

Confidential**Email**

22 November 2019

Mr Howard Rapke
Solicitors Assisting the Royal Commission
Royal Commission into the Management of Police Informants
[REDACTED]

Our ref 13615/19613/80203807

Dear Mr Rapke

Victorian Royal Commission into the Management of Police Informants

We refer to the above matter and to our previous correspondence regarding the Royal Commission's request for the voluntary production of documents responding to paragraph 1(a) of Notice to Produce 057.

Through searches undertaken by the Australian Federal Police (AFP), the AFP has become aware of two occasions in 1998 where members of the AFP had contact with Ms Nicola Gobbo, during which Ms Gobbo expressed interest in providing information to the AFP. Further details of those approaches identified as a result of the AFP's review are set out below, and relevant documents in relation to those matters have been collated and are attached.

A. Contact in relation to Operation Virus*Background*

1. AFP Operation Virus commenced in June 1996 to investigate alleged tax evasion by Horty Mokbel.
2. Federal Agent (FA) ^{FA 1} [REDACTED] and ^{FA 2} [REDACTED] were members of the investigation team. Both members are now retired and no longer reside in Victoria.
3. As a result of Operation Virus, on 3 March 1998 Horty Mokbel was arrested and charged with defrauding the Commonwealth.
4. Horty Mokbel was represented by solicitor Alex Lewenberg, whose firm employed Ms Gobbo as a solicitor until she was called to the bar in late 1998.
5. Horty Mokbel was subsequently granted bail on the undertaking of a surety which included a property owned by Marie-Rose Kabalan, which was leased to Tony Mokbel. Kabalan and Tony Mokbel provided affidavits deposing to this situation with Ms Gobbo's assistance in her capacity as an employee solicitor.
6. Kabalan and Tony Mokbel were later charged with perjury for providing false affidavits in support of Horty Mokbel's bail application. On 9 April 1998, ^{FA 1} [REDACTED] took a witness statement from Ms Gobbo in relation to the perjury charges (copy **enclosed**), as she had been present at the Melbourne Magistrates' Court when the affidavits were deposed. The statement set out Ms Gobbo's recollection of the circumstances in which the affidavits were deposed.
7. On 16 November 1999, Kabalan and Tony Mokbel were found not guilty of perjury.
8. On 26 May 2000, Horty Mokbel was acquitted of the tax evasion charges.

Approach by Ms Gobbo

9. On 13 May 1998, not long after the witness statement was taken from Ms Gobbo, Ms Gobbo contacted the AFP Melbourne office and spoke with FA 2. Ms Gobbo enquired about AFP "recruiting details". FA 2 directed Ms Gobbo to the AFP's website. Ms Gobbo then spoke with FA 1 and requested a meeting as she had "some issues" she wished to discuss. An AFP case note of this call is **enclosed**. FA 1 obtained the necessary approvals from his superiors to attend the meeting.
10. On 14 May 1998, Ms Gobbo met with FA 1 and FA 2 after 7.00 pm at 221 Queen Street, Melbourne. At around 8.00 pm, the meeting moved to the Celtic Club. The meeting concluded at approximately 12.00 am. During the meeting, Ms Gobbo brought up morality and ethics in relation to police and lawyers. Ms Gobbo alluded to possible information that she could provide to the AFP, and expressed concerns regarding the protection of her identity in official records. Ms Gobbo mentioned a fear of listening devices being placed in her home. An entry regarding this meeting is recorded in FA 2's diary (extract **enclosed**).
11. Ms Gobbo did not provide any information of substance to the AFP members. The members considered Ms Gobbo to be untrustworthy and were of the view that she was seeking to elicit information from the AFP. The members did not contemplate using Ms Gobbo as a human source.
12. On 21 May 1998, FA 1 telephoned Ms Gobbo regarding her request for another meeting. Later that day, Ms Gobbo returned the phone call. FA 1 indicated that he was not interested in meeting with Ms Gobbo if she intended to compromise the AFP. Ms Gobbo claimed this was not the case and it was agreed that she would meet with FA 1 and FA 2 during the following week. FA 1 subsequently briefed his supervisors on this contact.
13. The next day on 22 May 1998, Ms Gobbo telephoned FA 1 and alluded to having confidential information which she wished to divulge because it was creating a moral problem for her. Ms Gobbo sounded tired and emotional and said she was having trouble coping with this issue. Ms Gobbo reiterated to FA 1 that she did not intend to compromise the AFP and reminded FA 1 that it was she who had approached the AFP, and not the other way around. FA 1 agreed that he and FA 2 would meet with Ms Gobbo "next week". FA 1 then briefed his supervisors on this contact.
14. An AFP case note regarding the above phone calls is **enclosed**.
15. The AFP has not identified any records relating to any further meeting between Ms Gobbo and FA 1 or FA 2.

2017 enquiries with FA 1 and FA 2

16. As you will be aware, in July 2016, Rob Karam filed an application in the Victorian Court of Appeal for leave to appeal three Commonwealth convictions arising from an AFP investigation known as Operation Inca.
17. [REDACTED] is the informant for Operation Inca. [REDACTED] received a copy of Mr Karam's application from the Commonwealth Department of Prosecutions (CDPP). At the time, and at all times until earlier this year, suppression orders were in effect in the Karam appeal proceeding. Based on the content of the application and his knowledge of the earlier proceedings against Mr Karam, [REDACTED] ascertained that the person referred to as 'Lawyer X' was Ms Gobbo.

18. [REDACTED] s subsequent enquiries established that Ms Gobbo had never been registered as a human source by the AFP. As a result of a broader search of AFP records, [REDACTED] identified the case note entries relating to the calls between Ms Gobbo and [REDACTED] FA 1 and [REDACTED] FA 2 in 1998.
19. On 21 June 2017, [REDACTED] telephoned former [REDACTED] FA 1 and [REDACTED] FA 2 to discuss the nature of their dealings with Ms Gobbo in 1998. Both recalled meeting with Ms Gobbo on only one occasion, which was at her request. Both stated that no attempt was made to register Ms Gobbo as a human source following their meeting.
20. An entry in [REDACTED] s diary regarding these discussions is **enclosed**.

B. Contact in relation to Operation Flange

Background

21. AFP Operation Flange commenced in September 1995 to investigate alleged money laundering activities by Nachum Goldberg and the Goldberg family.
22. [REDACTED] FA 4 and [REDACTED] FA 3 were members of the investigation team. [REDACTED]
23. As a result of Operation Flange, on 19 June 1997 Rita Goldberg was arrested and charged with conspiracy to defraud the Commonwealth. Other members of the Goldberg family were also charged.
24. Rita Goldberg's committal hearing commenced on 11 May 1998 and evidence concluded on 4 August 1998. [REDACTED] FA 3 gave evidence as a witness at the committal hearing. The matter was part-heard and adjourned to allow for written submissions. During the committal hearing, Rita Goldberg was represented by Remy Van de Wiel QC of counsel.
25. On 30 November 1998, Rita Goldberg was committed to stand trial.
26. The AFP understands that Ms Gobbo was aware of the proceedings against the Goldberg family when she worked for Alex Lewenberg in 1998. Lewenberg's firm acted for some of the Goldberg members during the committal stage, but not Rita Goldberg. Valos Black acted for Rita Goldberg until 3 December 1998. Lewenberg's firm commenced acting for Rita Goldberg from 4 December 1998 until Leanne Warren's firm took over very shortly after.
27. The AFP understands that Ms Gobbo appeared as counsel for Rita Goldberg at an arraignment hearing on 30 March 1999, which was adjourned. The AFP has checked with the Commonwealth Director of Public Prosecutions, which has confirmed that the CDPP's review of its file for Rita Goldberg shows no other references to Ms Gobbo other than recording her appearance as counsel on this date.
28. On 10 March 2000, Rita Goldberg pleaded guilty to the charge and was eventually sentenced on 21 June 2000 to an effective term of 15 months imprisonment, which was wholly suspended pending her good behaviour for a period of five years, and a recognisance of \$1,000.

Approach by Ms Gobbo

29. On 30 June 1998, Ms Gobbo met with [REDACTED] FA 3 and [REDACTED] FA 4 in South Melbourne until approximately 10.00 pm. An entry regarding this meeting, which occurred during the period in which Rita Goldberg's committal hearing was being heard, is recorded in [REDACTED] FA 3 s diary (extract **enclosed**).

30. The AFP has not identified any further records in relation to this meeting, however, FA 3 has advised that:
- (a) the meeting was arranged following a phone call he received from Ms Gobbo in June 1998, during which she indicated she had information of interest to the AFP;
 - (b) at the meeting, Ms Gobbo offered information relating to alleged fraud and/or money laundering;
 - (c) the reference in his diary entry to 'informant/contact' is a reference to Ms Gobbo, and that 'informant/contact' was used in a generic sense, and he recorded the meeting in this manner due to this being common practice at the time; and
 - (d) he does not recall creating any records in relation to the information offered by Ms Gobbo, and to his knowledge no investigations or prosecutions were commenced, nor arrests made, as a result of the information provided at the meeting.

In light of the above, the AFP has conducted the following searches in relation to Ms Gobbo's approaches to the AFP in 1998:

- the PROMIS database;
- the AFP email system;
- the AFP local area network;
- official diaries of current and retired FAs as named above; and
- approximately 600 file folders of archival material relating to Operations Virus and Flange, including the briefs of evidence, investigation notes and other hard copy records.

As a result of these searches, the AFP:

- has not identified:
 - any other meetings between Ms Gobbo and the AFP, beyond the interactions described above and referred to in the material already provided to the Royal Commission;
 - any information, reports or other documents recording information provided by Ms Gobbo to the AFP as a result of these meetings or otherwise;
- can confirm that:
 - no investigations were commenced, arrests made, or prosecutions undertaken on the basis of these meetings; and
 - no attempt was made to register Ms Gobbo as a human source as a result of these meetings, and no attempt has ever been made to do so.

As you will be aware from the Royal Commission's access to documents filed in the Karam appeal proceeding, the AFP has provided an affidavit confirming that at no stage was Ms Gobbo a human source for the AFP. [REDACTED] who deposed the affidavit, was aware of the matters set out above in deposing that affidavit.

Mr Howard Rapke, Royal Commission into the Management of Police Informants

22 November 2019

As with the information and documents provided by the AFP previously, including under cover of our letters dated 1 April 2019, 8 April 2019 and 14 May 2019, the information above and the enclosed documents are provided to the Royal Commission on a voluntary basis and on the understanding that they will:

- be maintained confidentially; and
- not be disseminated by the Royal Commission or tendered in the Royal Commission without prior consultation with the AFP Commissioner's legal representatives.

Please contact Pip Mitchell or Isabelle Minnett with any queries.

Yours sincerely



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