that, sent through on 1 July, just following all this heavy contact between you fellows. What should we read into that?---I don't know what you want to read into that.

Well, I'll tell you what I read into it, is that these were the conversations, the meetings, the things which led to the pitch being put by Tim Koelma. That's what should be read into it, isn't it?---I don't know.

40 2638, more contact, this time between Mr Hartcher and Mr Gallacher followed up by you and Mr Gallacher. Do you see that?---Yes.

2649, another meeting between you, Mr Gallacher and Mr Hartcher. What do you get together for?---(No Audible Reply)

What are you meeting about?---We just talk about projects.

Yeah, it's got to be about the coal terminal at Mayfield, doesn't it?---Every, every time I get the opportunity I present all our projects.

You get plenty of opportunity with these chaps, don't you agree?---Yes.

I'll just go on. Just 2651, more contact. I'll just leave that issue there. Do you see that?---Yep.

Now, Mr Tinkler was involved in the arrangements with Eightbyfive, wasn't he?---Not, not to my knowledge, no.

10 Not to your knowledge? All right. Well, we'll deal with that in due course as well. Have a look at page 2543?---Sorry, what number?

2543. You'll see here that this is a meeting, Darren and Tim. Who's Tim?  
---Oh, I don't know who he's, Mr Hartcher's referring to as Tim.

Well, well, I just wonder whether it might be Tim Koelma?---I don't know.

But you hadn't met him until he put his pitch?---I hadn't met him, I don't know if that is Tim Koelma.

20

Well, do you know any other Tims that you can think of?---(No Audible Reply)

Tim Winton?---No, I don't know him.

No. Tim Flannery? Oh, I doubt he'd be at a meeting with Mr Tinkler, but what other Tim?---I don't know.

30 Not Tim Trumbull, the accountant from Bondi Junction, it couldn't be him, could it? Who could it be apart from Tim Koelma?---I don't know.

Darren and Tim and Mr Tinkler and Mr Hartcher. Do you remember that meeting?---I, I can't recall having a meeting with – that meeting, no.

All right. Well, have a look at page 2564. That's that same funny misspelling of Packinack, isn't it, Patinack, it's a funny misspelling of Patinack?---It looks like it.

40 Do you see that?---It looks like it, yes.

And it's exactly the same as the misspelling which occurred in the email chain I showed you, isn't it?---I don't remember, but if you say so.

Well, what about this, do you know about this meeting between obviously Nathan Tinkler and Chris Hartcher?---No.

All right. Well, I think you accept that it was Mr Hartcher who introduced Mr Koelma, you do that, don't you?---Yeah.



I'll just show you a document along those lines, page 2544. This is an email you see from Tim Koelma to you. How did he get your email address?  
---Oh, maybe from Mr Hartcher, I don't know how he got the address.

All right. Well, you'll see that the subject is "A Meeting with Tim and Eightbyfive." Do you see that?---(No Audible Reply)

That's at the top of the page, do you see that?---Yes.

10

And the subject is dealt with by this message, "Hi Darren, thanks for taking the time to meet with me yesterday." Do you see that?---Yes.

Now, that seems to be, would you think, the occasion when Mr Koelma is putting the pitch to Patinack Farms. Is that right?---It could be, yes.

Let's read on. "Would appreciate the name of the business entity we discussed." What do you think he means by that?---I don't know.

20 Well, I thought you said to us, at least on one occasion, that he came to you because he wanted to deal with Patinack Farms but he couldn't get through to them so he went to you. You told us that on one occasion, didn't you?  
---(No Audible Reply)

This looks as though he didn't know the name?---I don't know what he was after.

30 Well, why is he calling it a business entity as discussed, so you'd discussed it with him, had you, the use of a particular business entity?---I don't recall what I discussed with him.

Do you remember the email chain? You can have a look at it again if you feel you're at a disadvantage. It's Exhibit S48. See your original message, ask the question, "Which entity", do you see that?---Yes.

Was that a follow up on Mr Koelma's request for an entity?---I don't know if they're, I don't know.

40 Well it looks like it doesn't it? I'm just trying to assist your poor old recollection here otherwise how do you explain these things?---I don't know, Mr Watson.

Well let's have a go and trying to do it. What, how should we put them together, why is Koelma not aware of Patinack Farms, why is he asking you for the name of a business entity?---I don't know why he'd ask me.

I mean was he just sending nonsense emails, fantasy emails?---I don't know why he asked me that.

Well speculate now, why do you think he might have been asking you that?  
Could it be - - -

MR HEATH: May I object to that. Commissioner, I object to it. Why should he speculate, why should he speculate on it?

10 THE COMMISSIONER: We often ask people to speculate based on, based on the documents that are put in front of them, what they think that they might need.

MR HEATH: Well, well that's not what this question is with respect, Commissioner, he's asking him to speculate.

THE COMMISSIONER: Yes. Based on the documents that he's being shown.

MR HEATH: Well I object to the question.

20 THE COMMISSIONER: What do you think Mr Koelma might be referring to, Mr Williams?---I could, I could only speculate that he's after a company name of Patinack.

He's sorry, after what?---The company name.

The company name Patinack?---I could assume.

30 So that he didn't remember the name from the meeting the previous day?---I don't know, it may have been.

MR WATSON: Well just have a look at it. Do you see the significance of it is that he's going onto say, "I can email all relevant document this afternoon if that is suitable." Did he send you something?---Not that I can recall receiving anything, no.

40 Well what's all this about? I mean this is just this parallel universe where people sent stupid emails to each other and don't, the recipient never knows what the sender is on about, is that going on, what's going on?---I don't know, Mr Watson.

I don't know. That's quite a common answer for you isn't it? All right. Well let's just deal with some other things?---Would you go to page 2583. Now remember when you said that you were chasing up unpaid invoices for Mr Koelma?---Yes.

That was a lie wasn't it?---No, I was.

Right, okay, well let's have a look at this then. You'll see this is an email sent to you by Mr Koelma on the 2 July 2010 and it's got the invoice for June 2010. Do you see that?---Yes.

Let's turn over and have a look at it. Page 2584 is the invoice for June 2010?---Yes.

What are you, are you saying that he was chasing up invoices what, on the very day he sent them?---Yes, he did.

10

What, he didn't give them much time. I might add this we've got no evidence, can't find it anywhere of these invoices being sent directly to Patinack Farm. Can you explain that?---I can't explain that, no.

It's just some very, very odd administrative glitch isn't it to be sending these important invoices to the wrong entity, don't you agree?---I don't know where else Mr Koelma sent the invoices.

Well I can tell you he sent them to you and to you alone. Is that a surprise to you?---It is.

20

Right, okay. Well you said you were chasing it up. Do you know how much he'd given Patinack Farms to pay the invoice?---No.

It is after all for June so one would presume that on 2 June the maximum amount of time he could have given Patinack was 24 hours. It seems a bit rough doesn't it?---Yes.

Well why didn't you write back to him and say hold on you've sent the invoice to the wrong bloke?---I just forward it to Mr Palmer.

30

You've got to speak in there 'cause I'm telling you again everybody in New South Wales is interested in this moment. All right, you just forwarded it to Mr Palmer?---That's right.

Why?---It's a Patinack invoice.

But just have a look at it. When Mr Koelma sent it to you he didn't say look, these mongrels have been duding me for 24 hours I haven't been paid in the last 24 hours, can you follow this up for me, he didn't say that did he?---I can't recall what he said.

40

No, you can read it there, you read it there you see it's in black and white?---No, he didn't say that, no.

No, he didn't. So what made you think he was asking you to chase up the invoice?---I just assumed.

You just assumed, right. See do you remember the evidence and this is a point at least of which your evidence is consistent twice. You told us that you didn't speak to Koelma after he put his pitch. Do you remember giving that evidence?---Yes.

That was false wasn't it?---I didn't recall any specific discussions with Mr Koelma after his pitch.

10 Well then that evidence was incorrect?---It was incorrect. I may have spoken to him afterwards but nothing that I can recall in detail.

Well that wasn't my question you know, I didn't put to you or ask you are there any other conversations which you recall in detail I asked you whether there was any contact at all and you were quite specific you said no, the only contact was when he sent you these things to follow up on unpaid invoices?---Okay, well I'm sorry I'll correct that I may have other brief conversations with him.

20 Now have a look at page 2584 that's the invoice and you say that this was going to be for marketing?---Yes.

Can you explain why Mr Koelma couldn't even spell the name of Patinack?---No.

Can you explain that?---No.

30 Right. But you maintain that you were just being asked as some sort of agent or something like that to follow up on unpaid invoices, is that right? ---I was just doing it as a favour, yes.

Oh well let's just have a look at the next page. I'll show you right at the foot of page 2585 that there's an email, "Hi Darren, please find" that's the same email which first figured on page 2583, do you accept that?---Yes.

Well you sent that on to the Tinkler Group to Troy Palmer didn't you? ---Yes.

Why?---That, that's the email I sent everything to Troy to.

40 But why wouldn't you just email back to Koelma, you've got the wrong address, "Please send this to Patinack Farms", why didn't you do that?---I don't know, I assumed that he'd sent it to Patinack, Mr Watson.

Sorry, well then why did you bother sending it?---I was just forwarding it on.

Then look at the message that you wrote to Mr Palmer, "Let me know when it's paid please mate and I'll call them." What's that about?---I just would have called him back to say that the invoice has been paid.

Who?---Mr Koelma.

How did you have his phone number?---I don't know.

10 Well why would you call Mr Koelma, why wouldn't you say to Mr Palmer this is yours apparently it's outstanding, can you take this off my hands and then you just wash your hands of it. Why wouldn't you do that, Mr Williams?---Um, I should have.

Yeah, you should have. Because you know what this looks like don't you it looks like Mr Koelma is invoicing Buldev doesn't it but using the name Patinack Farms doesn't it, it looks like that?---It was a Patinack invoice.

20 Well hold on answer my question. You can see that the process here makes it look as though Mr Koelma is sending his invoices to Buldev and just using the name Patinack Farms isn't it?---It could be seen that way, yes.

Yeah. Is there any other way incidentally that you think you could reasonably see it?---No.

No. And then you'll see that Mr Palmer said that he'd pay now, that's the top of page 2585?---Yes.

30 Well, if he says I'm going to pay now you'd just leave it alone wouldn't you, you'd go back and do your developing work at Buldev, is that right? ---I probably would, yes.

Yeah. Well, you didn't. Have a look at page 2589. You'll see an email that you sent to Tim Koelma?---Yes.

What's that about?---(No Audible Reply)

What is that about?---I've obviously advised him that Troy had paid that account.

40 Why were you doing that?---I was just following it up.

Why? It's none of your business?---Because of the relationship with Mr Hartcher, I wanted to follow it through.

What, so what's Mr Hartcher got to do with a marketing business Eightbyfive providing services to a stud farm Patinack Farm?---Well, he introduced it, he introduced Eightbyfive.

Well, let's just look on a little bit more, look at page 2591. Dear me, it looks again as though Mr Koelma is sending the invoice to you, Mr Williams, can you explain that?---No.

There's no question there of following up or chasing up unpaid invoices is there?---No.

Just the opposite, he says in the email the invoice was only sent that very day, do you see that?---Yes.

10

In other words that evidence that you gave about your involvement being limited to chasing up unpaid invoices was incorrect wasn't it?---Well, this invoice was sent and it wasn't paid.

You answer my question. I want you to concede this. The evidence which you gave earlier which was to the effect that you were only involved to chase up unpaid invoices, that evidence was incorrect, wasn't it?---Well, this an unpaid invoice, no.

20

No, it wasn't, so you're chasing up an invoice that was issued that day. That's not giving them much time to pay is it? What, were they given nanoseconds or - I mean, this is just silly isn't it?---I don't know.

And did you do anything to follow up on this one do you think?---Oh, I don't recall.

Well, I know you did?---Okay.

30

Remember I showed you page 2593 before?---Yes.

That's some phone calls and calls between people. Would you have a look at page 2597. This is about you'll see, this is an email which is from you to Mr Palmer?---Yes.

You'll see that if you go over to page 2598 the first email in the chain, have you got 2598 open?---(No Audible Reply)

40

The first email in the chain is the one that we've seen, Mr Koelma sending you the July invoice?---Yes.

Then if you go to 2597 you'll see that Tim Koelma's followed it up with this message, "Hi Darren, as discussed please, please find July paperwork. Would appreciate your assistance." What does he mean?---I don't know what he means, I, I - - -

You don't know?---I could only assume that he'd be forwarding it on to Mr Palmer.

Well, you're assuming that by writing to you and asking you for your assistance he's asking you to forward it to Mr Palmer?---I don't know.

Well, we do know that Mr Koelma has toner problems with his computer from time to time but can you think of any good reason why he couldn't press the button to send it to Troy Palmer rather than you?---No.

Let's have a look - - -

10 THE COMMISSIONER: Mr Williams, sorry, could I just ask you a question and I don't mean to be rude but what, what kind of salary were you on at Buldev over this period of time?---Um, at this point in time I'm not sure, Commissioner, I'd say about \$300,000, \$350,000.

And I'm assuming you had a PA or a personal assistance?---Ah, 2010, no, I didn't.

20 Did you have admin staff that attended to things like phone calls and emails and things like that?---Oh, a receptionist, that's it, but I managed all my own emails.

So you didn't think to delegate any of this if you were just chasing up invoices to one of the admin staff?---No, no.

It must have taken up a fair chunk of your day?---Oh, I didn't get a lot of invoices.

30 Only these ones from Mr Koelma?---No, no, I got others but not, not a lot of invoices.

MR WATSON: Just have a look at Mr Koelma's message again. He says this, quote, "Will call when arrangements have been made for proposed meeting," unquote. What's he talking about, and this is at the foot of page 2597, do you see that reference?---Yes.

Right at the foot of the page?---Yes.

40 Quote, "Will call when arrangements have been made for proposed meeting," unquote, what's he talking about?---I don't know which meeting he's referring to, Mr Watson.

Yeah, but why is he going to call you, Mr Williams?---I don't know.

Are you trying?---I don't know why he was going to call me for a meeting.

I can go on here for hours, there's more stuff to come and there's other witnesses, Mr Williams, who are going to implicate you. Would you like to come clean?---I don't know what this was specifically about.

All right. Okay. I can tell you. Have a look up the top of the page on 2597. See you've sent an email to Troy Palmer?---Yeah.

And you're saying, quote, "Mate, can you get this sorted please as he is getting some meetings sorted this week for us re the port," unquote?---Yes.

Well, what's that mean?---(No Audible Reply)

10 I don't know. We could have put a tape-recording saying I don't know in the box and saved you the trouble of coming down.

MR HEATH: Commissioner, he hasn't had an opportunity to answer the question yes.

THE COMMISSIONER: No.

MR WATSON: Oh, well, I was just doing it for him.

20 THE COMMISSIONER: Yes, go on, Mr Williams. What, what does that email refer to?---Um, I can assume Mr Koelma was going to arrange a meeting.

Oh, but it's more than that isn't because it says "for us", "for us" being Buldev I assume "re the port"?---Yes.

Well, so there's to be a meeting that week which would be in relation to Buldev's proposal, port proposal, is that right?---Yes, it could be.

30 And you are being asked - oh, sorry, you are asking Mr Palmer to pay an invoice because there are some meetings that are coming up?---Yes.

Right.

MR WATSON: And so that's work for Buldev plainly?---Sorry.

So it's plainly Mr Koelma is doing work for Buldev?---I'd say he's organised a meeting.

40 Oh, come on, answer the question. Mr Koelma is doing work for Buldev, he's organising meetings for you. Do you see that?---A meeting, yes.

Right. Okay?---Yeah.

He's organising a meeting for you regarding a billion dollar development proposal that you had at Mayfield, correct?---Yes.



So do you accept that Mr Koelma was working for Buildev?---Oh, he has organised a meeting for us, yes.

Do you accept that Mr Koelma was working for Buildev?---No, not working for it.

All right. So he was just, what, just one of these maniacs that goes out and organises meetings off his own bat about your port proposal at Mayfield? Is that what you're saying, he's just a rogue meeting organiser?---Oh - - -

10

I don't know?--- - - - I don't know.

Is that it?---I don't know, he was doing us a favour.

Well, are you trying, are you trying to help us, Mr Williams? Do you accept that us in that sentence is Buildev?---Yes.

Do you accept that the port is a reference to the billion dollar coal terminal project?---Yes.

20

Well, try and explain to us, what was he doing?---From this I could assume he's organising a meeting, that's - - -

Why was he doing that?---To - I don't know.

Why was he invoicing Patinack for organising a meeting for Buildev?---He wasn't invoice Patinack for doing a job for Buildev.

30

Yes, he was, you were telling Mr Palmer that you wanted it sorted because Koelma was organising meetings for you regarding your project?---Well, yes, you could say he's done a job for us, so, yes.

Well, I'm asking you about the job?---Yeah.

What was he doing for you?---He'd organised a meeting.

Well, what did this have to do with marketing for a stud farm?---I don't know. Nothing, nothing to- - -

40

Well, who got Koelma to organise the meetings, was it you?---Ah, I don't believe I did, no, I can't- - -

Well, who else could it have been, Mr Williams?---Um, Mr Sharpe.

It could have, you reckon Mr Sharpe was using Mr Koelma. Is that what you're telling us?---Could have.

All right. You see, do you see the timing of those emails, it's all happening on 28 July. Do you see that?---Yes.

Would you have a look at page 2596. It seems on that same day you were in contact with Mike Gallacher. Can you explain that?---Yes, I was.

What was that about, was it about the meetings?---Mr Watson, I can't recall what I spoke to him about four years ago.

10 We'll press on. Have a look at page 2609. Do you see there that there's yet another email to you, Mr Williams, passing on the paperwork?---Yes.

And again you're saying that you were being asked to chase up the account. Is that what you're telling us?---Yes.

Well, that seems funny because on the email to you it refers to terms. Do you see that?---Yes.

20 If you turn over the page to 2610, the invoice is dated 5 August, that's the same day you received the email- - -?---Yes.

- - -and it provides 14-day terms. What, he's breaching, is he, the very agreement?---Sorry?

Well, have a look. He's sending it to you the same date as the invoice. The terms are 14 days?---Yes.

It's not payable before 19 August, is it?---That's right.

30 How do you explain that then?---He just asked me to forward it on, which is what I did.

Why? You see we're trying to get to the bottom of why would Buildev be used as this inconvenient conduit in this way, and repeatedly. I've got many more examples to come?---Yes, I know.

Why, why, why?---Probably because I could get to Mr Palmer.

40 Sorry?---'Cause I could get it to Mr Palmer.

And are you saying Mr Koelma couldn't?---I don't know. He may- - -

Well, just think about it now. Did Troy Palmer have an email address?---Yes.

And did Tim Koelma have an email address?---Yes.

What was the impediment of Tim Koelma then sending it on to Mr Palmer direct?---Oh, he could have. I don't know if he did or he didn't.

Well, I want to know why is he sending it to you? You see, that's what I want to know?---'Cause I introduced them I believe.

All right. So because you introduced two people were you underwriting the debt?---No.

10 Let's just have a look at what happened following this, at the time these payments were being made. Look at page 2611. See a meeting, a possible meeting with Mr Stoner. Sorry, Commissioner, to make it clear, Mr Stoner, there's no suggestion of any wrongdoing on the part of Mr Stoner. Do you see page 2611?---Yes.

Possible meeting which is going to be teed up by Chris Hartcher between Buildev and Stoner?---Yes.

Do you see that?---Yes.

20

What's that about, why would you want to meet with Mr Stoner?---Um, once again, projects.

Projects, meaning you wanted decisions made your way which could make you a lot of dough?---No, we wanted- - -

Oh, I see, you wanted decisions made against your position, did you? ---No, we wanted to put forward our proposal.

30 Don't be scared about this, we know that there's a capitalist economy outside this room where people want to make money. The purpose behind putting your pitch was to make money, wasn't it?---To develop projects as to make money, yes, that was the business.

Yeah. And so you wanted Mr Hartcher to organise this to Mr Stoner? ---That's right.

Let's have a look at who was going to organise the meeting. The initials TK ring a bell?---Ah- - -

40

Do you see that?---Yes.

That would be Tim Koelma, wouldn't it?---I assume so, yes.

Why was he organising it, wasn't he a marketing strategist from Eightbyfive?---I don't know why Mr Hartcher said that.

What, do you think Mr Hartcher was lying about it? Because I mean you couldn't possibly think that a marketing strategist retained by Patinack Farms was organising a meeting for Buildev with the Deputy Opposition Leader?---I don't know why.

What do you think about it?---I don't know why Mr Hartcher would have got him to organise it.

10 All right. Could it be because Mr Koelma was working for Buildev?---No.

No. All right. Have a look at page 2612. I want you to assume that the people who are passing this between themselves come from Mr Stoner's office. You'll see that the text is that Tim from Hartcher's office wants to set up a meeting with reps from Buildev?---That's right.

So it is, it's Tim Koelma who's setting up a meeting on behalf of Buildev. Why?---I had no knowledge that- - -

20 Do we – will we need to do this for hours before you concede that this was a payment being made so that Hartcher would assist you in getting your projects before other politicians? Do we need to do this for hours, do we? ---Mr Watson, I had no knowledge that Mr Koelma worked in Mr Hartcher's office.

All right. Well, you do now?---I, I, yeah, I do now. I didn't know at that point in time.

Let's have a look at page 2613.

30 THE COMMISSIONER: When you say that you had no knowledge that Mr Koelma worked in Mr Hartcher's office, do you mean that in the sense that you had no knowledge that he worked physically in the office or do you mean it in the sense that you didn't know he had any connection with Mr Hartcher?---I didn't know he worked in his office physically, no. I thought he had a marketing business.

Well, did you, did you not know that he had a working relationship with Mr Hartcher?---No, I didn't.

40 At any stage you were not aware of that?---No.

What, you just thought that Mr Hartcher was promoting Mr Koelma's business as a friend, did you?---Yeah, I didn't know he worked in his Ministerial office.

No, no, no. My question was, did you think Mr Hartcher was just promoting Mr Koelma's interests as a friend?---Well, friend, colleague, yes.

Colleague in what sense?---Like a business colleagues.

Business colleague, what, so they had a business relationship?---Oh, I assume so, yes, or I didn't- - -

You assume they did?---I didn't know their relationship, I thought it was more a friendship.

10 MR WATSON: But you said to us earlier, and these are almost your exact words, you said you were following up the invoices, "Because of the relationship with Mr Hartcher, I wanted to follow it through?"---Yes.

So you wanted to preserve your relationship with Hartcher by looking after Koelma?---That's right.

Well, explain how that works, if, if you didn't know much of a relationship between the two of them?---I knew they had a relationship 'cause he introduced him but I didn't know they worked together.

20 You'll see at page 2613 that there's a lot of words there but down about two-thirds of the way down, Tim from Hartcher's office is organising a meeting?---Mmm.

Are you able to explain that?---(No Audible Reply)

See, isn't the fact this. You were paying good money to get good access to politicians. That's the truth of it, isn't it?---I always had good access to politicians.

30 Well, answer my question. Whether that's true or not, you were also paying good money to get good access to politicians, weren't you?---No.

Have a look at page 2615. It's all about the same time, you pay your money and you've got calls involving Mr Hartcher and Mr Gallacher, don't you? ---Yes.

40 You had them on tap, I won't say 24 hours a day, they would have got some sleep, but subject to that restraint you could ring them anytime for a favour, couldn't you?---I could ring them anytime to discuss projects, yes.

Have a look at page 2618. There are several sheets in here where we've been able to track telephone contact between you and Tim Koelma. Can you explain that?---(No Audible Reply)

Was he telling you about marketing strategies he had in place for Patinack Farms for example?---I, I could only assume that these were him chasing up invoices.

All right. What, what makes you assume that?---It's, it's the only recollection of the discussions I've had with him.

Well, how did you know that he was going to organise a meeting for you regarding the ports?---Just by the emails.

Oh he didn't say that. I can take you back to those emails, he didn't say that. You, you were the one who said that, Mr Williams. Can you explain any of this?---I don't know what I would have spoken to him about.

10

All right. Well have a look at page 2619?---Yes.

Some of these dates are important because of information we've got about payments. I'm just trying to be fair to you?---Yes.

Have a look at 2632. Here's the meeting with Andrew Stoner, a lunch with Chris Hartcher and Michael Gallacher and it's been sent by Tim Koelma at Eightbyfive. Why is that?---(No Audible Reply)

20 Can you explain that?---I haven't seen this email before, Mr Watson.

Well I'm just showing it to you so you can get the opportunity to read it and to explain it?---Yes, I can see that, yes. Well obviously he's had a discussion with Kelly to organise a meeting.

If you have a look at page 2636 there's more of the same. Kelly Low isn't she?---That's right.

30 So she's dealing directly with Tim Koelma passing on information about a lunch that you, Mr Williams, are going to have with Chris Hartcher, Michael Gallacher and Andrew Stoner. Why? Was it about a horse stud? ---I don't know why Kelly spoke to Mr Koelma about that.

Well come on, have a look at it. It says here, "Thank you, Tim I passed this information onto David and Darren." I guess you're Darren aren't you? ---Yes, but Kelly - - -

40 And then I can take you back to the previous email at 2632. Koelma was sending that to Kelly Low at Buildev?---That's right.

And she's passed the message on. How do you explain all of that?---I can only assume that Kelly has asked him to set up a meeting.

Really so Kelly is a mover and shaker by the sounds of things. She must be the Joe Power of Buildev?---No. If you're - - -

She's a mover and shaker she's, what, teed up hey Koelma get the Deputy Opposition Leader on the line, the boys of Buldev want to have lunch. Do you think she's the organiser?---No - - -

MR HEATH: Perhaps my learned friend can ask the question the witness might be given an opportunity to answer.

MR WATSON: Yes, I'm sorry.

10 MR HEATH: Mr Hensken (as said) has raised a point about offensive questions already, I don't want to interrupt the witness too much but it's now beyond the pale.

MR WATSON: All right, sorry, I'm sorry about that.

THE WITNESS: Mr Watson, if I can answer Kelly Low is the executive assistant to Mr Sharpe.

Yeah?---So - - -

20 So?---So I could assume from that that he requested that she organise a meeting.

I see so when she says she passed the information onto David and Darren is there another Darren at Buldev?---No, that would be me.

Right. Well that's what I'm focusing on you see?---Yes.

30 Now are you saying that Kelly Low organised lunch with the Deputy Opposition Leader are you?---She would have made that request from David I'd say.

Why was she then receiving information from Tim Koelma at Eightbyfive? Do you think it sounds as though Eightbyfive if working for Buldev?---I don't know why Kelly and Tim were communicating.

Have a look at page 2562. Now to be fair to you this is a claim by Mr Koelma for two invoices, one for August which remains outstanding. 2652?---Sorry, what number?

40 2652?---Oh, 2-6.

Do you see an email from Mr Koelma to you, Mr Williams?---Yes.

Now he's sending you two invoices because the August invoice remains outstanding. Do you see that?---Yes.

What's this mean, "Would appreciate if you could check if the issues we discussed last month have been resolved"? What's that about?---I don't recall what the issues last month were.

Are you trying, Mr Williams?---Yes, I don't recall what the issues were, this is four years ago.

You mean have you got, is there any problem that you have which has affected your memory - - -?---No.

10

- - - to be fair to you? No. You've just got an ordinary recollection the gift to an ordinary Australian, is that so? But you can't recall this at all?---I can't recall what the issue was, no.

Yeah.

THE COMMISSIONER: It's issues plural?---Or issues, I don't know what the issues were.

20

MR WATSON: Well what does this mean, "Look forward to catching up soon"? I thought you had no relationship with this chap?---I don't recall I did catch up with him I think this is just Tim - - -

No. But what's he saying? Is that just guff is it?---I think so, yes.

Yeah. Just – because according to you you never physically met him after he put his pitch?---Unless it was a, like a larger Liberal function I wouldn't have met him, I don't recall meeting after that.

30

Did you know Troy Palmer - - -?---Yes.

- - - says emphatically Eightbyfive did no work, provided no work whatsoever for Patinack Farms? Did you know that?---I know that now, yes.

Did you ever get this back from Troy Palmer that he said I'm not going to pay the outstanding August invoice until such time as Koelma does some work?---No, he didn't say that to me, no.

40

When you look at it now it doesn't sound like sound business thinking to be paying invoices when no work was being done does it?---I don't know whether there was work, I didn't know at the time whether there was work being done or not.

Oh no, but just think about it from your own general business experience. Do you pay invoices month after month after month despite the person not doing their work?---No, I wouldn't.



Well did Mr Palmer complain to you that that was the case that when you were chasing up these bills with them, hold on this clown Koelma has done no work for me?---No, not that I can recall him mentioning that.

Well let's look at 2656. I'm only showing you these things as we go through because it's fair to your lawyers to know where records lie which show a great deal of contact between you and Mr Hartcher and you and Mr Gallacher?---Yes.

10 Then have a look at 2658. This is an email sent to you by Koelma 5 October 2010. Do you see that?---(No Audible Reply)

You can see that can't you?---Yes, I was just checking the number.

Right. It says, "Please find the paperwork for October"?---Yeah.

And then he says this, "Look forward to catching up soon." What does he mean by that?---I think it's just like generic, I didn't catch up with him after these emails.

20

Well why does he keep saying this? Why didn't you write back to him and say listen I don't know what you're talking about?---No.

Well let's read on, "Please let me know if there's anything you need from us." What does that mean?---I can't speculate what he means.

It was sent to you. I mean - - -?---I know. Well if there's anything I need.

30 I mean you read that the only reasonable construction which could be placed on that is that he's asking you, Mr Williams, whether there's any work that he, Mr Koelma, needs to do for you, Mr Williams. It's the only way you could read that?---You could assume that.

Well what else could you assume?---He's just being polite.

Well he's being polite and sending you an invoice?---Well he's sending Mr Palmer an invoice.

40 Well no, he isn't actually if you have a look at it. It's addressed the email as far as I can read it to Darren Williams. So he's just being polite, is that what you're saying?---I believe so.

All right. Well, have a look at page 2660. See you're forwarded Mr Koelma's message onto Mr Palmer?---Yes.

And you were asked a question, "Is Tinks in Sydney today?" I take it Tinks is Nathan Tinkler?---Yes.

Why are you asking that? Why aren't you writing to them listen you hounds why don't' you pay this poor fellow he's in constant contact with me?---I don't know if that email asking about where Nathan is is relevant to below, I could have been just asking if he's in Sydney today.

Well, I'm asking you why do you want to know whether Tinks is in Sydney?---I may have been going to Sydney to catch up or - - -

10 All right. Well, incidentally why didn't you write an email along that - like you hounds, this poor Koelma fellow is setting up a business, he's providing this marketing strategy for you, please pay him because he's on my back, he's always threatening to catch up with me?---I, I just didn't.

All right. Well, I mean, again at page 2661 lots of calls between Gallacher and Buldev, do you see all of that, the same on 2662, see all of that?  
---Yeah.

Have a look at 2663. See this is a message from Andrew Stoner?---Yes.

20 And it's being sent through, it's odd, it's a request from Mark Vaile and it's been sent through to a secretary of Mr Stoner's and Mark Vaile was a director of Aston Resources Pty Limited wasn't he?---At the time, yes.

And Mr Vaile was formerly a prominent Nationals politician, correct?  
---Yes.

30 And he was a co-director and co-owner with Mr Tinkler, he may not have been a co-owner, I'm not sure?---Yeah, I'm not sure but he was part of Aston Resources, yes.

And he's saying that he wants to bring you to a meeting?---Yes.

Why? What did you have to do with Aston Resources?---I believe it would have been about the port.

Well, then why are you going, representing Aston Resources?---I don't know, I don't think that's the reference, I think he was just bringing me along to talk about the port.

40 Look, I'll try and cut some of this a little short but page 2663 is relevant as are both pages 2664 and 5, if you go forward, Mr Williams, to page 2689, more contact between you or Mr David Sharpe and Mr Gallacher, you see all of that?---Yes.

Then if you turn over to 2690 between you and Mr Hartcher?---Yes.

Surrounded by Mr Hartcher and Mr Gallacher. Go to page 2692. Yet another email enclosing the invoice to you. Why is this going on? Why did you not tell Koelma to get off your back?---I just forwarded it on.

Well, why didn't you - - -?---It says - - -

- - - rather than do that just send a simple email to him and say did you know Troy Palmer's email address is such and such? Why didn't you do that?---I just didn't.

10

Well, then have a look at page 2694.

THE COMMISSIONER: Just while we're going there, the one, the email you've just been shown and the previous one also refers to the fact that a copy of the, a hard copy of the invoice is also being mailed to you, do you see that?---I never received any of these by mail.

Well, I know that but - - -?---Yeah.

20

- - - not only is he sending you the email in electronic copy he's mailing a hard copy of the invoice to Buldev as well?---Commissioner, we never got them mailed to our office, I believe they were mailed to Mr Palmer and emailed to me.

What, so, so he was mailing a hard copy to Mr Palmer and emailing you as well?---I can only assume that, I never got any hard mail.

So you don't know that he was mailing them to Mr Palmer?---No, I don't know, I can only assume. I never got a mailed hard copy sent to me.

30

I'm sorry, go on.

MR WATSON: Well, have a look at page 2694, this is your response to Mr Koelma at the top of the page. You're telling Mr Koelma or you're asking him to call you to discuss, do you see that?---Yes.

Discuss what?---I don't, don't recall what I would have discussed with him.

40

Well, it's in the context of the invoice for November, discuss what?---I don't know what I would have discussed with him. I may have discussed the invoice.

Cricket scores?---The invoice maybe.

Discussed the invoice maybe. Why? Did you think he was charging too much or too little?---No, I don't recall what I discussed with him.

Well, why would you ring him about the invoice, that seems to be the probability, that you rang him about the invoice, why would you do that?  
---Maybe I did ask him to send them to Mr Palmer, I don't recall.

Did you follow up on that one, do you recall? If I take you back to the message things were outstanding, if you go to page 2693, sorry, it's 2692. He wants you to follow up last month's documents, do you see that?---Yes.

10 Well, did you do anything to follow that up?---Oh, I don't know, I may have.

I do, I do?---Oh, okay, I may have.

Go to page 2711. Could you just read out loud what the title of that is, read it out loud to everybody in the, in the room?---"Mate, can you get these payments to Tim the Liberal Party please, mate, as they're two months behind."

20 What did you mean by that?---I was referring to Tim who was a colleague of Chris Hartcher from the Liberal Party.

Oh, well, what's the Liberal Party got to do with Eightbyfive?---Well, they were recommended by Mr Hartcher.

Well, let's just read that, "Can you get the payments to Tim the Liberal Party," why did you write that?---As a reference to which Tim.

30 What's the connection with the Liberal Party, that's what I don't understand?---Well, Tim was introduced by Chris Hartcher from the Liberal Party.

That's just ridiculous isn't it? Why did you put in those words, you might as well have said Tim at Eightbyfive, wouldn't you?---It's just how he was referred to.

40 It was a payment to the Liberal Party and you knew that all along. Mr Williams, do you think we came down in a shower, well, last week perhaps and we don't know anything? You realise we've spoken to a lot of people don't you?---Yes.

Do you want to come clean or not?---That, that's what this was referring to, Mr Watson.

Mr - well, I'll give you the opportunity. Do you deny that you were making these payments to Eightbyfive as a means to make a donation to the Liberal Party?---Yes, I believe that they were a genuine marketing company. I did believe that we would benefit from our relationship with Mr Hartcher.

THE COMMISSIONER: Mr Williams, that's not strictly an answer to the question. You better put it again, Mr Watson.

MR WATSON: Yeah.

Mr Williams, do you deny that these payments were being made as a means of making a donation to the Liberal Party?---Not - yes, not a straight donation to the Liberal Party, no.

10 What do you mean by that?---I meant they were payments to go to Mr Koelma.

Well, what did you mean by the works not a straight donation to the Liberal Party?---It wasn't to be done to, for that purpose.

Well, what did you mean by those words, not a straight donation to the Liberal Party?---Well, you said was this a straight donation to the Liberal Party and I said no.

20 No, I didn't ask you that at all?---Oh, sorry, I got that wrong.

You volunteered those words. You said that it wasn't a straight donation to the Liberal Party. What did you mean by those words?---I mean I was aware that Tim was linked or a colleague of the Liberal Party and that Mr Hartcher would benefit from those relationships but I didn't know in what, what way, shape or form.

You knew that Mr Hartcher would benefit from the payments?---Or from the services, yes, yeah.

30 And would Mr Hartcher benefit from the services?---I don't know how he was going to benefit.

THE COMMISSIONER: Mr Williams, is that another way of saying that you knew that these were indirect donations to the Liberal Party?---No, I believe that by - Mr Koelma was assisting Mr Hartcher. But I thought you said some time ago that you had no knowledge of any business relationship between Mr Koelma and Mr Hartcher and as far as you knew they were just friends?---Yeah, yeah, I mean that they weren't - I didn't know Mr Koelma actually worked for Mr Hartcher.

40

Well, then I don't understand why Mr Koelma would be referred to in terms of the Liberal Party if they were, if they were not in some kind of working relationship. That was Mr Hartcher's job, wasn't it, he was a Shadow Minister?---Yeah, he was a Shadow Minister, yes.

Well, then what's the connection with the Liberal Party?---I, like I said, I thought they were friends or colleagues.

Well, yes, but I mean if they were friends or colleagues there wouldn't have been any point in referring to the Liberal Party, would there?---Well, I just linked Mr Koelma to Mr Hartcher and the Liberal Party, that they were colleagues.

10 Well, does that mean then that by, by way of paying Mr Koelma through this company Eightbyfive you understood that either the money to Mr Koelma would go directly or indirectly to some part of the Liberal Party in order to benefit your business interests?---I, I didn't know what Mr Koelma was doing with the money.

Well, but that's not an answer to the question. What did you understand you were going to get out of making or facilitating these payments to Mr Koelma?---I just thought it would strengthen our relationship with Mr Hartcher.

20 Why?---Because we'd helped out one of his colleagues by referring him on for some work.

MR WATSON: Mr Williams, the truth is you knew that these payments were being made as a means of providing an otherwise illicit donation to the Liberal Party. That's the truth of it, isn't it?---I didn't know where the money was going to, Mr Watson.

Where did you think it was going to?---Mr Koelma.

30 Why then was it relevant to raise the Liberal Party?---Because he was introduced to us by the Liberal Party. If, if -- I was concerned--

That's ridiculous. What say he'd come in, introduced by a man who worked at an Esso Service Station, would you say, mate, can you give the payments to Tim, Esso, please, mate, 'cause they're two months behind. Would you say that?---No.

It's just ridiculous, isn't it?---No, it would, it was--

40 Well, why are you saying the Liberal Party, it was because it was a donation to the Liberal Party?---No, because if Tim wasn't paid out relationship with Mr Hartcher could have soured.

Yeah, rightio. Well, let's put two and two together. We can prove that the money did go into accounts to the benefit of people in the Liberal Party. Will you accept that for the moment?---If you say so, yeah.

In that context, what do you say we should make out of your reference to payments to Tim, the Liberal Party?---I don't know what you're referring to.

I'm referring to what must be a coincidence of the wildest kind, that you make this quite incidental unnecessary reference to the Liberal Party in respect of payments which I'm asking you to assume we can prove were made for the benefit of the Liberal Party. How do you explain that?  
---I, I know that, I know that by Patinack working for, working with Mr Koelma that it would benefit our relationship with Mr Hartcher, but I was unaware of any direct donations or indirect donations.

All right.

10

THE COMMISSIONER: Mr Williams, can I put this to you, because I think it must be put to you in fairness. Did you simply wilfully turn a blind eye to where this money was going?---Commissioner, I knew it was, yeah, it was, yes, I did turn a blind eye.

You just turned a blind eye to it?---Yeah.

Because the point of the payments was to ensure that Mr Hartcher continued  
- - -?---To talk to us.

20

- - -to essentially- - -?---Listen.

- - -promote your interests?---Yes, or give us hearing time, yes.

Right?---We knew he would benefit, but I didn't know how.

MR WATSON: I'll save a little time – people who are interested can look at pages 2695, 2697, 2705, 2714 and 15 and 2726. Mr Williams, would you go to page 2727. Yet another time when Mr Koelma is sending you the  
30 invoice. Do you see that?---Yeah.

This one's got an interesting reference in it. Do you see that Mr Koelma writes to you, "Would appreciate it if you could forward a copy as usual." What does that mean?---I think 'cause he was aware that I forwarded on the others that he'd sent to me.

Well, that's only something of which you've apparently become aware this morning. Earlier today you had told us that you only ever followed up unpaid invoices. Remember giving that sworn testimony?---Oh, yeah,  
40 sorry, I forwarded on invoices. I should have said unpaid invoices.

No, just remember, just one thing at a time. You gave testimony this morning- - -?---Yes.

- - -knowing that you were bound to tell the truth, didn't you?---Yes.

You told us that all you ever did was follow up unpaid invoices?---That's right.

Your earlier evidence was incorrect?---That's, that is right, correct.

Was it false?---It was incorrect. I forwarded on invoices, not unpaid invoices, but invoice and unpaid invoices.

And I know you've struggled with your recollection, but it must have been that your recollection failed you in relation to what was a usual practice. Do you see that?---No, sorry, I don't understand.

10

Well, I've shown you month after month after month you received the invoice as soon as they'd been raised?---Yes.

You've seen that, haven't you?---Yes.

And here Mr Koelma is writing to you and asking you, "Would appreciate it if you could forward a copy as usual." That suggests that this was the usual practice?---That's usually what I did, yes.

20 Rightio. So now your evidence is that it was usual for you to receive the invoice from Koelma and forward it to Palmer. Is that your evidence now? ---Yes, that's what I did.

Well, good. I'll ask you now, why would you do that?---I was just assisting Mr Koelma and just forwarded it on to Mr Palmer.

What obligation did you owe Mr Koelma?---Only the fact of his relationship with Mr Hartcher. I saw- - -

30 This is just silly. Why didn't you tell him to send it direct to Palmer? ---I don't know if he did or he didn't as well, Mr Watson.

Well, he didn't. But why didn't you say, get away from me, I don't care for your usual practice, I want you to send it direct to Mr Palmer, why didn't you do that?---Because if I was helping him I thought it would benefit with my relationship with Mr Hartcher.

40 All right. Okay. People who are interested could look at pages 2729 and 30, page 2731 and page 2732 and 33. Then would you have a look for me at page 2734. Do you see that?---Yes.

An email where Mr Koelma is referring to, "As discussed yesterday." So he was in telephone contact with you, wasn't he?---Oh, he may have, yes.

To discuss what he refers to as the paperwork, which we know to be the invoices to Patinack Farms. Do you see that?---Yes.



And you'll see that this one's unusual because in December he's not only raising a fee for December, he's raising a fee for January?---Yes.

Do you see that?---Yes.

So that would imply that the discussion that you had yesterday related to the invoice, don't you agree?---Possibly.

10 What do you mean possibly, what, he's just saying- - -?---Yes, well- - -  
- - -"As discussed yesterday," and we were talking about the cricket, "Please find paperwork for December and January attached?"---Yes.

Okay. So the discussion between you and Koelma was directly on the subject of the invoices for December and January, wasn't it?---Could have been, yes.

20 Could have, what else could it be, please, tell me what else it could be rationally?---I don't know.

Well then we're at the point where if you read Sherlock Holmes, we're at the point where we've got to agree, the only thing left standing is it was a discussion on the invoices for December and January. Is that right?---Yes.

Okay. Great. Why were you discussing with Tim Koelma his invoices to Patinack Farm?---I don't know why I would have discussed it with him.

Are you trying to remember?---I am trying to remember.

30 This is pathetic, with respect, Mr Williams. You would have said, "I don't recall," I didn't get a count, I'll bet you it's well over 50 times?---Mr Watson, I can't recall, it was four years ago, what I discussed on the phone that day, I can't recall.

40 You see the peculiarity is, if you read on, that this particular invoice was further to the paperwork sent which was for December only so the discussion about invoices must have been you telling him to reissue an invoice for two months, December and January, do you see that?---I don't know what the discussion was but you - - -

What else could that mean? What else could it mean?---(No Audible Reply)

What else could it mean?---I don't know.

It couldn't mean anything other than this, you had asked him to re-issue the invoices so that he was invoicing for two months rather than one, that's all it could mean isn't it?---I don't know what it would mean, he could have

asked me to change it for some - or he could have asked could he change it for some reason, I don't know why he changed it.

And of course he goes straight to the top of Patinack Farms, he'd speak to Darren Williams would he?---No.

Why would he speak to you on that subject?---I don't know why he would have and I don't know what, what he actually, what was actually discussed.

10 Oh, I'm so sorry, I've got to warn everybody in the audience, there's more of this to come, I think I've got to show it to you, Mr Williams?---Mmm.

Will you now concede that what was happening was that Mr Koelma and Eightbyfive were issuing false invoices to Patinack Farm for work they were doing for Buildev?---No.

20 All right. Then have a look at the next sentence. Quote, "I understand other queries were resolved," unquote. What does that mean?---I don't know what queries he was referring to.

Well, just have a look at it. He's talking to you, not to Mr Palmer, not to anybody else in the world, to you. I understand other queries were resolved. That could that relate to?---I don't know. He, he wrote this, not me. I don't know.

But he wrote it to you and - - -?---Yeah, and I don't - - -

30 - - - what it does is it would indicate to a reasonable reader that you would understand what he was talking about?---Well, I don't recall what he was talking about.

All right. And then let's read on. Quote, "Please let me know if there is anything else we can do for you," unquote. Do you see that?---Yes.

Well, the you there is Buildev I guess, is that what you think? I mean, were you employing Mr Koelma in a private capacity?---No.

40 So, "Please let me know if there's anything else we can do for you," is please let me know if there is anything else he could do for Buildev, do you agree?---Yes.

Well, what had he done for Buildev?---Oh, other than arrange a couple of them meetings nothing.

So you agree that he was arranging meetings for Buildev?---Well, he, Kellie Lowe requested that he arrange a meeting, yes.

So three months after that meeting was arranged he said is there anything else apart from those meetings that I arranged three months ago, is that what you're telling us?---Well, I don't know what queries he was referring to.

Have a look at page 2737 on this. This is an email chain that starts on page 2738, would you turn there?---Yes.

10 This is a follow up, "Hi Darren, tried to call you yesterday but couldn't catch you. Any chance you could follow up on the paperwork we discussed the other day." What's all that about?---I don't recall that he'd rang me about outstanding paperwork.

Right?---And I told him I'd chase it up.

But this is now making you sound like a debt collector?---No.

20 Well, but sorry, what else could it be? Why would he not ring Troy Palmer? Why is he ringing you?---Well, Troy is very hard to get to, their office is very disorganised and he'd ring me.

But you, I can assure you, we can put lots of telephone calls between you and Troy Palmer?---Yeah.

It can't be that hard to track him down. Is that right?---No, I think - - -

30 So you're seriously that he was ringing you, a man who's got apparently nothing whatsoever to do with it, because it's tricky getting on the phone to Troy Palmer, is that what you're telling us?---Well, I can get to Troy Palmer very easily, yes.

Well, why, why is he sending you an email, why couldn't he have sent that email to Troy Palmer?---Troy'd probably ignore it.

I see?---Or not get to it.

And have a look at page 2737 and bearing in mind this is 21 December, 2010, you say that you were chasing him but the silly season has kicked in, do you see that?---Yes.

40 So you were chasing Troy Palmer?---Yes.

This was quite a lot of effort for you, month in, month out, contacting Troy Palmer, trying to get him, the inconvenience of the Christmas period, you're a good friend, Mr Williams, aren't you?---Yes, I was - like I said, I was doing this 'cause I knew that by looking after Mr Koelma it would preserve our relationship with Mr Hartcher.

Well, people may wish to look at these pages, 2737, 2739, 2740, 2741 through to 43, 2746 and 2747. Could you close up that volume, Mr Williams, and I'll have you shown Exhibit S10. Would you open up Exhibit S10 at page 2748, it's the first page. You'll see at the foot of page 2748 there's an email from Tim Koelma to you?---Yes.

I won't bother taking you through the words of it because I can already hear your answer. At the top of 2748 you pass it on to Troy Palmer, do you see that?---Yes, yes.

10

Well, what do these words mean, quote, "Two more mate, then it's done," unquote, what does that mean?---I think Tim must have advised me that there was only two more months they were going to work for them, I can only assume that.

So Tim, Tim told you ahead of time that there was only two months he was going to work for Patinack Farms, is that right?---I can assume that, yes.

20 Well, why - well, you just seemed to say that that's the best theory you could advance - - -?---Yes.

- - - in this respect. Why would he be telling you that?---I don't know why he'd tell me.

You don't know what he told you, you just told us - - -?---No, I don't know why he would tell me that.

30 You wouldn't know why he'd tell you, what, you must have been getting pretty filthy about this, people giving you information you didn't need? ---Oh, no, it was okay.

Why were you passing it on to Troy Palmer?---The invoices?

No, the information?---What information, sorry, the invoices?

Have a look at your message to Palmer?---Yes.

40 Quote, "Two more, mate, then it's done," unquote. Why were you passing that on to Palmer?---Oh, probably just to tell him that he's only going to work for another two months.

What, are you saying that Palmer wouldn't know that, he after all was the contracting party?---Ah, he may have known that.

Well, why are you passing it on?---I - - -

Isn't it because you knew that the whole scheme, the Eightbyfive scheme, lost its purpose once the election occurred in March 2011, isn't that it?

---I don't know.

Then Koelma could go back into a better paid job in the Ministerial office of Hartcher so there'd be no need to prop him up, Spence would have his seat in The Entrance and Webber would have his seat in Wyong, that's the case isn't it?---Oh, I don't know.

You must have followed this inquiry - - -?---Yes.

10 - - - what has been suggested?---Yeah.

That fits together that - doesn't it? The timing is perfect isn't it?---Yes.

Why did you think you needed to communicate that to Troy Palmer, what made you think for example he wouldn't know when his contract with Eightbyfive terminated?---Oh, he may have.

But why did you bother passing it on then?---Oh, I was forward the invoice, I just put that in there.

20

All right. People may wish to look at pages 2750, 2753, 2756, 2759, 2760 and 2761. Mr Williams, would you turn for me to page 2762. Yet another invoice sent by this unusual means to you rather than Patinack. Do you see that?---Yes.

And he, the message from Mr Koelma includes this, "Changes as arranged to have been included." What does that mean?---I don't know what he changed with the invoice.

30 Well why would he be telling you?---I don't know.

Turnover and have a look at page 2763. This is the last payment isn't it? Patinack paid \$15,000 all at one didn't they?---That's what the invoice is for, yes.

Well but you knew about this didn't you?---I forwarded the invoice onto Mr Palmer, yes.

40 You knew about this didn't you, about them agreeing to pay three months as a lump sum didn't you?---Once Mr Koelma sent me the invoice, yes.

All right. Well if you go now to page 2764, you'd know now by some means of magic that scientists here have been able to download copies of text messages some of which either came to your phone or went from your phone. You know that don't you?---Yes.

You would have read these things carefully in preparation for giving evidence today wouldn't you?---I've seen them, yes.

You know that they are accurate don't you?---I believe so.

Well just want you to bear with me for a moment. You know that there were text messages there when you were writing to Mike Gallacher about organising a dinner. You've read these haven't you?---Yes.

10 And the idea was to try and get a dinner with you, Mr Sharpe, Mr Tinkler would be able to dine with Mr Hartcher, Mr Gallacher and hopefully Mr Stoner and hopefully Mr O'Farrell, isn't that right?---Yes.

There's a reference to the venue as it close to a heliport. Were you travelling by helicopter?---Yes.

This is from Newcastle to Terrigal?---Yes.

Yes. That'd be something in the order of 50 minutes by motor car?---Oh, yeah, traffic, yes, depends on traffic, yes.

20 And how, how long, you're the one who'd be able to tell us, how long does it take, take you by helicopter?---Oh, 15, 20 minutes.

And was that the unusual way of getting around at Buldev by helicopter was it?---Oh, for some years, yes.

So if you, there's a say 50 minute drive you prefer to go by helicopter? ---Yes.

30 So there must have been plenty of money at Buldev?---It was more so because of our regional location, we're working all over regional New South Wales.

And it must have been that your time was valuable if you're going to go to the expense of a helicopter instead of a drive which would take 50 minutes? ---Yes.

40 And a bloke with whose time was as valuable as that also has time to sit down and act as some sort of debt collector on behalf of Eightbyfive does he?---Not a debt collector, no.

Well what role, how would you describe your role when you were chasing up unpaid invoices on behalf Eightbyfive, you give it a name?---I just forwarded them on.

Okay. A forwarder-onner let's call it that. A bloke whose time is so valuable that you need to save 30 minutes by travelling by helicopter from Newcastle to Terrigal still has time to engage in monthly follower-onner activities on behalf of Eightbyfive. Can you explain that 'cause that seems a

little inconsistent to me?---Like I said before, Mr Watson, I knew that by assisting with Eightbyfive it would help our relationship with Mr Hartcher.

No, no, no, you misunderstood me. If your time is so valuable that you can't even get in the car, put on the seatbelt, tune the radio and sit there for 50 minutes, you have to go by helicopter how did you have time in the day to pursue that role on behalf of Eightbyfive?---Well to forward on an email is like 30 seconds like it wasn't a big job.

10 Well it seemed to be quite a few discussions as well between you and Mr Koelma, I think you now agree with that?---Yes.

Anyway we won't push that any further. What's this business here about Mr Hartcher seeking a private room because he didn't want to be overheard, what was going to be discussed?---All our projects throughout - - -

Why couldn't that be overheard?---Well they're private.

Well I appreciate they're private?---Private projects.

20 But why did, did you think there were spies in Terrigal, industrial spies?  
---Well you don't know who was sitting in an open forum so it was a, it's like a business lunch or a business dinner.

But the idea was to bring Mr Stoner, Mr Gallacher and Mr Hartcher to the table, isn't that right?---Yes.

I'll repeat again, no suggesting any wrong doing on the part of Mr Stoner, but back to you, Mr Williams, so you were going to tell Mr Hartcher, Mr Gallacher and Mr Stoner something so secret so private that it couldn't be  
30 overheard - - -

MR HEATH: I object to that.

MR WATSON: - - - by somebody at an adjoining table at the restaurant.

MR HEATH: I object to that. This is, this is an SMS from Mr Hartcher it's Mr Hartcher who uses the word overheard.

THE COMMISSIONER: Yes.

40

MR WATSON: And I did ask you about it and you told us it was because of the sensitivity of the business materials which would be discussed?  
---Yes.

What was so sensitive that it could not be heard by others but it could be heard by Hartcher, Gallacher and Stoner?---I wouldn't talk about company business in an open forum or in an open restaurant you wouldn't know who was sitting next to you.

You must have misunderstood me, I'm not talking about the general I'm talking the particular. You're going to raise something in front of Mr Stoner, I take it you barely knew him?---Oh, I know him reasonably well.

Well you're going to raise something with Stoner or in front of him which could not, you could not risk it being overheard. What was it?

MR HEATH: I object to that question.

10

THE WITNESS: It was Mr, it was Mr Hartcher that asked for that.

MR HEATH: I object to the question. Just hold on, Mr Williams. I object to the question. He is not saying it was so secretive it could be overheard Mr Hartcher is saying it's overheard - - -

THE COMMISSIONER: Yes, I understand that but the witness has acknowledged that he regarded the topic of conversation that was proposed as sensitive, so he's being asked what was so sensitive.

20

MR HEATH: With respect, Commissioner, what he said was he wouldn't talk about general commercial business in an open restaurant.

THE COMMISSIONER: Yes.

MR HEATH: That was the only sensitivity with respect, Commissioner, that's all he's saying.

30

THE COMMISSIONER: All right. Well then, all right following on from that then, Mr Williams, is it the case that you never have any kind of lunch or dinner where you discuss the business of Buldev in anything other than a private room?---Where available, yes.

MR WATSON: Who paid for the dinner?---Um, I did.

Why?---Oh, I was just courteous I suppose.

Well it's not very courteous for you. Why should you pay for the lot?---I was just being polite.

40

But, but you see isn't it just consistent with what you're doing, you're just buying the favouritism of politicians. That's what you do isn't it?---Well if they were going to sit and hear our company's works I think that's the least you could.

Can I just show you something which figures at page 2795. You'll see there that you've sent a message to Mr Hartcher, "Mate, got your message, can Tim send me email of outstanding invoices. I will deal with this AS, mate, ASAP, mate." Do you see that?---Yes.



So you got a message from Mr Hartcher?---Yes.

What was that about?---Ah, he was chasing up the unpaid invoices for Eightbyfive.

So hold on, we've now got Mr Hartcher is acting as a, what did you call it, a passer-onner or- -?---I don't know, you made that up.

10 No, I used your words I'm afraid. But let's call it a passer-onner just for convenience. So what we've got here is an arrangement between Eightbyfive and Patinack Farms. What was Mr Hartcher's role in chasing up Eightbyfive's invoices?---Like I said, I believe Mr Hartcher would, that was benefiting from the Eightbyfive.

What do you mean by that?---I don't know what sort of benefit but there was obviously a benefit.

Well- -?---I said that before to the Commissioner.

20

All right. Well, explain to us when you say you don't know what it was, what did you suspect it was?---Oh, I don't know but I assume he was benefitting from it.

Financially?---I don't know, but- - -

You assumed that he was benefitting somehow from the payments made by Patinack Farm to Eightbyfive. Is that right?---Yes.

30 What made you think that?---Oh- - -

THE COMMISSIONER: We're talking about Mr Hartcher here, are we?  
---Yes.

MR WATSON: What makes- - -

THE COMMISSIONER: So you, so your understanding was that Mr Hartcher benefitted in some way from the payments made to Mr Koelma?  
---Yes.

40

MR HEATH: I object to that question. He didn't say his understanding was, he just said he believed Mr Hartcher was- - -

THE COMMISSIONER: Oh, well, let's not, you know, mince words, belief, understanding, I mean all I'm trying to do is clarify what the witness himself said. He said a moment ago he understood somehow Mr Hartcher was benefiting from payments made to Mr Koelma.

MR HEATH: That's right.

THE COMMISSIONER: Right. In what way?---I don't know how he was benefitting.

Well, Mr Hartcher was a Shadow Minister and Mr Koelma was by all accounts a rather ineffective marketing strategist?---That's right.

Well, what possible way could Mr Hartcher benefit?---I don't know.

10

MR WATSON: Well, what made you hold this belief?---I don't know, just something that I, I thought.

Well, you'll see Mr Hartcher responded to you, "Thanks. Tim will forward to you. All looking good." Do you see that?---Yes.

Now, the next message is from Mr Koelma to you. "Hi Darren, paperwork has been resent as discussed. Kind regards, Tim." Do you see that?---Yes.

20

So you're acting here as a double cut-out, it's now Hartcher and Williams acting to get payments for Eightbyfive from Patinack Farm. Correct? ---Sorry, can you say that again?

Well, there's a double cut-out?---What's a double cut-out?

Well, the two people who are negotiating are Hartcher and Williams and they are negotiating to get a payment for Eightbyfive from Patinack Farms. Looks odd, doesn't it?---Yes.

30

Well, can you explain it?---No.

Have a look at the next page, 2796. You'll see that this follows hot on Mr Koelma's text message to you. He sends by email a copy of the paperwork, as he calls it, and if you look at 2797 it's the large invoice. So we can tell now that's the subject of the matter, can't we?---Sorry?

We can tell that's what we were after- - -?---Yeah, the invoice.

- - -was the Patinack Farm invoice, the outstanding invoice?---Yes.

40

Then if you look at page 2798, round the same time, a couple of days later, you're texting Mike Gallacher. Why, what about?---Oh, I don't recall what I would have been chasing Mike about.

Well, okay. Have a look at page 2801. Now, at this stage you were also busy organising some payments to a person called the carpet man. Who's the carpet man?---Oh, Paul Murphy from Paul Murphy Carpets.

Right. And what, had Buldev been getting a bit of carpeting done, had it?  
---Oh, I believe we've used them in the past, but yes.

For carpeting?---In the past, yes.

Right. Okay. And what you're saying is to the extent that there are any  
references to the carpet man it's because Buldev was getting carpeting  
done?---No, no.

10 No, oh, right?---No, no.

Okay. Sorry, well just let's get it straight?---Yeah.

To the extent there's any references made by you to the carpet man or  
payments to the carpet man, what was he doing, tiling?---Ah, no. Paul  
Murphy ran the, I think it was called the Newcastle Alliance.

20 All right. Okay. Well, we'll put that to one side for a moment, but from  
here I want you to look at something for me and follow this through. We've  
got evidence that at 12.49 and 33 seconds on 24 March, 2011, a call was  
made from Chris Hartcher Electorate Office to you, Mr Williams, which  
lasted for 27 seconds. We then have evidence that at 12.52 and 53 seconds  
on the same day, a call was made from Mr Hartcher's Electorate Office to  
the office of Buldev for 58 seconds. Will you accept that from me for the  
moment?---Yeah, I, yeah, yeah, go on.

We've got records in there which show that?---Yeah.

30 We've got other evidence that Mr Hartcher's mobile phone placed him on  
the Central Coast at the time those calls were made. Will you assume that  
for me as well?---Yes.

Now what I want you to do is have a look at some of these text messages.  
Shortly before that - so sorry, no, it's just shortly after that because it was  
daylight saving, just excuse me. Right. I notice the time, Commissioner.

40 THE COMMISSIONER: We'll leave this until quarter to 2.00. Can I just  
confirm though, Mr Watson, we did have some witnesses who were  
specially fixed at 2.00pm.

MR WATSON: Yes.

THE COMMISSIONER: And they're still available at 2.00pm?

MR WATSON: Yes.

THE COMMISSIONER: So we'll interpose them then?

MR WATSON: Holly Hughes has got personal commitments which means it's very important to get her in and out and it would seem to be appropriate to deal then immediately after that with Karen McNamara.

THE COMMISSIONER: Is one of them available at quarter to 2.00?

MR WATSON: Yes, we'll make sure that one of them is.

10 THE COMMISSIONER: All right. Well, I'll - - -

MR MOSES: Commissioner.

THE COMMISSIONER: Yes, Mr Moses.

MR MOSES: Before the matter adjourns I just wish on instructions to have something clarified - - -

THE COMMISSIONER: Yes.

20 MR MOSES: - - - by my learned friend. My learned friend put a question to Mr Williams along these terms, the truth is you had a corrupt and long-standing connection to Mike Gallacher, through him you hatched a corrupt plan and that was denied. What we would wish to have ascertained from my learned friend are three things in accordance with his duties that he has to comply with as a prosecutor in terms of his own obligations. Is he maintaining that allegation against the Minister, will be making that allegation against the Minister?

30 MR WATSON: Oh, yes.

MR MOSES: Yes, thank you. The reason - well, my learned friend has said that, I assume having given it some thought, having stated that then the position of the Minister will be which will be announced shortly will be that he'll stand aside as Minister pending the outcome of the inquiry. Thank you.

THE COMMISSIONER: Thank you, Mr Moses. We'll resume at quarter to 2.00.

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**THE WITNESS WITHDREW [12.49pm]**

**LUNCHEON ADJOURNMENT [12.49pm]**