

Teresa Anne Netz has pleaded guilty to one count of dealing with proceeds of crime in that she was reckless as to whether an amount of \$16,420.25 was the proceeds of crime. In November 2019, this amount was deposited into her bank account. It had been misappropriated. A person or persons unknown, a cybercriminal or criminals, had hacked into an email account of Texas Earth Moving Contractors Pty Ltd and the emails and invoices sent to two customers, Westmoor Pastoral in the sum of \$13,120.25 and Rylor Logistics in the sum of \$3,300. These customers then received bogus emails impersonating Texas Earth Moving Contractors informing them that the account details for payment of the invoice had been changed and providing a new account. The account was Mrs Netz's account.

Meanwhile, Mrs Netz had been befriended on Facebook by an American man, describing himself as Andrew Duckworth. He had spent some nine months establishing a rapport with Mrs Netz. He had even indicated that he would come to Australia with his daughter to live with her. After grooming her, he requested that she allow the use of her account for the deposit of some money and that she help transfer the money. She was promised \$1,000 for her help and she agreed.

After the money had been deposited, Mr Duckworth instructed her to deposit the money into a Westpac account. The following day, Westpac contacted her and told her that they could not accept the deposit as the money was "fraudulent".

Mrs Netz contacted Mr Duckworth and advised what she had been told by Westpac. He insisted the money was not fraudulent and sent her the details of a new account with the ANZ Bank for the deposit. Mrs Netz withdrew the money and deposited it into the account.

Mrs Netz sent a text message to Mr Duckworth, telling him she did not want any more to do with him and that she would get into trouble. She then blocked him from communicating with her.

Mrs Netz acknowledges by her plea of guilty that once she was told by the Westpac bank that the money was fraudulent she acted recklessly, realising that there was at least a possibility that the money was misappropriated and that there was a scam on foot.

Bank records indicated that Mrs Netz had used some \$3,626.70 of the funds for herself.

It is clear that Mrs Netz was set up as the middle person or 'money mule' in the transactions. The real beneficiaries of the fraud are unknown. The money has not been recovered. When Westmoor Pastoral discovered that Texas Earth Moving Contractors had not received their payment, the business honourably chose to pay the invoice a second time. A compensation order is sought in favour of Westmoor Pastoral Company in the sum of \$13,120.25 and also in favour of Texas Earth Moving Contractors for the amount of \$3,300 that was paid by Rylor Logistics but which was misappropriated. I will return to these claims.

Mrs Netz can now see with the benefit of hindsight that she should never have allowed herself to be duped by Mr Duckworth. She feels most embarrassed by her naivety and feels deep regret that the consequence of her conduct is that businesses have lost money. She is aware that they are family businesses that cannot afford the losses they have sustained.

She has pleaded guilty at an early stage and fully co-operated with police in their investigation. She is 64 years of age, and has no prior convictions of any relevance. Her financial circumstances have been particularly difficult since her husband passed away in 2016. Her carer's pension then ceased and her benefit reduced to a basic Newstart Allowance. She was temporarily homeless and then lived in a caravan park for a while. Fortunately, she now has some assistance through Catholic Care and has secured rented accommodation. Once she has paid rent she has just \$234 per fortnight to live on.

In all the circumstances, it is sufficient to record a conviction without any further sanction.

Returning to the application for compensation orders, I have a discretion regarding the compensation orders sought under s 68(1)(b) of the *Sentencing Act*. If I made both orders sought, given Mrs Netz's very limited financial means, the result would be to cause severe long-term financial hardship to her.

I consider the just outcome would be to make an order but for the lesser amount of the two, and give Mrs Netz a considerable period of time to pay this amount. Presently, I consider that she could meet regular minimum payments of \$10 per fortnight. She may pay more if she has the capacity to do so in any fortnight. Regardless, it is going to take her a considerable period of time to repay the amount of \$3,300. Accordingly, I make a compensation order in favour of Texas Earth Moving Contractors Pty Ltd in the sum of \$3,300 to be paid by minimum fortnightly payments of \$10.