

BEFORE THE REAL ESTATE AGENTS DISCIPLINARY TRIBUNAL

[2013] NZREADT 68

READT 073/12 and 082/12

IN THE MATTER OF two appeals under s.111 of the
Real Estate Agents Act 2008

BETWEEN **JOHN REID (073/12)**

Appellant

AND **REAL ESTATE AGENTS
AUTHORITY (CAC20002)**

First respondent

AND **DANIEL COX**

Second respondent

BETWEEN **DANIEL COX (082/12)**

Appellant

AND **REAL ESTATE AGENTS
AUTHORITY (CAC 20002)**

First respondent

AND **JOHN REID**

Second respondent

MEMBERS OF TRIBUNAL

Judge P F Barber - Chairperson
Mr J Gaukrodger - Member
Ms N Dangen - Member

HEARD at WANGANUI on 31 May 2013

DATE OF DECISION 12 August 2013

COUNSEL

Ms J M Woodcock for Mr J Reid
Ms J MacGibbon for the Authority
Mr J H Waugh for Mr D Cox

DECISION OF THE TRIBUNAL

The Issue

[1] The licensee, Mr John Reid, appeals against a CAC decision censuring him and ordering him to pay a fine of \$1,000.

[2] Mr Daniel Cox appeals, as a complainant vendor, against a CAC decision deciding to take no further action on one of the grounds of his complaint against Mr Reid, and against the Committee's Orders decision.

Background

[3] The licensee (now retired) was a licensed real estate agent working for Coull Battell Ltd in Wanganui and was, at material times, involved in selling 135 Victoria Avenue, Wanganui. There was no Listing Agreement or market appraisal. The vendor of the property was the corporate trustee of La Quattro Trust, namely, La Quattro Enterprises Ltd which had two directors, Lance Green and the said Daniel Cox.

[4] The property was tenanted by Ab Fab Flowers Ltd owned by Lance Green and a Mrs Mary Waine. They wanted to sell that company's business separately, and approached a colleague of the licensee's, a Mr Vandershantz, about selling it for them.

[5] The marketing for sale of the property at 135 Victoria Avenue, Wanganui, was referred in late January 2010 to the licensee who was instructed not to market the property on a basis which might suggest to potential purchasers that Ab Fab Flowers was in financial difficulty.

[6] Over April 2010 and March 2011 the licensee contacted several potential purchasers. The licensee kept Mr Green appropriately informed of developments. A \$560,000 offer was received for the property and inclusive of Ab Fab Flowers Ltd, but this was withdrawn following a building inspection. In fact, that offeror became the ultimate purchaser of the property. A second offer of \$420,000 was received from another party, but did not proceed after a building inspection.

[7] A third offer of \$365,000 was made by the first offeror and appellate purchaser. However, the complainant (Mr Cox) was reluctant to sign acceptance due to his suspicion that the purchaser may have entered into a separate agreement with the tenant, Ab Fab Flowers Ltd. The complainant had written to Coull Battell on 1 February 2011 requesting to be kept independently informed of any sale and purchase agreements.

[8] However, on 7 April 2011, the complainant signed the sale and purchase agreement for the property in relation to the said offer of \$365,000.

[9] The complainant then complained to the Authority that not all offers had been presented to him by the licensee and that he was not made aware of a second agreement between the lessee Ab Fab Flowers Ltd and the purchaser. He maintained this was a mechanism to deprive the vendor Trust of \$35,000. He further stated that he directly asked the licensee whether there was a second agreement and was given a vague response.

[10] An agreement had been entered into between Ab Fab Flowers Ltd and the purchaser on 29 March 2011 for vacant possession of the property for a payment by the purchaser to the lessee of \$35,000.

[11] The licensee asserts that, from time to time all, marketing progress information was passed on to the solicitor for the Trust, Mr Mackenzie, who was also the solicitor for Ab Fab Flowers Ltd, and that he (the licensee) did not think it appropriate to pass such business information on to the complainant.

The Committee's Decision

[12] The Committee's decision finding unsatisfactory conduct by Mr Reid was issued on 24 July 2012. It dealt with and dismissed Mr Cox's complaints. It found that there was insufficient evidence to isolate blame to Mr Reid for Ab Fab Flowers Ltd accessing information about the sale and receiving the \$35,000 payment which Mr Cox was allegedly not advised about. However, the Committee viewed the lack of an agency agreement "*with concern*", and found Mr Reid accountable as the lead salesperson. The Committee was concerned that Coull Battell Ltd paid out commission to Mr Reid and other salespersons despite an agency agreement not having been executed, which was in contravention of s.126 of the Real Estate Agents Act 2008. The Committee felt that Mr Reid was entitled to rely on the vendor's solicitor to provide information to Mr Cox. It also took some account of Mr Reid's long and unblemished record as a real estate agent.

[13] The Committee dealt with penalty in its decision of 5 October 2012. In response to Mr Cox's submissions to it, the Committee noted:

- [a] Refund of commission and expenses: Mr Reid concluded the property's sale and there was no justification to refund the commission and expenses as requested by Mr Cox;
- [b] Reimbursement of Mr Cox's legal fees and disbursements in making the complaint: the committee questioned why Mr Cox had used legal services in a setting where the process is not complex. It considered that there is no requirement that his complaint be made through counsel and that Mr Reid ought not to be required to reimburse legal fees to Mr Cox;
- [c] Mr Cox's request for \$3,000 compensation: the Committee held that it cannot order this under s.93 of the Act.

[14] Simply put, the Committee did not uphold the complainant's grounds of complaint against Mr Reid, but took issue with the lack of agency agreement as in breach of s.126 of the Act. Accordingly, the Committee found that the licensee had engaged in unsatisfactory conduct, and fined him \$1,000 and censured him.

Grounds of Appeal To Us

[15] The licensee appeals and contends that the fine of \$1,000 is excessive. However, the complainant appeals (also) against the determination of the Committee that there is insufficient evidence to isolate blame to the licensee for the non-disclosure of payment of \$35,000 to the tenant of the property. He further appeals that he should have been awarded his costs and expenses and a refund of the commission on both sales.

The Statute

[16] We now set out s.72 of the Act which defines “unsatisfactory conduct” as follows:

“72 Unsatisfactory conduct

For the purposes of this Act, a licensee is guilty of unsatisfactory conduct if the licensee carries out real estate agency work that—

- (a) falls short of the standard that a reasonable member of the public is entitled to expect from a reasonably competent licensee; or*
- (b) contravenes a provision of this Act or of any regulations or rules made under this Act; or*
- (c) is incompetent or negligent; or*
- (d) would reasonably be regarded by agents of good standing as being unacceptable.”*

[17] We also set out s.126 of the Act:

“126 No entitlement to commission or expenses without agency agreement

- (1) An agent is not entitled to any commission or expenses from a client for or in connection with any real estate agency work carried out by the agent for the client unless—*
 - (a) the work is performed under a written agency agreement signed by or on behalf of—*
 - (i) the client; and*
 - (ii) the agent; and*
 - (b) the agency agreement complies with any applicable requirements of any regulations made under section 156; and*
 - (c) a copy of the agency agreement signed by or on behalf of the agent was given by or on behalf of the agent to the client within 48 hours after the agreement was signed by or on behalf of the client.*
- (2) A court before which proceedings are taken by an agent for the recovery of any commission or expenses from a client may order that the commission or expenses concerned are wholly or partly recoverable despite a failure by the agent to give a copy of the relevant agency agreement to the client within 48 hours after it was signed by or on behalf of the client.*
- (3) A court may not make an order described in subsection (2) unless satisfied that—*
 - (a) the failure to give a copy of the agreement within the required time was occasioned by inadvertence or other cause beyond the control of the agent; and*
 - (b) the commission or expenses that will be recoverable if the order is made are fair and reasonable in all the circumstances; and*
 - (c) failure to make the order would be unjust.*
- (4) This section overrides the Illegal Contracts Act 1970.”*

[18] We also set out Rule 9.15 of the Real Estate Agents Act (Professional Conduct and Client Care) Rules 2009:

“9.15 Unless authorised by a client, through an agency agreement, a licensee must not offer or market any land or business, including by putting details on any website or by placing a sign on the property.”

A Summary of the Evidence

The Evidence of Mr J C Reid

[19] Mr Reid is now a retired real estate agent but at material times, was employed as a real estate agent by a franchise of the Professionals (Coull Battell Ltd) in Wanganui where he had been selling real estate for 35 years. He had specialised in commercial properties only for the previous 25 years.

[20] In January 2010 a colleague Mr H Vanderschantz and Mr Lance Green, an accountant, met him in his office because Mr Green wished to sell the property at 135 Victoria Avenue, Wanganui owned by a trustee company of which Mr Green was a director.

[21] The tenant of the building was Ab Fab Flowers Ltd which was operated by a Ms Mary Waine who was Mr Green's partner. Mr Green told Mr Reid that he wanted to sell the property and possibly the business of Ab Fab Flowers Ltd but did not want the sale to be advertised as he did not want to affect Ms Waine's business. He did not want Mr Reid to actively seek a purchaser but simply to be discreetly on the look out for one and the matter was not urgent. Accordingly, Mr Reid did not formally list the property.

[22] Mr Reid was briefed by Mr Green that the property was owned by a trust and that, together with Mr Green, a Mr D Cox was also a shareholder and director of the trustee of the trustee company of the trust, and that Mr Cox lived in Te Puke. Mr Reid was given the impression that Mr Cox was difficult to deal with and that he (Mr Reid) should have as little to do with him as possible.

[23] It happened that a company soon came to hand and on 9 April 2010 made a written offer of \$560,000 for the property but subject to due diligence. That offer did not proceed but that offeror became the ultimate purchaser.

[24] Mr Reid acknowledges that he should then have secured a listing agreement for the property but overlooked that he had not done that at the outset.

[25] He became aware that Mr Garry Mackenzie, a local solicitor represented the trust vendor, that he was to keep Mr Mackenzie informed of marketing developments, and he understood that Mr Mackenzie would control the flow of information to the directors of the trustee company vendor. He kept Mr Green up to date with any progress but did not liaise with Mr Cox. One or two offers for the property fell through.

[26] On 1 February 2011 Mr Cox wrote to the Professionals asking to be kept informed of any sale and purchase agreements regarding the property, but Mr Reid was unsure whether he received a copy of it. He has a diary note of 18 March 2011 that he contacted Messrs Cox and Green to discuss an offer of \$375,000 for the building from a Mr Newton. He recollects that he had thought he should bring Mr Cox up to speed as a sale was looking likely. Mr Newton represented the company which had made an offer for \$560,000 on 9 April 2010.

[27] Mr Reid completed an agreement for sale and purchase at \$375,000 and sent it to Mr Cox on 29 March 2011. However, there was another agreement between the purchaser and Ab Fab Flowers Ltd (as referred to above) but Mr Reid did not send that to Mr Cox "*as he was not an owner of the business*". He also added "*I*

understood the agreement was to enable Mary to set up her new business". He received no commission for preparing the agreement with Ab Fab Flowers Ltd. He seemed to think that he probably provided both the sale agreements to the solicitor Mr Garry Mackenzie.

[28] Mr Reid retired on 31 March 2011 and the said Mr H Vanderschantz took over the transaction. Mr Reid has a record that he telephoned Mr Cox on 5 April 2012 at about 7.55 pm for three minutes and expects that must have been to update him on the sale of the property at \$375,000. Mr Reid would have also enquired why Mr Cox had not signed the agreement. Mr Reid recalls that Mr Cox asked him directly whether there was another agreement dealing with the business of the lessee. In that respect, Mr Reid stated in his evidence-in-chief *"I don't recall the exact words that I used but I do accept that I did not confirm the existence of another agreement. I did not consider that it was a matter that I should be discussing with him as he was not a shareholder in Ab Fab Flowers Ltd"*. Mr Reid then added that, with hindsight, he should have answered Mr Cox directly and told him about the other agreement but added *"at the time I felt that it was not my place to discuss it with him. I should have told him that I could not provide him with the information that he was seeking and that he should be discussing this with [Mr Green]. Alternatively, I could have directed him to speak to Garry Mackenzie as Garry had all the relevant information and was acting for the trust"*.

[29] For his work on the transaction Mr Reid received \$2,645 commission. He thought the price which the vendor trust obtained for the building was very reasonable in terms of the then state of the property market.

[30] In cross-examination, Mr Reid accepted that he realised Mr Cox was a decisionmaker and needed to be involved in any sale of the property. However, he felt he was working on the instructions of Mr Green and the lawyer, and that they would keep Mr Cox informed. It was put to Mr Reid that he knew he should have kept Mr Cox better informed but preferred to keep him at arms length. Mr Reid responded *"well you don't deal with every director and shareholder of a vendor company"*.

[31] He emphasised that his failure to complete a listing agreement was a complete oversight and contrary to all his years of experience but, probably, because he had the property on the market *"quietly"*.

[32] It was put to Mr Reid that Mr Cox had twice asked to be informed about the sale process but Mr Reid felt that it was for the co-director Mr Green and the lawyer to treat with Mr Cox, and they gave Mr Reid to understand that they were doing that. Mr Reid said that, over the period when he did not communicate with Mr Cox, not much happened and that he contacted him when the sale seemed imminent.

[33] It also emerged in cross-examination that Ms Waine did not have finance to outfit new premises to which she would need to move upon the building being sold so that Mr Green split off \$35,000 from the purchaser's \$400,000 offer as a payment to Ms Waine for surrendering her monthly tenancy at settlement of the sale of the building. Mr Reid seemed to know that no one had told Mr Cox of this split and thought it did not concern Mr Cox as he was not involved in the business of Ab Fab Flowers Ltd and that the tenant was simply dealing direct with the ultimate purchaser of the property. Accordingly, the cash offer sent to Mr Cox for signature for the sale of the property had a price of \$365,000 and it was not disclosed to Mr Cox that there had been a separate transaction with Ab Fab Flowers Ltd.

[34] Mr Reid did not seem to accept from us that Ms Waine as the owner of Ab Fab Flowers Ltd (apparently with Mr Green) had nothing to sell as licensee; and one could infer that, because she was a partner of Mr Green, she was being generously treated with a split off of \$35,000 from the price as described above. Somewhat curiously, it seemed that Mr Reid honestly felt that that was none of Mr Cox's business. We understand that what fittings and fixtures belonged to the lessee, Ab Fab Flowers Ltd, were of very little value.

[35] Ms MacGibbon put it firmly to Mr Reid that the \$35,000 split off from the purchaser's price of \$400,000 for the property did not relate to Ab Fab Flowers Ltd selling anything to the purchaser, and was merely for her giving vacant possession of her monthly tenancy at settlement date; so that, surely, Mr Cox was entitled to know about the split off of the \$35,000. Mr Reid's response was "*well, he wasn't a shareholder of the [lessee's] business*". Mr Reid also remarked that Mr Cox had not asked Mr Reid to keep him informed of progress to sale. It seems that negotiations with the purchaser were primarily handled by Mr Green.

[36] Mr Reid seemed to think that his conduct could not be faulted because he had assumed that Mr Cox knew all that was going on, including that \$35,000 had been split from the purchase price as a payment to the lessee. We do not think that Mr Reid understood the slickness of that split on the part of Mr Green and that Mr Cox was entitled to \$17,500 of that \$35,000 as, in effect, a co-owner of the vendor.

The Evidence of Mr Cox

[37] Mr Cox complains that Mr Reid had breached professional standards. Mr Cox felt that Mr Reid had aided Mr Green to defraud Mr Cox of \$17,500. We understand that Mr Cox's concerns have already been dealt with in the civil courts and by the local Law Society but that he feels he has not been fully reimbursed for his costs. He explained that he had a shortfall of at least \$12,613 in terms of legal fees, travel, and accommodation expenses. He also felt he should receive \$3,000 damages for stress and a refund of all real estate commission on the transactions. He considers that the fine of \$1,000 and censure imposed on Mr Reid for unsatisfactory conduct are inadequate penalties.

[38] Mr Cox was thoroughly cross-examined by counsel but stood firm. He simply put it that there had been an improper price split to assist the lessee re-establish her business elsewhere, there had been no listing agreement, and no appraisal of the property. He also seemed to be putting it that Mr Reid had treated the property as rather run down which may have affected the price obtained. However his basic concern is that \$35,000 had been improperly split off the price in favour of the lessee in his view.

[39] Mr Cox said he had incurred a lot of cost in endeavouring "*to find out what was going on*". He seemed to be saying that he did not think that Mr Reid had lied to him but had withheld information which Mr Cox had sought from Mr Reid; although he then added that he felt that Mr Reid had not given correct answers to him so that he has also lied to him.

[40] Mr Cox felt that a number of other people were complicit in splitting off the \$35,000 to the lessee without Mr Cox's approval or knowledge. He also made it clear that if he had been properly consulted by Mr Reid or Mr Green, he would have said that there must be one agreement only at \$400,000 for the sale of the building.

He considered that vacant possession was a matter for the owners to arrange with the lessee and not a matter for a separate agreement between purchaser and lessee with a split of price as consideration.

[41] Mr Cox feels that a number of people have deceived him and that real estate agents “*have a duty of truth*” and this affair has cost him much money and stress.

[42] In answer to a question from us, Mr Cox explained that Ab Fab Flowers Ltd never had a formal lease of the premises. When the vendors purchased the property, Ms Waine had her company buy an existing gift shop business which operated at the building and merge it with her retail flower business. Since then, she has continued there as a monthly tenant at law at an annual rent of \$35,000.

Discussion

[43] The complainant asserts that the licensee breached his fiduciary duty to him as a vendor client in failing to give him full disclosure of all the agreements that were drafted. There is no dispute that the licensee knew about the agreement between the purchaser and Ab Fab Flowers Ltd. He states he did not disclose this information because he considered that the complainant was not a party to that agreement so that it would be improper for him to be given such information. That is a curious view towards a director/shareholder of the vendor.

[44] The licensee also seemed to think that it was not necessary for information about the agreement with Ab Fab Flowers Ltd to be presented to the complainant because this information was provided to Mr Mackenzie, the solicitor for the vendor trust. However, the complainant sought such information from the licensee and was a vendor party.

[45] An agreement for vacant possession would usually be negotiated between buyer and seller, not between buyer and tenant. The complainant had specifically asked to be kept informed as to any sale and purchaser agreements relating to the property (due to issues between him and his fellow vendor director, Mr Green).

[46] Given that context, we consider that complete candour was required of the licensee when he was asked by the complainant whether there was any separate agreement between the buyer and Ab Fab Flowers Ltd.

[47] Under Rule 6.4 of the Real Estate Agents Act (Professional Conduct and Client Care) Rules 2009, the licensee was required to not mislead nor withhold information that should by law or fairness be provided to a client. Other Rules are relevant also, e.g. Rules 6.1, 6.2 and 6.3. They read:

“6.1 An agent must comply with the fiduciary obligations to his or her client arising as an agent.

6.2 A licensee must act in good faith and deal fairly with all parties engaged in a transaction.

6.3 A licensee must not engage in any conduct likely to bring the industry into disrepute.”

[48] It is submitted for the Real Estate Authority that a failure to have a listing agreement is of concern, as it is a fundamental requirement for engagement in real

estate agency work. Further, it is something that is specifically legislated for under s.126 of the Act. Of course, we agree.

[49] It was submitted for the licensee that the legislation does not require a listing agreement under s.126. Presumably, it is meant that s.126 merely prevents entitlement to commission or expenses without an agency agreement. It is the Authority's submission that Rule 9.15 states that "*unless authorised by a client through an agency agreement, a licensee must not offer or market any land or business ...*" making it a requirement that there is a listing agreement. We agree. In terms of s.126, a listing agreement must exist before a commission is claimed. Here, that commission was claimed in respect of both agreements even though there was no listing agreement in place.

[50] Under s.93 of the Act, we have (as did the Committee) the power to award costs (s.93(1)(i)) and a refund of commission (s.93(1)(e)). Under s.93(1)(f), we have the power to make orders to rectify errors or omissions on the part of licensees. Should we contemplate making an award for relief under s.93(1)(f), we are bound by the High Court's decision in *Quin v The Real Estate Agents Authority* [2012] NZHC 3557 (per Brewer J) and are confined to ordering licensees to put right the error or omission, or to "*provide ... relief, in whole or in part*" from the consequences of the error or omission. However, Brewer J makes it clear, at para [58] and earlier of his judgment in *Quin*, that "*Section 93(1)(f) does not empower a Committee to order a licensee to make payments in the nature of compensatory damages. That is a power which is given to the Tribunal under s.110 ...*". Section 110 only relates to our powers to make orders in a situation of misconduct of a licensee. Here we are dealing with his misconduct.

[51] A penalty decision is discretionary in nature and it is for us to determine the appropriate penalty. The complainant seeks a costs award and that commission on both agreements be refunded to him by the licensee. He also seeks financial compensation; but we have no power to do that in this case.

[52] Mr Waugh put it, on behalf of Mr Cox, that issues are whether Mr Reid's failure to disclose to Mr Cox the agreement between the purchaser and lessee amounts to misconduct or unsatisfactory conduct and, if either, what penalty is appropriate; and if the only unsatisfactory conduct is the failure to obtain a listing agreement, then what penalty is appropriate for that; and should costs be awarded? The hearing before us focused on the concept of "*unsatisfactory conduct*" under the Act and the nature of an appropriate penalty if that is proven against Mr Reid.

[53] At first, it seemed to be an issue that the building had been sold for \$400,000 when the vendors originally sought a price of \$560,000 and that the lack of an appraisal process must be related, to that. However, the full hearing before us focused primarily on one director (Mr Green) of the vendor trust company favouring his domestic partner, whose company was lessee of the building, by splitting \$35,000 off the building's sale price and paying it to her company without informing the other director and co-owner of the vendor. In effect, the issue is that the property was sold for \$365,000, instead of \$400,000; and the role of Mr Reid as the licensee in that.

[54] Mr Cox considered, as do we, that he was entitled to a further \$17,500 from the sale of the building as his half share of the \$35,000 paid to the lessee. We understand that, subsequently, Mr Cox was awarded his said loss of \$17,500 in civil litigation.

[55] The short point on which these appeals pivot is that Mr Cox, as a director and shareholder of the vendor, was not told at material times that \$35,000 had been siphoned off the offer price for the building and paid to a partner of his co-director through her lessee company. Although Mr Cox/the complainant accepted the net price put to him for the property at \$365,000, he was suspicious.

[56] It seems to us that the monthly tenancy, for the surrender of which Ab Fab Flowers Ltd received \$35,000, had no surrender value. There was no value on vacant possession being provided by that lessee in the circumstances of this case. However, we feel that the licensee, Mr Reid, did not understand that nor that a type of deceit was being worked against Mr Cox. We emphasise that Mr Cox was a principal of Mr Reid, just as Mr Green was, and Mr Cox should not have been shut out of the progress of the marketing of the building and certainly should not have been lied to. In effect, there was a breach of agency and/or breach of trust by Mr Reid, but he did not seem to realise that.

[57] When we stand back and absorb all the above we consider that the conduct of Mr Reid is not concerning enough to find misconduct by him in all the circumstances of this case. Had we so found the issue would have needed to be referred back to the Committee. However, there is unsatisfactory conduct on the part of Mr Reid in that there was no listing agreement for the sale, no appraisal as required, and non-disclosure of the side deal or said split of the purchase price to Mr Cox as, in effect, one of the vendors.

[58] We are very conscious that Mr Reid seems to have been a distinguished real estate agent in the area for 35 years and is elderly and has retired with dignity. Also, there were some unusual elements in the situation we have described above.

[59] However, it cannot be that Mr Reid was entitled to rely on the solicitor for the vendor company, or on the co-shareholder and director of the vendor trustee company (Mr Green), to keep Mr Cox up to date on the marketing of the building and the details of sale, - particularly, when Mr Cox sought such information. Mr Cox was one of the principals for whom Mr Reid was agent and Mr Reid had a duty to keep Mr Cox fully informed also.

[60] We consider that Mr Reid's failures are at the high end of the scale with regard to the definition of unsatisfactory conduct in the Act. However, there is a mitigating aspect to some extent in that Mr Reid's views of his duties to Mr Cox in all the circumstances were misguided and we can accept that in his own mind he does not feel that he has been dishonest.

[61] We find that Mr Reid's appeal fails and Mr Cox's appeal succeeds. Accordingly, as did the Committee, we find unsatisfactory conduct proved against Mr Reid and we Order as follows against Mr Reid:

- [a] He is fined \$1,000 (as ordered by the Committee) payable to the Registrar of the Authority at Wellington within one calendar month from this decision;
- [b] Whatever commissions were actually received by Mr Reid from the said transactions are to be paid to Mr Cox also within one calendar month of this decision – we understand that sum to be \$2,645;

- [c] Mr Reid is to pay Mr Cox a further \$2,000 towards the costs incurred by Mr Cox as a result of Mr Reid's said conduct such further \$2,000 payable by Mr Reid to Mr Cox within one calendar month of the date of this decision;
- [d] Mr Reid is to contribute \$2,000 towards our costs payable to the Tribunals Unit of the Ministry of Justice, 86 Customhouse Quay, Wellington within three calendar months of this decision.

[62] Pursuant to s.113 of the Act, we record that any person affected by this decision may appeal against it to the High Court by virtue of s.116 of the Act.

Judge P F Barber
Chairperson

Mr J Gaukrodger
Member

Ms N Dangen
Member