

News

Councillor wanted loan repaid

By BRETT COX

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\$150,000 loan repaid to conman THE ICAC INQUIRY

WOLLONGONG developer Frank Vellar repaid a \$150,000 loan from Wollongong councillor Val Zanotto to convicted conman Ray Younan, because Cr Zanotto told him to, he told the ICAC hearing yesterday.

Cr Zanotto has not yet been called to the stand.

Mr Younan and his associate Gerald Carroll are being investigated by the ICAC for allegedly posing as ICAC officers and soliciting money from parties, supposedly telling them they would be protected from the inquiry.

Mr Vellar said, referring to Cr Zanotto: "I asked him for a loan." But he had paid back the loan to Mr Younan.

"Zanotto had told me it was OK to pay Younan the money back and that he would get the money from Younan," Mr Vellar said.

Mr Vellar also said yesterday he had paid Mr Younan \$60,000 in January or February of 2007 after first meeting him in December 2006.

Mr Younan had "kept his occupation to a minimum but knew everything about me," Mr Vellar said of the initial meeting.

Of the second meeting Mr Younan told Mr Vellar "he could make some of my problems go away".

"I was petrified because I did not know what my problem was at the time." The meetings in Australia were often held in cars and service stations, Mr Vellar said.

Mr Vellar broke down as he described his fear of the conmen. Mr Younan had made threats about his family, Mr Vellar said.

He said he was told at a meeting at a Campbelltown McDonald's with Mr Carroll and Mr Younan that they could change information held by the ICAC. The pair also threatened to reveal Mr Vellar's affair with Ms Morgan to his wife if he did not pay them, Mr Vellar claimed.

Despite fearing the conmen, Mr Vellar admits to meeting Mr Younan on four or five occasions during holidays to the Middle East since last May and on taking his family, including his children, to Mr Younan's place for dinner in October 2007.

In a phone conversation tapped by the ICAC, Mr Vellar rings Mr Younan and thanks him for the dinner.

"I took the view that by going there it was another way of removing myself gradually from Mr Younan's grasp," Mr Vellar said yesterday.

Mr Vellar said a trip to the Middle East with his wife and Mr Younan in May 2007 was also so that Mr Younan might leave him alone.

"What did you think was going to happen ... throw him out of the plane?" counsel assisting the commission, Noel Hemmings, asked.

"He had such a hold on me and my family and Beth and others," Mr Vellar said.

Mr Vellar denied suggestions by Mr Hemmings he had been in business with Mr Younan and said he

only associated with him "out of fear". Mr Vellar said he had also submitted an inaccurate document to the ICAC at Mr Younan's urging, which suggested money paid by Mr Vellar to Mr Younan was from genuine business arrangements. Mr Vellar had not been in business with Mr Younan or people Mr Younan had introduced him to, Mr Vellar said. The last contact between the pair was three weeks ago Mr Vellar said.

Mr Hemmings also challenged Mr Vellar as to when he met Mr Younan. Mr Vellar agreed he had been introduced to a "Ray or Raymond" by George Paradisis before December 2006 but could not recall if it was Mr Younan.

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