

**IN THE DISTRICT COURT
AT AUCKLAND**

**CRI-2015-004-008928
[2016] NZDC 23773**

THE QUEEN

v

VIKRAM MEHTA

Hearing: 8, 9, 10 and 15, 16, 17 and 18 November 2016
Appearances: A McClintock and A Luck for the Crown
J Bioletti for the Defendant
Judgment: 28 November 2016

DECISION OF JUDGE P A CUNNINGHAM

Introduction

[1] From on or about December 2012 until late January 2014 Flexi Buy Limited sold goods to customers on a time payment basis. Sales representatives went door to door and signed customers up to purchase goods on offer for sale. Typically these were phones, tablets, laptops, televisions and some household furniture of the customers I met. Most of the sales occurred outside Auckland, and were spread from the middle to the top of the North Island. There is one customer who lived in Wellington at the time.

[2] Vikram Mehta was the sole shareholder and director of Flexi Buy Limited. He was also the sole shareholder and director of another company Flexi Pay Limited. As the sole director he was responsible for the business model that Flexi Buy operated.

The charges

[3] Mr Mehta is charged as a party, the Crown alleging that he aided and/or abetted Flexi Buy to commit unlawful acts. Broadly speaking there are two types of charges. Those are charges one and four. Charge two is an alternative to charge one and charge three likewise. Charge five is an alternative to charge four. The charges were laid following an investigation by the Commerce Commission.

Charge one

[4] The Crown alleges that between 1 January 2013 and 28 February 2014 at Auckland that by deception and without claim of right Mr Mehta obtained a pecuniary advantage or caused loss to any person exceeding \$1000.00 which is a charge pursuant to s 240(1)(a), (d) and (2)(b) of the Crimes Act 1961.

[5] The Crown alleges that Flexi Buy made false representations to customers that goods would be delivered to them upon either full or partial payment for the goods.

[6] Further that such representations were made intending to deceive the customers and knowing that the goods would not be supplied in accordance with those representations, or was reckless as to that fact.

[7] Flexi Buy accepted payments from the customers which exceeded a total of \$1000.00 and further Flexi Buy did not supply the goods to which representations and the payments related.

[8] Mr Mehta was a party to the offending in that he did or omitted to do an act or acts for the purpose of aiding Flexi Buy to commit an offence.

Charge two

[9] This is based on the same facts as alleged in charge one but is a charge of by deception and without claim of right obtained a pecuniary advantage or caused loss

to any other person by accepting payments for customers in excess of \$1000.00. This is also a charge pursuant to s240(1)(a), (d) and (2)(b).

[10] The difference between charges one and two is that in charge one Flexi Buy (and therefore Mr Mehta) knew that the goods would not be supplied in accordance with the representations or reckless to that fact.

[11] In charge two on acceptance of the payments but omitted to disclose a material fact namely that Flexi Buy did not intend to supply them with the goods at the time that it accepted the payments and that Mr Mehta was a party to that offence.

Charge three

[12] Charge three is a fineable only charge in relation to the same facts and it is brought pursuant to s 21(a), (c), 40(1) of the Fair Trading Act 1986 and again Mr Mehta is charged as a party pursuant s 66(1)(b) and (d) of the Crimes Act 1961, the aiding and abetting provision of s 66.

[13] This alleges that Mr Mehta accepted payments from customers when at the time of acceptance he either did not intend to supply the goods or he did not have reasonable grounds to believe that he would be able to supply the goods within a reasonable time.

[14] In this charge there is a lesser standard in terms of intention to supply the goods at the time that payments were accepted. It is sufficient to prove this charge that Mr Mehta did not have reasonable grounds to believe that he would be able to supply the goods within a reasonable time.

Charge four

[15] This is the same charge as charge two and here the Crown alleges that at the time that Flexi Buy accepted payments it omitted to disclose a material particular and did so with intent to deceive and in circumstances where it was under a duty to disclose that to customers that it did not intend to supply them the goods. That

Mr Mehta was a party to Flexi Buy's offending in that he did or omitted to do an act or acts for the purposes of aiding a company to commit the offence.

Charge five

[16] Charge five is under the same provisions of the Fair Trading Act as charge three. It alleges that Mr Mehta accepted payments from 13 customers for goods when at the time of acceptance he either did not intend to supply the goods or he did not have the reasonable grounds to believe that he would be able to supply them.

[17] Each and every charge is laid as a representative charge.

The customers

[18] There was evidence from 16 customers relevant to charges one to three. Fifteen customers appeared in person and the evidence of the remaining one was admitted as an exception to the hearsay rule, thus there was no cross-examination of that witness. I will call these category one witnesses.

[19] I also heard from nine customers relevant to charges four and five and the evidence of a 10th was admitted as an exception to the hearsay rule. Again there was no cross-examination of that customer. I will call those category two witnesses.

[20] There were six customers who paid more than the contract price for the item that they purchased. They were E [REDACTED] S [REDACTED] C [REDACTED] T [REDACTED], J [REDACTED] R [REDACTED] N [REDACTED] B [REDACTED] W [REDACTED] W [REDACTED] and T [REDACTED] C [REDACTED].

[21] Two customers received products. They were T [REDACTED] C [REDACTED] and T [REDACTED] T [REDACTED].

[22] Ms C [REDACTED] was approached by a salesperson from Flexi Buy on 6 January 2013. She wanted to purchase a laptop with a phone although the contract says a 10 inch tablet rather than a laptop. The total price of the goods was \$990.00. Ms C [REDACTED] said that she was told that she would receive the goods after she had paid either 12 or 16 payments of \$30.00 per week.

[23] She rang the Flexi Buy number after 12 weeks had passed and was told that she needed to make four more payments to receive the phone and the tablet. She did that. This was about May or June 2013.

[24] Ms C [REDACTED] enlisted assistance from the Hawkes Bay Community Law Centre. Ms C [REDACTED] received the phone and the tablet which was what the written contract said but she understood that she was purchasing a laptop.

[25] The payments for Ms C [REDACTED] as in all cases was by direct debit and she was one of a number of people who experienced difficulty persuading her bank to stop the payments.

[26] Part of the documentary evidence showed her first payment being on 29 May 2013 which does not seem correct because she was approached in January 2013. My total of her payments taken from the bank account records she supplied to the Commerce Commission was \$840.00 as from 29 May 2013. She said she rang Flexi Buy after 12 payments. So it seems likely she made a good number of payments before 29 May. This was confirmed in a document prepared by Mr Luck which was put to Ms Kelly the accountant (LMK 008). These were deposits extracted from bank account records of Flexi Buy. The total payments she made was \$1,320.00.

[27] T [REDACTED] T [REDACTED] bought a phone. He was approached by Flexi Buy at his home address in Stokes Valley, Wellington in March 2013. He wanted to buy a phone which came with a tablet. They asked him to pay \$40 per week but he said he could only afford \$20 per week. He was told he had to make half the payment and the goods would be delivered.

[28] When he believed that he had paid half Mr T [REDACTED] rang the 0800 Flexi Buy phone number. He was told someone would ring him back later in the day but nobody did. He eventually talked to someone at Flexi Buy. He gave evidence that it was not until he threatened to call the police that they sent the phone out to him. He had no idea how much he had paid at that stage and he said that Flexi Buy would not tell him how many payments he had made.

[29] Mr T [REDACTED] received the phone without the charger, he described that it had been cut open and it looked like the phone had a bit of rust in it. He phoned about that and was told that Flexi Buy had opened the package up to check it. They said they would send the phone charger. He did not get the phone charger nor did he get the tablet. The phone failed after a period of time and he took it to get fixed. Mr T [REDACTED] believed that what he had purchased was a Samsung Galaxy S3 model phone. As a result of what he was told by the person he took it to fix he believed it was not.

[30] He like many of the witnesses described that what attracted him to the deal was the fact he got the tablet as well and that Flexi Buy called at the door with the catalogue.

[31] The contract said the total cost was \$1,350.00 and that Mr T [REDACTED] made 25 payments of \$20.00 each, he found this up by ringing his own bank. Mr T [REDACTED] said that he did not stop the payments, it was Flexi Buy that did this. The phone only lasted a couple of months.

[32] P [REDACTED] T [REDACTED] received a refund. Ms T [REDACTED] who lived in Kaikohe was approached by a salesman for Flexi Buy in January 2013. She wanted to purchase a lounge suite and a dining suite that was in the catalogue or brochure the salesman had. The total price of the goods was \$2,400.00. Mr T [REDACTED] gave evidence that she was told that the goods would be delivered when she had made payments of \$800.00 being 20 payments of \$40.00 per week.

[33] After the 20 week payments had passed, Ms T [REDACTED] phoned Flexi Buy and she was told there was an issue with the delivery process. That there would be an extra charge of \$50.00 for delivery. Mr T [REDACTED] did not agree to pay this because it was not what was agreed. She was told that the person on the phone would speak to his boss and call her back but that did not happen. She continued to phone and said she rang about 20 times and the phone rang and rang and no one answered.

[34] Ms T [REDACTED] paid \$2,200.00 to Flexi Buy. She stopped the payments by going to her bank. She also sought assistance from the television programme "Fair Go". Amy Kelley from that programme gave evidence. It appears that as a result of the intervention of personnel from the Fair Go programme, Ms T [REDACTED] received the refund. She received \$1,800.00.

[35] The following customers asked for a refund but did not receive it. They were L [REDACTED] L [REDACTED] a, L [REDACTED] I [REDACTED] and E [REDACTED] H [REDACTED].

[36] Some customers who gave evidence wanted to cancel their contracts. Two wanted to do so because their goods were not delivered on time. They were L [REDACTED] L [REDACTED] and N [REDACTED] B [REDACTED]. Ms N [REDACTED] H [REDACTED] was unable to afford the payments and wanted to cancel for this reason. S [REDACTED] N [REDACTED] cancelled her contract to purchase a laptop within days of signing up as she saw a laptop that was far cheaper with another company.

[37] Mr L [REDACTED] was approached by Flexi Buy in April or May 2013. He signed up to purchase a phone and tablet for approximately \$1000.00. Mr L [REDACTED] phoned Flexi Buy after he had made the three payments. He was told that he had to make four more payments. He kept making payments and tried again to get someone from Flexi Buy on the phone.

[38] In September he asked his bank to cancel the payments but like many people experienced problems because he had filled out a form to direct debit his account. On 24 September 2013 he sent a notice of cancellation to Flexi Buy. He also rang and told the person at Flexi Buy he wanted his money back. He never received the phone or his money.

[39] Mr L [REDACTED] was successful in getting his payments stopped in September 2013 after he spoke to his bank. However on 24 December 2013 payments went out of his bank to Ezy Pay. He did not authorise Ezy Pay to deduct payments from his bank account. I will come back to this topic later.

[40] N [REDACTED] H [REDACTED] lives in Papakura. She has advanced osteoarthritis and her only income by way of what was previously known as invalid's benefit. She described that two men from Flexi Buy came to her door in January 2013. When asked what nationality or ethnicity the men were she said they were either Indian, Sri Lankan or Pakistani. She recalled that one of them was named Sandeep. Ms H [REDACTED] said she asked for a brochure but they said they did not have one.

[41] This was at time when televisions were changing from monologue to digital. Ms H [REDACTED] had signed up with Layaway to purchase a digital television. Sandeep told her that he had worked for Layaway and that the goods that Flexi Buy was selling were much cheaper, practically half of what she would be paying Layaway.

[42] Ms H [REDACTED] chose to cancel the Layaway contract and go with Flexi Buy. It was suggested that Ms H [REDACTED] should pay \$50.00 a week but she said she could only afford \$30.00. She was told that once she had made 15 payments of \$30.00 she would be able to get the television set and Sandeep told her that they would throw in the entertainment table. The price for the television was \$1,480.00.

[43] When the men left Ms H [REDACTED] noticed that the entertainment table was not included so she rang Flexi Buy and the person she spoke to told her that for an extra \$110.00 she could have that so she decided to buy it. This total price was still about \$800.00 less than what she was paying Layaway.

[44] In November Ms H [REDACTED] decided that she had to cancel the contract with Flexi Buy because she was getting behind with her other bills, she mentioned the telephone account. She knew she was well and truly passed the 15 week delivery period. She believed that there was about \$390.00 still to pay. She was told that someone would ring her back but they never did. She then said she rang practically everyday or every other day. She started to feel that something was not right.

[45] By this stage Ms H [REDACTED] had sent a cancellation notice. This was on 10 November 2013. A friend assisted her to do this. She subsequently spoke to someone on the Flexi Buy number and was told that it had not been received. She

was told that Flexi Buy did not have her TV and they were having problems. Eventually Ms H [REDACTED] told them that she would go to the police.

[46] Payments stopped in November but Ms H [REDACTED] also had amounts withdrawn by Ezy Pay in December 2013 and January 2014. She rang her bank straightaway and told them she did not know who Ezy Pay was and they told her it was something to do with Flexi Buy. She tried to ring Flexi Buy but was unable to get hold of anyone until late January. Ms H [REDACTED] paid a total of \$1,327.16. She never received the TV, table or a refund.

[47] N [REDACTED] B [REDACTED] was living in Kaitaia when she was approached by Flexi Buy in May 2013. She wanted to purchase a laptop computer. She was told that after 10 payments of \$30.00 per week she would receive the computer. Under payment details on her contract the amount appeared to be \$910.00. I say appeared to be because the copies of contracts which were presented in evidence were carbon copies of the original signed at the door. Like Ms B [REDACTED]s much of the detail was unclear presumably because of the quality of the carbon copy.

[48] After Ms B [REDACTED] had made the 10 payments she phoned Flexi Buy and was told she had to make two more payments. She made those two more payments and phoned again. She was told she had to make two more. She did that. She rang again after those two payments and told Flexi Buy she was going to cancel the contract. She sent a cancellation form through to Flexi Buy. She was told that was not received and that Flexi Buy would send her another but they did not. She eventually faxed a letter cancelling the contract which was in evidence. A copy of that is annexed to this decision and marked "A". That did not stop the payments going out and so she went to her bank to ask them to stop the direct debits. Ms B [REDACTED] produced some of her bank statements showing payments totalling \$572.04. Mr Luck's document (LMK 006) noted her total payments of \$985.18 including three Ezy Pay payments. She never received the goods or a refund.

[49] S [REDACTED] N [REDACTED] was approached by Flexi Buy in May 2013. She wanted to purchase a laptop computer. The total price was \$1,200.00 and she was told that once she had made three payments of \$40.00 that the computer would be delivered.

[50] Within a few days of signing the contract she decided to cancel it and filled out the cancellation form and posted it to Flexi Buy. Her reason for doing so is that she found the same laptop available elsewhere for a much lower price.

[51] The payments did not stop so Mr N [REDACTED] phoned to ask whether the company had received her cancellation notice. She could not get through, music was playing. She tried contacting Flexi Buy on a number of occasions. Her payments were still going out. Eventually she was able to speak to someone for Flexi Buy and he told her they had not received her cancellation notice and that he would phone back. He never did.

[52] Rather than traverse the evidence of all 26 customers, I have attached as "B" a synopsis of the salient circumstances of each customer's dealings with Flexi Buy. Mr Luck produced such a document which was handed up during the Crown closing. I have checked his details and made some changes and additions. Some customers still had their copy of the contract, some did not.

[53] The evidence given by the 26 Flexi Buy customers established the following patterns:

- (a) The salesman or men who knocked on the door were of Indian ethnicity. The name Sandeep was mentioned by many. At times there were two men, on occasion there was one. Mr Mehta signed up at least two customers, they were W [REDACTED] W [REDACTED] and Z [REDACTED] T [REDACTED].
- (b) With the exception of three or four people, the customer's income was a Work and Income benefit.
- (c) The attraction for many of the customers was the fact that they would receive the goods before all payments had been made. This generally ranged from after three payments, to five or ten payments, to half.
- (d) Phoning Flexi Buy to discuss issues usually about items not delivered in accordance with the customer's expectations to asking how many

payments they had made was not useful or productive. Customers were given excuse after excuse about why the goods had not been delivered. This included that the customer had not made the necessary number of payments yet. That the goods were on their way to the customer. Customers were told they would be phoned back and never were. Some were told the Flexi Buy representative did not know about their account. Customers who asked about numbers of payments they had made were not provided with that information. That computers were “down”. There were problems with delivery was another excuse. This is not an exhaustive list.

- (e) Sometimes people were told it was necessary to involve the manager or the boss to sort out the issue. On one occasion a Flexi Buy representative impersonated the manager over the phone. Amongst the customers who gave evidence, none received a phone call back from Flexi Buy, let alone the manager.
- (f) Of the two customers who received items, it was not what they believed they ordered.
- (g) Cancellation notices that were sent to Flexi Buy by customers did not result in payments being cancelled.
- (h) Not one customer had agreed to enable Ezy Pay to make direct debits from their bank account, nor did they knew who Ezy Pay was. A good number of customers who had ceased paying Flexi Buy weeks or months before or who had overpaid, had their accounts debited by Ezy Pay.

[54] Attached as “C” is a schedule containing the names of customers who received products or asked for or received a refund, customers who overpaid, and those who cancelled.

Ezy Pay direct debits

[55] Flexi Buy contracted with Ezy Pay to take over direct debiting of customers accounts on its behalf. Mr Mehta filled out and signed the application form and included a schedule of clients whose accounts were to be debited the sum of \$400.00. I counted 264 names. This included N [REDACTED] H [REDACTED] who had to pay a total of \$1,480.00 and she had already made payments of \$1,200.00 so she only had \$280.00 to pay. Similarly T [REDACTED] C [REDACTED] C [REDACTED] T [REDACTED] N [REDACTED] B [REDACTED] and M [REDACTED] W [REDACTED] were due to have \$400.00 debited by Ezy Pay which sum put them over the total they had to pay to Flexi Buy.

[56] Ezy Pay drew up its own list in alphabetical order which totalled 284 persons. The majority had a note under "status" that the customer was "inactive".

[57] Mr Jones from Ezy Pay gave evidence. He said on the first run in December 2013 out of 177 customers, 96 failed. He said that in 10 years he had never seen that level of dishonours. He said the \$400.00 sum to be deducted from each customer was set by Flexi Buy. As was the fact that each customer was to be charged \$1.79 for Ezy Pay's service.

[58] After the second and third runs of Ezy Pay continued with a high failure rate, Ezy Pay terminated the contract with Flexi Buy.

Forensic accounting evidence

[59] Lorinda Kelly who is an associate director of Deloitte New Zealand gave evidence for the Crown. She is a chartered accountant qualifying in 1995 and is a certified fraud examiner. She is with the forensic team at Deloitte New Zealand and works in the Wellington office. Ms Kelley had read the code of conduct for expert witnesses in the High Court Rules. She has previously given expert evidence in cases both in the High Court and Family Court in New Zealand. There was no challenge to Ms Kelly's expertise and I find her to be qualified as an expert in forensic accounting.

[60] Ms Kelly had been provided with information about the case including bank account information in relation to Mr Vikram Mehta which was obtained by the Commerce Commission. She was asked to look at two matters in particular. Firstly, when customer deposits were received into bank accounts relating to Mr Mehta and secondly, how customer deposits were applied or spent. Ms Kelly had a copy of the charges, and the summary of fact and copies of the transcripts of two interviews Mr Mehta had with Commerce Commission investigators.

[61] Fifty-eight accounts with banks were identified as relating to Mr Mehta. That included bank accounts and credit card accounts. Some of the accounts were not operating throughout the date range which was from 19 December 2011 until 30 September 2014. So for example when one credit card was no longer being used as from a certain date, it appeared that another credit card began to operate from the date when the use of the first credit card ceased. Therefore there were not 58 bank accounts/credit cards all operating at the same time.

Bank accounts relating to the business of Flexi Buy

[62] There were three bank accounts. Those were two accounts at the ASB Bank and one at the ANZ Bank. The latter related to the Ezy Pay transactions in December 2013 and January 2014. The ASB accounts were in the name of Flexi Buy and the other Flexi Pay. The Flexi Pay account had an opening date of 22 March 2013.

[63] The total of customer deposits was \$463,998.57. The dishonoured figure was \$304,134.35 thus two thirds of all payments from customers were dishonoured leaving a net figure of **\$159,864.22**. The last date for a customer deposit was 15 January 2014. Typically deposits ranged from \$20.00 to \$50.00 either weekly or fortnightly.

[64] Attached and marked "D" is an exhibit LMK 004 which reconciled income and expenditure from the three business accounts.

[65] This identifies transfers of \$72,554.60 to other accounts associated with Mr Mehta and rent transfers of \$6,471.75 to unknown accounts.

[66] Ms Kelly knew the names of suppliers from the interviews with Mr Mehta. Against an income figure of \$159,864.22 the potential inventory purchases in the three business accounts was **\$5,139.60**. Inventory purchases refers to goods purchased to supply to customers.

[67] To ensure she had a correct figure for the potential inventory items Ms Kelly looked at the other known accounts related to Mr Mehta to see if there potential inventory items appeared. She found that there were further purchases of \$8,395.72 which could be inventory items which brought the total to **\$13,535.32**. From that figure Ms Kelly deducted items that cost less than \$150.00 and ended up with a more likely potential inventory figure of **\$11,779.24**. This represents 7.36% of the total customer deposits.

[68] Ms Kelly also identified potential business expenses from known accounts which totalled \$18,290.28 which was made up of payroll, office rental, IP voice services, IT services, vehicle expenses and interest and mobile phone costs.

[69] She also identified cash withdrawals of \$92,623.41 of which one third were in Indian rupees, a figure of \$31,182.91. Mr Mehta was in India from 17 June 2013 to 3 November 2013.

[70] She further identified living expenses of \$43,198.77 which included education utilities, purchases in India including food and beverages and travel.

[71] There were also deposits from unknown bank accounts into the known accounts (excluding the three identified business accounts) of \$77,525.17 which included salary in the sum of \$21,514.15.

[72] There were also transfers from unknown accounts of \$23,679.43.

[73] Ms Kelly gave evidence that there were transfers from Mr Mehta's personal accounts into the business accounts of approximately \$14,000.00 (see LMK 009).

[74] The transfers of money from business to personal accounts was in the region of \$44,000.00 (see LMK 010).

[75] Exhibit 5 LMK 011 compiled data for all withdrawals for the time Mr Mehta was in India (17 June 2013 to 3 November 2013). This amount to \$30,000.00.

The Commerce Commission investigation

[76] Ms Nicola Schaab is a senior investigator with the Commerce Commission, she has worked for the Commission since 2006. She is the person responsible for the investigation into Flexi Buy.

[77] The investigation commenced mid November 2013, although the first two complaints were received in September and October 2013.

[78] In early December Ms Schaab accessed the Flexi Buy website online. There was only one page and a phone number and a message saying a fully functioning website was coming soon.

[79] Ms Schaab rang the 0800 number and asked to speak to Mr Mehta. She spoke to a man she had difficulty understanding he said he would get Mr Mehta to ring her back. Ten minutes later a man named Sandeep phoned her. Five minutes after that Mr Mehta phoned her. She said she wanted to meet him because the Commission had received complaints about Flexi Buy. She was to email Mr Mehta and arrange a time to meet. A number of emails by Ms Schaab to Mr Mehta to arrange a meeting did not result in one.

[80] On 5 December 2013 Ms Schaab and her manager Mr John Lyall called at the office of Flexi Buy at 349A Great South Road to speak to Mr Mehta. Flexi Buy was no longer operating from that address, a man in an upstairs office told Ms Schaab Mr Mehta was now in Otara. He gave Ms Schaab a mobile phone number for Mr Mehta.

[81] On 6 December 2013 Ms Schaab rang Mr Mehta. Several phone calls and emails did not result in a day and time to meet.

[82] On 9 December 2013 Ms Schaab and Mr Lyall went to apartment 11D 147 Hobson Street, Auckland where Mr Mehta was living. He was present and she and Mr Mehta spoke during which Mr Mehta told her the following:

- (a) Flexi Buy was operated from 277A East Tamaki Road, Otara;
- (b) Flexi Buy sold mainly electronic goods in the North Island on “hire purchase”;
- (c) Customers paid by weekly or fortnightly payments to his ASB account;
- (d) Customers received their goods after they paid half of the total price;
- (e) He purchased the goods once customers were near the delivery date
- (f) He was unsure of how many active customers Flexi Buy had but he would check and get back to the Commission;
- (g) Flexi Buy had two permanent staff and another three paid on commission. Salesmen received \$60.00 per sale, which was paid after the second or fourth payment under the contract.

[83] Later that day by email Ms Schaab asked Mr Mehta to comment on the two complaints the Commission had received and to provide certain information including details of active customer accounts, their value and information about Flexi Buy fees to be provided by 10 December 2013. The two complaints were from T [REDACTED] N [REDACTED] via the Whangarei Community Centre and N [REDACTED] M [REDACTED]

[84] Ms Schaab received a phone call from Mr Mehta on 10 December 2013 asking if the Commission had a privacy waiver that would enable him to provide the information. The two exchanged emails about that.

[85] The next contact was 23 December when Mr Mehta phoned to say he had just come back from overseas.

[86] On 8 January 2014 Mr Mehta called Ms Schaab. This was to discuss an episode of the Fair Go programme that included Ms N [REDACTED].

[87] On 13 January 2014 Mr Mehta went to the Commission's office with some of the information Ms Schaab requested on 9 December 2013.

N [REDACTED] M [REDACTED]

[88] Ms M [REDACTED] gave evidence. Mr Mehta's version of Ms M [REDACTED]'s contract did not match the copy Ms M [REDACTED] had been given.

<u>Ms M [REDACTED]'s version</u>	<u>Mr Mehta's version</u>
Price \$900.00	\$1,990.00
Description – laptop	“10” laptop
No date of birth	d.o.b. 23:3:92 (or 99)
No date of contract	8/2/13
Nothing in “consultant’s name”	Scribble over the name of consultant
Delivery week = blank	Delivery week = after 49 payments
Weekly payments = blank	\$30.00

[89] Ms M [REDACTED] was living with her parents in Tokoroa when she signed up to buy a 15” laptop for \$990.00. Her income at the time was the unemployment benefit. She was told by the Indian salesman that she would receive the laptop after she had made half the payments. She told me her date of birth was 28 August 1992.

[90] After she had done that she called Flexi Buy and asked when she was going to receive the laptop. She was told they needed to check the amounts first to ensure she had made half the payments and that they would ring her back the next day.

[91] No one phoned her back so she kept trying to get through on the phone. Either her calls were unanswered or “...just completely hang up on me”. When she

did talk to someone she was told they were having trouble with the computers and would get back to her or the manager would call her back. She said she rang constantly over a four week period. At one stage she was told she had ordered a 10" laptop. She said "No. No way, it wasn't". She was very clear that the salesman understood she wanted a 15" laptop.

[92] Ms M ██████ enlisted the assistance of her father to get her bank to stop the payments.

[93] Throughout 2014 Ms Schaab communicated regularly with Mr Mehta including asking him to attend a meeting and issuing statutory notices for documents purchased to s 47G of the Fair Trading Act and s 113(c) of the Credit Contracts and Consumer Finance Act. As further complaints from customers were received by the Commerce Commission, Mr Mehta was provided with copies of those customers' details and asked to comment.

[94] Eventually two interviews took place with Mr Mehta who was represented by legal counsel Mr John Cox on both occasions.

First interview with Mr Mehta on 23 February 2015

[95] Mr Mehta was asked what professional assistance he had setting up the Flexi Buy business, in particular, he was asked whether he had taken accounting and legal advice and advice about office systems.

[96] He said he had involved an accountant but did not know name of that person but he said he knew the location of his office. He said he had received some assistance with computer equipment and systems. He was vague about who this was and exactly what assistance he had received. He was imprecise about how he had put together the contract documentation that was given to customers.

[97] The business was not just to be door to door sales but he hoped to do what he called reselling which was doing selling on behalf of the established companies. He said that he went to suppliers and set up accounts and he named Noel Leeming,

PB Tech, Dove Electronics, a furniture shop in Station Road, Otahuhu and a supplier in Papatoetoe from whom he purchased phones.

[98] In terms of office equipment he said that it had a phone (that went to his mobile) and he had a laptop and there was one other laptop. An office was sublet from a tenant in Great South Road, Otahuhu. He knew the person's Christian name "Chopra" but no surname.

[99] He was asked how the business was funded and he said that he borrowed some money from a bank and was given some money by his mother with which he purchased a car. He said he had about \$1000.00 in savings. Later he said that he used credit card advances as funding for the business.

[100] By the time of the interview he said the laptop had gone. He was asked about employees and he referred to someone named Sandeep (who I know to be Sandeep Massey) and said that Sandeep had all the company records with him. When Mr Mehta was in India for 4 ½ months from June to November 2013 he said Sandeep was looking after the business. He said he phoned him once or twice a week. He referred to another Sandeep and a person called Augustine who also did sales but on closer questioning they were not employed by the company for more than a couple of weeks. He also referred to a person called Vidjay who he said stayed in Otahuhu but did not seem to know much about him. He did not know most of these people's surnames.

[101] He was asked how many people the business signed up. He started by saying he could not estimate that. He later said 15 and then said 50 and then that there may be more but not more than 200.

[102] Later in the interview he was told that a list that the Commissioner had obtained from Ezy Pay in fact had the contact details of 270 customers who had signed contracts with Flexi Buy. He was asked many times about what had happened with the original contracts they signed. He told the Commission's interviewers that hard copies had been kept in the Otahuhu office (by Sandeep Massey). Later he said that a copy was scanned and sent to the website email

address which he had access to. He said Sandeep Patel had prepared the list of customers to debit by Ezy Pay. He said he was overseas at the time that this happened.

[103] He also said they were developing a system called MS Access which was an electronic spreadsheet that would have shown customers' details including when goods were due but that it "crashed".

[104] He was asked questions about what expenses the business had and he said that in addition to paying sales commissions (\$60.00 per client signed up) there were car expenses, petrol, food and accommodation when sales people were out of Auckland.

[105] He explained that a bank account in the name of Flexi Pay was set up because that was going to be the business that undertook reselling activities (this never happened).

[106] In terms of his own personal living costs he said that he let rooms to boarders which covered the rent for the most part. But it was pointed out to him in the interviews, the rent at the Hobson Street apartment where he lived was being paid out of the Flexi Buy bank account.

[107] It was pointed out to Mr Mehta that the main ASB account that was used for depositing money from customers was in surplus by January 2013. This account showed income ranging from \$8000.00 to \$17,000.00 per month yet the account was often overdrawn. On the back of that statement Mr Mehta was asked how he expected to be able to pay to buy the goods that people had paid for when the account was so overdrawn. Mr Mehta's reply was that he would get money from his parents (having earlier said that his father had died), by using accounts with suppliers and by using credit cards.

[108] He was also asked questions about why there were transfers from the business account to his own personal account and he said the following:

It can be a business account also of the company, it can be either one I am not sure...but this might be the – so money goes to the different expenses, like you know staying over there for the boarding cost, or may be fuel or paying for the food and expenses.

Mr Mehta's second interview – 25 March 2015

[109] Much of this interview flowed from the previous one and in particular queries that Mr Mehta had been asked to respond to.'

[110] Mr Mehta was still unsure whether Flexi Buy ever bought products from Comfort Furniture and Upholstery in Otahuhu (he could not remember the name of this supplier during the first interview, the Commission investigators discovered this). He had still not found out the name of the mobile phone supplier in Papatoetoe. He said that he purchased tablets and phones and accessories from there. He thought about 15 phones and 15 tablets.

[111] He still did not have a surname for the person to whom he paid rent at Otahuhu nor the contact details for the website host Crazy Domain.

[112] He was able to provide a printout from MS Access with customer names and details. However he had not obtained the bank information.

[113] Ms Schaab the investigator advised Mr Mehta that she had compared telephone numbers that Ezy Pay had given her with contract documents for customers and that they did not match. She said that she and a colleague had visited 30-40 addresses on the Ezy Pay list and they were all wrong; in that customers did not live at that address nor had they. This meant that Flexi Buy had no contact details for people who completed paying the contract amount. Mr Mehta was unable to explain this, yet he said he would contact customers and either refund them or supply them with the goods they had ordered.

[114] Mr Mehta was asked who the person was who had deposited \$30,000.00 into his ANZ account and after initially saying he would tell him later he said that it was him borrowing money from his mother.

[115] Mr Mehta was questioned about approximately \$20,000.00 he had spent of customers' deposits in the ASB account while he was in India. He was asked to justify how that could be business expenses. His response was that he was investigating some software in India and that he would get his accountant to explain the situation. He said that he was going to obtain advice from an accountant.

[116] Mr Mehta was asked whether money that was paid into the ASB account by customers was used for the business. It was described as tens of thousands of dollars and Mr Mehta said that he did not think it was that much, however he did acknowledge that these deposits were for the business.

[117] The Ezy Pay direct debits were put to Mr Mehta. These were:

3 January 2014	\$3,200.00
8 January 2014	\$2,321.00
15 January 2014	<u>\$3,218.00</u>
TOTAL	<u>\$8,739.00</u>

[118] It was pointed out to Mr Mehta that once received, this money had been directed to his personal credit card and his personal bank account. It was also put to him that he had used this money to fund his own lifestyle. His response was that he would talk to an accountant and get that person to explain how it had been used for business purposes. This led to a response as he did not have bank statements how was he going to be able to discuss that with an accountant. Mr Mehta had said he could not get bank statements because he owes the ASB money. He said he was unaware how much he owed them.

[119] Mr Mehta was asked questions about what fees were charged to clients as part of the credit contract. His response was "sorry I was not prepared for that but I didn't brought anything, but if I get to you that thing". He was then asked about the \$1.79 charge for each Ezy Pay payment and he said he would give that back to customers who had signed up prior to Ezy Pay. He referred to these as old

customers. He then corrected himself and stated that there were no new customers. He then said that he had told Ezy Pay to charge that \$1.79 per customer to him.

[120] Mr Mehta was asked where the contract forms came from, Ms Schaab pointing out that the copies were poor, photocopies and that the originals were only a slightly better version. After a number of questions Mr Mehta said:

We got this thing from Warehouse Stationery and printers from there so it could - ... like the papers here we take photocopy of that, yeah.

[121] Mr Mehta explained that there were different versions of the catalogues at different times and that he was unsure if he still had an original catalogue. He said that he would have a look and get back to the investigators at the Commerce Commission about that.

[122] The contracts of specific customers were put to Mr Mehta and the first one was a woman called N [REDACTED] B [REDACTED]. She had wanted to buy a laptop. The investigators wanted Mr Mehta to identify a copy of the catalogue that they had at the meeting which item it was. At page 48 of the interview transcript Ms Schaab said this:

Ms Schaab – she told us. She says she bought a laptop for \$900.00, paid about \$310.00 and then ...contacted you and was told to keep paying, so she carried on until the whole amount was paid...that's what she says. We know for a fact she paid you \$572.00 according to the bank statements.

Mr Mehta – Yeah.

Ms Schaab – There were 18 payments made, \$572.00 – she hasn't got – she's got neither the laptop nor the –

Mr Mehta – Mmmm

Ms Schaab – And she hasn't got her money back either...said she told you she wanted to cancel...back there you'll find she's given – she's given us a copy of the cancellation letter she wrote to you but money still kept coming out of her account.

Mr Mehta (inaudible) sure. (Inaudible (B [REDACTED] [REDACTED])

Ms Schaab – B [REDACTED]

[123] Amongst other contracts discussed with Mr Mehta was N [REDACTED] H [REDACTED] I quote from the transcript at p.50:

Ms Schaab – N [REDACTED] H [REDACTED] lives in Papakura. That she's ...this money and hasn't got anything. The contract says, you can see from there, I'm not sure how clear your copy is

Mr Mehta – Yeah

Ms Schaab – So that you are clear, on my copy of the contract is provided to her it clearly says that the delivery work will be week 15.

Mr Mehta – One second, I'll look. I remember – I am not too sure but I just need to double check this customer. She ordered a, like you know, like you know, surround system (inaudible) on the contract also.

Ms Schaab – No.

Mr Mehta – Yeah, so she –

Ms Schaab – She didn't order a surround.

Mr Mehta – I took the table or sound system, she ordered something like that she add up that thing, she wanted some table or something.

Ms Schaab – No, she wanted a TV and then she wanted a thing to sit it on like a – just a cabinet for it to sit on.

Mr Mehta – Cabinet, table, yeah. Because she requested like that, she did call up, I can't remember this, but I can definitely look into this account.

Ms Schaab – So but she paid you, she paid quite a lot of money. She's paid and the banks told her she's paid you \$1200. She's paid \$1200 to you.

Mr Mehta – Yeah.

Ms Schaab – Now according to the contract can I just have it back.

Mr Mehta – Sure.

Ms Schaab – She was due to pay a total of \$1500 that included the cabinet and she found that later on she had to order.

Mr Mehta – Mmm hmm

Ms Schaab – But

Mr Mehta – This has been done by Sandeep as well, yeah.

Ms Schaab – yeah, well it's your company, it's a Flexi Buy arrangement.

Mr Mehta – No I know that because I just wanted to double check who signed this customer up.

Ms Schaab – Okay anyway that's Sandeep Mease (should be Massey) that we're talking about presumably.

Mr Mehta – I'm not sure what month it was, I want to check that what month.

Ms Schaab – Is she on there.

Mr Mehta – So we can come to know, find out.

Ms Schaab – anyway she bought this TV set and it was a 50 inch Plasma, 42 inch Panasonic Plasma TV.

Mr Mehta – Yes

[124] Mr Mehta said that he needed to go back and see whether Ms H [REDACTED] had added more items. Ms Schaab pointed out that Ms H [REDACTED] was quite meticulous in keeping track of her payments which she wrote in her diary and her bank confirmed the amount she had paid. Mr Mehta was asked whether he was in a position to provide Ms H [REDACTED] with a TV and Mr Mehta said “yes. If she’s happy with it then we can definitely look into that.”

[125] He said he could also work on a refund to Ms H [REDACTED] if that is what she wanted. Mr Mehta was also told about a customer who I did not meet, a person called A [REDACTED] M [REDACTED] who lived in Kawakawa. Ms Schaab said that she was told that she would have the goods after 12 payments.

[126] The rest of the interview was about specific customers being put to Mr Mehta and he was saying that he was going to visit or talk to all of these people and either arrange a refund or delivery of the goods. That did not happen.

Summary of interviews with Mr Mehta

[127] The way in which the business of Flexi Buy was to operate was not well planned. It was haphazard. There was little if any accounting and legal advice taken by Mr Mehta prior to setting up this business.

[128] The contract with customers was inadequate in terms of information required under the Credit Consumer Contracts and Finance Act, for examples fees and interest rate. The catalogues shown to customers were unprofessional in appearance and Mr Mehta did not keep track of which catalogue was current at the time customers ordered goods.

[129] The office systems were almost non-existent. There were said to be problems with computer equipment which appears to have been two laptop computers. The business had no start up capital. Anticipated expenses of the business were not calculated or kept track of.

[130] The company bank account was used for purposes other than for the business of Flexi Buy. For example paying the rent on the Hobson Street apartment and other living expenses for Mr Mehta. No financial accounts were even attempted to track what was personal or business expenditure.

[131] There was no system to trigger when a customer was entitled to receive their goods. There was no system to keep track of how many payments were made by each customer. Mr Mehta's knowledge of what products were bought from which supplier and for which customer was abysmal.

[132] Mr Mehta shifted blame to Sandeep Massey in particular and also to Sandeep Patel.

[133] Mr Mehta was unable to explain how \$22,000.00 approximately of customer deposits he spent in India could be justified as a business expense. (These withdrawals were in numerous small sums of approximately NZ\$200.00).

[134] Mr Mehta's answers were often evasive and or confusing to questions asked of him. He was aware the Commission was investigating Flexi Buy as from December 2013. It took many phone calls, emails, letters including statutory notices before the Commission was able to obtain any information from him at all. He was not forthcoming about either documentary or other information he should have provided to the Commerce Commission.

[135] Mr Mehta gave confusing answers about whether or what documents existed from the Flexi Buy business. For example he said he did not know what had happened to the original contracts. He also said he could not get access to customer lists or bank account details. Yet later he did produce a few contracts and a list Flexi Buy gave to Ezy Pay. This demonstrates that he did have some paperwork. In

my view it is likely Mr Mehta destroyed documentation or did not want to produce it.

[136] Mr Mehta said he would recompense customers who were out of pocket. He said he would visit or write to them and negotiate a solution and report to the Commission weekly. He said he would borrow the money to do this from his family. He did not do any of this.

Purchases of inventory

[137] During the investigation Ms Schaab had obtained information about potential inventory items from suppliers who Mr Mehta had identified. These were in exhibit 9 NS 0124. They showed the following items were purchased and delivered to customers:

1 phone to E [REDACTED] H [REDACTED] (purchased 14 May 2013)

1 phone to E [REDACTED] L [REDACTED] S [REDACTED] (purchased 14 May 2013)

1 phone to E [REDACTED] T [REDACTED] (purchased 17 May 2013)

1 phone to J [REDACTED] C [REDACTED] (purchased 13 June 2013)

The cost of three of the phones (including a cover) was \$307.50. The other cost \$307.00. They were all androids.

[138] There were two notebook computers purchased at a cost of \$523.37 in May and June 2013 which were delivered to Flexi Buy and two phones also. There was a tax credit for one of these.

[139] From Noel Leeming a television and a phone were purchased in November and May 2013 respectively.

[140] From the category one customers who I saw, the following were entitled to receive their goods at around May/June 2013 based on the representations made to them:

L [REDACTED] L [REDACTED]

E [REDACTED] S [REDACTED]

C [REDACTED] T [REDACTED]

N [REDACTED] H [REDACTED]

T [REDACTED] C [REDACTED]

D [REDACTED] P [REDACTED]

J [REDACTED] R [REDACTED]

Category two customers

L [REDACTED] G [REDACTED]

A [REDACTED] N [REDACTED]

R [REDACTED] M [REDACTED]

N [REDACTED] M [REDACTED]

E [REDACTED] H [REDACTED]

[141] There were purchases from Warehouse Stationery but nothing that looked like potential inventory items. Many looked like items one might purchase for a household rather than a business. We know from the evidence that T [REDACTED] C [REDACTED] and T [REDACTED] T [REDACTED] received items.

[142] An analysis of this evidence indicates that Flexi Buy purchased four and possibly five phones for customers and one television and possibly two notebook computers. With the exception of one phone in November 2013 (from

Noel Leeming) the items were purchased between 30 April and 13 June 2013, So it seems likely that up to the point that Mr Mehta went to India he was buying stock to supply to some customers. The cost of the stock was less than 50% of the average price charged to customers for a phone (between \$400.00 and \$1,000.00).

[143] After Mr Mehta returned from India stock for customers that have been identified, from the evidence I have namely purchased the television and the goods supplied to T [REDACTED] C [REDACTED] indicates that stock purchases decreased markedly. This is not surprising as the bank account was overdrawn by thousands of dollars.

[144] I infer from the above that if Flexi Buy did ever intend to deliver products to all of its customers, that intention had definitely gone by 3 November 2013. C [REDACTED] T [REDACTED] and P [REDACTED] C [REDACTED] s detail illustrate this.

Directions

[145] Before coming to assess the element of the charges against the evidence I remind myself of the need not to be influenced by sympathy or prejudice. It was natural to feel sympathy for the customers. Many were living on very low incomes, a number appeared to me to be vulnerable people. They were all (to use the colloquial term) “ripped off”. They lost money they could not afford to lose. When they gave evidence a number were still obviously angry about what had happened to them. Potentially there were around four times as many people as I met who were similarly affected.

[146] The author of their individual and collective misfortunes is Mr Mehta as the controlling mind of Flexi Buy. I therefore remind myself that in approaching my assessment of the legal elements of the charges that I must approach the task in a clinical way putting aside sympathy for the customers and any prejudice against Mr Mehta.

[147] It will be apparent from what I have said about him, particularly from the interviews that I have no confidence that anything Mr Mehta said was true. But because I do not believe what he has said, Mr Mehta is not necessarily guilty. The

Crown brings the charge and it is up to the Crown to prove the charge. In order to find Mr Mehta guilty the standard guilt is beyond reasonable doubt. I also remind myself that it is not Flexi Buy charges, it is Mr Mehta as a party to Flexi Buy's offending.

Charge 1

[148] The Crown must prove:

- (a) That Mr Mehta aided or abetted Flexi Buy to obtain a pecuniary advantage;
- (b) That deception was used to obtain a pecuniary advantage;
- (c) That loss exceeding \$1,000.00 was caused to another person (or persons);
- (d) That in doing so Flexi Buy and Mr Mehta acted deceptively by making false representations about when goods would be delivered.

[149] The deception is the key element here and the one to which the strongest challenge was made by the defence.

[150] The Crown says the representation was false because Flexi Buy did not intend to supply the goods when they said they did or was reckless to that fact.

[151] Mr Bioletti for Mr Mehta submitted that for the charge to be proved, that at the time the customer entered into the contract Mr Mehta had to know that the customer was being told they would get their goods after a certain number of payments and that the representation was false in that the goods were not going to be supplied. This was not something Mr Mehta was asked when he was interviewed. Mr Bioletti pointed to the two contracts that had Mr Mehta's name on them.

(i) W [REDACTED] W [REDACTED]

[152] The delivery week was noted as week 37 at \$20.00 per week = \$740.00 which represents 75% of total price of \$990.00.

(ii) Z [REDACTED] T [REDACTED]

[153] Delivery week noted as week 40. Weekly payments of \$40.00 x 40 = \$1,600.00 which represents 88% of payments.

My assessment

[154] *Ahsin v R* [2014] NZSC 153 is authority for the fact that to establish liability as a party, the Crown must prove that the defendant gave assistance to the principal with knowledge of the offence to be committed.

[155] In relation to the customers who gave evidence, most were either signed up before Mr Mehta went to India on 17 June 2013 or after he returned on 3 November 2013. So none during the time Mr Mehta was in India. I infer from these facts that Mr Mehta was very much in control of Flexi Buy's business.

[156] There is no consistency as between the delivery dates identified by Mr Mehta as follows:

(a) Ms W [REDACTED] - delivery after 75% payments

(b) Ms T [REDACTED] - delivery after 88% payments

(c) After customers had paid half of their payments (what Mr Mehta told Ms Schaab on 9 December 2013)

(d) After customers had paid 90% (what Mr Mehta stated to the Commerce Commission see exhibit 7 NS 0029).

[157] Mr Mehta was able to access an electronic version of the contracts, he said that in his second interview. Therefore he must have known there were earlier delivery dates in the contracts of customers signed up before and after he went to India – see annexure “B”.

[158] During the second interview Mr Mehta was shown N [REDACTED] H [REDACTED]'s contract. Delivery was at week 15. Mr Mehta did not comment. I would have expected him to say something if delivery at week 15 was incorrect.

[159] The same applies to a customer I did not meet, A [REDACTED] M [REDACTED]. She was told she would get her goods after 12 weeks. During the interview there was silence from Mr Mehta when this was pointed out to him.

[160] W [REDACTED] W [REDACTED] said that she rang Flexi Buy to tell them she was moving address. She said the person she spoke to was not interested in her new address which she thought was odd. So do I.

[161] I am satisfied there was no system within Flexi Buy to trigger the purchase of goods that customers had ordered. I refer to category 1 customers who overpaid, E [REDACTED] S [REDACTED] C [REDACTED] T [REDACTED] T [REDACTED] C [REDACTED] J [REDACTED] R [REDACTED] and W [REDACTED] W [REDACTED]. So many customers who gave evidence rang Flexi Buy after the due delivery date they were given the “brush off”. No customer who enquired of Flexi Buy about how many payments they had made was given an answer. Customers were told they had to keep making more payments before they could receive their goods (N [REDACTED] B [REDACTED] C [REDACTED] T [REDACTED] D [REDACTED] P [REDACTED] M [REDACTED] W [REDACTED]).

[162] T [REDACTED] C [REDACTED] was told her goods would be sent to her in five days, they were not. Three customers were told there was a delivery problem or a problem with the order (N [REDACTED] H [REDACTED] P [REDACTED] T [REDACTED] L [REDACTED] I [REDACTED]).

[163] When all of the above is considered together, there is no doubt in my mind that Flexi Buy salespersons were making false representations as to delivery dates. My clear view is that it was Mr Mehta and no one else who was instructing

salespeople about what to say. It does not make sense that salespeople would do so without his knowledge.

[164] It is clear from the evidence Sandeep Massey signed up a lot of the customers. I refute any suggestion he was acting on his own when he told people their goods would be delivered after two or three payments or 12 or 15. I say this because:

- (i) Mr Mehta saw a copy of every contract that was signed. If the delivery date was wrong Mr Mehta would have pointed it out to Mr Massey;
- (ii) Mr Mehta trusted Sandeep Massey to run Flexi Buy while he was in India for 4 ½ months;
- (iii) There was no evidence customers were signed up when Mr Mehta was in India, the evidence before me was consistent with this;
- (iv) Sandeep Massey was on a work visa and was hoping to remain in New Zealand. It does not make sense he would make false representations to customers without Mr Mehta's knowledge.

[165] I am satisfied beyond reasonable doubt that Mr Mehta instructed Flexi Buy salespersons to make representations about when goods would be delivered to them, knowing that representation was false in that their goods were not going to be delivered on time.

[166] It is clear that Flexi Buy and Mr Mehta obtained a pecuniary advantage namely customer deposits in excess of \$1,000.00. Mr Mehta used Flexi Buy funds for his personal use including the rent of the apartment in Hobson Street and living expenses and at least \$22,000.00 while he was in India. I view the instructions to Ezy Pay to debit customers' accounts in December 2013 and January 2014 as a

desperate measure to get more money into the Flexi Buy account including so Mr Mehta could use it for his own personal needs.

[167] Charge one is proved.

[168] Charges two and four focus from the time Mr Mehta went to India.

[169] In charges two and four it is alleged that Flexi Buy accepted payments without telling customers that their goods would not be supplied at the agreed time. Category one customers for charge two and category two customers for charge four.

[170] There is a lesser onus on the Crown in relation to these charges in that proof as to knowledge at the time of the representations is not required,

[171] It is beyond question Flexi Buy accepted payments during the charge period. I have already said I am satisfied Flexi Buy did not intend to supply the goods. Mr Mehta allowed those payments to be accepted knowing the goods would not be supplied. Goods were only ever supplied after someone complained to a lawyer, or the Fair Go programme or threatened to go to the police. Charges two and four are proved.

[172] Charges three and five. Alternatively and for the same reasons I find charges two and four proved, charges three and five proved.

Result

[173] All five charges are proved. As charges two, three and five are alternative charges, convictions will be entered for **charges one and four**.

Dated at Auckland this 28th day of November 2016 at 3:45 am/pm.



P A Cunningham
District Court Judge

Notice of Cancellation

To: Flexibuy limited
P.O.Box 7274
Wellesley street
Auckland 1141

I hereby cancel the agreement made
by me in the month of May 2013
to purchase a laptop, and
require you to repay all money paid
by me under or with respect
to the agreement and to return
to me all goods given to you
by me pursuant to the agreement

Name: M. [redacted] B. [redacted]

Address: [redacted]

Mobile: [redacted]

Signature: M. [redacted] B. [redacted]

R v Mehta – summary of customers' evidence

"B"

Category one witnesses									
Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Result	
L L (Porirua)	NOE Pages 16-26	April/May 2013	\$90 (Three payments of \$30) He wanted a phone	\$1,000 (phone + tablet)	18 payments x \$30 = \$540 5 payments to Ezy Pay \$31.79 = \$158.95 Total \$698.95	No	Yes	Was told he had to pay the full amount. Later calls went to an answering machine.	Yes and requested a refund Sept 2013 Sent notice of cancellation to FBL and asked bank to cease payments.
E S	NOE Pages 27-32	May 2013	After two weeks of payment	\$600 (iphone 4)	\$803.40	No	Yes	Initially told to wait another week, was later told to fill in a refund form if he wanted his money back. No phone or refund received and FBL later told him that the reason he gave on the refund form was inadequate	No
C T	NOE Pages 33-45	13 May 2013	3 payments or half of the total price (possibly one third also) Half = \$390)	\$780 Kai cooker and free phone	\$848.66	No contract	Yes	Given excuses by FBL and told that the company would return her call. The phone number Ms T [redacted] was calling was later disconnected.	No

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
N H (Papakura)	NOE Pages 85- 102	February 2013 First payment 5.2.13	\$450 (15 payments of \$30) (Sandeep) 15 weeks = 2 June 2013	\$1,480 for a TV 42" plasma + table (initially told free later told extra \$40 Total \$1,590	\$1,329.29 40 x \$30.00 = (\$1200 plus 4 x \$31.79 =\$127.16) 3 x .50c = \$1.50	Yes Delivery after 15 weekly payments of \$30	Yes	She rang in November (6 th) and said she wanted to cancel. Told someone would call her but that did not happen. Was told that FBL was having problems with her order. Was told someone would call her back (but no-one did). After that she was phoning "practically" everyday.	Yes Sent multiple notices of cancellation starting 10/11/13 – exhibit 5 NH.0003 0005 via email and post. --could not afford it Said she would go to police February 2014
T C	NOE Pages 103- 129	January 2013 Evidence of 1 st payment 29.5.13 which does not sound correct – see under "result"	\$360/\$480 Told 12 payments contract said 16	\$990 Laptop Phone (contract says 10" tablet)	\$1,320	Delivery week = 16 on contract 12 weeks oral representation	Yes	Rang Flexi Buy after 12 payments Was told products would be sent to her within five working days. (When she rang after 12 weeks had passed + also 16 weeks received phone and tablet May or June 2013	No Went to Hawkes Bay Community Law Centre – stopped payments

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
P C (Morewa)	NOE Pages 137-150	November 2013	\$160 (four payments of \$40) 1 st payment 28 November 2013	\$400 Phone + free tablet x 2	\$250.74	N/a – said there was no contract	Yes	He rang before 4th payment as a neighbour had not received her goods on time. Was told by ? Alex someone would call him back (no-one did). Made multiple attempts at contact – number did not exist	No
C T	NOE Pages 158-166	Mid November 2013	\$90 (Three payments of \$30)	Unclear	\$254.28	N/a	Yes	Contact with Flexibuy. Rang after the 3 payments and was told she had to make 7 payments before she received the goods, i.e. 4 more. Made contact later, was told another two payments, Flexibuy would check file and ring her back, they never did. Rang – no such number. Also checked online (Dec – Feb).	Yes Asked bank to cancel debits.
D P (Murupara)	NOE Pages 180-185	January 2013	\$400 (Ten payments of \$40) Wanted a mobile phone	Approx. \$1,000	\$600 + \$41.79	N/a	Yes	Rang after 10 payments. Was told to make another payment. Rang later told boss not here – they will get him to ring me. She rang again and said she would stop if they didn't ring her back. No phone, no refund.	Yes Asked bank to stop debits after she "begged" the bank – he is ripping me off.

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
N B (Kaitaia)	NOE Pages 186- 200	May 2013	\$300 (Ten payments of \$30) Wanted a laptop	Unclear	\$572.04	Unclear, but total price appears to be \$910	Yes	Was told to make two more payments. Having made the additional two payments, was told to make two more. She did that. Rang and said she was cancelling.	Yes Was told there was a \$50 charge to cancel her contract. Didn't keep cancellation form so FBL promised to send her another (but never did). Faxed a cancellation letter. Had to get bank to stop D/Ds.
M W (Whakatane)	NOE Pages 201- 222	May 2013 ? 20 May 1 st payment	\$200 (five payments of \$40) Wanted a mobile phone	Says she was not told and did not have payment details in her copy of contract	14 x \$40 = \$560 plus 3 EzyPay \$41.79+ 3 x .50c Total <u>\$686.87</u>	N/a	Yes	A woman at Flexi Buy told her to make more regular payments, but did not say how many more. She called 3 weeks later and was again told to make additional payments. When called again, threatening to stop, she was told that the goods would be on their way after she made one more payment.	No No refund No phone

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
J [REDACTED] R [REDACTED] (Rotorua)	NOE Pages 235- 243	February 2013	\$235 (five payments of \$45) Wanted a Sony phone + tablet	\$1,800 (estimated by sales person)	\$1,893.58 40 x \$45 = \$1800 2 x \$46.79 = \$93.58	Very faint	Yes	Rang after 5 payments. He was told FBL would get back to him (but no-one ever did). Rang 2 x wk + sometimes at weekend. Always we will get back to you.	No No phone No refund
L [REDACTED] W [REDACTED] (Kawakawa)	NOE Pages 260- 266	May 2013 1 st payment 14 May	\$400 3 items (a combo cellphone, tablet and laptop) another (ten payments of \$40) to receive phone (5 August) 10 to receive tablet (14 October) and another 10 for laptop	Unclear (does not recall)	31 payments \$1295.18 inclusive D/D Flexibuy \$41.78 plus 5 x \$41.79 EzyPay	N/a	Yes	Called on a number of occasions but no answer. Also tried online. – no luck.	Yes Attempted to have her bank stop the payments.

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
P T (Kaikohe)	NOE Pages 267-286	January 2013 1 st payment 21 January	\$800 (20 payments of \$40) – made by 3 May 2013 Lounge suite and dining suite	\$2,400	\$2,200	Yes Delivery week = 20 weekly payment = \$20 (per couch)	Yes	Was told there had been an issue with the delivery process and that there was an extra cost (of \$50) for the delivery. She did not agree to pay this. Customer was told FBL employee would speak to his boss and call her back, but never called back. One day she rang about 20 times and rang and rang	Yes went to the bank. Spoke to Fair Go. Received refund \$1800
L I (Maraenui – Napier)	NOE Pages 407-417	? May 2013	\$200 (five payments of \$40) Wanted a TV	Unclear Cannot recall	\$1,360	N/a	Yes	First call – was told TV on its way to her. Kept ringing. Told that the item she had ordered (a 50" TV) was out of stock and that the company was sending her a 40" TV with a surround sound system. Was later told there had been a problem at despatch. Customer asked to the manager, but FBL employee instead put her on hold and impersonated the manager. Customer was promised that she would receive a free mobile phone for the inconvenience and was assured that the goods were on their way.	Yes FBL told her that she would incur a \$400 cancellation fee. Customer demanded a refund (minus the fee) but no refund received. Closed bank a/c to stop payments.

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
J H	NOE Pages 440-452	June 2013 1 st payment 17 June	\$700 (half of the total payments) \$30 per week (she wanted another lounge suite). Delivery due 25 November. If I am a good payer + don't miss a payment I can get it earlier.	\$1,400	26 x \$30 = \$780 4 x \$31.79 + \$44.50 = \$909.16	N/a	Yes	Began ringing in October. Initially had no response. When customer was able to speak to someone they had no information on her payments and knew nothing about when she could expect delivery. Promised to call her back (but never did). Rang heaps of times.	No Threatened to call police in the end.
W W	Witness statement No opposition admitted statement	January 2013	\$740 (37 weekly payments of \$20, later debited \$40 fortnightly instead of \$20 weekly) – she did not know why	\$990	4 x \$20 41 x \$40 \$1720	Yes Delivery week = 37 Weekly payment = \$20	Yes	Called Flexi Buy to tell them she was changing her address. The person on the phone told the customer that it didn't matter where she lived so long as she continued to make payments.	No

Category two witnesses

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
T T (Stokes Valley Wellington)	NOE Pages 2-15	March 2013	Half (approximately \$675)	Approx. \$1,350	\$580 1 st payment 6 March 2013	Yes Weekly payment = \$40 Total amount = \$1,600	Yes	Multiple calls, told that someone would call him back (but no-one did) In January 2014 he obtained the phone (no charger) after threatening to call police – not the tablet.	No
L S	NOE Pages 130-136	February 2013	Three months of payments (\$40 a week for three months) so delivery due May/June 2013 when \$520 paid	Approx. \$4,000 4 smart-phones x \$1000 each	\$1461.79 She ceased payments.	N/a	Yes	Rang after 4 months had passed (June 2013). Was told that the phones she had ordered were out of stock, but that they would send them the following month. Thereafter no answer.	No
S W (Napier)	NOE Pages 151-157	March 2013 1 st payment 11 March 2013	Half the total (TV & surround system)	Unclear, but approx. \$2,300	29 x \$30 = \$870 2 x \$31.79 1 x \$39.36 =\$102.94 Total \$972.94 (Mr Luck's figure was \$2,043.58)	Faint details only. \$1360 + \$940 = \$2300	Yes	She rang to enquire how much she had paid – was not given the amount. Told that the computers were going down and that FBL could not access her details.	No Says the bank stopped her payment

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
S [REDACTED] N [REDACTED] (Ms N [REDACTED] niece) (Marewa, Napier)	NOE Pages 167-179	May 2013 ? Kieran who she spoke to. 14.5.13 first payment	\$120 (Three payments of \$40)	? \$1200 p.170 NOE	\$40 x 5 = \$200 plus \$41.79 x 6 = \$250.74 Total \$450.74 Mr Luck's figure was \$1365.47	N/a	Yes	Queried whether the company had received her cancellation request. Tried contacting FBL on other occasions but was unable to speak to anyone. Eventually her sister got through to someone on behalf of her Auntie and told them Flexi Buy but cancellation letter sent – Kevin said not received and would phone back. Never did.	Yes Attempted to cancel the contract because she found the same laptop available elsewhere for a much lower price. Cancellation form posted to Flexi Buy but cancellation not actioned. Later tried calling the company – music rang many times. Tried to cancel bank DD.
A [REDACTED] (Napier)	NOE Pages 223-234	March 2013 First payment 11.3.13	\$80 (four payments of \$20) Says she told the sales person she did not want direct debits A tablet and a smart phone	Approx. 7 x \$20 March 7 April 2013 4 x \$21.79 Ezypay = \$227.16 In total	\$787.16	Faint details only Smart phone and tablet	Yes	Called Flexi Buy to attempt to stop her account from being debited. Called approximately five times. On the first occasion was told that she could only cancel her direct debit through her bank.	Yes Attempted to cancel contract a couple of days after the salesperson signed her up. Cancellation request sent via post. Later attempted to cancel via phone. Support person helped her.

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
2 [Redacted] (Papakura)	NOE Pages 244-251	February 2013	\$800 (20 payments of \$40) or half	\$1,800 - \$1,880	\$1,600	Yes Delivery week = 40 Weekly payment = \$40	Yes	Called Flexi Buy to check her balance but no-one answered her calls. On the occasions when she was able to speak to someone, she was told that everything was fine and that she simply needed to make a few more payments.	Yes Called her bank to stop the payments. July 2013 because she did not hear from Flexibuy
R M (Whangarei)	NOE Pages 252-259	March 2013 Wanted a touch screen phone later changed to an ipad	\$120 (three payments of \$40)	Unclear Was sent a contract for ipad	\$901.79 3 x \$40 38 x \$20 1 x \$21.79	N/a	Yes	Called Flexi Buy over a two week period, but none of her calls were answered.	Yes Attempted to have her bank stop the payments.
N M (Tokoroa)	NOE Pages 389-406	February 2013 - 1 st payment 14.2.13 Wanted a laptop	Half (17 weeks) 4 June 2013	\$990 \$30 per week	\$900	Yes Version provided by witness Total price = \$990 Other details not legible Version provided by Flexi Buy Delivery week = 49 Weekly payment = \$30 Total price = \$1,990	Yes	Initially told she had to pay half of the total price, she said I have paid half and told her to call back the following day. They were going to check her account. Customer called back but many of her calls went unanswered; when she did get an answer FBL hung up on her. Later told that FBL couldn't check her account as their computers were down. Had to talk to manager to arrange shipping. She was told at one time a 10" laptop. She said no way.	Yes Asked her bank to stop the payments

Customer name	Reference in evidence	Date when the witness was approached by Flexi Buy	Representation made as to when goods would be received	Total price of goods ordered	Payments actually made	Payment details visible on contract?	Contact with Flexi Buy		Did the customer take steps to cancel the contract?
							Contact made?	Details	
E H (Kaitiaki) worked on road works (sister of N B	NOE Pages 418-424	May 2013 Wanted TV and surround system	Unclear \$41.50 per week Told she would get it after a couple of payments	Unclear Cannot recall	11 x \$41.50 \$456.50	N/a	Yes	Number she was given for FBL had been disconnected. When she called Flexi Buy using a different number, she was told that FBL had no account details for her and that the company was being closed down. Given another phone number by her sister. Told company closing down. Customer asked for a refund but told that the company were unable to provide her with one.	No She asked for a refund No refund No goods Flexibuy said they would stop her payments. Didn't happen
Y B (Murupara)	Witness statement (not opposed and admitted)	January 2013 21 January 2013 Continued until 9 December 2013	Unwell at the time and cannot recall what (if anything) she purchased.	\$1000 approx.	\$945.34 (last 3 payments \$21.78)	N/a	No	Does not know why payments stopped	Unclear

11 C 11

SCHEDULE

FLEXIBUY CUSTOMERS WHO OVERPAID

1. E [REDACTED] S [REDACTED]
Contract price for phone (+? Tablet) = \$600
He paid \$803.40

2. C [REDACTED] T [REDACTED]
Contract price for kai cooker (+ free phone) = \$780
Paid \$848.66

3. J [REDACTED] R [REDACTED]
Told the items cost \$1800 (Sony phone + tablet).
Paid \$1893.58

4. W [REDACTED] W [REDACTED]
Contract price for an Acer laptop computer was \$990. She paid \$1,720.
No computer received.

5. T [REDACTED] C [REDACTED]
Contract price for laptop and phone \$990.
Evidence establishes payments of \$1320. She received products May/June
but not what she ordered.

6. N [REDACTED] B [REDACTED]
Contract price \$9210. She paid \$985.18.

CUSTOMERS WHO RECEIVED PRODUCTS

T [REDACTED] C [REDACTED] Tablet and phone (she wanted a laptop) – after the Commerce Commission was aware of her situation.
Delivered May/June 2013 after obtaining advice and assistance from the Hawkes Bay Community Centre.

T [REDACTED] T [REDACTED] Obtained the phone (no charger) after threatening to call the police. (Never obtained the tablet).

CUSTOMER WHO RECEIVED REFUND

P [REDACTED] T [REDACTED] Spoke to Fair Go. Received refund \$1,800 from payments of \$2,200.

CUSTOMERS WHO ASKED FOR A REFUND BUT DID NOT RECEIVE ONE

L [REDACTED] L [REDACTED]

L [REDACTED] I [REDACTED]

E [REDACTED] H [REDACTED]

CUSTOMERS WHO SAID THEY ASKED TO CANCEL THEIR CONTRACTS

L [REDACTED] L [REDACTED] (failure to deliver on due date)

N [REDACTED] H [REDACTED] (unable to afford payments)

N [REDACTED] B [REDACTED] (failure to deliver on due date)

S [REDACTED] N [REDACTED] (sent cancellation request as laptop considerably cheaper)

elsewhere)

A [REDACTED] N [REDACTED] (sent cancellation letter shortly after she signed up)

E [REDACTED] H [REDACTED] (Flexibuy said they would stop her payments)

LMK004 - Consolidated bank accounts (that received customer deposits)

	012-3057-0165563-00	012-3459-0072000-00	01-1845-0013510-00	Consolidated
Opening Balance	0.00	0.00	0.00	0.00
Deposits				
Deposit - Customer	362,263.39	92,996.18	8,739.00	463,998.57
Dishonour	(232,110.28)	(72,024.07)		(304,134.35)
Net deposits from customers	\$130,153.11	\$20,972.11	\$8,739.00	\$159,864.22
Deposit - Other	1,140.97		99.00	1,239.97
Withdrawals	\$131,294.08	\$20,972.11	\$8,838.00	\$161,104.19
Business Expense	(16,060.24)	(6,927.63)		(24,060.91)
Business Expense - Potential Inventory	(5,139.60)		(1,073.04)	(5,139.60)
Living expenses	(19,753.18)		(6,802.29)	(26,555.47)
Cash withdrawal	(2,650.00)		(20.00)	(2,670.00)
Unknown			(3,268.50)	(3,268.50)
All other expenses	(16,983.91)	(2,322.56)	(1,076.89)	(20,383.36)
Transfers	(\$60,586.93)	(\$9,250.19)	(\$12,240.72)	(\$82,077.84)
Transfer (Known Account)	(47,302.35)	(29,706.21)	4,453.96	(72,554.60)
Transfer (Unknown Account)	(23,404.80)	17,984.29	(1,051.24)	(6,471.75)
	(\$70,707.15)	(\$11,721.92)	\$3,402.72	(\$79,026.35)
Closing balance	0.00	0.00	0.00	0.00

"D"

"E"

15

1.N [REDACTED] B [REDACTED]

1. What was purchased Tablet and Phone(best of my knowledge)
2. Cost of item to customer \$2000(approx.)
3. How much Customer paid Requested for Bank Statement at the time of interview
- 4a. Whether goods were provided to customer (If No go to 5) **No**
- 4b. Date on which it was provided
- 4c. Address to which it was delivered
5. Reason why it was not provided .. Payments deposited amount was not enough for delivery
Happy to pay refund

2.T [REDACTED] C [REDACTED]

1. What was purchased Tablet and Phone(best of my knowledge)
2. Cost of item to customer \$2000(approx.)
3. How much Customer paid Requested for Bank Statement at the time of interview
- 4a. Whether goods were provided to customer (If No go to 5) **Yes and waived remaining balance amount for the item**
- 4b. Date on which it was provided Bought from Gsm Phone Shop Papatoetoe
- 4c. Address to which it was delivered Flexmere, Hastings
5. Reason why it was not provided

3.N [REDACTED] H [REDACTED]

1. What was purchased T.v and table set later she added home surround system(as per client request) (best of my knowledge)
2. Cost of item to customer \$2000 (approx.)
3. How much Customer paid Requested for Bank Statement at the time of interview
- 4a. Whether goods were provided to customer (If No go to 5) **No**
- 4b. Date on which it was provided
- 4c. Address to which it was delivered

5.Reason why it was not provided .. She wanted all the items together, not enough amount to get delivered .We are happy to settle the dispute and refund the money

4.L [REDACTED] L [REDACTED]

1.What was purchased Phone and Tablet(best of my knowledge)

2.Cost of item to customer \$2000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) **No**

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided .. Payments deposited amount was not enough for delivery Happy to pay refund

5.A [REDACTED] M [REDACTED]

1.What was purchased T.v and Phone(best of my knowledge)

2.Cost of item to customer \$3000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) **No**

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided .. Payments deposited amount was not enough for delivery Happy to pay refund

6.A [REDACTED] N [REDACTED]

1.What was purchased Phone and Tablet(best of my knowledge)

2.Cost of item to customer \$3000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) **No**

4b.Date on which it was provided

4c.Address to which it was delivered

5. Reason why it was not provided .. Payments deposited amount was not enough for delivery Happy to pay refund

7. T [REDACTED] N [REDACTED]

1. What was purchased Xbox + more items (best of my knowledge)

2. Cost of item to customer \$3000 (approx.)

3. How much Customer paid Requested for Bank Statement at the time of interview

4a. Whether goods were provided to customer (If No go to 5) **No**

4b. Date on which it was provided

4c. Address to which it was delivered

5. Reason why it was not provided.. Payments deposited amount was not enough for delivery.
Happy to pay refund

8. E [REDACTED] S [REDACTED]

1. What was purchased Phone and Tablet (best of my knowledge)

2. Cost of item to customer \$3000 (approx.)

3. How much Customer paid Requested for Bank Statement at the time of interview

4a. Whether goods were provided to customer (If No go to 5) **No**

4b. Date on which it was provided

4c. Address to which it was delivered

5. Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy to pay refund

9. V [REDACTED] P [REDACTED]

1. What was purchased Tablet and Phone (best of my knowledge)

2. Cost of item to customer \$2000 (approx.)

3. How much Customer paid Requested for Bank Statement at the time of interview

4a. Whether goods were provided to customer (If No go to 5) **No**

4b. Date on which it was provided

4c. Address to which it was delivered

5.Reason why it was not provided.. Payments deposited amount was not enough for delivery.Happy to pay refund

10.K P

1.What was purchased Tablet and Phone(best of my knowledge)

2.Cost of item to customer \$2000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) No

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy to pay refund

11.C T

1.What was purchased Hangi + Phone(best of my knowledge)

2.Cost of item to customer \$2000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) No

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided ..Payments deposited amount was not enough for delivery Happy to pay refund

12.Z T

1.What was purchased Tablet (best of my knowledge)

2.Cost of item to customer \$2500(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) No

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided .. Payments deposited amount was not enough for delivery Happy to pay refund

13.T [REDACTED] T [REDACTED]

1.What was purchased Phone(best of my knowledge)

2.Cost of item to customer \$3000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) No

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy to pay refund

14.S [REDACTED] W [REDACTED]

1.What was purchased T.v and Home Theatre(best of my knowledge)

2.Cost of item to customer \$4000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) No

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy to pay refund

15.N [REDACTED] M [REDACTED]

1.What was purchased Laptop (best of my knowledge)

2.Cost of item to customer \$3000(approx.)

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) No

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided.. Payments deposited amount was not enough for delivery.
Happy to pay refund

16.Y [REDACTED] B [REDACTED]

1.What was purchased Tablet and Phone(best of my knowledge)

2.Cost of item to customer

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) **No**

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy
to pay refund

17.E [REDACTED] H [REDACTED]

1.What was purchased Phone and Tablet(best of my knowledge)

2.Cost of item to customer

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) **No**

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided Payments deposited amount was not enough for delivery Happy
to pay refund

18.D [REDACTED] P [REDACTED]

1.What was purchased Phone(best of my knowledge)

2.Cost of item to customer

3.How much Customer paid Requested for Bank Statement at the time of interview

4a.Whether goods were provided to customer (If No go to 5) **No**

4b.Date on which it was provided

4c.Address to which it was delivered

5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy
to pay refund

19.D [REDACTED] P [REDACTED]

- 1.What was purchased Phone (best of my knowledge)
- 2.Cost of item to customer
- 3.How much Customer paid Requested for Bank Statement at the time of interview
- 4a.Whether goods were provided to customer (If No go to 5) **No**
- 4b.Date on which it was provided
- 4c.Address to which it was delivered
- 5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy to pay refund

20.J [REDACTED] R [REDACTED]

- 1.What was purchased Phone(best of my knowledge)
- 2.Cost of item to customer
- 3.How much Customer paid Requested for Bank Statement at the time of interview
- 4a.Whether goods were provided to customer (If No go to 5) **No**
- 4b.Date on which it was provided
- 4c.Address to which it was delivered
- 5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy to pay refund

21.N [REDACTED] R [REDACTED]

- 1.What was purchased Laptop and Phone(best of my knowledge)
- 2.Cost of item to customer
- 3.How much Customer paid Requested for Bank Statement at the time of interview
- 4a.Whether goods were provided to customer (If No go to 5) **No**
- 4b.Date on which it was provided
- 4c.Address to which it was delivered
- 5.Reason why it was not provided.. Payments deposited amount was not enough for delivery Happy to pay refund

22.L [REDACTED] W [REDACTED]

- 1.What was purchased Laptop and Tablet(best of my knowledge)

2. Cost of item to customer

3. How much Customer paid Requested for Bank Statement at the time of interview

4a. Whether goods were provided to customer (If No go to 5) **No**

4b. Date on which it was provided

4c. Address to which it was delivered

5. Reason why it was not provided .. Payments deposited amount was not enough for delivery Happy to pay refund