IN THE MATTER OF AN AGENTS LICENSING BOARD MEETING PURSUANT TO Ss 14, 20(2)(a) & (3), 33, 39(1)(b)OF THE AGENTS LICENSING ACT 1979 DETERMINATION OF APPLICATION FOR GRANT OF REGISTRATION AS AGENT'S REPRESENTATIVE

APPLICANT :

CHRISTOPHER PAUL DEUTROM

DATE OF BOARD MEETING:

10 NOVEMBER 2022

Deputy Chairperson: Alternate Member Alternate Member Gabrielle Martin Diane Hood Michael Bongiorno

Appearances:

Christopher Paul Deutrom

Support staff

Ben Tuffnell Registrar of Land Business and Conveyancing Agents

Laine Cornish A/Board Support Officer

STATEMENT OF REASONS FOR DECISION

Background

- 1. This matter concerns an application for the grant of registration as an Agent's Representative. The application is in the form of a Statutory Declaration and the provisions of the *Oaths, Affidavits and Declarations Act* 2010 apply making it a criminal offence to wilfully make a false statement or alter a statement.
- 2. The Board must, under s 39 (1) of the *Agents Licensing Act 1979 ("the Act")*, consider such an application for registration.
- 3. On 11 April 2022, Mr Christopher Paul Deutrom lodged an application for registration as an Agent's Representative and paid the pro-rata fee of \$31.00. That application was accompanied by a statement from a referee, who was Charlotte Josephine Cooper. This application was made after Mr Deutrom's previous Real Estate Agent's licence had lapsed on 30 November 2018.
- 4. In the intervening period, Mr Deutrom was tried in the Supreme Court on

eight (8) charges of obtaining a benefit by deception. The charges related to \$237,000.00 in advertising rebates from the NT News and realestate.com.au being diverted into his personal bank accounts during 2015 and 2016 instead of being transferred to the bank account of Elders Real Estate, his employer ("Elders").

- 5. On 29 November 2018, Mr Deutrom was convicted and found guilty on all charges and was sentenced to 5 years imprisonment, with a non-parole period of 2 years and 6 months, starting from 14 November 2018. He was released after serving two and a half years in goal.
- 6. Mr Deutrom's application is supported by the following documents:
 - a. Criminal History Check;
 - b. Diploma of Property Services (Agency Management);
 - c. Australian Financial Security Authority check;
 - d. Current Passport (ID page only;
- 7. If the application is successful, then Mr Deutrom would be working under Adrienne O'Shea, Business Manager, Ellis Parker Real Estate. This Agency is owned by Mr Deutrom's wife, Helen Deutrom.
- 8. The application went before the Board earlier in the year however, due to a procedural irregularity, the decision was not made in accordance with the Act. It was determined that the application would be determined by a newly constituted Board.
- 9. A date for a Board Meeting was fixed for some time in November 2022. Mr Deutrom was invited to make oral submissions to the Board in support of his application. The make-up of the Board are members who had no involvement in the previous Board's determination of the application and none of the new members had any conflicts of interest with the applicant.
- 10. Prior to the Board Meeting, it reported to Ms Cornish two discrepancies in the application.
- 11. Firstly, it became apparent that Mr Deutrom's choice of referee, Charlotte Josephine Cooper, is related to him because she is his son's de facto partner and they have a child.
- 12. Secondly, Mr Deutrom answered "no" to question 4 of the application, which reads:

Have you been disqualified from holding a licence, certificate of registration or other authority under the Consumer Affairs and fair trading Act 1990 or have you had a licence, certificate or other authority suspended?

- 13. On 23 November 2018, the Board applied a suspension to Mr Deutrom's licence, pending the outcome of an Inquiry.
- 14. Ms Cornish wrote to Mr Deutrom on 27 October 2022 about these issues and asked for a new referee who was not related to him. He wrote back on the same day and said that he had misunderstood the question and that the answer should have been "yes" and he said he would forward another

referee.

- 15. On 1 November 2022, Mr Deutrom re-submitted his application with a new referee who stated that she had known him for 25 years. The answer to Question 4 remained unamended.
- 16. The Board Meeting was held on 10 November 2022.
- 17. Mr Deutrom appeared before the Board to provide oral submissions in support of his application for the grant of registration as an Agent's Representative. I introduced myself as the Chairperson, and the other members of the Board (Diane Hood and Michael Bongiorno). They appeared via TEAMS. Ms Hood's attendance was only confirmed 24 hours prior and I stumbled to recall her name. I also introduced Mr Deutrom to the Registrar, Ben Tuffnell and the Board's Support Officer, Laine Cornish. The Board Meeting was recorded.
- 18. Prior to the Board Meeting, Mr Deutrom also provided the following documents in support of his application:
 - a. Letter of support by Mario Tsirbas, Manager ALAKEN Pty Ltd, current employer;
 - b. Letter of Support by Shannon Rossborough, General Manager NT Office Installations, Mr Deutrom's supervisor while engaged in "Sentenced to a Job" program; and
 - c. Letter, "To Whom It May Concern" by Dr Damien Howard, Psychologist.
- 19. The Board considered these documents before inviting Mr Deutrom into the meeting. It also considered the Certificate of Conviction of Mr Deutrom dated 29 November 2018 detailing all eight convictions of deception and obtaining a benefit for himself or another, offences under Section 227(1)(b) of the *Criminal Code*. It is noted that the date of the last conviction was the period "12 November 2015 and 28 September 2016".

The Relevant Legislation

- 20. Pursuant to section 39 (1) of the Act the Board must consider an application for the grant of registration as an Agent's Representative and (a) must grant the application if it is satisfied that the applicant meets all the qualifications set out at section 39(1) (a) to (d) of the Act.
- 21. In particular, section 39(1) (b) of the Act requires the applicant to be a "fit and proper person".
- 22. The meaning of a fit and proper person is stated in the Act, at section 20. The relevant parts of section 20 are as follows; Section 20

Meaning of fit and proper person

- (1) A natural person is a fit and proper person for the purposes of section 22, 25 or 39 if the person:
 - (a) Is not a disqualified person as determined in accordance with this section; and
 - (b) Is a person whose general reputation in the community (which may

include a place outside the Territory) is such that the board is satisfied that the person will competently, conscientiously and honestly perform the duties of an agent in relation to the person's employees and clients, and

- (c) has completed the application for a licence frankly, comprehensively, and honestly.
- (2) A person is a disqualified person for the purposes of subsection (1)(a) if the person:
 - (a) has in the 10 years immediately before the person applied for the licence, being found guilty (whether or not in the Territory) of a prescribed offence or an offence that involves dishonesty or violence or is an offence against the Misuse of Drugs Act 1990, the Kava Management Act 1998, or a corresponding law declared under subsection 8.
 - (references to (b)-(f) are not referred to- due to irrelevance to this application)
- (3) The Board may determine that an offence referred to in subsection (2)(a) is not to be taken into account for the purposes of this section:
 - (a) because of the time that has passed since the offence was committed; or
 - (b) because the act or omission constituting the offence was trivial".
- 23. Section 20 essentially requires three things for a person to be considered a fit and proper person under the Act, the first of which is that the person not be a *disqualified person* under the Act. It is not necessary to consider the other two sub-paragraphs.
- 24. The conviction for the eight charges of deception and obtaining a benefit for himself or another, offences under Section 227(1)(b) of the *Criminal Code* triggered the application of section 20 (1)(a).

Re "Trivial"

25. Suffice to say that the fact Mr Deutrom was tried and convicted of eight counts of dishonesty offences involving the transfer of \$237,000.00 in advertising rebates from the NT News and realestate.com.au into his personal bank accounts during 2015 and 2016 which attracted a sentence of imprisonment of 5 years with a non-parole period of 2 years 6 months set aside any consideration of whether the "acts" were "trivial".

Re Key Issue for Board

26. A key issue arose as to whether the Board could be satisfied that section 20(2)(a) of the Act ought not to be taken into account because of the time taken since the offence was committed or whether that section applies and that the applicant is still a disqualified person because he was found guilty of an offence which involves dishonesty in the 10 years immediately before lodging his application.

Submissions of Mr Deutrom

- 27. Mr Deutrom said he was found guilty. He served his time. He deserves a second chance.
- 28. He provided a brief history of his career as a real estate agent over 30 years.
- 29. Since his release from goal, he has worked for NT Office Installations and now works for Alaken Pty Ltd. He provided letters of support from both employers.
- 30. He is also seeing a Psychologist, Dr Damen Howard, and has done so since his release. This has been primarily to help him cope with the process of reintegration back into society and his family unit after two and a half years in goal. Dr Howard pointed out that Mr Deutrom's attendance did not form any part of his parole conditions. He said that Mr Deutrom had been chastened by his experiences as a result of the convictions and it is highly unlikely that he will intentionally or knowingly act in a way which would breach his licence.
- 31. The three letters all support Mr Deutrom being given a second chance and support his application which would allow him to re-enter his chosen profession (albeit at the level of an agent's representative).
- 32. Mr Deutrom's work with his current employer has him managing three businesses, a car wash, a car detailing business and the KOA Caravan Park. He has had extensive access to the businesses and acted with honesty and integrity.
- 33. He also mentioned that he had set up an Air BnB business at Ellis & Park Real Estate. He contacted Ms Cornish to confirm that the business does not create any conflicts for him under the Act.
- 34. Mr Deutrom advised the Board he was quite involved with a number of voluntary endeavours concerning podcasts, working in prisons, a men's group and giving people another chance.
- 35. In relation to the offending, Mr Deutrom explained to the Board that he wanted to reward staff for excellence. There was money being returned from NT News to Elders for what he described as "advertising kickbacks". He asked his employer, Elders, if he could use that money to fund his "Awards for Excellence" program for his staff. The answer was "no".
- 36. He believed that this was a wrong decision by Elders and he decided to go ahead with diverting the money from NT News into the bank account for his company Deutrom Pty Ltd ("DPL Account") (he was a director of that company). As he was a shareholder with Elders, any dividends etc were deposited into the DPL account.
- 37. The Awards for Excellence trips were taken in 2014, 2015 and 2016. (The offending period was from 21 June 2015 to 28 September 2018.) Mr Deutrom

said he took twelve people to Singapore and Bali. There was another trip to Malaysia with an undisclosed number of persons. Mr Deutrom said he used his credit card to pay for the trips which he reimbursed from the "advertising kickbacks" money in the DPL account. He also used the money to pay for his holiday expenses. There could have been some funds left over from the transfer from NT News but he could not remember.

- 38. Mr Deutrom tried to explain the decision-making behind this. He said he had a "God-complex" at the time. "I thought it was the right thing to do even though I thought it was naughty but believed I had good intentions. I regret all of my actions."
- 39. He was upset by the NT News reporting his offending as "stealing". He said it was not stealing. It was "receiving a benefit by deception".
- 40. Mr Deutrom said on a number of occasions to the Board that Elders never asked for the money to be returned, Elders never made an application to court for the return of the money and the court did not order him to return the money to Elders. He did correct himself and said that initially, Elders had asked for the money.
- 41. Mr Deutrom's main ground for seeking a grant of registration as an agent's representative is that he claims he is struggling to support his family. He said, "We can't go on holiday. We can't do anything."
- 42. He found it difficult to quantify his current debts because "Helen does all of our financials". No financial records were provided by Mr Deutrom.
- 43. He reported that he and his wife earn collectively \$150,000.00 pa. Although, there was no mention of the income earned from the Air BnB.
- 44. They used to own a multimillion dollar house in Cullen Bay. They now rent a 3 bedroom duplex townhouse in Bayview for \$640.00 pw. He described it as "meagre accommodation".
- 45. After the Board meeting, Mr Deutrom provided a letter with additional information about his debts. Allegedly, the debts include \$350,000.00 still owing on the mortgage with NAB after the Cullen Bay house was sold; loans to his mother (\$100,000.00) and his father (\$150,000.00); and a group of other debts described as a "number of other payment plans for smaller debts to lawyers, banks etc". Again, there was no documentary evidence of these debts.
- 46. He told the Board about his regrets. He regrets giving Elders money in good faith. It was about \$80,000.00 to \$100,000.00. He could not remember the exact amount. The regret concerned the attitude of the prosecution at the trial. They said it proved he was guilty. He regrets all the things he missed out on over the years, his daughter getting married, his children's birthdays, the death of his father-in-law, the birth of his first grandchild, a first day at school, and other family milestones.
- 47. Mr Deutrom said that his family unit had suffered great damage. It is one of the reasons he sought psychological counselling. Obtaining registration as

an agent's representative will help get him back to work and help him support his family again; it will help him rebuild his family unit.

- 48. Another omission from Mr Deutrom's submissions is the conditions of his parole and if any of those conditions would cause issues if his application were successful.
- 49. He believes he should be given another chance because of his 30 years in the real estate business without any complaint against him. He has been an advocate for the real estate profession. He has run hundreds of charity auctions raising thousands of dollars for various charities. He did not take money from the trust account, clients or from Elders bank accounts. He believes he deserves second chance.

Consideration of Mr Deutrom's "Precedents"

- 50. Mr Deutrom identified three other Territory agents who had either used trust account money for their own purposes or committed a public offence and were permitted by the Board to keep working in the profession. As the facts in Mr Deutrom's offending are serious involving \$237,000.00 and a course of continuing conduct regarding the transfer of money and the continuation of an "Award for Excellence" program, the Board is not persuaded by these precedents.
- 51. For the same reason, the Queensland precedents referred to by Mr Deutrom of agents with drug problems being permitted to work after being convicted are not persuasive.

Consideration of the Submissions

- It is true that Mr Deutrom did not take money from Elders trust account or bank account.
- 53. What he did do was he disobeyed his employer about using "advertising kickback monies" and running a rewards program for staff and himself
- 54. To fund the program, he had to mislead NT News and direct it to transfer the funds intended for Elders to his own account.
- 55. Notwithstanding Mr Deutrom's commitment to the real estate industry, charitable works, and his efforts to restoring his family unit, he has minimised the seriousness of his offending in orchestrating the redirection of funds to his account. He has also failed to acknowledge the seriousness of the offending in relation to his employer's trust and confidence in him as an employee and a Director of the Company.
- 56. Mr Deutrom advised the Board that he has had to give up all his directorships and may not be appointed as a director for 7 years from the date of the convictions.
- 57. It may, in legal terms, not be "stealing", but Elders lost the benefit of the use of \$237,000.00.

- 58. He has not specifically stated regret or remorse for any of that conduct.
- 59. He has only regretted the paying of good faith money to Elders because it made him look guilty, and all the adverse events and losses which followed his convictions on 29 November 2018.
- 60. These aspects were not addressed by Mr Deutrom's psychologist in his Letter of Support.
- 61. The Board has determined that there is not sufficient persuasive evidence for it to conclude that it is appropriate not to take into account the offences for which he was convicted on 29 November 2018, and he remains, therefore, a "disqualified person" for the purposes of section 20 (1)(a) of the Act.

The Decision of the Board

- 62. The Board has determined that the applicant has failed to satisfy that he is a "fit and proper" person under sections 20 (1)(a) and 39 (1)(b) of the Act.
- 63. The Board refuses Mr Deutrom's application for the grant of registration as an Agent's Representative.

Right of Appeal

- 64. Section 85 of the Act provides that a person aggrieved by a decision of the Board can appeal to the Local Court.
- 65. An appeal application must be made within 21 days of the date of this decision.

Dated 8 December 2022 at Darwin

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Gabrielle Martin Deputy Chairperson Agents Licensing Board of the Northern Territory