

44. With regards to the two \$25,000.00 donations that I now know to be from Kim Dotcom related entity, neither handwriting on the deposit slips are mine.

45. As I previously said we had books of deposit slips and those were handed out to staff during the course of the campaign and they would have possibly been given out to those people who were donating money at the time. That is my signature as an assignee on the bank form with [REDACTED] John Banks was also a signee of the cheque accounts. John Banks also very particular about expenses and approve expenses.

46. I was the only person to have access to the user name and password for the [REDACTED] Bank account and no one else. John Banks had no knowledge of the user name or password for the bank account and was adamant that he did not want to see a bank record and never viewed them. I recall thinking at the beginning of the campaign how computer illiterate John was...he was what I'd term "old school" and did most things through a PA.

[REDACTED]

48. Everything in this statement is true to the best of my knowledge and belief, and I made the statement knowing that it may be admitted as evidence for the purposes of a standard committal or at a committal hearing, and that I may be prosecuted for perjury if the statement is known by me to be false and is intended by me to mislead.

Formal Written Statement

- Summary Proceedings Act 1957, section 162 -

I, [REDACTED] State:

1. My full name is [REDACTED]
2. This statement is made in addition to my initial statement made on 23/05/2012.
3. [REDACTED]
4. [REDACTED]
5. At the start of the campaign, John BANKS was quite clear with us, the campaign team, that he did not want to know about individual contributions/donations, either mentioning cheques received or amounts deposited directly into the campaign bank account.
6. He didn't want to see any bank statements.
7. During the campaign John BANKS would often thank people for their support.
8. This effectively covered off if they had supported him and reminded them that they could support him if they wished.
9. This is how the campaigns have always been run.
10. As the Treasurer when a contribution was received, I would immediately check it against our cash-flow to keep an eye on how our campaign fund was going.
11. I wasn't that worried about whether a contribution was anonymous or not at this point. I was more concerned that there were enough funds to cover committed expenses.
12. I had online access to the bank account so I could see the daily transactions.
13. When the monthly statements arrived I would check them and make my notes re the donations.

FORMAL WRITTEN STATEMENT

- 2 -

14. At the end of the Banksie 2010 Campaign for the Mayor of Auckland, a Return of Electoral Expenses and Electoral Donations schedule was filled out by me on behalf of John BANKS as the candidate.
15. This schedule was completed by myself [REDACTED]
16. [REDACTED]
17. This is the fourth (4th) Campaign I have run with John BANKS and I compiled the schedule using the same rules and concepts that we have used for the previous returns.
18. The schedule sets out all the expenses incurred during the last 3 months of the campaign and also the donations received during the campaign, and lists the name of the contributor or lists them as anonymous.
19. I have always erred on the side of caution and if not sure would list a donation as anonymous, as this is what the majority of donators would want.
20. We also erred on the side of caution with declaring all donations - whilst only required to report any donation over \$1000 we included all amounts received no matter how small.
21. Where we received lots of small donation amounts, we compiled these together and banked them as one lump sum.
22. This relates to the declared donation of \$57171 which was made up of 408 individual donations under \$1000.
23. These amounts were identified on the bank statement with the hand written notation 'direct mail donation'.
24. These lump sum figures on the bank statement will not always appear on the donations schedule as they are made up of smaller donations.

FORMAL WRITTEN STATEMENT

- 3 -

25.

26.

27. [REDACTED] list of wealthy individuals who she would contact to arrange donations.

28.

29. [REDACTED] had various dealings with these persons over the years and would know whether they wanted to be anonymous or not.

30. This was sometimes based on previous campaigns where they may have asked to be anonymous and we have just continued with that.

31.

32.

33.

34. Donations were either received directly into the bank account or by cheque.
35. Where cheques were received, they were always in sealed envelopes.
36. Sometimes they would have a compliment slip with them or perhaps a deposit slip that would have been obtained from the campaign.

FORMAL WRITTEN STATEMENT

- 4 -

37. We gave out hundreds of deposit slips during the campaign. They simply set out the account name and number of the campaign.
38. On the bank statements for the Banksie 2010 account would often be handwritten notations, written on two separate occasions.
39. The initial entry would be my thoughts on whether the donation was anonymous [REDACTED] the second entry would be either that the deposit was identified as a particular contributor or not and decide if the donation was to be anonymous or not.
40. Where a particular donation was identified as coming from a particular person, that donation was not always listed as from them because the donor may have been known to [REDACTED] or myself but not John BANKS.
41. Therefore the donor remains anonymous to John BANKS.
42. The other reason is that the donor may have requested to remain anonymous.
43. The decision as to whether a donation was anonymous or not rested with myself [REDACTED]
44. This approach to anonymous donations is how things have always been done in the four (4) campaigns that I have been involved with for John BANKS.
45. We did look at using an anonymous trust the same as Len BROWN did, but we preferred to be up front with our donations.
46. We did receive some legal advice during the campaign from [REDACTED]
[REDACTED] who had provided legal advice on previous campaigns.

FORMAL WRITTEN STATEMENT

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47. This advice was more around the new revised expenses spending cap allowed due to the election being for a 'Supercity', rather than a normal local body campaign.
48. [REDACTED]
49. I believe that [REDACTED] would have spoken with persons on her contributors list and advised them on how to make donations anonymous. This is just how it's done.
50. We used the definition of anonymous that is written at the top of the Electoral Donations form as guidance.
51. [REDACTED] also helped with legal support which he was good at.
52. When the Return of Electoral Expenses and Electoral Donations form was signed by John BANKS, he and I met for a coffee.
53. We spent more time on the expenses side as this was John's main concern that we hadn't gone over the allowed limit.
54. The expenses were not allowed to be over \$580,000 for the last 3 months of the campaign. Prior to this there is no spending cap.
55. John BANKS checked with me that everything was true and correct on the donations form and signed it.
56. He did not ask about anonymous entries as he did not wish to know who had contributed to his campaign. I think it is a political thing for him not to know.
57. John did make mention of the fact that we had nearly reached the target of reaching \$1million in donations.

FORMAL WRITTEN STATEMENT

- 6 -

58. John is a smart guy and he puts a lot of trust in his friends and colleagues to do the job assigned them.
59. When I stated that the accounts for expenses and donations were in order, he would accept that.
60. This was the 4th campaign I had done with John; he was strict in his procedures and had trust in his people/team.
61. However there is a possibility that there are a couple of mistakes on the returns form.
62. In regards to the \$15000 cheque that was received from Sky City, I initially thought it had been posted to us. This is likely because it was in a sealed envelope.
63. If it didn't come from the post, then it would have come from one of the team,
[REDACTED]
64. [REDACTED]
65. I believe there may have been a compliment slip with it as I recall calling Sky City to acknowledge their donation and to see if they wanted a receipt.
66. During the phone call the topic of whether they wanted the donation listed as anonymous or not came up, to which I recall they said they did.
67. I spoke with someone in the legal section.
68. It was likely the person who had signed the cheque or had put their name on the compliment slip.
69. I believe this was likely done on the same day we received the cheque.

70. [REDACTED]

71. [REDACTED]

FORMAL WRITTEN STATEMENT

- 7 -

72. If John BANKS had been given the envelope, he would have given it to one of his staff to deal with, who would have in turn given it to me.
73. Always worked this way so John didn't know the amount of a donation.
74. My recollection of the phone call with Sky City was that they were fine with the donation being anonymous so it was listed as such because, as I said earlier, I erred on the side of caution.
75. This was my decision, not anyone else's. I could have easily put 'Sky City' and it wouldn't have made any difference.
76. After the complaint was made in 2012, John BANKS called me and simply said that the Police had been in touch and that we would wait and see.
77. I think he was advising me that I may be contacted by the Police.
78. He did not advise me to say or do anything or to lie for him.
79. I think that John would only have known about a small percentage of the donations that were listed as non anonymous, meaning that there were a number of named donations that he wouldn't have known about.
80. I have since reviewed the previous Expenses and Donations Returns for the previous campaigns and during the 2001 Auckland Mayoral Campaign all donations were listed as 'anonymous'.
81. This could have essentially been done for the 2010 campaign also as John was not aware of the majority of donations made, but this wouldn't have been in the spirit of the Electoral Act.
82. In addition to this statement I have also viewed a spreadsheet containing the list of campaign donations which has been cross referenced with my

FORMAL WRITTEN STATEMENT

- 8 -

comments from the bank statements. I have provided explanations where asked for in regards to a number of the donations.

83. I have signed a copy of the spreadsheet with my added explanations.

Everything in this statement is true to the best of my knowledge and belief, and I made the statement knowing that it may be admitted as evidence for the purposes of a standard committal or at a committal hearing, and that I may be prosecuted for perjury if the statement is known by me to be false and is intended by me to mislead.

signature

Date:

FRANICH, Mark

From: Bruce Thomas [REDACTED]
Sent: Friday, 27 April 2012 12:47
To: BENEFIELD, Mark
Subject: FW: Letter
Attachments: Letter 24 April 2012.pdf

Mark, the original complaint.

From: Carlie Bromley [mailto:[REDACTED]]
Sent: Tuesday, 24 April 2012 3:33 p.m.
To: Bruce Thomas
Subject: Letter

Good afternoon

Please find attached a letter from Trevor Mallard. A hard copy is in the mail today.

Kind regards

Carlie

Carlie Bromley
Office of Trevor Mallard
MP for Hutt South

[REDACTED]

redalert.org.nz | facebook.com/trevor.mallard1 | labour.org.nz | twitter.com/trevormallard



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FRANICH, Mark

From: Bruce Thomas [REDACTED]
Sent: Friday, 27 April 2012 12:35
To: BENEFIELD, Mark
Cc: Dale Ofsoske (External)
Subject: FW: Complaint under Section 138 of the Local Electoral Act 2001(LEA)
Attachments: SKMBT_C650012042711100.pdf

Dear Mark Benefield,

Please note the attached letter to Trevor Mallard regarding a complaint he made in relation to a 2010 Auckland Council mayoral electoral expenses and donations return submitted by John Banks. In accordance with Section 138 of the Act I am reporting the complaint to the NZ Police.

As advised on the phone, Dale Ofsoske was the Electoral Officer for the 2010 elections. He will be able to assist you as well.

Thanks

Bruce Thomas
Electoral Officer | Public Information Manager

Auckland Council | Level 16 | Civic Administration Building | 1 Greys Avenue | Auckland

Visit our website: www.aucklandcouncil.govt.nz



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FRANICH, Mark

From: BENEFIELD, Mark
Sent: Tuesday, 19 June 2012 13:53
To: READ, Peter
Subject: FW: Peter Marshall

FYI

From: BEARD, Scott
Sent: Tuesday, 19 June 2012 13:45
To: BENEFIELD, Mark
Subject: FW: Peter Marshall

FYI

Scott Beard | Detective Inspector | Auckland City District CIB |(FBINA242)| ☎ DDI 09 3026788 or extn 95788 | MOB: 64 274986051 |
scott.beard@police.govt.nz | Cook & Vincent Street | Private Bag 92 002 Auckland 1021 | New Zealand

From: Lisa Prager [<mailto:l.pra@xtra.co.nz>]
Sent: Tuesday, 19 June 2012 13:42
To: WATSON, Kim
Cc: Dale Ofosoke; trevor.mallard@parliament.govt.nz; BEARD, Scott; Bernard.Orsman@nzherald.co.nz; claire.trevett@nzherald.co.nz; nicolas.jones@nzherald.co.nz
Subject: Att: Peter Marshall

To: Police Commissioner:
Peter Marshall
New Zealand Police Force
Wellington

Dear Sir,

I am one of the original complainants regarding John Banks and the alleged electoral fraud.

My original complainant was acknowledged by Detective Inspector Mark Benefield Field Crime Manager Auckland City District 27/4/2012

I spoke to him in early in June and then again today.

In our conversation, he told me that the information in todays New Zealand Herald (page A7) "not available on line" was a load of rubbish, suggesting that Mr Banks had been spoken to.

At the end of the conversation he admitted that the Police were having trouble getting persons of interest and their lawyers to a meeting with police.

I am most upset and concerned that this issue in which a complaint of Serious Fraud and Corruption has been made about an MP whose position in our New Zealand Parliament may lead to the sale of millions of dollars of public assets is "NO SMALL ISSUE!"

If the Police do not have the power to investigate this very serious matter. Then why have the police not turned this issue over to the Serious Fraud Office.

I have spoken to Mr. Graham Gill at the Serious Fraud Office and he has explained that "No crime has been committed" because the police have not been able to complete their investigation. Our conversation sounded like some sort of absurd comedy, where the police can catch a common criminal, but a Ex Mayor can gets away scot free!

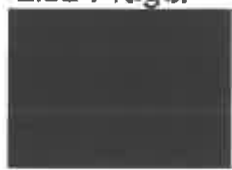
The people of New Zealand deserve to know if Mr Banks has committed a crime, given that his vote holds the balance within our NZ parliament.

If the Police allow this investigation to go unresolved before parliament votes on the NZ Assets Sales, they will be implicated in allowing a grand injustice and a national fraud to occur.

Please use your power to see Justice is done and that the police are not played like a piano by the ex- minister of Police and his lawyers.

Your most seriously and sincerely

Lisa Prager



FRANICH, Mark

From: Penny Bright [waterpressure@gmail.com]
Sent: Monday, 25 June 2012 18:01
To: Penny Bright
Subject: 'OPEN LETTER TO THE GOVERNOR-GENERAL' - Please consider using your 'Reserve Powers' to refuse Royal Assent to the Mixed Ownership Model Bill (if passed).
Attachments: CORRUPTION REALITY CHECKLIST - NEW ZEALAND Whiz's version A5.doc

25 June 2012

(Just had it confirmed from the Table Office Parliament - that the time taken from Third Reading to Royal Assent can be done in the same day - or can take up to one week.)

----- Forwarded message -----

From: Penny Bright <waterpressure@gmail.com>
Date: Mon, Jun 25, 2012 at 5:12 PM
Subject: 'OPEN LETTER TO THE GOVERNOR-GENERAL' - Please consider using your 'Reserve Powers' to refuse Royal Assent to the Mixed Ownership Model Bill (if passed).
To: [REDACTED]
Cc: Penny Bright <waterpressure@gmail.com>

(I apologise for the lateness of this email. It unfortunately involved more work than originally anticipated).

My intention was to try and get it to the Executive Council as an 'Item of Business' for the consideration of the Governor-General.

Please can you forward this correspondence to the Governor-General at your earliest opportunity?

Thank you.

Penny Bright

25 June 2012

'OPEN LETTER TO THE GOVERNOR-GENERAL' - The Rt Hon Sir Jerry Mateparae

Please consider using your 'Reserve Powers' to refuse Royal Assent to the Mixed Ownership Model Bill (if passed).

Dear Governor-General,

I understand that the Executive Council, comprising of all Ministers of the Crown, meets today, 25 June 2012 at Parliament at 4pm, and you will be presiding over this meeting.

<http://gg.govt.nz/content/executive-council>

The Executive Council is the highest formal instrument of government. It is created by the Letters Patent that also establish the Office of Governor-General and is part of the executive branch of government that carries out formal acts of government.

The Executive Council comprises all Ministers of the Crown, whether those Ministers are inside or outside Cabinet.

The Governor-General presides over, but is not a member of, the Executive Council."

I wish this letter to be included as a urgent 'Item of Business' for this meeting of the Executive Council, whose members have sworn the following oath:

<http://www.legislation.govt.nz/act/public/1957/0088/latest/whole.html#DLM316134>

19 Executive Councillor's Oath

(1)The oath in this Act referred to as the Executive Councillor's Oath shall be in the form following, that is to say:

I,..., being chosen and admitted of the Executive Council of New Zealand, swear that I will to the best of my judgment, at all times, when thereto required, freely give my counsel and advice to the Governor-General for the time being, for the good management of the affairs of New Zealand. That I will not directly nor indirectly reveal such matters as shall be debated in Council and committed to my secrecy, but that I will in all things be a true and faithful Councillor. So help me God.

I understand that as the Governor-General of New Zealand, you do have the power to refuse 'Royal Assent' for legislation, although, to date, this power has yet to be used.

<http://gg.govt.nz/role/powers.htm>

In a very few instances, the Governor-General may exercise a degree of personal discretion, under what are known as the "reserve powers." The most important of these is the appointment of a Prime Minister following an election, or accepting the resignation of an incumbent Prime Minister.

By convention, the Governor-General will always appoint as Prime Minister the person who has been identified through the government formation process as the person who will lead the party or group of parties that appears able to command the confidence of the House of Representatives. The Governor-General expects that there will be clear and public statements that a political agreement has been reached and that a government can be formed that will have the support of the new Parliament. The Governor-General abides by the outcome of the government formation process.

Other reserve powers are to dismiss a Prime Minister, to force a dissolution of Parliament and call new elections, to refuse a Prime Minister's request for an election, and to refuse assent to legislation.

These powers to act without or even against ministerial advice are reserved for the most extreme situations and with the exception of the appointment of a Prime Minister following an election, no New Zealand Governor-General has ever needed to use them.

In my considered opinion, as an 'anti-corruption campaigner', the passage of the 'Mixed Ownership Model Bill', would constitute a 'most extreme situation', and Royal Assent should be therefore refused for the following reasons:

1) Although the National Party 'campaigned' on asset sales during the 2011 General Election, they only received enough votes to return 59 out of 121 Members of Parliament.

(Irrespective of the number of votes cast by electors - it is votes cast in the House which determine the passage of legislation.)

59 National MPs out of 121 is NOT a majority - so National's claimed 'mandate', has arguably no basis in fact.

No majority - no mandate.

2) If National genuinely believe that the majority of New Zealanders support the 'partial privatisation' of key State assets, then why not support the confirmation of this belief through a public referendum on this matter?

<http://www.stuff.co.nz/national/politics/7162589/Asset-sales-set-to-pass-last-hurdle-this-week>

3) As it stands, provided the 3 Maori Party MPs vote against the Mixed Ownership Model Bill at its third reading, National are dependent on the pivotal votes of United Future's Peter Dunne, and the ACT MP for Epsom, the Hon. John Banks.

Herein lies the problem:

a) Complaints have been lodged with Police, alleging electoral fraud against the Hon. John Banks.

I know, because I, along with fellow 'community activist', Lisa Prager, am one of the complainants:

On Fri, Apr 27, 2012 at 3:55 PM, BENEFIELD, Mark <Mark.Benefield@police.govt.nz> wrote:

This email is to formally acknowledge your complaint under the Local Electoral Act 2001 (LEA) in respect to the 2010 Mayoral Election and allegation of a false return made by the now Hon John BANKS in respect of his returns under section 109 LEA.

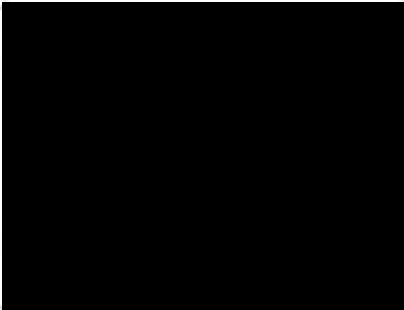
For future reference File 120427/9334 refers.

At this point in time I will be your point of contact.

Regards

Detective Inspector Mark Benefield

Field Crime Manager Auckland City District



However, it is unclear if the Police have even questioned the Hon. John Banks about this alleged electoral fraud, although the complaint was made on 27 April 2012, almost 8 weeks ago, as per this recent correspondence with the Auckland District Commander of Police, Superintendent Mike Clements, dated 20 June 2012:

"LATEST DEVELOPMENTS WITH POLICE / CORRESPONDENCE WITH AUCKLAND DISTRICT COMMANDER SUPERINTENDENT MIKE CLEMENTS AND LISA PRAGER:

Has John Banks yet been questioned by Police over alleged electoral fraud? We still don't know.

Att: Police Commissioner:
Peter Marshall
New Zealand Police Force
Wellington

To: Mike Clement,
Superintendent
District Commander : Auckland City District

Dear Mike,

Thanks you for your email below, however this is exactly what Detective Inspector Mark Benefield, Field Crime Manager, Auckland City has been saying since my original complaint 27/4/2012.

As a complainant I feel that the Police are behaving in an in-genuine way. I feel that the gravity of this particular situation is not being respected. If this was a burglary or murder investigation and I was able to provide details of a possible suspect, I do not believe that the Police would act with so little urgency.

Bribery, corruption and fraud is as serious an issue, especially as the implications of a vote by one of the individuals involved may lead to the disposal of MILLIONS of dollars worth of public assets.

Has John Banks been spoken to by Police? If not why not? This is what I want to know.

Still extremely concerned
Lisa Prager



From: "CLEMENT, Michael" <Michael.Clement@police.govt.nz>
Date: 20 June 2012 9:40:15 AM NZST
To: "l.pra@xtra.co.nz" <l.pra@xtra.co.nz>
Subject: Banks investigation

Ms Prager

Police are making good progress with this investigation but will not be detailing the investigative process through

the media. We undertake to keep complainants apprised as appropriate in line with protocol.

We will be in touch as soon as we have reached a decision and likewise, public comment will be made as appropriate at that time.

Regards

Mike

Mike Clement
Superintendent
District Commander: Auckland City District
New Zealand Police | Auckland Central Police Station | Cnr Cook & Vincent Streets | Auckland
+ Private Bag 92 002 | DX CR51501 | Auckland | (09 302 6861 | Ext: 95861 | 7 09 375 4650)

b) Complaints have been lodged with both the Police and Serious Fraud Office (SFO) alleging bribery and corruption against the Hon. John Banks, by both myself and above-mentioned 'community activist', Lisa Prager:

"14 June 2012

Detective Inspector Mark Benefield

RE: File 120427/9334

'Complaint under the Local Electoral Act 2001 (LEA) in respect to the 2010 Mayoral Election and allegation of a false return made by the now Hon John BANKS in respect of his returns under section 109 LEA'.

As discussed, please can Police extend your investigation of John Banks for alleged electoral fraud to further include alleged 'corruption and bribery of an official' (s.105 Crimes Act 1961),

In light of recent correspondence from the Serious Fraud Office (SFO), this appears to be a more sensible course of action, given that information you must be obtaining as a result of your ongoing investigation into the John Banks electoral fraud allegations will be pertinent to the following 'corruption and bribery of an official' (s.105 Crimes Act 1961) allegation, which was originally filed with the SFO on 3 May 2012.

(Correspondence with the SFO is included in the body of this email.)

NEW EVIDENCE:

John Banks was an 'official' in his capacity as Mayor of Auckland City Council (from 13 October 2007 to 9 October 2010), during the time that \$50,000 was 'donated' by Kim Dotcom,

However, John Banks was also an 'official' from 28 January 1997, which was the date he was granted the title "The Honourable John Archibald BANKS, CNZM, QSO, MP in recognition of his services on the Executive Council.

This title is 'for life', therefore covers the time period that John Banks provided 'assistance' to Kim DotCom?

(Or does 'life' not mean 'life'?)

<http://www.dpmc.govt.nz/honours/lists/hon>

ROLL OF THE HONOURABLES

The Title The Honourable

....

Her Majesty The Queen has approved the use and grant of the title "The Honourable" in New Zealand (abbreviated to "The Hon") for life, in recognition of their services as:

Member of the Executive Council

Judge of the High Court (including Judges of the Supreme Court and the Court of Appeal)

NAMESERVICE DATE GRANTED

The Honourable John Archibald BANKS, CNZM, QSO, MP Executive Council 28 January 1997

John Banks was also awarded the QSO ("The Queens Service Order") in 2000.

<http://www.beehive.govt.nz/minister/biography/john-banks>

"John was awarded the Companion of the Queen's Service Order (QSO) for public service in the Year 2000 New Year's Honours."

[http://www.dpmc.govt.nz/honours/overview/qso#The Queens Service Medal](http://www.dpmc.govt.nz/honours/overview/qso#The_Queens_Service_Medal)

.....

This request for Police to cover this complaint arises from the reply received from Graham Gill, General Manager of Fraud Detection and Intelligence, dated 30 May 2012 which stated:

"Dear Ms Bright,

RE: C2390 – Complaint to the Serious Fraud Office

I refer to your complaint received by the Serious Fraud office (SFO) on 3 May 2012.

We have assessed your complaint and decided that there was insufficient evidence to support an allegation of a serious or complex fraud.

The Police are already investigating the circumstances surrounding Kim Dotcom's donation to John Banks.

We have advised the police to contact us should they find any evidence that would be of interest to the SFO.

If you have any further information you would like to provide in relation to this matter please feel free to do so."

The (updated) response from myself and Lisa Prager follows:

“(UPDATED)*OPEN LETTER / REQUEST TO THE DIRECTOR OF THE SERIOUS FRAUD OFFICE, ADAM FEELEY: 12 June 2012 RE: C2390 – COMPLAINT TO THE SERIOUS FRAUD OFFICE PLEASE URGENTLY REVIEW YOUR DECISION WHICH HAS TREATED A ‘BRIBERY AND CORRUPTION’ COMPLAINT AS A ‘SERIOUS OR COMPLEX FRAUD’ COMPLAINT – WHICH IT IS NOT:

The reply received from Graham Gill, General Manager of Fraud Detection and Intelligence, dated 30 May 2012 stated:

Dear Ms Bright,

RE: C2390 – Complaint to the Serious Fraud Office

I refer to your complaint received by the Serious Fraud office (SFO) on 3 May 2012.

We have assessed your complaint and decided that there was insufficient evidence to support an allegation of a serious or complex fraud.

The Police are already investigating the circumstances surrounding Kim Dotcom’s donation to John Banks. We have advised the police to contact us should they find any evidence that would be of interest to the SFO. If you have any further information you would like to provide in relation to this matter please feel free to do so.”

Why has a complaint alleging BRIBERY and CORRUPTION has been treated as a complaint alleging SERIOUS or COMPLEX FRAUD.

With all due respect – do you people know what you’re doing?

Since 2010, the SFO has been purportedly the ‘lead agency’ to whom complaints alleging bribery and corruption are supposed to be forwarded.

This complaint has been made, in the proper way – to supposedly the proper body, and it appears to have been sent in the completely wrong direction.

According to your SFO ‘flow chart’ – the General Manager for Fraud and Corruption is Nick Paterson.

The recent phone call (Monday 11 June 2012) from Graham Gill, has now clarified why a complaint alleging ‘bribery and corruption’ was not directed to the General Manager of Fraud and Corruption, but – it still seems a rather peculiar process.

New Zealand is ‘perceived’ to be the ‘least corrupt country in the world’ (according to the 2011 Transparency International ‘Corruption Perception index’).

Is this one of the reasons why NZ has this ‘perceived’ status? Because allegations of bribery and corruption are simply not dealt with as such, as appears to have happened in this case?

Why is it that former Labour MP Taito Phillip Field got sentenced to SIX years jail for ‘bribery and corruption’, for providing ‘immigration advice’ to Thai nationals in exchange for work on his properties – whilst John Banks, the Minister of Regulatory Reform appears to be effectively getting political protection from NZ Prime Minister John Key, after John Banks has allegedly given ‘immigration assistance’ and Coatsville property purchase ‘assistance’ to a German/ Finnish national, in return for \$50,000 donated to his

2010 Auckland Mayoral campaign fund, and gifts valued at over \$500 which he failed to declare?

Are you aware that Kim Dotcom's 'John Bank's song' has had nearly 150,000 'hits' on YouTube,

in my opinion, helping to make NZ an international laughing stock? http://www.youtube.com/watch?v=8CvRSZxqk_I

It is also of great concern that ACT's 'one law for all' has yet still to apply to either John Banks and/ or Don Brash, current and former Leaders of the ACT Party.

As former fellow directors of Huljich Wealth Management (NZ) Ltd, both signed Huljich Kiwisaver Scheme registered prospectuses dated 22 August 2008 and 18 September 2009, which contained untrue statements, but were never charged for so doing. This is a strict liability offence under s58(3) of the Securities Act 1978, but neither the old Securities Commission, the Finance Markets Authority (FMA), the Serious Fraud Office (SFO), nor the NZ Police arguably 'did their job' and charged John Banks or Don Brash.

John Banks, is now the Minister of Regulatory Reform, yet four different 'regulatory' bodies failed to act against him, someone, who arguably couldn't properly run a Kiwisaver Scheme, yet now has a key Ministerial post and is supposedly helping to run the country 'perceived' to be the 'least corrupt in the world'

The public 'perception' is arguably that John Banks has been politically protected at the highest levels, because this minority National Government has only 59 out of 121 MPs, thus no mandate for assets sales. Because there is not a majority of National MPs, this minority National Government is dependent on the pivotal vote of John Banks – the ACT MP for Epsom.

The 'perception' is that this why NZ Prime Minister John Key is continuing to 'defend the indefensible' and still express 'confidence' in John Banks, although former National MPs, Richard Worth and Pansy Wong appear to have lost his confidence over a lot less.

The public 'perception' is that if you are a politician upon whose vote the Government is politically dependent, you are protected at the highest levels, and 'one law for all' does NOT apply to you?

Please ensure that this complaint is given to those in the SFO tasked with dealing with corruption, as a matter of extreme urgency, and please ensure that the Police are requested to act with similar haste. This Government is proceeding with extreme urgency to railroad through the Mixed Ownership Model Bill, and it would be a travesty of justice for this to occur on the pivotal vote of a yet-to-be-charged alleged 'corrupt' Minister of the Crown?

Yours sincerely,
Penny Bright Anti-corruption campaigner' Ph (xxxxxx)
Lisa Prager Ph (09) xxxxxx

(UPDATED* Lisa Prager's name has been added with her consent, and grammatical changes have thus been made by Penny Bright to the letter hand-delivered to the SFO on Monday 11 June 2012.) "

Detective Inspector Mark Benefield, we look forward to your acknowledgment of receipt of this latest correspondence.

Yours sincerely,
Penny Bright Anti-corruption campaigner'

c) Since 29 February 2012, petition 2011/5, which I initiated, has been an 'Item of Business' before the Commerce Select Committee

http://www.parliament.nz/en-NZ/PB/Presented/Petitions/7/b/d/50DBHOH_PET3097_1-Petition-of-Penelope-Mary-Bright-and-307-others.htm

"That the House conduct an urgent inquiry into the decisions regarding prosecutions relating to the Huljich Kiwisaver Scheme registered prospectuses dated 22 August 2008 and 18 September 2009."

On 21 June 2012 - I sent an 'Open Letter' to all members of the Commerce Select Committee and asked the following question...

21 June 2012

URGENT: To Members of the Commerce Select Committee.

RE: Petition of Penelope Mary Bright and 307 others

That the House conduct an urgent inquiry into the decisions regarding prosecutions relating to the Huljich Kiwisaver Scheme registered prospectuses dated 22 August 2008 and 18 September 2009.

| | |
|-------------------------|--------------------|
| Petition number: | 2011/5 |
| Presented by: | Phil Twyford |
| Date presented: | 29 February 2012 |
| Referred to: | Commerce Committee |

As the initiating petitioner - it is of considerable concern to myself, as an 'anti-corruption' campaigner, to find that the Commerce Select Committee has yet to report back on this Petition 2011/5 which was presented to the House on 29 February 2012.

It is now 21 June 2012.

I am at a loss to understand why members of the Commerce Select Committee have yet resolved to uphold the principle of 'ONE LAW FOR ALL' and conduct an urgent inquiry into why fellow former Directors Of Huljich Wealth Management (NZ) Ltd, Don Brash and John Banks were not prosecuted by any of the following 'regulatory bodies' for signing the above-mentioned registered prospectuses which contained untrue statements.

It is a FACT that neither the former Securities Commission, the Finance Markets Authority (FMA), the Serious Fraud Office (SFO) or the New Zealand Police have charged former Directors Of Huljich Wealth Management (NZ) Ltd, Don Brash and John Banks for signing the above-mentioned registered prospectuses which contained untrue statements.

Only fellow former Director of Of Huljich Wealth Management (NZ) Ltd, Peter Huljich, was ever charged.

s.58(3) of the Securities Act 1978 is a 'strict liability' offence.

<http://www.legislation.govt.nz/act/public/1978/0103/latest/DLM29406.html>

58 Criminal liability for misstatement in advertisement or registered prospectus

(3) Subject to subsection (4), where a registered prospectus that includes an untrue statement is distributed, every person who signed the prospectus, or on whose behalf the registered prospectus was signed for the purposes of section 41(1)(b), commits an offence.

If John Banks or Don Brash wanted to rely upon the defence provided in s.58(4) - In my considered opinion, they should have argued that in Court, after having first been CHARGED, but all the above-mentioned regulatory bodies to date appeared to have acted as 'gatekeepers' to effectively stop this happening?

(4)(4) No person shall be convicted of an offence under subsection (3) if the person proves either that the statement was immaterial or that he or she had reasonable grounds to believe, and did, up to the time of the distribution of the prospectus, believe that the statement was true.

I am very concerned that the failure to even charge fellow former Directors Of Huljich Wealth Management (NZ) Ltd, Don Brash and John Banks, can be 'perceived' as an arguably corrupt form of political protection, particularly given how politically reliant this National Government is on the vote of coalition partner John Banks, Leader of the ACT Party.

At this time, the Mixed Ownership Model Bill is being rushed through the House, dependent upon the pivotal vote of the Minister of Regulatory Reform, the Hon. John Banks, whom arguably couldn't properly run a Kiwisaver Scheme?

Is it because the majority of members of the Commerce Select Committee are National Party MPs that no progress is apparently being made on this Petition 2011/5 as an 'item of business'?

Because National, with only 59 out of 121 MPs, politically cannot afford to take any action which could potentially result in John Banks being forced to resign from Parliament?

Because - that is how I for one 'perceive' it.

| | | | |
|----------|--------------------|-------------------------|------------------------------|
| Commerce | Member | Bakshi, Kanwaljit Singh | National Party, List |
| Commerce | Deputy-Chairperson | Cosgrove, Clayton | Labour Party, List |
| Commerce | Member | Cunliffe, David | Labour Party, New Lynn |
| Commerce | Member | Curran, Clare | Labour Party, Dunedin South |
| Commerce | Member | Lotu-liga, Peseta Sam | National Party, Maungakiekie |
| Commerce | Member | Mathers, Mojo | Green Party, List |
| Commerce | Member | Mitchell, Mark | National Party, Rodney |
| Commerce | Member | Smith, Nick | National Party, Nelson |
| Commerce | Chairperson | Young, Jonathan | National Party, New Plymouth |

This matter is already in the public domain, and on the streets (particularly in the Epsom electorate) I have found there is increasing public interest.

<http://www.stuff.co.nz/sunday-news/latest-edition/6556277/Petition-stalks-Banks-Brash>

Also, further information on this matter, and other complaints about the Hon. John Banks are available for public perusal on www.dodgyjohnhasgone.com - for which I take full personal responsibility for content.

In my considered opinion, the lack of action to date on this matter (and other complaints against the Hon. John Banks) helps to prove why New Zealand needs to urgently ratify the UN Convention Against Corruption and establish a genuinely Independent Commission Against Corruption.

Yours sincerely,

Penny Bright
'Anti-corruption campaigner'

d) The Cabinet Manual states the following regarding the 'Conduct of Ministers':

<http://cabinetmanual.cabinetoffice.govt.nz/2.50>

Conduct of Ministers

2.52A Minister of the Crown, while holding a ministerial warrant, acts in a number of different capacities:

- a. **in a ministerial capacity**, making decisions, and determining and promoting policy within particular portfolios;
- b. **in a political capacity** as a member of Parliament, representing a constituency or particular community of interest;
- c. **in a personal capacity**.

2.53 In all these roles and at all times, Ministers are expected to act lawfully and to behave in a way that upholds, and is seen to uphold, the highest ethical standards. Ultimately, Ministers are accountable to the Prime Minister for their behaviour.

However, the Hon. John Banks still apparently 'has the confidence' of the Prime Minister John Key.

<http://www.3news.co.nz/Law-not-ethics-issue-in-Banks-row---Key/tabid/1607/articleID/252446/Default.aspx>

Mr Key says he will not stand down Mr Banks as the ACT Party MP "has to enjoy my confidence".

Why did former National Party Ministers Richard Worth and Pansy Wong resign from Parliament?

What 'law' did they break - what did they do to no longer 'enjoy the confidence' of the Prime Minister?

e) When it comes to leadership regarding 'ethical' behaviour, it must be noted that the actions of the Prime Minister are currently under investigation by the Office of the Auditor-General (OAG)

<http://www.oag.govt.nz/media/2012/inquiry-med>

"

Inquiry into the Ministry of Economic Development's expressions of interest process for proposals to establish an international convention centre

13 June 2012

The Deputy Auditor-General, Phillippa Smith,¹ has decided to carry out an inquiry into the expressions of interest (EOI) process for proposals to establish an international convention centre. This document sets out the terms of reference for the inquiry.

Background

In 2010, the Ministry of Economic Development carried out an EOI process, on behalf of the Government, seeking proposals to build an international convention centre. On 12 June 2011, the Government announced that it was negotiating with SKYCITY Entertainment Group Limited, whose proposal had been selected as the best option. . "

It is also noted that although the Prime Minister stated that Labour Party MP Shane Jones should stand down whilst his actions were investigated by the OAG, he does not appear to be applying the same requirement to himself?

<http://tvnz.co.nz/politics-news/labour-standing-down-shane-jones-4898323>

" Prime Minister John Key had been calling on Labour to stand down Jones, describing the case as "murky". "

f) Please be reminded that New Zealand is 'perceived' to be the least corrupt country in the world, according to Transparency International's 2011 'Corruption Perception Index'.

<http://cpi.transparency.org/cpi2011/results/>

If New Zealand were truly worthy of this 'perceived' status - then surely we should arguably be the most 'transparent' country in the world?

Why is it that the 'perception' appears to be that if you are a politician upon whose vote legislation such as the Mixed Ownership Model Bill depends for its passage - that you are effectively 'above the law'?

(FYI - as an attendee at the 2010 Transparency International Conference, as an 'transparency whistleblower' distributed the following 'New Zealand Corruption Reality Checklist': (Attached).

Perhaps if New Zealand had ratified the UN Convention Against Corruption; had a truly Independent Commission Against Corruption, if MPs and Judges had enforceable 'Codes of Conduct'; if it were a lawful requirement that only a binding vote of the public majority could determine whether public assets held at NZ central or local government could be sold or long-term leased via Public-Private-Partnerships (PPPs) - then we might be a little more deserving of this 'perceived' international status?)

g) Investment in the partial privatisation of essential State assets - particularly electricity assets - enabled through the granting of Royal Assent for the Mixed Ownership Model Bill - would arguably be UNETHICAL and SOCIALLY IRRESPONSIBLE?

In my opinion, the following submission from CARITUS helps to outline some of these reasons?

<http://www.caritas.org.nz/resources/submissions/2012/submission-finance-and-expenditure-select-committee-mixed-ownership-model>

"Who we are

Caritas Aotearoa New Zealand is the Catholic Bishops' agency for justice, peace and development. We are working for a world free of poverty and injustice through community development, advocacy, education, and emergency relief.

- We provide community development and emergency relief overseas
- We educate and advocate on social justice issues to counter poverty and injustice in New Zealand and overseas
- Gospel values and Catholic social teaching underpin our work
- Caritas Aotearoa New Zealand has 14 staff based in Wellington and an Auckland Regional Coordinator
- We are part of Caritas Internationalis, an international confederation of 168 Catholic aid, development and social justice agencies
- The Caritas network operates in over 200 countries and territories, supporting the poorest and most vulnerable, regardless of ethnicity, religion or nationality
- We are the Catholic agency for justice, peace and development

Submission to the Finance and Expenditure Select Committee on the Mixed Ownership Model Bill

Summary of key points

- Caritas has reflected on the question of the partial privatization of State owned power companies in the light of Catholic social teaching on the common good, the protection of the poor and vulnerable members of society, the protection of the environment, and the principle of the universal destination of created goods.
- We recognise that Catholic social teaching does not prescribe specific public policy solutions. We also recognise that Catholic social teaching contains cautions both for people seeking to privatise and people seeking to nationalise industries and services which provide essential goods. It recognises both the value of the market and the limits to the market.
- Caritas does not favour the partial privatisation of the four State owned power companies. We believe continued state ownership is a better way:
 - to ensure the provision of essential services, particularly for the most poor and vulnerable consumers;
 - to improve our use of energy in the face of environmental destruction and climate change;
 - to ensure that our commitments to the Treaty of Waitangi are met;
 - to overcome or at least not worsen local and global inequalities; and
 - to continue to have an adequate oversight of the behaviour of state institutions. "

h) How can the 'mums and dads' who can't afford to have their heaters on in winter, who are struggling to pay their power bills, going to be able to afford to invest in power companies, which at present, they already own, given the proven track record of power price rises since the 'inefficient' days of the Department of Electricity and local Power Boards ?

Is it not painfully obvious, that once the 'competitive model' is 'introduced into a 'natural monopoly' such as electricity supply (which is also an essential public service)' - then there is a duplication of resources which results in higher power prices?

http://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=10811555

i) Treasury information which arguably proves that 'extending the Mixed Ownership Model' is fiscally irresponsible:

<http://www.treasury.govt.nz/budget/2012/bps/bps12.pdf>

"Extending the Mixed Ownership Model

.....

Over the mixed ownership programme, the forecast finance cost savings exceed the forecast forgone dividends.

However, the forecast finance cost savings are less than the forecast forgone profits. This is because State-owned enterprises are expected to act as profitable companies and therefore over time to earn an appropriate commercial rate of return that reflects the risk of owning such companies. In effect, the Crown is exchanging an expected stream of income for a (risk adjusted) equivalent amount of cash now. "

How, therefore, will the passage of the Mixed Ownership Model Bill, be working 'for the good management of the affairs of New Zealand'?

In light of the above-mentioned reasons, I request that you, Governor-General, The Rt Hon Sir Jerry Mateparae, consider using your 'reserve powers' and refuse to grant 'Royal Assent' for the Mixed Ownership Model Bill, should it pass its Third Reading.

Yours sincerely,

Penny Bright

'Anti-corruption campaigner'

Attendee: Australian Public Sector Anti-Corruption Conference Brisbane 2009

Attendee: Transparency International Anti-Corruption Conference Bangkok 2010

FRANICH, Mark

From: BENEFIELD, Mark
Sent: Tuesday, 3 July 2012 12:44
To: READ, Peter
Subject: FW: Complaint under Section 138 of the Local Electoral Act 2001(LEA)

[REDACTED]

Regards

[REDACTED]

From: Lisa Prager [<mailto:l.pra@xtra.co.nz>]
Sent: Tuesday, 3 July 2012 12:19
To: BENEFIELD, Mark
Cc: WATSON, Kim
Subject: Fwd: Complaint under Section 138 of the Local Electoral Act 2001(LEA)

Dear Mark,

It disgusts me to have to listen to John Banks wax lyrical about farmers and emissions on National Radio, while you are unable to indicate if he has behaved illegally re: my complaint under the Local Electoral Act.(see below)

What is the status of my complaints involving John Banks: File 120427/9334 refers.

Concerned Citizen
Lisa Prager

Begin forwarded message:

From: "BENEFIELD, Mark" <Mark.Benefield@police.govt.nz>
Date: 27 April 2012 3:55:44 PM NZST
To: 'Dale Ofoske' [REDACTED],
"trevor.mallard@parliament.govt.nz" <trevor.mallard@parliament.govt.nz>,
"waterpressure@gmail.com" <waterpressure@gmail.com>, "l.pra@xtra.co.nz"
<l.pra@xtra.co.nz>
Cc: Bruce Thomas <[REDACTED]>, "BEARD, Scott"
<Scott.Beard@police.govt.nz>
Subject: RE: Complaint under Section 138 of the Local Electoral Act 2001(LEA)

This email is to formally acknowledge your complaint under the Local Electoral Act 2001(LEA) in respect to the 2010 Mayoral Election and allegation of a false return made by the now Hon John BANKS in respect of his returns under section 109 LEA.

For future reference File 120427/9334 refers.

At this point in time I will be your point of contact.

Regards

Detective Inspector Mark Benefield

Field Crime Manager Auckland City District

From: Lisa Prager [<mailto:l.pra@xtra.co.nz>]

Sent: Tuesday, 19 June 2012 13:42

To: WATSON, Kim

Cc: Dale Ofoske; trevor.mallard@parliament.govt.nz; BEARD,

Scott; Bernard.Orsman@nzherald.co.nz; claire.trevett@nzherald.co.nz; nicolas.jones@nzherald.co.nz

Subject: Att: Peter Marshall

To: Police Commissioner:

Peter Marshall

New Zealand Police Force

Wellington

Dear Sir,

I am one of the original complainants regarding John Banks and the alleged electoral fraud.

My original complainant was acknowledged by Detective Inspector Mark Benefield Field Crime Manager Auckland City District 27/4/2012

I spoke to him in early in June and then again today.

In our conversation, he told me that the information in todays New Zealand Herald (page A7) "not available on line" was a load of rubbish, suggesting that Mr Banks had been spoken to.

At the end of the conversation he admitted that the Police were having trouble getting persons of interest and their lawyers to a meeting with police.

I am most upset and concerned that this issue in which a complaint of Serious Fraud and Corruption has been made about an MP whose position in our New Zealand Parliament may lead to the sale of millions of dollars of public assets is "NO SMALL ISSUE!"

If the Police do not have the power to investigate this very serious matter. Then why have the police not turned this issue over to the Serious Fraud Office.

I have spoken to Mr. Graham Gill at the Serious Fraud Office and he has explained that "No crime has been committed" because the police have not been able to complete

their investigation. Our conversation sounded like some sort of absurd comedy, where the police can catch a common criminal, but a Ex Mayor can gets away scot free!

The people of New Zealand deserve to know if Mr Banks has committed a crime, given that his vote holds the balance within our NZ parliament.

If the Police allow this investigation to go unresolved before parliament votes on the NZ Assets Sales, they will be implicated in allowing a grand injustice and a national fraud to occur.

Please use your power to see Justice is done and that the police are not played like a piano by the ex- minister of Police and his lawyers.

Your most seriously and sincerely
Lisa Prager





26 July 2012

Penny Bright

Dear Ms Bright

**COMPLAINT REGARDING HONOURABLE JOHN BANKS - MAYORAL ELECTIONS
RETURN - FILE NO: 120427/9334 REFERS**

On 27 April 2012, you made a complaint to the Auckland City Police requesting they investigate reports regarding the Hon. John Archibald Banks, CNZM QSO, that he submitted a false donation return in respect to the Auckland City Council Mayoral election 2010.

Specifically the letter of complaint referred to two donations in question:

1. A \$15,000.00 donation allegedly made by Sky City to the former Auckland City Mayor John Banks which did not show up as a donation in the return.
2. A donation of "Anonymous - radio ads".

On Monday 30 April 2012 you made a further complaint in respect to the election expenses donation return by Mr John Banks. Your complaint referred to media articles by Campbell Live (27 April 2012) and the New Zealand Herald (28 April 2012) that discussed donations allegedly made by Mr Dotcom to Mr Banks for his mayoral campaign.

In both complaints you allege that if the articles were correct then Mr Banks had breached the Local Electoral Act 2001 in that a candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular.

Findings:

The allegations you refer to are offences that come under Part 7 section 134 (False return) of the Local Electoral Act 2001. I will detail each donation and its findings.

Section 134 has two levels of offences pertaining to false returns:

Safer Communities Together

CANTERBURY DISTRICT HEADQUARTERS

Cnr Hereford Street and Cambridge Terrace, WX10057, Christchurch, New Zealand
Telephone: (03) 363 7400 Facsimile: (03) 363 5616 www.police.govt.nz

P1172

134 (1) Every candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular, and is liable on conviction on indictment to imprisonment for a term not exceeding 2 years or to a fine not exceeding \$10,000. and

134 (2) Every candidate commits an offence and is liable on summary conviction to a fine not exceeding \$5,000 who transmits a return of electoral expenses that is false in any material particular unless the candidate proves—

- (a) that he or she had no intention to mis-state or conceal the facts; and*
- (b) that he or she took all reasonable steps to ensure that the information was accurate.*

Skycity Entertainment Group Limited - \$15,000.00:

The Police investigation established that on 24 May 2010 Mayor John Banks met with the Chief Executive Officer (CEO) of Sky City Entertainment Group Limited. At that meeting Mayor Banks received a sealed envelope containing a \$15,000.00 cheque written out to "Team Banksie 2010". Team Banksie was the name given to Mr Bank's campaign organisation. This donation was subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Anonymous Radio Ads \$15,690.00:

Police have established that in September 2010 Mr John Banks personally solicited a request for help from a Donor who prefers to remain anonymous for the purpose of this correspondence. As a result of a discussion between the two it was agreed that the Donor would help with a donation of radio advertising for the campaign.

The donation was recorded on the return by the Treasurer for Team Banksie as an "Anonymous" donation of \$15690.00 and also as an advertising expense of \$15690.00 in the expenses section of the return.

Police were unable to establish that Mr BANKS had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Kim Dotcom donations: 2 x \$25,000.00:

Police have established that on 09 June 2010 Mr John Banks personally solicited a donation from Mr Kim Dotcom. This request resulted in Mr Kim Dotcom paying two \$25,000.00 donations to the bank account of Team Banksie 2010 on 14 July 2010. Both donations were subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received this complaint for investigation on 1 May 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

On 14 June 2012 you sent an email to Detective Inspector Benefield requesting Police extend the investigation of John Banks for alleged electoral fraud to further include alleged "corruption and bribery of an official" under section 105 of the Crimes Act 1961.

After a review of the circumstances and information gathered in this investigation I cannot find any evidence that would support a charge in relation to section 105 of the Crimes Act 1961.

The file is now complete and will be filed at the Auckland Central Police station.

If you have any concerns over the contents of this letter or any issues stemming from this complaint, do not hesitate to contact me.

Yours faithfully



Peter Read
Detective Superintendent : Southern
Christchurch



26 July 2012

Mr Trevor Mallard
MP
Hutt South
WELLINGTON

Dear Sir

**COMPLAINT REGARDING HONOURABLE JOHN BANKS - MAYORAL ELECTIONS
RETURN - FILE NO: 120427/9334 REFERS**

On 23 April 2012, you made a written complaint to the Auckland City Council Electoral Officer, Mr Bruce Thomas requesting he investigate reports regarding the Hon. John Archibald Banks, CNZM QSO, that he submitted a false donation return in respect to the Auckland City Council Mayoral election 2010.

Specifically you referred to two donations in question:

1. A \$15,000.00 donation allegedly made by Sky City to the former Auckland City Mayor John Banks which did not show up as a donation in the return.
2. A donation of "Anonymous - radio ads".

In a letter to the Auckland City Council Electoral Officer, Mr Bruce Thomas dated April 30 2012 you made a further complaint in respect to the election expenses donation return by Mr John Banks. Your complaint referred to media articles by Campbell Live (27 April 2012) and the New Zealand Herald (28 April 2012) that discussed donations allegedly made by Mr Dotcom to Mr Banks for his mayoral campaign.

In both letters you allege that if the articles were correct then Mr Banks had breached the Local Electoral Act 2001 in that a candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular.

Pursuant to section 138 of the Local Electoral Act 2001, Mr Thomas passed on your complaints to the Auckland City Police on 27 April 2012. As a result the Auckland City Police launched an investigation, file 120427/9334 refers.

Findings:

The allegations you refer to are offences that come under Part 7 section 134 (False return) of the Local Electoral Act 2001. I will detail each donation and its findings.

Section 134 has two levels of offences pertaining to false returns:

Safer Communities Together

CANTERBURY DISTRICT HEADQUARTERS

Cnr Hereford Street and Cambridge Terrace, WX10057, Christchurch, New Zealand
Telephone: (03) 363 7400 Facsimile: (03) 363 5616 www.police.govt.nz

P1175

134 (1) Every candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular, and is liable on conviction on indictment to imprisonment for a term not exceeding 2 years or to a fine not exceeding \$10,000. and

134 (2) Every candidate commits an offence and is liable on summary conviction to a fine not exceeding \$5,000 who transmits a return of electoral expenses that is false in any material particular unless the candidate proves—

- (a) that he or she had no intention to mis-state or conceal the facts; and*
- (b) that he or she took all reasonable steps to ensure that the information was accurate.*

Skycity Entertainment Group Limited - \$15,000.00:

The Police investigation established that on 24 May 2010 Mayor John Banks met with the Chief Executive Officer (CEO) of Sky City Entertainment Group Limited. At that meeting Mayor Banks received a sealed envelope containing a \$15,000.00 cheque written out to "Team Banksie 2010". Team Banksie was the name given to Mr Bank's campaign organisation. This donation was subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr BANKS had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Anonymous Radio Ads \$15,690.00:

Police have established that in September 2010 Mr John Banks personally solicited a request for help from a Donor who prefers to remain anonymous for the purpose of this correspondence. As a result of a discussion between the two it was agreed that the Donor would help with a donation of radio advertising for the campaign.

The donation was recorded on the return by the Treasurer for Team Banksie as an "Anonymous" donation of \$15690.00 and also as an advertising expense of \$15690.00 in the expenses section of the return.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Kim Dotcom donations: 2 x \$25,000.00:

Police have established that on 09 June 2010 Mr John Banks personally solicited a donation from Mr Kim Dotcom. This request resulted in Mr Kim Dotcom paying two \$25,000.00 donations to the bank account of Team Banksie 2010 on 14 July 2010. Both donations were subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received this complaint for investigation on 1 May 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

The file is now complete and will be filed at the Auckland Central Police station.

If you have any concerns over the contents of this letter or any issues stemming from this complaint, do not hesitate to contact me.

Yours faithfully

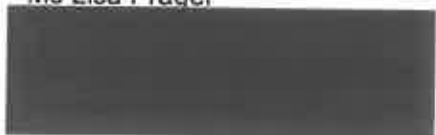


Peter Read
Detective Superintendent : Southern
Christchurch



26 July 2012

Ms Lisa Prager



Dear Ms Prager

**COMPLAINT REGARDING HONOURABLE JOHN BANKS - MAYORAL ELECTIONS
RETURN - FILE NO: 120427/9334 REFERS**

On 27 April 2012, you made a complaint to the Auckland City Police requesting they investigate reports regarding the Hon. John Archibald Banks, CNZM QSO, that he submitted a false donation return in respect to the Auckland City Council Mayoral election 2010.

Specifically the letter of complaint referred to two donations in question:

1. A \$15,000.00 donation allegedly made by Sky City to the former Auckland City Mayor John Banks which did not show up as a donation in the return.
2. A donation of "Anonymous - radio ads".

On Monday 30 April 2012 you made a further complaint in respect to the election expenses donation return by Mr John Banks. Your complaint referred to media articles by Campbell Live (27 April 2012) and the New Zealand Herald (28 April 2012) that discussed donations allegedly made by Mr Dotcom to Mr Banks for his mayoral campaign.

In both complaints you allege that if the articles were correct then Mr Banks had breached the Local Electoral Act 2001 in that a candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular.

Findings:

The allegations you refer to are offences that come under Part 7 section 134 (False return) of the Local Electoral Act 2001. I will detail each donation and its findings.

Section 134 has two levels of offences pertaining to false returns:

Safer Communities Together

CANTERBURY DISTRICT HEADQUARTERS

Cnr Hereford Street and Cambridge Terrace, WX10057, Christchurch, New Zealand
Telephone: (03) 363 7400 Facsimile: (03) 363 5616 www.police.govt.nz

P1178

134 (1) Every candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular, and is liable on conviction on indictment to imprisonment for a term not exceeding 2 years or to a fine not exceeding \$10,000.

and

134 (2) Every candidate commits an offence and is liable on summary conviction to a fine not exceeding \$5,000 who transmits a return of electoral expenses that is false in any material particular unless the candidate proves—

- (a) that he or she had no intention to mis-state or conceal the facts; and*
- (b) that he or she took all reasonable steps to ensure that the information was accurate.*

Skycity Entertainment Group Limited - \$15,000.00:

The Police investigation established that on 24 May 2010 Mayor John Banks met with the Chief Executive Officer (CEO) of Sky City Entertainment Group Limited. At that meeting Mayor Banks received a sealed envelope containing a \$15,000.00 cheque written out to "Team Banksie 2010". Team Banksie was the name given to Mr Bank's campaign organisation. This donation was subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Anonymous Radio Ads \$15,690.00:

Police have established that in September 2010 Mr John Banks personally solicited a request for help from a Donor who prefers to remain anonymous for the purpose of this correspondence. As a result of a discussion between the two it was agreed that the Donor would help with a donation of radio advertising for the campaign.

The donation was recorded on the return by the Treasurer for Team Banksie as an "Anonymous" donation of \$15690.00 and also as an advertising expense of \$15690.00 in the expenses section of the return.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting

the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Kim Dotcom donations: 2 x \$25,000.00:

Police have established that on 09 June 2010 Mr John Banks personally solicited a donation from Mr Kim Dotcom. This request resulted in Mr Kim Dotcom paying two \$25,000.00 donations to the bank account of Team Banksie 2010 on 14 July 2010. Both donations were subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received this complaint for investigation on 1 May 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

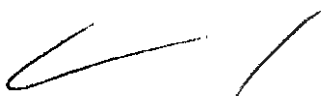
On 14 June 2012 you sent an email to Detective Inspector Benefield requesting Police extend the investigation of John Banks for alleged electoral fraud to further include alleged "corruption and bribery of an official" under section 105 of the Crimes Act 1961.

After a review of the circumstances and information gathered in this investigation I cannot find any evidence that would support a charge in relation to section 105 of the Crimes Act 1961.

The file is now complete and will be filed at the Auckland Central Police station.

If you have any concerns over the contents of this letter or any issues stemming from this complaint, do not hesitate to contact me.

Yours faithfully



Peter Read
Detective Superintendent : Southern
Christchurch



26 July 2012

Mr Bruce Thomas
Electoral Officer
Public Information Manager
Auckland Council
Level 16
Civic Administration Building
1 Greys Avenue
AUCKLAND

Dear Sir

**COMPLAINT REGARDING HONOURABLE JOHN BANKS - MAYORAL ELECTIONS
RETURN - FILE NO: 120427/9334 REFERS**

On 27 April 2012, pursuant to Section 138 of the Local Electoral Act 2001, you forwarded a written complaint to the Auckland City Police asking Police to investigate complaints that the Honourable John Archibald Banks CNZM QSO had submitted a false donation return for the Auckland City Council Mayoral election 2010. The written complaint had come from Mr Trevor Mallard Labour MP for Hutt Valley.

Specifically the letter of complaint referred to two donations in question:

1. A \$15,000.00 donation allegedly made by Sky City to the former Auckland City Mayor John Banks which did not show up as a donation in the return.
2. A donation of "Anonymous - radio ads".

On or about 01 May 2012 you forwarded a second letter of complaint by Mr Mallard dated April 30 2012 about the election expenses donation return by Mr Banks. The complaint referred to media articles by Campbell Live (27 April 2012) and the New Zealand Herald (28 April 2012) that discussed donations allegedly made by Mr Dotcom to Mr Banks for his mayoral campaign.

In both letters Mr Mallard alleges that Mr Banks had breached the Local Electoral Act 2001 in that a candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular.

Safer Communities Together

CANTERBURY DISTRICT HEADQUARTERS

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Telephone: (03) 363 7400 Facsimile: (03) 363 5616 www.police.govt.nz

P1181

The Law:

The allegations you refer to are offences that come under Part 7 section 134 (False return) of the Local Electoral Act 2001.

Section 134 has two levels of offences pertaining to false returns:

134 (1) Every candidate commits an offence who transmits a return of electoral expenses knowing that it is false in any material particular, and is liable on conviction on indictment to imprisonment for a term not exceeding 2 years or to a fine not exceeding \$10,000.
and

*134 (2) Every candidate commits an offence and is liable on summary conviction to a fine not exceeding \$5,000 who transmits a return of electoral expenses that is false in any material particular unless the candidate proves—
(a) that he or she had no intention to mis-state or conceal the facts; and
(b) that he or she took all reasonable steps to ensure that the information was accurate.*

Skycity Entertainment Group Limited - \$15,000.00:

The Police investigation established that on 24 May 2010 Mayor John Banks met with the Chief Executive Officer (CEO) of Sky City Entertainment Group Limited. At that meeting Mayor Banks received a sealed envelope containing a \$15,000.00 cheque written out to "Team Banksie 2010". Team Banksie was the name given to Mr Bank's campaign organisation. This donation was subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Anonymous Radio Ads \$15,690.00:

Police have established that in September 2010 Mr John Banks personally solicited a request for help from a Donor who prefers to remain anonymous for the purpose of this correspondence. As a result of a discussion between the two it was agreed that the Donor would help with a donation of radio advertising for the campaign.

The donation was recorded on the return by the Treasurer for Team Banksie as an "Anonymous" donation of \$15690.00 and also as an advertising expense of \$15690.00 in the expenses section of the return. Police enquiries show that the amount was actually incorrectly recorded as the actual amount paid was \$11,478.14 inclusive of GST. The error came about because of a discount given to the Donors business by The Radio Bureau who handled the account.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received the complaint for investigation on 27 April 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

Kim Dotcom donations: 2 x \$25,000.00:

Police have established that on 09 June 2010 Mr John Banks personally solicited a donation from Mr Kim Dotcom. This request resulted in Mr Kim Dotcom paying two \$25,000.00 donations to the bank account of Team Banksie 2010 on 14 July 2010. Both donations were subsequently recorded in the Electoral Return by the Treasurer for Team Banksie as anonymous.

Police were unable to establish that Mr Banks had the necessary knowledge that the donation had been recorded as anonymous in the return before he signed and submitted it. The return was compiled by a campaign volunteer. Mr Banks sought and received confirmation that it was an accurate return of his expenses before signing and transmitting the return. Police are therefore of the view that there is insufficient evidence to consider a prosecution in respect of section 134(1).

Any charges for offences pursuant to section 134 (2) must be laid within six months of the electoral return being supplied. Police first received this complaint for investigation on 1 May 2012, approximately 10 months after the expiry of six month period. Police are therefore unable to consider charges pursuant to this section.

The file is now complete and will be filed at the Auckland Central Police station.

If you have any concerns over the contents of this letter or any issues stemming from this complaint, do not hesitate to contact me.

Yours faithfully



Peter Read
Detective Superintendent : Southern
Christchurch