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Basi and Virk plead guilty in deal

On the morning of Monday, October 18, just before the court was to resume hearing witnesses in the BC Rail corruption trial, court was told that David Basi and Bobby Virk had agreed to a 'Statement of Facts' in which they admitted guilt with respect to the breach of trust charges in the original indictment.

Associate Chief Justice Anne MacKenzie immediately accepted a joint submission by the prosecution and the defence regarding sentencing.

The 'Statement of Facts'

The 'Statement of Facts' was signed by the accused, their lawyers (Messrs Bolton and McCullough), and the Special Prosecutor (Mr Berardino). Basi and Virk admitted to having shared 'confidential information' with bidders in the BC Rail auction process, in return for personal benefits.

The 'Statement of Facts' also included examples, but not a complete list, of documents seized by the RCMP during a raid on the offices of Pilothouse Public Affairs Corporation, described as a lobbying firm representing bidder Omnitrax. It also included examples, but not a complete list, of confidential documents found by the RCMP at the home or office of Bruce Clark, a consultant to the Washington Marine Group.

The Statement included the following assertions:

- that on October 13 (while the case was adjourned to allow Berardino to shorten the list of Crown witnesses), David Basi had advised the Crown that his brother Aneal Basi had no knowledge of why Bornman (of Pilothouse) was paying him \$25,695.
- that Basi had set up a dinner meeting, to occur after it was announced that CN had won the BC Rail bid, between Dwight Johnson and Pat Broe of Omnitrax and Finance Minister Gary Collins, at which Collins would offer Omnitrax a 'consolation prize' as a reward for their participation in the bid.
- that at no time did Collins offer Omnitrax a 'consolation prize'.


- that Basi and Virk had carried out these disclosures 'without the knowledge or consent of BC Rail or the Evaluation Committee.'

- that 'Basi and Virk did not obtain the consent of their superiors to demand or accept these personal benefits'.

The trial had not progressed to the point where these last three statements could be confirmed by other witnesses. It was previously thought that former minister Gary Collins might be next to testify.

Sentencing

In consequence of their guilty pleas, the Basi cousins and Virk:

- had all fraud charges dropped; these concerned alleged representations by the accused that they could influence the bid process;
 - Davis Basi and Bobby Virk received sentences of house arrest, with conditions, of two years less a day;
 - both are required to carry out 150 hours of community service;
 - are not required to reimburse the provincial government for an estimated \$6 million in legal costs already paid for their defence (it is government policy to pay legal costs for the defence of employees carrying out their duties; if they are found guilty, the government indicated that it would usually attempt to recover these costs, but Attorney General Mike de Jong indicated that it would not try to recover costs in this case);
 - David Basi is required to pay \$75,295 in fines, being equal to the benefits he received from Bornman plus \$50,000 he received from a development company seeking to remove land from the Agricultural Land Reserve (an unrelated case); and
 - Aneal Basi had charges of money laundering stayed.
- The trial was scheduled to continue well into the spring of next year, and its sudden ending has left many questions unanswered. (See also see Robin Mathews' commentary article, page 7) 

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