

**REAL ESTATE AGENTS LICENSING BOARD**

No. 2006/594

**IN THE MATTER OF** an application under Section 48  
of the Act

**APPLICANT** **THE BAYFIELD REAL ESTATE  
COMPANY LIMITED t/a  
BAYFIELD FIRST NATIONAL**  
for the renewal of the certificate  
of approval as a real estate  
salesperson held in the name of  
**TONY JOHN TEAGUE**

**OBJECTOR** **REAL ESTATE INSTITUTE OF  
NEW ZEALAND  
INCORPORATED**

**HEARING:** 31 May, 1 & 2 June 2006

**DECISION:** 21 September 2006

**APPEARANCES:** J Waymouth for the applicant  
T D Rea for the Real Estate Institute of New Zealand Incorporated

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**DECISION OF THE REAL ESTATE AGENTS LICENSING BOARD**

A A Sinclair (Chairperson), K Coakley, P Dudding, R H Kirk and R I Stark

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**1. INTRODUCTION**

- 1.1 The Bayfield Real Estate Limited trading as Bayfield First National ("Bayfield") made application for the renewal of its real estate agent's licence for the 2006/2007 licensing year. It also made application for the renewal of the certificates of approval for branch managers and salespersons attached to its licence including the certificates of approval as a branch manager and salesperson for Tony John Teague.

- 1.2 The Real Estate Institute of New Zealand Incorporated ("the Institute") objected to the renewal of Bayfield's licence and also to the renewal of the certificates of approval held by Mr Teague.
- 1.3 The applications were set down to be heard together on 31 May 2006. Mr Waymouth appeared for Bayfield and Mr Teague and Mr T D Rea for the Institute. At the beginning of the third day of the hearing, the Board was advised by Mr Waymouth that the applications for renewal of the Bayfield licence and for renewal of Mr Teague's certificate of approval as a branch manager, were withdrawn. The only application that remained for consideration by the Board was that for the renewal of Mr Teague's certificate of approval as a real estate salesperson.

## 2. THE LAW

- 2.1 The application for renewal of a certificate of approval as a real estate salesperson is made under s48 of the Real Estate Agents Act 1976 ("the Act"). Section 48(6) provides that if a notice of objection to an application for renewal of a certificate of approval is given to the Board within the time allowed, the application for renewal shall be determined by the Board in the same manner as if it were an application for the issue of a certificate of approval. Section 46(1)(b) of the Act provides that the Board may grant an application for a certificate of approval if it is satisfied that:

"Having regard to the character and general knowledge of the person in respect of whom the application is made, and to the interests of the public, the person is a fit and proper person to be employed as a salesperson by a real estate agent."

- 2.2 The issue in this case was not Mr Teague's general knowledge but his character. In **Sime v Real Estate Institute of New Zealand Inc** (High Court, Auckland M73/86 19 August 1986, Tompkins J) the meaning of the word "character" in the context of s99(1)(b) of the Act was considered. Section 99(1) does not contain the words "a fit and proper person" which appear in s46(1) and in adverting to that distinction, Tompkins J said in relation to the word "character":

"This word has no doubt been chosen deliberately. It appears to be intended to mean something other than whether he is a fit and proper person to be employed as a salesman. That is the expression used in s46 which requires the Board to be satisfied before granting an application for a certificate of approval to a salesman" (His Honour then sets out s46(1)(b) and continues) "But in setting out in paragraph (b) of s99(1) the ground for cancelling or suspending that certificate, the legislature has referred only to the salesman's character... so it is clearly intended that the type of character required to be established under s99(1)(b) is something of a more serious kind than professional misconduct, or breach of the duties imposed under the Act, although conduct that reflected adversely on a

person's character might also amount to professional misconduct or a breach of those duties.... So what the Board is required to inquire into is that person's character in the sense of his personal qualities, his individual traits, his reputation and aspects of his behaviour that reflect on his honesty and integrity. The second aspect is that the type of character the person must be shown to have must be such that it is in the public interest that the certificate be cancelled or the person suspended. The adverse qualities in his character relied on must be measured against the public interest in his continuing or not continuing as a salesman. Traits such as dishonesty or gross incompetence may be within this category. Less culpable characteristics may well not."

- 2.3 The Board has applied the criteria adopted by Tompkins J when considering applications for the renewal of certificates of approval under s48 of the Act, e.g. in **Classic Realty** (93/356), **Plaza Realty** (96/430) and **Lai** (99/488). We adopt those criteria when considering Mr Teague's character. We also examine whether in the public interest, Mr Teague is a fit and proper person to be employed as a real estate salesperson.

### 3. EVIDENCE

- 3.1 The Institute called as witnesses, a number of former employees of Bayfield who worked for the company at various times between 2000 and 2005. These witnesses were James Rodney Kane, Christopher Richard Welch, Maree Rose Clingin, Lisa Marie Edwards and Anja Plaisier who had all been employed as salespersons; the former rental manager Beverley Anne McKay and Rachel Anne Wright, an administrative assistant and receptionist. Evidence was given on behalf of the applicant by Leslie George Wilson, principal officer of Bayfield and Mr Teague. We summarise the evidence under the following general headings:

#### (a) **Illegality of Structure**

- 3.2 Mr Teague has been employed in the real estate industry for 17 years. He obtained his branch manager's qualification in 1997. In July/August 1998, Mr Teague purchased the Lincoln Road branch of Olsen & Everson Limited and became branch manager of that office. The office was owned by Waitakere Realty (1998) Limited ("Waitakere Realty") but continued to trade through this period under the Olsen & Everson licence. In late 1999/early 2000, Mr Teague relocated the business to 397 Great North Road in Henderson ("the Henderson office"). Mr Teague gave evidence that because Mr Barwick had "issues with the Board", it became necessary to find a new licensee and in about April 2000, the branch commenced trading as a branch office under the licence of Greg Harper trading as Greg Harper Realty ("Greg Harper").

- 3.3 In about April 2001, the structure changed again. At that time, Les Wilson became the principal officer and the office commenced trading as Bayfield. Mr Wilson was the sole shareholder and director of Bayfield. By that time, Waitakere Realty had gone into liquidation and the real estate agency business was carried on under the Bayfield licence, by a company known as Sell West Limited ("Sell West"). Subsequently, this company also went into liquidation and the real estate agency business was then carried on by Taz Limited. Mr Teague was sole shareholder and director of each of these three trading companies. We shall return to consider the operation of these companies later in this decision.
- 3.4 Bayfield also had a branch office at Glen Eden. This office was owned by a company known as RJMT Limited of which the shareholders were salespersons employed at that office. The branch manager at Glen Eden was Mr Tom O'Hanlon. In about mid 2005, a further office was opened in Swanson. Mr Teague was appointed branch manager. The ownership of this office was the same as for Henderson.
- 3.5 Mr Wilson gave evidence that while the trust accounts were held by Bayfield, the company had no assets and the real estate agency business carried on in each office was conducted through the unlicensed entities.
- 3.6 Mr Wilson told the Board that a contract had been drawn up when he became principal officer but a copy could not be located. He was appointed to act as principal officer and received a payment of \$1,700 per month. A copy of the agreement relating to the Glen Eden office was produced. Under this agreement Mr Wilson was paid a monthly fee of \$800 described as being "for the use of his licence". We were told that the contract for the Henderson office was on similar terms.
- 3.7 Under cross-examination from Mr Rea, Mr Teague told us that his accountants were happy with the structure and he thought nothing of it. He denied having any knowledge of the difficulties which Olsen & Everson encountered with the Board and said that he had simply been told by Mr Barwick that he would have to obtain a new licensee.
- 3.8 As he had operated under a similar arrangement when the licence had been held previously by Olsen & Everson and subsequently Greg Harper. Mr Teague told the Board that it was his honest belief that he would be able to continue to operate in the same manner under the Bayfield licence.

**(b) Issues of Effective Control**

- 3.9 Evidence was given that during the period that the Henderson office had traded under the licence of Greg Harper, Mr Teague had been in control of all aspects of the real estate agency business. This situation did not change when the office was transferred to Bayfield's licence and Mr Wilson became principal officer.
- 3.10 The Board heard that initially, Mr Wilson had been employed at the Henderson office as a salesperson. Following the restructure and his appointment as principal officer, his activities did not change and he did not take any active management role. Mr Teague held the position of "sales manager". He continued to be responsible for the hiring and firing of staff and conducted all sales meetings (or when he was not available, these were conducted by the administration manager Ms Nicole Jones). All meetings with salespersons on a "one on one" basis, were conducted by Mr Teague. The Board heard that there was no formal process in place for the checking of sale and purchase agreements before they were signed or for advertisements before they were placed. After agreements were signed, they were processed and given to Mr Teague who then checked them and authorised payment of commissions.
- 3.11 To complicate matters, in mid 2005, Bayfield opened an office at Swanson and Mr Teague was appointed branch manager. The Board heard that despite the appointment, Mr Teague continued in his role as sales manager and spent at least 50% of his time at the Henderson office.
- 3.12 Mr Wilson was struggling financially as a salesperson and in late 2002, he took up full-time employment at Carpet Court as a carpet salesman. Mr Kane and Ms Plaisier both gave evidence that Mr Teague gave instructions that if anyone asked for Mr Wilson, the person was to be told that Mr Wilson had "just stepped out" or words to that effect. Ms Wright and Ms McKay told us that similar instructions were given to them by Ms Jones. Mr Teague denied that he ever gave any such instructions to staff members.
- 3.13 In a letter to the Institute in December 2005, Mr Wilson stated that after he commenced work at Carpet Court, he visited the Henderson office three times a week. Under cross-examination, Mr Wilson acknowledged that he may have exaggerated his attendance. When he did attend, it was usually a quick social visit or to pick up papers requiring his signature. He told the Board that on some visits he stayed 10 minutes while on other occasions he would be there for 20 minutes. In some weeks he did not attend the office at all.

- 3.14 It was Mr Wilson's evidence that while he was at the office, he would take the opportunity to speak to the salespersons and to look at any advertising and the like which may be there at the time. His personal supervision otherwise consisted of speaking by phone to Tony Teague and the rental manager. While he was one of three signatories to the residential and rental trust accounts, he gave evidence that he did not sign any cheques except possibly when Mr Teague was away. The monthly trust account reconciliations were signed by him. He told us that he checked these to the extent of ensuring that the figures added up.
- 3.15 Mr Wilson was not able to explain the operation of the trading account to the Board or to answer questions as to how commission payments were made and the like. It was his evidence that he was never aware that as principal officer he had to be in charge of the trading account.
- 3.16 Both Mr Wilson and Mr Teague gave evidence that they honestly believed that the arrangements which they had entered into met the requirements of the Act for effective control. In his evidence in chief, Mr Teague stated:

"45. As far as the issues concerning "a (*sic*) effective control" are concerned, then I can honestly say, that the system that was put in place with Les Wilson, was a system that I honestly believed was within the provisions of the Real Estate Agents Act, and that I at that stage honestly believed to be acceptable for compliance with the provisions of the Real Estate Agents Act."

Having received advice from their counsel, Mr Waymouth, Mr Wilson and Mr Teague told the Board that they both now accepted that this was not the case.

**(c) Company Liquidations**

- 3.17 The Board heard at length about the individual trading entities operated by Mr Teague under the licences of Olsen & Everson, Greg Harper and subsequently Bayfield. Waitakere Realty (which traded initially under the Olsen & Everson licence and subsequently under the licence of Greg Harper) went into liquidation on 15 December 2000 and John Vague and Graham McDonald, Chartered Accountants of Auckland, were appointed liquidators of the company. The Board heard that the assets of the company (including office furniture and equipment, a boat and a motor vehicle) were sold to Sell West for \$6,076 which then traded under the Bayfield licence. On 2 August 2004, Sell West was also placed into liquidation by way of shareholders' resolution and Messrs Vague and McDonald were again appointed liquidators.

- 3.18 The liquidators' reports filed in the Companies Office in respect of both liquidations, were produced at the hearing. The Inland Revenue Department was a preferential creditor in the liquidation of Waitakere Realty for outstanding PAYE and GST totalling \$153,266 while unsecured creditors totalled \$47,000. Mr Teague gave evidence that he paid all unsecured creditors in full. The Inland Revenue Department did not receive any dividend in the liquidation. In the liquidators' first report, under the heading: "Events Leading to Appointment of Liquidators", the following explanation for the liquidation was given:

"The director of the company has advised the reason for the failure of the company is due to a substantial amount owed to the Inland Revenue Department for PAYE."

- 3.19 In relation to the liquidation of Sell West, the Board heard that the assets of the company were sold to Taz Limited immediately prior to the liquidation. The business assets purchased by the company were recorded in the liquidators' report of 4 November 2004, as follows:

Office furniture, fittings and computers	\$1,000
Rayglass 650 legend boat & motor	49,000
Ford vehicle	48,888
Stock-in-trade	1
Goodwill	<u>20,024</u>
Total	<u>\$118,913</u>

A cash payment of \$53,000 was made and the balance was paid by Taz Limited assuming responsibility for Sell West's hire purchase commitments. The cash payment was made prior to the appointment of the liquidators and was used to meet commissions due to salespersons. The only creditor in the liquidation was again the Inland Revenue Department whose debt for GST and PAYE (together with interest and penalties) in this case totalled \$259,927.

- 3.20 Mr Teague was questioned by members of the Board as to whether the business operated a rent roll and what had happened to that on the liquidation of Waitakere Realty and/or Sell West. Mr Teague explained that Taz Limited owned a rent roll consisting of approximately 100 properties. The rent roll had been taken over from Sell West and prior to that, from Waitakere Realty. Mr Teague could not offer any explanation as to why the rent roll - a potentially valuable asset - had not been included in the assets of either Waitakere Realty or Sell West on the liquidation of each of these companies. He commented that his accountant had advised on the liquidations and he knew of the existence of the rent roll.

3.21 The reason for the liquidation of Sell West is stated in the liquidators' first report as being staff theft from the business. The Board heard that the administration manager, Ms Nicole Jones, had systematically defrauded the company by transferring funds through her own bank accounts over a lengthy period of time. The summary of facts in relation to the police prosecution states that she was charged with offences committed between August 2002 and May 2004. In all, over this period, Ms Jones used the company's ASB Fastpost banking system 296 times to deposit funds totalling \$420,209.24 into her own account. Ms Jones had done this by entering her own bank account number in place of the actual bank account details of the intended payee.

3.22 In his evidence as to the reasons for the liquidation of Waitakere Realty, Mr Teague in his evidence in chief to the Board, stated that:

"5. ... At that stage the defalcations had been suspected but had not been determined, ..."

In answer to questions from Mr Rea, Mr Teague told the Board that in view of his suspicions of Ms Jones, he had watched what was happening for six months following the liquidation of Waitakere Realty and had continued to check the trading account.

3.23 In many of the instances of fraud which were identified, the intended payee was shown as being Mr Les Wilson for relatively large sums when throughout this period, Mr Wilson was only entitled to receive a monthly fee of \$1,700. When asked why the subsequent defalcations had not been discovered, particularly the payments to Mr Wilson, Mr Teague could offer no satisfactory explanation. He told the Board that Ms Jones was administration manager and "he had trusted her".

3.24 While staff were aware of the defalcations, most did not know of the liquidation of Sell West. There was no change in the operation of the business and trading continued as previously. The name appearing on cheques drawn on the trading account did not alter. Mr Teague told us that this account continued to be styled "Henderson First National Trading Account" even though, as he conceded, the unlicensed trading entities had no right to use the First National name. The name of Taz Limited did not appear on any documentation issued to the public.

#### **4. OTHER MATTERS**

4.1 The Board heard that Mr Teague had made application to New South Wales for a licence under the Trans Tasman Mutual Recognition Act 1997. The Board was told that one of the questions on the application form asked:



"In the preceding three years, were you a director or person concerned in the management of any corporation which was the subject of a winding up order for the appointment of a controller or administrator?"

Although the completed application form was not produced, Mr Teague acknowledged that he had answered that question in the negative. By way of explanation, he told us that he had taken the view that the question related to trading activities in Australia. After the matter had been raised, and on the advice of counsel, he had now made full disclosure to the New South Wales Office of Fair Trading. He acknowledged that it was information which he expected that the licensing authority would wish to know.

- 4.2 The Board also heard evidence as to the making of dummy offers. Witnesses gave evidence that Mr Teague had discussed the making of dummy offers at various sales meetings. None of those witnesses were aware of any dummy offers having been made. Mr Teague agreed that they had occasionally discussed dummy offers at sales meetings but only in jest. He strenuously denied that he had ever supported the making of dummy offers by any salesperson.

## 5. CONSIDERATION

- 5.1 If Bayfield had not withdrawn its application for renewal of its real estate's licence, we have no doubt that the Board would have declined to renew its licence. We would have done so for the following reasons:

- 5.1.1 The structure under which the business was operated was illegal. The trading entity was not the licensee but rather Taz Limited (Henderson and Swanson offices) and RJMT Limited (Glen Eden office).
- 5.1.2 Mr Wilson, as principal officer, was a full-time employee of Carpet Court and was not in effective control of the real estate agency business carried on at the Henderson office and never had been. At all times, effective control (to the extent that it existed) was exercised by Mr Teague.
- 5.1.3 As Mr Wilson had been out of the industry for more than three years, he no longer met the eligibility requirements under s17(2)(c) of the Act in that during the preceding five years, he did not have at least three years' practical experience working full-time or primarily and predominantly in real estate agency work.

In any event, the Board was advised by counsel that agreement had been reached between the Institute and the unlicensed entities for the closure of the three offices and certain undertakings had been given to the Institute by Taz Limited and RJMT Limited.

These undertakings provided (inter alia) that each company would refrain from carrying on any real estate agency business until a real estate agent's licence had been granted to them.

- 5.2 We turn now to consider the application for renewal of Mr Teague's certificate of approval as a real estate salesperson.
- 5.3 We consider firstly, the credibility of the witnesses. The Board did not find Mr Teague to be a credible witness. In the Board's view, his answers to questions were often evasive and were not consistent. The Board formed the same view of Mr Wilson. In nearly all instances where there was a conflict in the evidence, we have preferred the evidence of the witnesses for the Institute.
- 5.4 The Board members were unanimously of the view that Mr Teague lied to the Board when he gave evidence that he honestly believed that the arrangements which he had entered into with Mr Wilson met the requirements of the Act for effective control. It is not a question in this case whether Mr Teague held an honest belief on reasonable grounds. Rather, we find that the approach taken by Mr Teague at the hearing was nothing more than an attempt to deceive the Board and that Mr Teague did not hold an honest belief on any ground, that the arrangements complied with the Act.
- 5.5 Mr Teague put in place a structure whereby unlicensed companies (firstly Sell West and latterly Taz Limited) paid a fee for the use of Bayfield's licence. In the Board's view, there was never any expectation by either Mr Teague or Mr Wilson that Mr Wilson would be in effective control of the principal place of business. We accept the evidence of the Institute's witnesses that following Mr Wilson's full-time employment at Carpet Court, Mr Teague had instructed them to create the impression that Mr Wilson had just "stepped out" and was still working at the office. If Mr Teague believed that the arrangements he had reached with Mr Wilson were sufficient to meet the requirements of the Act for effective control, such deception would not have been necessary.
- 5.6 Further, nor do we accept Mr Teague's explanation that he honestly believed that the structure under which he was trading was legal. It is extraordinary that Mr Teague having been told by Mr Barwick that he needed to obtain another licensee, would not have inquired as to the reasons. Further, Mr Teague went to considerable lengths to give the impression of a seamless operation and ensured that the names of the unlicensed entities were not used publicly. The names of the trading companies were not put on cheques but rather the trading account was simply styled under the First National banner. This was the case even though the franchisee was Bayfield and the unlicensed entities had no right to use the trading name First National.

- 5.7 As a consequence of this trading structure, members of the public have been put at considerable risk. Mr Wilson as principal officer was not in effective control and there was little or no supervision of the salespersons or trading activities being exercised by Mr Teague. In the period from 1998 to 2006, Mr Teague traded through three separate unlicensed entities: Waitakere Realty, Sell West and Taz Limited. Two of those companies have gone into liquidation. The second company, Sell West, went into liquidation as a consequence of defalcations by the administration manager. The sums identified were approximately \$420,000. In respect of the liquidation of Waitakere Realty, Mr Teague told us that the defalcations by Ms Jones had been suspected. That was in December 2000. He gave evidence that he watched Ms Jones' activities for a period. It was his evidence that he did not otherwise take any steps to identify the reasons for the company's failure despite the fact that the company was unable to pay its very sizeable debts. If Mr Teague did suspect Ms Jones of fraud, then his subsequent action in permitting her to operate as an administration manager with very little supervision, was reckless. Furthermore, it is not consistent with Mr Teague's evidence that Ms Jones was a trusted employee. It is clear on the evidence, that Mr Teague exercised very little supervision or control over the trading account and as a consequence, Ms Jones was able to defraud large sums over a lengthy period of time. The method of fraud used was not a complicated one and with proper supervision, it is difficult to see how it could have occurred. No evidence was given that Ms Jones took money from the trust accounts however, in the circumstances, that may simply have been a matter of good fortune.
- 5.8 Mr Waymouth referred the Board to its decisions in *van Hattum* (93/346), *Bidwell* (93/347) and *Classic Realty Limited* (93/356). In each case, the Board considered the fitness of the particular applicant to hold a certificate of approval as a real estate salesperson. Mrs van Hattum had been employed as an uncertificated salesperson. She was found by the Board to have also lied under oath and the Board declined the application for the grant to her of a certificate of approval. In the case of Mr Bidwell (which was related to the van Hattum matter), Mr Bidwell admitted that he, rather than the principal officer, had been in effective control of Castle Real Estate Limited; he acknowledged that the information contained on the company's declaration for renewal of its licence for the 1992/93 year was not correct and thirdly, that he had allowed the company to employ Mrs van Hattum as an uncertificated salesperson. The Board found Mr Bidwell to be a credible witness who acknowledged his transgressions. After balancing the relative factors in that case, the Board granted the application for renewal of Mr Bidwell's certificate as a real estate salesperson.

5.9 Finally, in ***Classic Realty Limited*** (supra), which involved an application under s29 for the renewal of the real estate agent's licence held by that company and also an application for renewal of the salesperson's 'certificate held in the name of Graham Frank Wade, the Board found that Mr Wade and not the principal officer, had been in effective control of the licensee company and declined the application to renew the licence. With regard to Mr Wade's certificate, the Board weighed up a number of factors. The Board did not find Mr Wade to be a credible witness; he had demonstrated arrogance in dealing with staff and the public which reflected adversely on his character and had been in effective control of Classic Realty. The Board noted that as Classic Realty had lost its licence, this was a significant penalty on Mr Wade who was the beneficial owner of the company. Weighed against these factors, the Board took into account that Classic Realty had been structured in a way to ensure effective control and that the difficulties had arisen in practice. Mr Wade had been in the real estate industry for 20 years and had had no previous complaints nor had any loss been suffered by members of the public. After careful consideration, the Board by majority, granted the application for renewal of Mr Wade's certificate of approval.

5.10 We take into account Tompkins J's words in *Sime*, when he said

"... so it is clearly intended that the type of character required to be established ... is something of a more serious kind than professional misconduct, or breach of the duties imposed under the Act, although conduct that reflected adversely on a person's character might also amount to professional misconduct or a breach of those duties ..."

Overall, Mr Teague has shown scant regard for the requirements of the licensing regime and has thereby put members of the public potentially at risk. He has operated unlicensed trading entities under the guise of a licensed real estate agent where proper supervision and control has not been exercised and we are satisfied in the circumstances that these breaches reflect adversely on Mr Teague's character.

5.11 In summary, we take into account the following factors which we find reflect adversely on Mr Teague's character and which in the Board's view, would justify the non-renewal of his certificate of approval as a real estate salesperson:

- (1) Mr Teague held the position of branch manager and is expected to fully understand what is required under the Act for a principal officer (or branch manager) to be in effective control. (This differs from the position of Mr Bidwell and Mr Wade who were both salespersons).

- (2) Mr Teague lied to the Board in his evidence that he honestly believed that Mr Wilson was in effective control after he went to Carpet Court and also in his evidence that he honestly believed that the structure complied with the Act.
- (3) Mr Teague has knowingly engaged in lengthy and sustained breaches of the licensing regime.
- (4) Mr Teague as sole director and shareholder of Sell West, did not ensure proper supervision of this company's activities with the result that major defalcations occurred. Mr Teague told the Board that he had suspected Ms Jones of fraud at the time of the liquidation of Waitakere Realty but yet he continued to employ her in a position of trust without proper supervision. Further, Mr Teague made no effort to determine the reasons for the failure of Waitakere Realty. In the Board's view, by his actions, Mr Teague has shown a reckless disregard for his obligations and duties as a company director.
- (5) Mr Teague's failed to disclose the company liquidations when completing the form for the New South Wales Office of Fair Trading, despite the fact that he knew the information was information which the authorities would have wanted to know when considering his application for a real estate agent's licence.

5.12 Balanced against the above, are the following factors which we consider favour renewal of Mr Teague's certificate and which we also take into account:

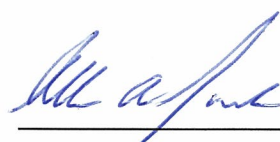
- (1) Mr Teague has been employed in the real estate industry for 17 years and the Board was not made aware of any complaint having been made against him.
- (2) Mr Teague produced a number of references from licensees and various solicitors with whom he had worked. All referees spoke favourably of his high professional standards.
- (3) No loss was incurred by any vendor or purchaser, landlord or tenant as a consequence of his activities. (As we have previously noted, in view of the absence of supervision, it may only have been a matter of good luck that no moneys were taken from the trust accounts.)

5.13 We have given very careful consideration to this application and have not come to our decision lightly. In weighing up the various factors set out above, we also take into account the public interest in determining whether Mr Teague should continue as a salesperson. In the Board's view, the public are entitled to expect that a real estate salesperson will act with honesty and integrity and will also abide by the provisions of the

Act. In the present case, Mr Teague lied to the Board and has demonstrated a preparedness in his own financial interest, to totally ignore the provisions of the Act. Taking into account all factors and after careful consideration, we have come to the view that having regard to the interests of the public, Mr Teague is not a fit and proper person to be employed as a salesperson by a real estate agent.

**6. DECISION**

- 6.1 For the reasons set out above, the application for renewal of certificate of approval as a real estate salesperson held in the name of Tony John Teague is hereby declined.



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**A A Sinclair**  
Chairperson