

NSW Independent Liquor & Gaming Authority

Mr Fadi Nafea Former Approved Manager The Hills Middle Eastern	Mr Nawar Nafea Close associate NFN Pty Ltd
NFN Pty Ltd Former Licensee and Business Owner The Hills Middle Eastern	Ms Gabbie Gallagher A/Executive Director Regulatory Operations & Enforcement NSW Department of Creative Industries, Tourism, Hospitality and Sport
Section 140(3) – Third parties P & E SOUTHCORBE PTY LTD Premises Owner The Hills Middle Eastern	

Our ref: DOC25/127217

6 May 2025

Dear Sir/Madam

Decision regarding a complaint about Mr Fadi Nafea, NFN Pty Ltd and Mr Nawar Nafea under section 139 of the *Liquor Act 2007*

Our decision

We are satisfied that the grounds of complaint are established and have determined to:

- **disqualify** NFN Pty Ltd from holding a licence or from being the close associate of a licensee under section 141(2)(f) of the *Liquor Act 2007* (Act), for a period of five years.
- **disqualify** Mr Fadi Nafea from being a manager of licensed premises, or from holding a licence or being the close associate of a licensee under section 141(2)(h) of the Act, for a period of five years.
- **disqualify** Mr Nawar Nafea, from being a close associate of a licensee or the manager of licensed premises under section 141(2)(j) of the Act, for a period of five years.

Background

On 24 April 2024, the Authority received a disciplinary complaint from Liquor & Gaming NSW (L&GNSW) in relation to Mr Fadi Nafea, NFN Pty Ltd and Mr Nawar Nafea. Mr Fadi Nafea was the former approved manager of the licensed premises The Hills Middle Eastern, Hunters Hill. Mr Fadi Nafea was the sole director and secretary of NFN Pty Ltd, and NFN Pty Ltd was the corporate licensee of The Hills Middle Eastern. Mr Nawar Nafea was a close associate of the corporate licensee, NFN Pty Ltd.

The complaint refers to the venue's poor compliance history with numerous breaches occurring over several years. The breaches involved:

- the sale/supply of liquor without a licence
- the sale/supply of liquor outside authorised hours
- permitting the possession/use of prohibited drugs
- causing/allowing a minor to sell/supply/serve liquor
- refuse or fail to comply with a requirement made by an inspector

At the time of the complaint, Mr Fadi Nafea had been issued seven penalty infringement notices, two warning notices, and failed to comply with three Notices to Produce issued by L&GNSW Inspectors and NSW Police. Mr Fadi Nafea was also convicted of five offences relating to the management of The Hills Middle Eastern, Hunters Hill and an associated Croydon Park venue.

The complainant submits that NFN Pty Ltd and Mr Fadi Nafea have consistently engaged in offending conduct, which demonstrates a flagrant disregard for the duties and responsibilities of a licensee or approved manager under the Act. The repeat of these breaches and the nature of the offences relating to failure to comply with compulsory notices, suggests a disregard for the role of authorities such as L&GNSW and NSW Police.

The complainant submits that Mr Nawar Nafea was jointly involved in the operation and management of the Hunters Hill venue, despite his interests not being disclosed to L&GNSW or the Authority.

The complaint material includes a voluntary Record of Interview (ROI) conducted by L&GNSW Inspectors with Mr Fadi Nafea on 9 January 2019. Mr Nawar Nafea was also present during the ROI and was asked about his relationship to Mr Fadi Nafea and The Hills Middle Eastern business. Mr Nawar Nafea advised he was Mr Fadi Nafea's brother and stated "*Business? Yes, well I am just the manager there, so I run everything there*".

Section 54 Application to impose conditions on the liquor licence

On 8 October 2020, Police submitted an application under section 54(1) of the Act requesting that a delegate of the Secretary consider imposing conditions relating to a Plan of Management and CCTV condition on The Hills Middle Eastern, Hunters Hill liquor licence.

The Police application was made on the grounds that the venue's approved manager Mr Fadi Nafea had been issued with six infringement notices for breaches of the Act, repeatedly failed to comply with his obligations to ensure the responsible service of alcohol, and the absence of CCTV had hindered the ability of Police to fully investigate at least one incident.

On 25 March 2021, after a review of the evidence provided by Police and failed attempts to obtain a submission from Mr Fadi Nafea, a delegate of the Secretary decided to impose both conditions on the liquor licence.

Liquor licence application

On 8 July 2022, L&GNSW Licensing received an application from The Hills Mediterranean Pty Ltd for a liquor licence at the same address as the Hunters Hill venue. The application proposed The Hills Mediterranean Pty Ltd as the corporate licensee and Mr Fadi Nafea as the approved manager. Mr Nawar Nafea as the sole director and secretary of the proposed corporate licensee.

Submissions were sought from stakeholders including Police regarding the application. Police objected on the basis that they considered both Mr Nawar Nafea and Mr Fadi

Nafea were not fit and proper persons to carry on the business to which the licence relates. Police referred to the brothers' poor compliance history and submitted Mr Nawar Nafea was an undeclared financially interested person in the Hunters Hill venue.

On 28 October 2022, L&GNSW Licensing, acting under delegation from the Authority, refused the application on the basis that the applicant was not a fit and proper person to carry on the business or activity to which the proposed licence related.

Previous action under the former Three Strikes Scheme

On 27 October 2020, the Authority received a notification from L&GNSW that Mr Fadi Nafea had committed a prescribed offence under the Act and recommended that the Authority impose a first strike against Mr Fadi Nafea.

On 16 December 2020, the Authority decided not to impose a first strike against Mr Fadi Nafea, given that a new Incentives and Demerit Point System had come into effect on 1 January 2021, replacing the Three Strikes Scheme.

However, the Authority noted a strike would have been imposed against Mr Fadi Nafea had the Three Strikes Scheme remained in effect, and that the Authority was considering remedial action against The Hills Middle Eastern, Hunters Hill liquor licence.

On 27 April 2021, the Authority decided to take remedial action and imposed three conditions on the liquor licence regarding Advanced Licensee Training, Incident Register and Local Liquor Accord.

Grounds of complaint

The grounds of complaint are that:

- the approved manager Mr Fadi Nafea has, while managing licensed premises, been convicted of an offence under the Act - section 139(3)(a) of the Act
- the licensee NFN Pty Ltd and approved manager Mr Fadi Nafea have failed to comply with any other requirement under this Act, relating to the licence or the licensed premises - section 139(3)(d) of the Act
- the licensee NFN Pty Ltd and approved manager Mr Fadi Nafea have engaged in conduct or activities that are likely to encourage misuse or abuse of liquor (such as binge drinking or excessive consumption) - section 139(3)(f) of the Act
- the licensee NFN Pty Ltd and approved manager Mr Fadi Nafea are not fit and proper persons to be the holder of a licence or manager of the licensed premises - section 139(3)(i) of the Act
- the close associate Mr Nawar Nafea is not a fit and proper person to be a close associate of a licensee - section 139(3)(j) of the Act.

Submissions and consultation

On 22 October 2024, a show cause notice was issued to Mr Fadi Nafea, NFN Pty Ltd, Mr Nawar Nafea, the premises owner, the business owner and L&GNSW. On 9 December 2024, L&GNSW advised that they rely on the information provided in the original complaint. No other submissions were received in response to the show cause notice.

Our findings

The conduct of Mr Fadi Nafea falls well below the standard of behaviour expected of an approved manager and demonstrates a significant failure to understand and comply with the obligations of the Act. We are concerned that not only was Mr Fadi Nafea the approved manager, but he was the sole director and secretary of NFN Pty Ltd, the corporate licensee at all relevant times.

Based on the material provided, there is sufficient evidence that Mr Nawar Nafea was jointly involved in the operation and management of the Hunters Hill venue, despite his interests not being disclosed to L&GNSW or the Authority. While his role as a manager was not formally documented, he exercised managerial functions at the venue with a disregard to the objects of the Act and should also be held liable.

In consideration of the repeat offending resulting in convictions, despite multiple warnings and penalty notices, we are of the view that disciplinary action is warranted.

Relevant legislation

Prescribed grounds of complaint

We are satisfied that the complaint was made validly and that the established grounds of complaint are prescribed grounds under sections 139(3)(a), 139(3)(d), 139(3)(f) 139(3)(i) and 139(3)(j) of the Act.

The material we considered

In determining the disciplinary complaint, the following material was considered:

- disciplinary complaint from L&GNSW, received 24 April 2024
- response from L&GNSW, received 9 December 2024
- email from L&GNSW regarding costs, received 11 March 2025

If you are dissatisfied with this decision

The respondent or complainant may apply to NCAT for a review of this decision under the *Administrative Decisions Review Act 1997*.

For more information, please contact the NCAT Registry at 1300 006 228 or visit the NCAT website.

This decision may be published on the website.

If you have any questions

Please contact the Office of ILGA at office@ilga.nsw.gov.au if you have any questions.

Yours sincerely



Jeff Loy

Board Member

for and on behalf of the **Independent Liquor & Gaming Authority**