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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION TOLOSA

Reference: Operation E17/1221

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 21 JUNE, 2022

AT 9.30AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

This transcript has been prepared in accordance with conventions used in the Supreme Court.

THE COMMISSIONER: Mr Darams.

MR DARAMS: Yes, Chief Commissioner. We'll continue this morning with the examination of Mr Chidiac but before I call Mr Chidiac back to the box there's a couple of tenders I would like to attend to. So the first of those is to tender the record of interview of Mr Scott Pedder, which will become Exhibit 90.

THE COMMISSIONER: What's the date of that?

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MR DARAMS: Just bear with me one moment.

THE COMMISSIONER: We can fix that up later.

MR DARAMS: Yes.

THE COMMISSIONER: The record of interview with Scott Pedder will be admitted and become Exhibit 90. I think it's 90.

20 MR DARAMS: Exhibit 90, that's correct.

**#EXH-090 – RECORD OF INTERVIEW OF SCOTT PEDDER
DATED 13 APRIL 2022**

MR DARAMS: The next tender I would like to make, and we would need the section 112 direction vacated in respect of this, this is the compulsory examination of Mr Joseph Jacob on 5 May, 2022.

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THE COMMISSIONER: That requires an order. You want to tender the transcript as a public exhibit?

MR DARAMS: That's correct.

THE COMMISSIONER: The transcript of the compulsory examination held with Mr Joseph Jacob on 6 May, 2022 will admitted.

MR DARAMS: Sorry, Chief Commissioner, 5 May.

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THE COMMISSIONER: 6 May?

MR DARAMS: 5 May.

THE COMMISSIONER: 5 May, 2022 will be admitted and become Exhibit 91.

**#EXH-091 – COMPULSORY EXAMINATION TRANSCRIPT OF
JOSEPH JACOB DATED 5 MAY 2022**

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MR DARAMS: That's the last of the tenders but the date of Mr Pedder's record of interview was 13 April, 2022.

THE COMMISSIONER: Thank you.

MR DARAMS: And that's it, so we'll call - - -

20 THE COMMISSIONER: Yes, thank you. Mr Chidiac. Mr Chidiac, I'll get you to re-swear.

THE COMMISSIONER: Thank you. The declaration I made under section 138 of the Act in respect of the evidence of Mr Chidiac will continue to apply. Mr Chidiac, you bear in mind what I said when you first commenced evidence, whether a declaration under section 138 is made or not, you are still required to give truthful evidence. You have a clear understanding of that?---I do, Commissioner.

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And as I've said, although the transcript, where there's a declaration made under section 138 to prevent the transcript from being used in future proceedings, such as criminal proceedings, it still can be used, and this is the exception to the principle I have just stated, the evidence you give can be used against you in the event of any prosecution for an offence under the Independent Commission Against Corruption Act. Do you understand that?---I do, Commissioner.

20

And that includes an offence under the Act includes perjury, or intentionally giving false evidence, that's an offence under the Act and the transcript of evidence can be used in such a case where the prosecution is brought on the basis of as allegation of false evidence. Do you understand that?---I do, Commissioner.

Very well. Yes, Mr Darams.

MR DARAMS: Can Mr Chidiac please be shown volume 6.8, page 295?

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THE COMMISSIONER: What's the volume?

MR DARAMS: 6.8, page 295. Mr Chidiac, you'll recall yesterday I was asking you some questions about this text exchange between yourself and Ms Li. Remember that? Not this particular one, Mr Chidiac, but the general text exchange between you and Ms Li. Do you remember I was asking you questions about them yesterday?---That there were exchanges of messages between Belinda and myself, yes.

40

That's right. And just so I can help you with the recollection to understand the text exchange here, the outgoing messages are from Mr Li, the incoming are from you.---In this instance?

That's right.---Yes, I do, Mr Darams.

So could I just pick up the messages from here, we're talking the first one's on 20 December, 2017. So can you just look at those, Mr Chidiac, and just read down the page?---So read it from the top?

Just read from the top message, which is Ms Li, from Ms Li to you.---Yeah, I've read it, Mr Darams.

10 Okay. Just tell me when you get to the bottom of the page and we'll scroll up.---Yep, I've read it.

Just pausing, the one on the bottom, the message on the bottom where it says, "He can't do 9.30," that's your message to Ms Li, do you understand that?---I can see that, yes.

I want to suggest to you you're referring to Mr Tsirekas there. That is he can't do 9.30 for this particular meeting. Do you accept that?---I can't recall that exchange of messages, Mr Darams.

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THE COMMISSIONER: No, you're not being asked what you recall. You're being asked what you understood by those words "He can't do 9.30." They're your words. And I think it's being put it's reasonable to conclude that you were referring there, when you said "he", to Mr Tsirekas. ---Not necessarily, Commissioner.

30 You keep saying that, "not necessarily", in answer to many questions I put. On the probabilities, as I have been coming back to you when you've given that answer, on the probabilities those words are referring to Mr Tsirekas, I take it. "He can't do 9.30," that's Mr Tsirekas can't do 9.30. On the probabilities, that's the meaning to be given to those words, is it? Do you accept that?---Can you explain to me what probability is?

More probably than not, that's what it means.---What, 50 per cent plus that it, it is?

40 I'm just using ordinary English language. I'm not – I explained to you yesterday I ask the questions. So does Counsel Assisting or other counsel might. You don't ask questions. You give answers. Do I have to keep repeating it?---No, Commissioner.

All right. Are you going to continue to cooperate with this Commission?
---Absolutely, Commissioner.

I told you how to do that. Listen to the question, the point of each question, and answer directly the point of each question. Do you recall I've said that over and over again to you?---I do, Commissioner. I'm doing my best.

No, have you got the message? Do you understand what I'm saying?---I don't comprehend what you're saying, Commissioner.

10

Okay, let's go back to the message that you sent. "He can't do 9.30." Just listen to Counsel Assisting.

MR DARAMS: The question I have for you, Mr Chidiac, or the suggestion I had for you is that the "he" you're referring to in that message is Mr Tsirekas. Do you accept that?---No, I don't.

20 Why don't you accept that? Who would you be referring to?---I can't, when, when that message – I can't recall what, the reason I sent messages between Belinda and myself in 2017, I can't remember the contents of the - -

Even in the - - -?---Unless you show me the, the prior and after of that.

30 Even in the circumstances, you can't recall even in the circumstances where I showed you a host of text messages between yourself and Ms Li yesterday where, in effect, you were arranging or organising meetings and arranging to have Mr Tsirekas available at particular meetings? You remember the series of text messages I showed you yesterday?---I remember, yeah.

So what I want to suggest to you, it's likely that you're referring in this instance again to Mr Tsirekas and his availability, correct?---No, disagree with that.

Could I show you the next page. Just read from the top again.---Yep.

40 So just if I want to draw your attention to that message there at 10.42am. "Angelo has appointment at 9.30am somewhere else." Do you see that?---I see that.

That's a message from you to Ms Li.---That's what it says here, yes.

Well, in light of this message here, would you accept that the reference to “He can’t do 9.30” in your previous text is the reference to Mr Tsirekas?
---Well, that’s what it shows here.

But do you accept that now?---Well, now that you’ve shown me that, I accept that, yes.

10 Yes. Is this another example, like the numerous examples I showed you yesterday, where you are demonstrating your services to Ms Li and I-Prosperity in terms of arranging meetings with Mr Tsirekas?---There was no need for me to demonstrate anything.

Well you were - - -

THE COMMISSIONER: Mr Chidiac, answer the question.

20 MR DARAMS: Is this another – well, me just not say “demonstrate”. Is this another example of you providing your services to I-Prosperity under your contract or agreement with them in terms of arranging meetings with Mr Tsirekas?---Well, what did that demonstrate to me? Can I continue, Mr Darams?

Is this another example of you providing your services to I-Prosperity in terms of arranging meetings and the attendance of Mr Tsirekas at those meetings?---Well, it’s an example in what I do in an everyday basis, on a daily basis.

30 THE COMMISSIONER: So is the answer to the question “Yes”?---No, the answer is that’s what I do on a daily basis, do, do with clients and - - -

MR DARAMS: And what you were doing on a – just pause. What you were doing on a daily basis, in terms of your agreement with I-Prosperity was arranging meetings and arranging for Mr Tsirekas to attend those meetings, correct?---Not necessarily, no.

40 That was one of the things that you were doing on a daily basis in terms of, or under your agreement, with I-Prosperity?---Totally disagree with you, Mr Darams.

THE COMMISSIONER: Mr Chidiac, you are displaying a deliberate intention to avoid answering questions. It does not do your credibility any good at all.---I think my credibility has already destroyed, Commissioner.

Well, that's your judgement.---Thanks to the ICAC.

MR DARAMS: Just back to my question. I'll ask you one more time. Put aside whether it's a demonstration, it is the fact, is it not, that this is another example of you providing your services to I-Prosperty pursuant to the agreement you had with them for which you, at this stage, were getting paid in excess of \$30,000 a month, is that correct?---I disagree.

THE COMMISSIONER: You don't disagree through that you did render services on behalf of I-Prosperty that included arranging meetings from time to time between Mr Tsirekas and Ms Li?---That was never in our scope of work, Commissioner, no disrespect.

No, you don't deny that you did that on several occasions?---On occasions, yes.

20

MR DARAMS: Can I just ask just on that last answer, your scope of work, can I please ask that the witness be shown volume 3E, page 45? If you need me to, Mr Chidiac, I'll take you back to the preceding page but just draw your attention to the Definition of Services in this agreement. Do you see there "Services' means the consulting services in relation to the property and the project as provided by the consultant to the developer from time to time"?---I see that, Mr Darams.

Do you recollect that was the basis of the services to which you agreed to provide I-Prosperty?---I provided a lot of services to I-Prosperty.

30

Yes, but do you agree that this was the basis upon which you agreed to provide these defined services to I-Prosperty?---I see that's what's in the contract, Mr Darams.

What I want I want to suggest to you is the organisation or arrangement of meetings with Mr Tsirekas would fall within that very broad definition of "services". What would you say about that?---Absolutely not.

What I want to suggest to you is that "services" has been defined quite broadly such that it would enable you to provide what services you deemed

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appropriate to I-Prosperity. What would you say about that?---Can you repeat that question, Mr Darams?

I want to suggest to you that the definition of “services” in your contract with I-Prosperity has been drafted broadly so as to enable you flexibility in determining what services you provided to I-Prosperity, what would you say about that?---I don’t understand the question, Mr Darams.

10 Well, I’ll put it a different way. You determined what services you were going to provide to I-Prosperity, correct?---I-Prosperity and myself agreed on the type of services that we were going to provide, yes.

Those services also included you arranging meetings or arranging for attendance of Mr Tsirekas at meetings requested by I-Prosperity?---Not at all. That was never the intentions.

20 But that, whether it was your intention at all, that’s as a matter of fact what actually happened or occurred during your engagement with I-Prosperity, correct?---That happened on a, on a regular basis with other clients as well, Mr Darams.

Just focus on I-Prosperity, though, who I take it when you accept that it happened on a regular basis with other clients, you also mean to accept my proposition that it did happen with I-Prosperity on a regular basis?---It happened on, on occasions, yes.

Regular basis?---On occasions.

30 You don’t agree with on a regular basis?---On occasions, Mr Darams.

My question is, you don’t agree with it happening on a regular basis?---No, I don’t. You, you’d have to define what’s regular.

Could the witness be shown volume 6.3, page 220. Mr Chidiac, this is another exchange of text messages between you and Ms Li. Ms Li being the Belinda in the blue balloons. We have a bit of colour on these text messages, so the blue ones are Belinda’s text messages, do you understand that?---I can see that, yes.

40 Your text messages are the green ones, okay? See that?---I see that, Mr Darams.

Just read the text exchange on this page, and noting the dates, Mr Chidiac.
---I can see that, yeah, I've read it.

Just in relation to where Ms Li says, "Joseph, can we meet together this Wednesday lunch at IPG and our friend together," see that message there, who did you understand she was talking about when she said "our friend"?
---Well, she could mean, could have been, I mean, reading on she's obviously referring to Angelo there, yeah.

10

What I was going to ask you is that in texts exchanged with you and Ms Li during the period of your engagement with I-Prosperity, did you or Ms Li from time to time refer to Mr Tsirekas as, inverted commas, or as "our friend"?---She referred to everyone as her friend.

Well, just focus on my question, though. Did Ms Li refer to, on your understanding, Mr Tsirekas as "our friend"?---No, she referred to a lot of people as "our friend".

20 THE COMMISSIONER: Answer the question, please.

MR DARAMS: I'll ask it one more time. Did Ms Li refer, on your understanding, to Mr Tsirekas as "our friend" in text messages with you?
---My answer is the same, Mr Darams. She referred to everyone as friend on occasions.

THE COMMISSIONER: Would you answer, Mr Chidiac, I am now directing you to specifically and directly answer that question.---My apologies, Commissioner, if I, I didn't assist. It's not - - -

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No, it's just that if you refuse to answer the question, you're setting yourself up for a contempt of this Commission. I'm giving you fair warning. Listen to the question, it'll be repeated again, and answer it directly. This is all being recorded in the transcript. Be mindful of what I said at the outset. Your obligation is to tell the truth and it's in your interests to tell the truth, all right? Now, put the question again.

MR DARAMS: During your engagement with I-Prosperity, did you understand that when Ms Li was referring to "our friend" in text messages with you, she was referring to Mr Tsirekas?---No.

40

Who did you understand Ms Li was referring to when she referred to “our friend” in this text message here, Mr Chidiac?---In this message here?

Yeah.---To Angelo.

Doesn't that suggest, then, that you understood that, from time to time, whether she referred to other people in that way, she did refer to Mr Tsirekas as “our friend”?---Occasionally.

10 Yes.---As per your exhibits.

Then we see your response again in the middle of the page. “I’m available. We’ll talk to Angelo to see if he’s available.” This is yet another example, isn’t it, Mr Chidiac, of you providing your services to I-Prosperity under your agreement with them, that in respect of seeing whether Angelo was available and making arrangements to have Angelo available to meet with I-Prosperity correct?---They’ve asked for a meeting and I was trying to accommodate them.

20 This is another example of you providing your services to I-Prosperity under your agreement with them in seeing whether Angelo was available for a meeting and then arranging his attendance at this meeting.---Could have been social, Mr Darams. It’s not always - - -

THE COMMISSIONER: Answer the question.

MR DARAMS: Are you saying on your oath that this was a “social” occasion?---Possibly, Mr Darams, yes.

30 Was it?---I can’t recall it, Mr Darams.

Well, why would you - - -?---It’s 2017.

I want to suggest to you that this was not a social occasion, but because of the reference to Harry and Michael, which you would have understood to be Harry Huang and Michael Gu, correct?---That’s correct.

This was not a social occasion or catch-up, this was an occasion or a catch-up to discuss I-Prosperity’s planning proposal, correct?---Not necessarily,
40 no.

Well, I want to suggest to you it is and you know it is, because at or about this time Mr Tsirekas has just been elected mayor again of the Canada Bay Council, correct?---I can't recall when he was re-elected.

Well, I want to suggest to you it was in September 2017. Does that accord with your recollection?---2017, yes.

In September 2017.---I can't recall the date, Mr Darams.

10 Well, if you take it from me that he was elected again in September, 2017, we have this text exchange on 9 October, 2017. I want to suggest to you in all those circumstances this was not a social catch-up, it was a catch-up with Angelo because he had just been re-elected mayor, and to discuss I-Prosperty's planning proposal.---I, if you're asking me to tell you what the reason was, I can't, can't recall what the reason was.

You can't tell us now what you recollect occurred at this catch-up with I-Prosperty and Mr Tsirekas, can you?---I can, I can't recall the actual catch-up, no.

20

THE COMMISSIONER: Was it for business purposes, to discuss business?---I can't recall the catch-up, Commissioner.

No, but just looking at the email chain here, is it not apparent that Ms Li was seeking to have a meeting with Mr Tsirekas to discuss the project of I-Prosperty?---That's a possibility, Commissioner.

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MR DARAMS: Could the – sorry, bear with me. Could the witness be shown volume 6.4, page 1. Just read this exchange on this page here. Just starting from the, just from the top.---Well, I see an attachment there.

Yeah, I want to ask you about that in a moment, but just look at the rest of the page.---Yeah, I've read it, yeah.

Can I ask you just about the attachment. This is an exchange on WhatsApp, do you accept that?---I see that.

40

You were using WhatsApp at this time to converse with many people, probably, but including Ms Li?---That's what it demonstrates, yes.

Were you in the habit or did you adopt a practice where you might have been dictating messages as voice messages and then sending them to Ms Li?---I would send voice messages, yes.

So that's what I want to suggest to you. You've sent a voice message and that's the green attachment. Is that right?---Well, doesn't necessarily tell me it was a voice message. Could be - - -

10 Well, what other messages were you attaching and sending to Ms Li? What other documents?---Photos, documents.

Photos of what?---Myself.

Well, why would you send photos of yourself to Ms Li, with all the greatest respect?---Why wouldn't I? Photos of my kids.

20 Well, I want to suggest to you that that evidence you've just given is something you've made up in the witness box. What do you say about that?---I totally disagree, Mr Darams.

Just have a look at the response in the blue. So the response comes back, "Okay." It's hardly going to be a response to a photo of you and your kids, is it?---Quite possible.

I want to suggest to you that you know it's not a response to a photo of you and your kids. What do you say about that?---I was assuming it was a photo. I didn't say it was. Could have been anything. Could have been an attachment of any sort.

30 What if it was suggested to you that what happened in this exchange is you dictate a voice message or a voice memo, you send it to Ms Li, she reads it, or sorry, listens to it and she responds. You've given something or said something in the voice message and she responds "Okay." That seems to be the most logical explanation for this here.---That's a possible scenario, Mr Darams.

Is it a scenario you accept as being the most possible or most logical looking at this exchange on the page?---It's a possible scenario, Mr Darams.

40 But is it the one that you accept as the most likely, given what's set out on this page?---No.

Well, what do you say is most likely?---It could have been any form, attachment.

What do you say is the most likely explanation?---I don't have, I don't have an answer for that.

10 Yeah. So just see the message from Ms Li? She says, "Joseph, might need to remind Angelo to call David." See that message there?---Yes. I see that, yes, yes.

You understood that to be a reference to Mr Furlong, David?---I, I, I suspect so, yes.

Do you have any idea what Ms Li was asking or wanting Mr Tsirekas to call David Furlong, the town planner, about?---I wouldn't have a clue, Mr Darams, but I'm happy to guess.

20 THE COMMISSIONER: It would have something to do with the I-Prosperty project, I assume.---That, possibly, yeah. Quite possibly.

Well, probably.---Probably, probably. Yeah.

MR DARAMS: So again, this is another exchange between you and Ms Li in which you're being asked, in effect, to remind or ask Angelo to do something in terms of the I-Prosperty planning proposal, correct?---Quite possibly, yeah.

30 Well, not quite possibly. That is exactly what it is, isn't it?---It's likely.

If we go over to the next page, just look at this page to yourself and I'll ask you a question about it all.---I've, yeah, read it.

Go over to the next page, please. Just look at that again.---I see that.

40 So given that there's a number of these text messages with attachments and responses that appear to be responding to what's attached, it's most likely that all of these are voice memos or voice messages you're leaving for Ms Li, correct?---No. I disagree. I see a witch's hat in there.

You understand the witch's hat to be a reference to some attachment. You've said before it was either a photo of you and your kids or you accepted that you did send voice memos. That's right?---That's, I did, yes, I did say that.

So what I'm suggesting to you, and you know this, Mr Chidiac, is that you're not sending a photo of a witch's hat, you're sending an attachment to a WhatsApp message and I'm suggesting to you it's a voice message. What do you say about that?---Quite possibly, Mr Darams, yeah.

10

It is quite possible and it's most likely and it is the case, isn't it, because you get Ms Li listening to these messages and then responding in one way or another in terms of her short text message back to you. That's right, isn't it?---No, that's, that's, that's negative.

Why is that not right, Mr Chidiac?---Because you, you're asking me on oath to confirm was there a voice message or not. I can't sit out here and do that. I don't know whether it's a voice message or not.

20 Well, it's either a voice message or a photo of you and your kids, correct?
---Or a witch's hat, yeah.

Oh, you were sending witch's hats were you now, Mr Chidiac?---Well, I, we all see a witch's hat.

Yeah, but were you in the habit of sending photos of, or pictures or cartoons or whatever you want to call them, of witch's hats to Ms Li, were you?
---We sent a lot of attachments, Mr Darams.

30 Were you in the process or habit of sending photos or cartoons of witch's hats to Ms Li?---Quite possibly.

Were you, not quite possibly, but were you? On your oath, were you sending witch's hats?---I can't recall sending photos of witch's hats but it's a possibility.

Well, that's not a photo of a witch's hat, is it?---What is it then?

40 I'm suggesting to you it's not a photo of a witch's hat.---Well, I see a witch's hat, Mr Darams.

If we go over to the next page, Ms Li sends this message to you, “Joseph, council provide the same feedback to refuse our building height to 37, request back to 30 levels.” Then you say, “It will be okay. Who did you get that from?” “Received from mail.” You say, “Ignore it.” “Okay. But we need to reply.” Now, go back to Ms Li’s first message where she said, “Joseph, council provide the same feedback to refuse our building height to 37. Request it back to 30 levels.” You understood that to be a reference to the development at Rhodes West?---That’s correct, yeah.

10 When you said, “It will be okay,” and ultimately you said, “Ignoring the mail from the council,” why were you telling her it will be okay? Yes, you can answer.---She, Belinda, all she wanted and IPG wanted was to be treated fairly and to get the same height as their neighbours. I think their, the closest neighbour had a 38-storey building. She wanted something very similar. And we advocated that she be fairly treated as all her neighbours. She’s not to be discriminated against.

When you say “the neighbours”, you’re referring to Billbergia?---That’s affirmative, yeah.

20

So when you say, “It will be okay,” what was the basis of you telling her it will be okay?---I think she had a strong argument for 37.

Were you suggesting to her or trying to comfort her in some way and say, “Look, it will be okay. Angelo’s back on council now. You will get treated fairly”? Is that what you were suggesting to her?---They’re your words, sir, Mr Darms, not mine.

30 I’m just asking. Is this what you were trying to convey in this message to her?---No. No. No. No, absolutely not.

Well, what were you trying to convey to her?---I can’t recall the exact conversation. But all she wanted was to be treated fairly.

What you were telling her is that, look, it’s okay, Angelo’s back now, we’ll sort it all out.---No, that’s, that’s not correct.

40 If we go to page 14, please. So we’re moving into 2018. Ms Li, in the second message, “Call Angelo PA this morning but she haven’t got back to me to confirm Angelo time on wed 3.00pm.” You respond, “No problem, we’ll sort it out.” She says, “Thank you, Joe.” Then go down the page to

the bottom. "Did Angelo PA ring you yet?"---Oh, you've missed a couple of messages there, Mr Darams. I don't know if it was intentional. Blacktown Council. Not, you're not interested in that?

No, I'm not interested in Blacktown Council. Can I suggest why it's not relevant to the questions I'm asking you, Mr Tsirekas wasn't the mayor of the Blacktown Council, was he?---No, he wasn't.

10 No. And so you wouldn't be arranging a meeting with Mr Tsirekas to discuss something about the Blacktown Council, would you?---Oh, could have been a meeting to ask him if he knows someone on Blacktown Council, yes, that's a possibility, yeah.

You were not in this instance involved in arranging a meeting with Ms Li with Mr Tsirekas to discuss something about the Blacktown Council, were you?---It's a possibility, Mr Darams.

I'm suggesting to you it is not a possibility at all, Mr Chidiac.

20 THE COMMISSIONER: Mr Chidiac, please. Just think of that answer. Just – and I'm giving you a chance to correct that last answer. It's obvious that Mr Tsirekas was not associated with the Blacktown Council.---No, he wasn't associated with that council, but just from a scenario there, Commissioner, that that could have been a possibility. You're asking me to give a definite answer. You're asking me to guess, I'm not going to do that, what's the purpose of that meeting.

30 MR DARAMS: I want to suggest to you, Mr Chidiac, that you do know this was not a reference to you, this exchange of text messages to you arranging a meeting or being involved in the arranging a meeting with Mr Tsirekas to discuss something to do with the Blacktown Council.---We caught up with Angelo on numerous occasions to discuss different issues, including the site at Rhodes, yes.

Did you ever catch up with Angelo and Ms Li to discuss a matter out at Blacktown Council?---We caught up with Angelo and Belinda to discuss matters at Ryde Council, yes.

40 No, my question was Blacktown Council.---I, I heard your question.

THE COMMISSIONER: Mr Darams, I think I'd leave this. This witness is clearly just playing around with these answers.

MR DARAMS: Now could I ask that the witness be shown, just a couple more I want to ask him. Page 97. Just read this exchange to yourself.
---Yeah. Read it, Mr Darams.

10 So just focus your attention on what Ms Li says in the second of her text messages where she says, "Joseph, so I talked with Furlong in regards to the VPA".---Yeah, I see that.

Then she says in the next message, "So might need Angelo to help chase the report and if possible need to encourage an independent report." You respond, "Okay." Do you see all of that?---I do, yeah.

20 So I want to suggest to you this is another example of Ms Li, on behalf of I-Prosperty, asking or seeking your assistance to have Mr Tsirekas do something in respect of I-Prosperty's planning proposal. Do you agree with that?---What I would agree to - - -

THE COMMISSIONER: No, just answer the question, please.

MR DARAMS: Do you agree with the proposition I put to you?---Say that again, Mr Darams?

This is another example of I-Prosperty, Ms Li, on behalf of I-Prosperty, asking you to ask Mr Tsirekas to do something in respect of I-Prosperty's planning proposal.---Yes, I agree with that.

30 This is another example of the services that you were providing to I-Prosperty under your contract with I-Prosperty in that respect, having Mr Tsirekas do things on behalf of I-Prosperty and its planning proposal?---I disagree with that.

Go to page 160. Just read these exchanges to yourself, from 15 June, 2018.
---Yes, I see that, Mr Darams.

40 I want to suggest to you that when you were sending this exchange to Ms Li you are seeking to arrange a meeting with her and Angelo, sorry, seek to arrange a meeting with her in order to discuss the I-Prosperty planning proposal?---Well, I'm seeking to arrange a meeting or get-together, yes.

With yourself and Angelo?---Myself and Belinda, yes.

With Angelo?---Well, trying to get Angelo down there, yeah, to the meeting, yeah.

What I'm suggesting to you, it's in relation to the I-Prosperity planning proposal, that's what you wanted to talk about?---Not necessarily, no.

10 What do you say you were proposing to talk about?---Could have been numerous - - -

No, no. What do you say you were?---I can't recall this conversation, Mr Darams.

I want to suggest to you it's obvious that what you are seeking or wanting to discuss with Ms Li is something to do with the I-Prosperity planning proposal. What do you say about that?---I think that's what you like to believe, Mr Darams, but no. No, no. The answer is no.

20 You disagree with that.

THE COMMISSIONER: You accept it's possible?---Yes, yes. Of course, Commissioner.

MR DARAMS: Now, go to volume 1B, Mr Chidiac, page 20. Mr Chidiac, this your tax invoice to I-Prosperity for the services you say you provided in the month of May 2016. Do you see that?---I see that, Mr Darams.

30 The amount you charged that month was a little over \$20,000. Do you see that?---I see a total amount of \$22,916.66, Mr Darams.

Sure. Including the GST, but just excluding the GST, the consulting fee component of just a little bit over \$20,000.---Yes. Seeing, yeah, seeing.

You could do the maths if you wanted to, but that appears \$20,833 is about \$250,000 divided by 12, but you can do the maths if you want.---I would need a calculator, Mr Darams.

Sure. But if you take it that this is the fee you were charging under the written agreement with I-Prosperty, you accept that?---I do, Mr Darams, yeah.

The retainer component of it, correct?---Say that again?

The retainer component of your fee with I-Prosperty.---That was my fees, yes.

- 10 Could I then ask that you be shown page 31. In this invoice here, which is the date of 30 June, 2016, your consulting fee goes up, or you charge \$35,000 for that month. Do you see that?---I see that.

So there's a, would you accept, a significant increase in your consulting fee commencing in June 2016?---I see an increase, Mr Darams.

Do you accept it's a significant increase in your consulting fee?---I see an increase, Mr Darams.

- 20 Do you accept? You can say yes or no. Do you accept it's a significant increase from your consulting fee that you charged in May?---Well, it's not a true or false answer. I can see a significant increase. Is that what you're asking?

Well, that's what I'm asking.---I see there's an increase.

It's more than 50 per cent of what you were charging the month before. Do you accept that?---I think it's more than 55 per cent, yes.

- 30 Sure. Are you able to assist us as to why you charged or started charging I-Prosperty \$35,000 a month?---I can, yes.

Why?---My scope of work increased.

THE COMMISSIONER: In what way?---I took over responsibilities.

In what way or in what respects?---I started looking at other sites in other areas they had and started working on them.

Which sites?---Ryde, multiple sites in Ryde. They had a site at Burwood. Also I was instructed to engage a professional and put in a proposal to restructure a certain arm of I-Prosperity.

Which arm?---I think they were looking at getting into shopping centres, Mr Commissioner.

Whereabouts?---Anywhere in Sydney.

10 Who were you reporting to?---Harry.

What about Belinda?---No.

Yeah, all right.---She was the hands-on.

MR DARAMS: So who did you have the conversation with or discussion with? Sorry, come back one. I assume you must have had a conversation or discussion with someone in terms of increasing your consulting fee.---I did.

20 Who did you have that with?---Harry.

Where did you have that conversation?---I can't recall exactly, but I assume in his office.

Why do you assume it was in his office?---Guessing.

THE COMMISSIONER: Mr Chidiac, the invoice 30 June, 2016 that's on the screen, it's an invoice that clearly related to the Rhodes I-Prosperity project, would you agree?---Well, it's, it's - - -

30

No, would you agree?---Well, it's sent to I-Prosperity.

Yeah. No, no, no, but it's evident on the face of it that it related to your services in respect of Rhodes, these two?---No, no, I disagree with that, Commissioner.

But look at the document. Have another look at it.---I did. I'm looking at it.

40 And what's written on it does confirm it related to, does it not - - -?---Well, that's what's - - -

No, I haven't finished. Looking at the document on the screen, on the face of it, what's there on the invoice, it's apparent that the fee of \$35,000 related to your services in respect of Rhodes project or proposal, correct?---No, disagree with that, Commissioner. I know there's, it's "I-Prosperty Rhodes", written, handwritten there.

Mr Chidiac, I put it to you the last answer you gave is just a lie. What do you say?---I totally disagree with you, Mr Commissioner, and I'm offended by that.

10

What do you say in response to it, apart from being offended?---I disagree with you, no.

Hmm?---I disagree that I'm, with what your statement.

Well, if it didn't relate to the Rhodes project, please tell us, what project did it relate to?---Well, I repeat my answer one more time.

No, no, no. Just tell us, please.---Yeah, Ryde Council.

20

How do you know that relates to Ryde Council, this invoice I'm talking about?---Because that's about the time I, I was engaged to increase my scope of work for I-Prosperty, IPG.

But there's no mention of Ryde in the invoice, is there?---None of the invoices mention Ryde.

30

There's no mention of your services being provided to I-Prosperty in relation to anything happening at Ryde, correct?---Well, if you go through my emails, you'll see that.

Is that correct?---No, it's not correct.

It's not correct?---No, it's not correct.

Well, where on this invoice do we see reference to the Ryde project?
---There's no reference.

40

Right. But there is reference to the Rhodes project, isn't there?---Well, someone has – there's handwriting there.

No, there is reference. You can see with your own eyes, looking at the screen, that there's reference on the document on more than one occasion - - -?---Can you - - -

- - - to Rhodes, yes?---Can you point that out to me, Commissioner.

No, no. You look at it.---Okay.

10 Stop being obstructive, Mr Chidiac. It's not doing you any good at all as a witness, I have to say. I'm giving you another opportunity.

MR STANTON: Commissioner, can I rise to raise an objection.

THE COMMISSIONER: No, Mr Stanton. Sit down, please. If you - - -

MR STANTON: No, no, no, no, Commissioner, I don't mind being sat down - - -

20 THE COMMISSIONER: Mr Stanton, I'm directing you to sit down.

MR STANTON: Well, then, Commissioner - - -

THE COMMISSIONER: Otherwise I will withdraw your leave, Mr Stanton.

MR STANTON: Commissioner - - -

30 THE COMMISSIONER: Do not interrupt the processes of this Commission.

MR STANTON: Commissioner, the leave - - -

THE COMMISSIONER: If you don't sit down now, Mr Stanton, your leave will be revoked. I'm giving you notice.

MR STANTON: Commissioner - - -

THE COMMISSIONER: No, no, Mr Stanton, do you hear me?

40 MR STANTON: I will sit down, Commissioner, but I will make my point.

THE COMMISSIONER: Mr Stanton, I withdraw your authorisation to appear in this inquiry unless and until you apologise and make further application to appear.

MR STANTON: Commissioner - - -

THE COMMISSIONER: Now, Mr Chidiac, would you look at the invoice. I'm putting it to you that there's more than one place on that invoice which indicates that the consulting fee charged for June 2016 related to the Rhodes project. Do you agree with that by looking at it?---No, I don't. I don't agree, Commissioner.

Why don't you?---Because all invoices for I-Prosperity went to that address, I-Prosperity Waterside Rhodes Pty Ltd ATF, et cetera, et cetera. I see there's, in handwriting, there's "I-Prosperity, Rhodes". I don't know where that would have come from, Commissioner. All my invoices are set up on a similar template as that.

And see, and the invoice you sent is the invoice addressed to whom?---I-Prosperity Waterside Rhodes.

Yes, thank you. Yes, Mr Darams.

MR DARAMS: Mr Chidiac, can I ask that you be shown page 1 of volume 1B. This is a table that sets out your invoices and who they were addressed to and where the record of them being paid by various organisations. Just so we can walk through it all. Now, the invoice we were just talking about, Mr Chidiac, bear with me one moment. Well, just you can see the different I-Prosperity entities in the first three columns. Do you see that there? I-Prosperity ANZ, I-Prosperity NAB. These are bank accounts, Mr Chidiac, see that?---Sorry, can you just point that out to me, Mr Darams?

Just see the reference to the columns are bank accounts which paid your invoices.---Can you put the cursor on or the hand on that?

Where do you want it? Oh, sorry, I'm not taking you to - - -?---Well, where you want me to look at, Mr Darams.

Just look at those first three columns after the invoice in the middle of the page. See the invoice number?---Yes, I do, the invoice, yeah.

So that's your invoice number there. That's a reference to your invoicing number.---That's my invoice numbers.

That's right. Then if you go to the column to the right.---Yes, yes.

That shows which bank account paid the invoice or where the funds came from into your bank account.---I see the word ANZ, yes.

The middle one's an NAB account.---I see NAB, yes.

10

And then the next one is the I-Prosperity Waterside NAB account.---I see that, yes.

So just in relation to the – look at the index column on the far left.---Yes.

See index number 4, there was a date of 6 May. There's a cheque in relation to your invoice, 206.---Yes, yes.

20 You can see there that the cheque was paid by I-Prosperity Waterside NAB. You accept that invoice or that cheque in May 2016 was in respect of your services to the I-Prosperity Rhodes project?---I don't accept that at all.

Why don't you accept that?---I would have to look back.

Well, why don't you accept that?---Can I explain?

Please.---Okay. I'd have to look back through my emails to see when extra scope of work was increased and when I started increasing my, increasing the invoices, increasing my fees.

30

You know when you increased your fees because I've just taken you to it. You started increasing your fees in June 2016 and you've given some explanation under oath today that that's because there was some other increase in the scope of your services, correct?---That's correct, yeah.

So we're not talking about an increase on your scope of your services in May 2016, and you'll accept from me, won't you, that the reference to the 22,916.66 is the retainer fee under your agreement plus the GST. So it's all about Waterside Rhodes.---Yes, yes, I accept that.

40

Yeah. So I want to suggest to you that the other cheques paid or invoices paid by I-Prosperity Waterside NAB account they, let's accept some of your evidence, let's accept that you've increased your scope of services in relation to Ryde and the like, let's just accept that at face value. At least a part of it, that is the invoice fee, was in respect of the work for the Rhodes West development. Do you accept that?---Yes, yes. That was part of the scope of work, yes.

10 Yeah. So, what were these services you were providing in respect of Ryde?---Attending a meeting with Belinda and her architects, writing, writing emails, engaging the local mayor there for advice and advice.

Was this a project for Ms Li and her company?---My understanding it was a project for I-Prosperity. That was my understanding.

Well then why were you charging – you know LJ Construction, you know Forte New Management are companies associated with Ms Li, don't you?
---I didn't know that, no.

20 You do know that now though?---Well, that's what you're telling me. On face value I'm accepting what you're telling me.

Yeah, but see, to the extent you were doing work for Ms Li in relation to Ryde et cetera, you were charging her companies for that work, weren't you, Mr Chidiac?---I see there's a cheque from LJ Construction and I-Prosperity, whatever that, yeah, I see that. There's a cheque from there.

30 To the extent that you were doing work on projects in Ryde, you were doing that for Ms Li and her companies, correct?---I was doing it for I-Prosperity. That was my understanding.

You were doing it for Ms Li and that was your understanding and that's why you charged her for that work.---No. There's times where she, that I-Prosperity accountholders were away and couldn't sign off on, on cheques or payments. I'm assuming she would have been paying me from her company account if that's what you're telling me. By the way, those figures there are wrong. They're misleading, Mr Darams.

40 Why do you say they're misleading?---Well, there's a cheque for \$77,000 on the, on 17 May, '18.

Why is that wrong?---Do you got a copy of that invoice, Mr Darams?

Just tell me first - - -

THE COMMISSIONER: Mr Chidiac, you don't ask questions.---Okay.
Sorry, my apologies, Commissioner.

Just answer the question.---My apologies, Commissioner. It's not my
intention.

10

You are assisting this Commission.---I am doing my best, Commissioner.

MR DARAMS: Tell me why it's misleading or wrong.---Just looking at my
emails recently and, and some of the invoices that I've got access to, I think
this is from another entity, that's not from an I-Prosperity entity.

Well, can I show you page - - -?---Should be typed in "Global."

20 Let me – go to page 119. So, Mr Chidiac, this is your invoice. See that?---I
see that, Mr Darams.

You see you bill it to I-Prosperity Waterside Rhodes? See that?---I see that.

See you charge \$35,000?---I see that, yeah.

Right. Note the invoice number, 272?---Yes, yes.

Go to the next page, please. See the cheque made out to you for \$38,500?
---I see that.

30

I want to suggest to you that that's the 35,000 plus the GST, will you accept
that?---I see that there's \$38,500.

Well, do you accept it's the – well, let's just go back one page. Go down to
the, scroll down. See the total amount there, 38,500? You were keen before
to tell me about the total amount, so that includes GST, see that?---I see that,
Mr Darams.

40 All right. If we go back to the next page. See the amount there, 38,500, Mr
Chidiac?---I do, yeah.

See how it's written from the bank account of I-Prosperity Waterside Rhodes?---I see that.

Yep. If we go to the next page, please. Here's another invoice from you, 5 February, 2018, for \$35,000 charged to I-Prosperity Waterside Rhodes.---I see that, yeah.

See the 38,500 on that cheque?---Yes, yes.

10 Sorry, on that invoice. Go over the next page. See the cheques there for \$38,500 from I-Prosperity Waterside Rhodes?---They're upside down here.

Yeah.---And I don't see the total amount, no.

You don't see the \$38,500 on the upside down cheque?---Down the bottom yes.

Yeah. So the fact that you gave some evidence with some reference to Titan Global is just nonsense, isn't it, Mr Chidiac? This is invoices you charged and billed to I-Prosperity Waterside Rhodes and they paid you.---Those
20 invoices, yes.

Well, that's the invoices back to this \$77,000, Mr Chidiac.---Okay. I must have mistaken them for an invoice they included in the exhibits for Titan Global for 77,000. If you have a look at your exhibits, it says I was paid 1.4-something million dollars from I-Prosperity.

Well, how much do you say I-Prosperity paid you all up, then, Mr Chidiac?
---I'd only be guessing just going off your evidence out here, 1.3, 1.3-
30 something.

Well, well over 1.3 million.---Yes, yes.

I suggest to you that – I withdraw that. Just going back to your - - -

THE COMMISSIONER: Mr Chidiac, I asked you yesterday what services you provided and you gave some evidence about the nature of the services. We went through the various consultants and the sort of services the expert consultants rendered for this proposal, this project. And then when we came
40 to the services you rendered as a consultant, you identified introducing people and related services. How could you possibly justify \$1.3 million as

a consultant to perform those services that you indicated yesterday in evidence?---Can I answer now?

How can you justify - - -?---Okay.

- - - having received from I-Prosperity overall something of the order of at least \$1.3 million for the services you were providing to I-Prosperity?

10 ---They were my fees. They were willing to pay them, Mr Commissioner. I saved them millions of dollars. I saved them millions of dollars. Millions of dollars.

You say they were willing to pay?---They were willing to pay, I say. And also I say I saved them millions of dollars. I saved them \$2 million on the purchase of one property there. And I can, I can, I can, I'll show evidence for that.

20 And who do you say you dealt with in I-Prosperity to authorise you to be paid the sort of money we're seeing through these invoices?---Well, the initial agreement, Commissioner, was through Michael Gu.

What about the ongoing increases and so forth, when it went up to 35,000? ---Harry.

Harry?---Harry, yeah.

Ah hmm. That was, you're talking about Harry, whose wedding you went to in Shanghai.---In 2016, yes, yes.

30 Same Harry? Same Harry?---Yes, yes, yes, yes.

When did you first speak to Harry about doing a deal whereby you're paid \$20,000 and when did you speak to him when it went up to 35,000 a month? Dealing with the first, when was the initial discussion had as to what fees you would be charging?---I can't recall the exact date.

Remember the year?---I'd have to refer to my invoices, Commissioner.

To the - - -?---The increase.

Did the meeting, well, we'll come to the increase in a minute. Did the meeting discussing your fees occur in their offices in the Deutsche building?---That's correct, Commissioner.

All right. And what about the increase to 35,000. You say you negotiated that with Harry?---My apologies. The initial agreement was conducted in a coffee shop in Burwood. The increase was discussed and agreed with Harry in his office, Commissioner.

10 In the city?---In the, yeah, Deutsche Bank, yeah.

When was that discussion to increase it, when did that occur approximately? What year?---I can't recall, Commissioner.

What year?---I'd have to refer to my invoice, Commissioner.

You have no idea?---I honestly don't have no idea, Commissioner.

20 Is there anyone else present when you discuss with Harry what fees you were going to charge and then later in the meeting you had in the city here to increase them to 35,000 a month? Is there anybody else present in the discussion?---No, just from memory just Harry and myself from my memory, yeah.

Just you and Harry?---From memory, yeah.

Did you produce to him any documentation in support of your increase? ---No, I put it to him verbally.

30 And did he write to you in some fashion to confirm the discussion about increasing your monthly fees?---Harry didn't, no.

No. So it was all done orally. There's no writing to - - -?---No.

- - - confirm any of this.---No, but - - -

I'm sorry, you're agreeing, are you?---No, no, no. There's no writing, no. Nothing in writing.

40 MR DARAMS: Mr Chidiac, can I just show you volume 5A, page 1 and ask you some questions about this document.

THE COMMISSIONER: What's the volume number?

MR DARAMS: Volume 5A, page 1. Mr Chidiac, this is a document prepared by the Commission's officers and employees. What it does is it sets out in tabular form references to trips taken by you and Mr Chidiac and – sorry, you and Mr Tsirekas with others but also Mr Tsirekas and his partner, Ms Crichton, from April 2015 and if we go over the page it ends in July 2019. So that's some of the information you see on the left half of the page. On the right half of the page you will see references to expenditure by various persons associated with those specific trips that one can ascertain from bank records and other documentation, Mr Chidiac. So I'm just giving you a bit of orientation about the picture.---Yes.

Now, you accept there was a, you went to Shanghai with Mr Tsirekas on a number of occasions in this period from 2015 to 2019. That's right?---Well, I accept Mr Tsirekas and myself travelled to China on about four occasions from looking at your document, yeah.

20 Well, when you say four occasions, so trip 3 is a trip to China.---Trip 1.

Yeah. Then trip 4. See that?---Sorry, so you've got trip 4 and what's the other trip?

Well, we're working down there.---Okay. Okay, 4.

So trip 3, trip 4.---Yes, yes.

30 Trip 9.---Yes.

And we go down to trip 17.---Yes.

So we've got four already, haven't we?---We have, yes.

Right. So remember we've got four already. You've said there's four. Then we go down to trip 19.---Yes.

So there's trip 5.---Correct.

40 Then if we go over the page trip 25. There's trip 6 to Shanghai.---Yes, yes.

I just want to go back to the first page. So trip 3 you go to China, Shanghai. This is your first trip. Correct?---To China, yes.

I want to suggest you catch up with Michael Gu on this trip. That's right? ---I can't recall.

Then you go back again in January 2016, trip 4.---Yes, I see that.

Mr Tsirekas is still the mayor at this stage.---I believe so, yes.

10

I'll come back and ask you some questions in a moment about trip 4 but if we go to trip 8, sorry, trip 9. Just focus on that.---Yeah.

This is the trip to Kevin Ji's wedding. Correct?---I can't, that's 2016 we're looking at?

August 2016.---Yes, yes, that's correct, yes.

I took you to the invitation to Kevin Ji's wedding.---Yes, yes, yes.

20

That was the invitation copied into Michael Gu. That's right?---That's correct, yeah.

The Commission's officers and staff haven't been able to obtain any electronic record of any expenses incurred in respect of this trip from either your records or Mr Tsirekas' records. So I put that proposition to you. Is that because Ms Li or someone else paid for the travel expenses on this trip?---No.

30

Well, can you explain to us how there are no electronic records of any payments or expenses associated with this trip?---I can't explain it, no.

Did you pay cash for the entirety of this trip, including your airfares, including Mr Tsirekas' airfares, including accommodation?---I never paid cash for airfares.

Well, you're not able to assist us in any way why there is no electronic record of any payment being made for any of these travel expenses being made by you?---What's the question, Mr Darams?

40

You're not able to assist us as to why there's no, in your electronic or your financial records, of any payment being made for the expenses of this trip?
---No, I can't.

Can't explain that?---I, not sitting here, at the moment I can't explain it, no.

Are you able to assist us and explain why likewise there are no electronic records in relation to payment for Ms Tsirekas' travel expenses for this trip?---Oh, you'll have to ask him that.

10

Well, I'm asking you. You might have some ability to assist us, for example, you might say, "I know there shouldn't be any electronic record for it because I paid for Mr Tsirekas' expenses and I paid them all in cash." That might be one explanation. I'm asking, are you able to give that explanation or another explanation?---I can't give that, any explanation at the moment.

Another explanation you could possibly give, if you were giving truthful evidence, it might be that Ms Li or someone on behalf of I-Prosperity paid for the expenses for this trip.---That's your explanation.

20

Well, I'm saying that's a possible explanation. Do you accept that?---No, I don't.

You don't accept that's what happened?---No, no.

THE COMMISSIONER: It's been put to you in the absence of any records in respect of your expenses and Mr Tsirekas for this trip, talking about trip nine, that is right, Mr Darams?

30

MR DARAMS: We are talking about trip nine.

THE COMMISSIONER: Is that the reason there's no records of you or him having incurred expenditure is because all those expenses were borne by somebody else. Is that a possibility?---Is that a yes or no answer, Commissioner.

That's right, it's either one. You've got a choice, it's either yes or no.---So it's a multiple choice answer, is it?

40

I'm putting to you it as a possibility, that's all.---It's a possibility, yes, Commissioner.

Right.

MR DARAMS: If someone else did pay those expenses, because you admitted it's a possibility, who would that person be?---Well, I, I, I can't tell you, sitting out here, I can't tell you.

10 Who might it be?---I wouldn't have a clue, Mr Darams.

Would it be someone on behalf of I-Prosperity?---Absolutely not.

Would it be Ms Li?---Absolutely not.

THE COMMISSIONER: Why couldn't it have been I-Prosperity? They seem to have readily agreed to pay you a very handsome consultancy fee and then increased it. So it doesn't suggest that they were particular tight with money. So I think Counsel is putting to you, given your relationship
20 with I-Prosperity, that it's possible that they decided that you had been doing a good job and they wanted to reflect that by giving you this trip at their expense. I'm just putting to you, is that not a possibility or an explanation?---No. It's not because I was well remunerated, as you've expressed in the evidence, there was no need to receive anything extra.

Well, it's been put to you, I think, for your consideration as to whether the trips by you and Mr Tsirekas in relation to trip nine were funded by I-Prosperity or I-Prosperity related interests. What do you say?---I disagree with that. I would be disappointed if that is the case.

30

Sorry, I couldn't hear you properly.---Obviously I disagree with that.

MR DARAMS: Why would you be disappointed if that was the case? ---Because we, we had every intention not to receive anything from any developers or any of my clients whatsoever. That was, and if anything was received, I was to pay it back immediately.

Is one explanation in relation to this trip we've been talking about that in fact I-Prosperity, well people on behalf of I-Prosperity, met the expenses of
40 you and Mr Tsirekas for this trip, but you yet haven't paid it back.---I, that's a possibility, yeah.

Just going down to the trip 11. This is a trip to Lebanon that you took with Mr Tsirekas. Remember that trip?---I remember, yes.

So the records here in respect of Mr Tsirekas show that he, expenses associated with this trip were \$94. Are you able to assist this Commission as to why Mr Tsirekas' expenses for this trip, electronic records, are so low?---So just can you put the trip number to me again?

10 Yeah, 11. This is October 2016. Do you see that?---Yeah.

Is this a trip where you paid for Mr Tsirekas' expenses?---That's correct, yeah.

Did you pay for his airfare?---I did.

Did you pay for his accommodation?---I did.

20 Do you remember how much you paid on behalf of Mr Tsirekas?---Airfare?

Well, total expenses.---Well, from just going through my invoices, it was approximately 5,600 for airfare each, each. That's an approximate figure, Mr Darams. Don't hold me to it. Hotel I think it was about 400, \$450.

All up?---That's correct, yeah.

30 So about \$6,000. Were there other expenses you paid for of Mr Tsirekas on this trip?---Might have a dinner once or twice. It was all included. Those trips, well, most of those trips we had breakfast, never used to have lunch. He, go out to dinner occasionally with a relative or, you know, or to a restaurant.

Did you give him spending money?---Absolutely not.

Did Mr Tsirekas repay you these expenses or this funding of his travel?---He did, Mr Darams.

When did he do that?---I just have to go back to my bank transactions.

40 Well, did he do it recently or 10 years ago, five years ago?---From memory, he did it after settlement.

What, 2020?---I, I'd have to, I'd have to refer back to my - - -

So, what, you've loaned him money from October 2016 to 2020, is that right?---I've never loaned him money.

Well, what do you call this here? What have you done?---I paid for his airfares and some of his, some of his hotel stays.

10 Well, when did you discuss with him that he would be repaying those?
---From day one, before we went.

So isn't that a loan of his travel expenses in some - - -?---Yeah, but, yeah, but you said, you said money, yeah.

THE COMMISSIONER: You said he repaid after the settlement. That was the settlement of his - - -?---That was one of the repayments.

20 I haven't finished. When you referred to settlement, were you referring to the settlement of his matrimonial proceedings?---On one of the payments, Commissioner.

Is that what you -- when you use the reference to "settlement" - - -?---Yes, yes, yes.

- - - you're referring after the resolution of his matrimonial case?---That's correct, Commissioner.

30 Right. So when do you say he repaid it after that event?---I can't remember the exact date.

No, I don't want the exact date. Just the month and the year will do.---I think it's probably 2020. I'd have to present that evidence.

Probably 2020?---Sorry?

You said probably 2020.---Well, I'll have to present, present that evidence, yes.

40 When in 2020?---I wouldn't have a clue, Commissioner. I'd have to refer to my bank statement.

How did he repay you?---Direct transfer.

Direct transfer. So if he reimbursed you by direct transfer, it'll be – could you assist us into what account of yours?---I've got multiple accounts, Commissioner. I can't remember which account it was.

Well, how many accounts as at this time, we're talking now about 2020, did you have?---A guess, Commissioner, about seven, eight.

10

No, I don't want, I don't want - - -?---I don't have the exact number, Commissioner.

Just go through them. You've given us I think some details yesterday. Firstly at this time just give us the bank accounts, the banks - - -?--- Commonwealth Bank and - - -

- - - where you had an account. CBA, yes.---My apologies, Commissioner. CBA and ANZ.

20

ANZ, yes.---And possibly Westpac.

You mentioned those two yesterday.---Yeah.

Possibly Westpac.---Westpac, yeah, I'll have to, old account.

Possibly?---Westpac possibly.

30 What branch would that have been with Westpac?---Burwood Road, Burwood.

Burwood Road. And is that it?---That's correct, Commissioner, yeah.

So there's three banks that you had accounts with?---Yes, yes.

So the direct transfer would be in one or other of the accounts held by you in one of those banks?---That's correct, Commissioner.

40 The CBA, ANZ or Westpac?---That's correct, Commissioner, yeah.

And how much did he repay?---From memory I think it was about \$9,000.

Well, about \$9,000.---Approximately \$9,000, Commissioner.

Approximately. And did he speak to you about making that refund?---He did, yes.

When?---Well, he spoke to me in the early years.

10 No, no, no.---Before we travelled to, before we, we, before the 2016, in 2016 I'd say or late 2015, yeah.

This is before the trip to Lebanon?---Before the trip to China as well, yeah.

And in relation to trip number 11 that we're now dealing with, when did he have a conversation with you about repaying any moneys that you outlaid? ---Well, from the first trip to China. He said he'll repay me back when he's, once he sells the, his family home.

20 Are you suggesting there was some other conversation about repaying moneys that you expended on his behalf for the Lebanon trip?---There is multiple conversations.

No, no, I'm just talking about Lebanon at the moment.---Okay.

The Lebanon trip. Was there any conversations that you had with him about you paying money and him refunding it?---Yeah, absolutely, Commissioner.

Pardon?---Yes, yes, Commissioner.

30 Okay. Where did this conversation take place?---I can't recall, Commissioner.

When did it take place?---It'd be, it would have been prior to the trip.

But how prior to the trip?---I'm not going to sit here and assume, Commissioner.

40 Sorry?---I'm not going to sit here and guess, Commissioner. It's unfair of me - - -

So you don't remember?---I can't recall, Commissioner.

Was anyone else present when you had this conversation with him?---I can't recall, Commissioner.

And I may have asked you where the conversation and you say you don't recall.---I honestly can't recall, Commissioner.

10 And what was the conversation?---I can't recall, Commissioner. I remember him always telling I'll repay you back once I settle my issue with, with the wife.

Yes, Mr Darams.

MR DARAMS: Mr Chidiac, I just want to focus your attention on trip 17, the trip you take in November 2017. You see that you, the travel expenses associated with you on this trip from your electronic records are \$8,400-odd. Do you see that?---I see that, yes.

20 There's nothing in terms of travel expenses obtained from Mr Tsirekas' electronic records. Do you see that?---I see that, yeah.

Are you able to assist us in that regard? Is it the case that you paid for Mr Tsirekas' travel expenses on this trip?---I honestly can't recall, Mr Darams.

That would be consistent though with you paying his travel expenses on other trips though, wouldn't it, if you did it on this trip?---Well, let's concentrate on that trip. I can't recall paying his, his airfare on that trip.

30 What I'm suggesting to you, it's a possibility that you did that, that is pay Mr Tsirekas' travel expenses because that's the kind of thing that you had done for him before this trip?---I don't want to go into possibilities, Mr Darams.

But you've already accepted that for example in relation to the Lebanese trip in October 2016 that you paid some of Mr Tsirekas' travel expenses. Correct?---Because I remember that trip very well, yes.

40 Sure, but that's conduct you, conduct of you paying for Mr Tsirekas' travel expenses. Correct?---It's not a good choice of words "conduct", Mr Darams.

It's actions of you paying Mr Tsirekas' travel expenses.---On, on some trips, yes, Mr Darams.

Or on that trip in October 2016. Correct?---Commissioner, sorry, Mr Darams, I honestly can't recall.

Well, no, I'm just speaking about the trip that you've already accepted you paid for his travel expenses or some of, well, most of his travel expenses in relation to the Lebanese trip. Correct?---I accepted that I paid for the
10 Lebanese trip, yes.

So what I'm suggesting to you that is conduct or actions on your part to pay Mr Tsirekas' travel expenses. You accept that?---I paid for that trip, yes.

So that if we go to - - -?---The Lebanese, for the Lebanese trip, yes.

If we go to trip 17 to Shanghai in November 2017 I want to suggest to you that if you would or you did pay for Mr Tsirekas' travel expenses, that
20 would be the similar type of conduct like paying for the travel expenses associated with the Lebanese trip?---That's your description, Mr Darams.

Well, would you agree with that description?---No, I wouldn't.

It wouldn't be out of the ordinary, and when I say out of the ordinary, out of the type of behaviour that you had been engaging in, that is paying Mr Tsirekas' travel expenses, for you to also do this on the Shanghai trip in November 2017, wouldn't it?---I paid some expenses on some trips, not all trips, Mr Darams. That's not consistent.
30

Is it possible or probable that on this trip in November 2017 you paid for Mr Tsirekas' travel expenses?---I would have remembered that if I did. I would like to think I - - -

I just want to ask you this in terms of – you like going to Shanghai, correct? ---I love going to Shanghai, Mr Darams.

So you go in November 2015, you go again in January 2016. Mr Tsirekas ceasing on council in June 2016. Do you understand that? He resigned
40 from council to run for the seat of Reid.---I do accept that, yes.

So you and he go in August 2016, Mr Tsirekas isn't the mayor at that stage.
---He was a private citizen, yes.

Sure. There were no other trips to Shanghai, even though you loved going to Shanghai, until November 2017 when Mr Tsirekas is the mayor again and then it seems that you've gone to Shanghai relatively quickly. You go in November 2017, you go back in March 2018, and if we go over the page, you go back again in January 2019. Three trips in relatively short succession after Mr Tsirekas is elected back as Mayor of Canada Bay Council. Are you able to assist us and explain why you recommenced, I
10 want to suggest, travel to Shanghai again in those circumstances?---I, I'll do my best, Mr Darams. It could have been a coincidence.

Could it have been the fact that Mr Tsirekas was now mayor again of the Canada Bay Council and here was an opportunity for you and he to start travelling back to Shanghai and having your entertainment and travel expenses paid or funded by I-Prosperity?---Our entertainment was never paid by I-Prosperity and anything that was paid, we, I paid back.

20 So do you say that if expenses or entertainment expenses were paid in Shanghai they also included expenses for Mr Tsirekas that you paid, is that right?---I, I, I, Mr Tsirekas and myself chipped in on expenses, yes, and other people that were present and we, in, in saying that we had other friends that lived in Shanghai as well, Mr Darams.

What if it was suggested that the travel to Shanghai recommenced again because of, or a reason including the fact, that Mr Tsirekas was once again the mayor from September 2017? What if that was suggested to you, what would you say about that?---I would say it's a coincidence, Mr Darams.
30

Purely coincidental, is that right?---That's what I would say, yeah. That would be my answer.

So you would say that there was no relationship at all with the fact that Mr Tsirekas becoming mayor again in September 2017 and the continuation of travel to Shanghai thereafter?---Oh, you would have to ask him that.

No, I'm asking you. Are you saying - - -?---Do you want me to answer on his behalf?
40

No, I'm asking you to answer on your behalf because you went to Shanghai with him.---I did. No, he went, he went with me.

Yeah. You met up with people on behalf of I-Prosperity or people who you knew were associated with I-Prosperity when you were in Shanghai?---Not on every trip.

You did on a number of those trips after that?---On a few, on, on a number of trips, yes.

10

You were arranging with Chun to arrange entries to, for example, Linx nightclub?---It was a pub.

Linx nightclub.---It was a pub, Mr Darams.

Well, Linx pub.---Thank you, Mr Darams.

You call Linx a pub, do you?---We do. They call it nightclubs, yeah.

20

So this is a place where you go and you can hire girls to sit at the table with you?---No.

Oh, you deny that, do you?---I absolutely, I have never hired any girls to sit next to me.

All right. Well, do you know other people have hired girls to sit next to you?---No, not necessarily, no.

30

What do you mean "not necessarily, no"?---I don't know anyone that hired any girls to sit next to me.

Well, at this Linx nightclub did you sit down at a table with girls next to you?---We had girls come up to us, yes.

Did they sit next to you?---I don't know if they sat next to me but we had girls come up.

Sit at your table and drink from the alcohol at the table?---They sat on our booth, yes.

40

Yeah.---Yes.

THE COMMISSIONER: Did that happen when you and Tsirekas were present in Shanghai in January 2016?---Yeah. A lot of people come up to us.

No, did that happen, girls came to the table and sat down at the table with you, Mr Tsirekas and whoever else was part of the group?---I can't remember if that happened in 2016.

10 You can't remember.---I can't recall.

MR DARAMS: January 2016, Harry Huang's wedding, you went to the Linx nightclub.---We did go to the Linx, yes.

Yeah. Do you remember the girls sitting at the table on that occasion?---I remember there was, it was, we were in a booth, we shared a booth with other people, yes.

20 Including girls?---Including guys as well, yes.

Well, my question was "Including girls?"---Well, girls and guys, yeah, but it was a shared booth. Other customers were sharing the same booth as we were.

So female customers who were in the nightclub who came and sat at your table?---Female customers that had booked that booth.

30 Who were in the nightclub?---They were customers. It was a shared booth. We had our side of the booth and they had their side of the booth.

Just back to your travels in Shanghai. On these latter trips, that is after November, well, from November 2017, you also caught up with Michael and Harry, Michael Gu and Harry Huang?---What trip was that, Mr Darams?

Do you recall catching up on trips after, from November 2017 with Michael and Harry when you were in Shanghai?---I can't remember that, no, not, not that specific date, no.

40 You don't recall specifically meeting him in the November trip?---In 2017, I can't remember that.

Now, Mr – well, Chun, he was someone you knew to be associated with I-Prosperity?---I, I did. Yeah, later on I did, yeah.

He was someone who would pick you up from the airport?---I can't recall he ever picked us up from the airport.

He was someone who you understood arranged to pick you up from the airport?---On one or two occasions, yes.

10

He was someone who you understood, because you had asked him, had arranged to drop you and Mr Tsirekas and others at the airport when you were leaving Shanghai?---I would have never asked him, no.

Did you ask Mr, did you ask Chun to arrange travel for you to drop you off at the airport when you were leaving Shanghai?---Possibly.

Well, when you say you would never have asked him, did you ask Belinda to ask Chun to arrange travel?---Belinda wasn't always there.

20

Did you ask Belinda to ask Chun to arrange travel to drop you off at the airport in Shanghai?---Possibly, yes. Possibly.

You also used Chun to arrange things when you went on these trips to Shanghai. For example, tables at the Linx nightclub.---Arranged entry to the Linx pub, yes.

Arranged karaoke nights?---Arrange entry to the karaoke nights, yes.

30

Is it the case that Chun would also meet the expenses of those entertainment on those occasions?---Absolutely not. We, I think we picked up some of his expenses.

Which trip do you say you picked up some of his expenses?---I can't remember specific dates, but it was our way of showing gratitude that, that we'd pick up his tab.

40

THE COMMISSIONER: Mr Chidiac, it was put to you before where there's no record of any travel expenses being paid by you or Mr Tsirekas, that the cost of the travel expenses in those cases were borne by I-Prosperity

or people associated with it. What do you say if that proposition were put to you?---Unlikely, Commissioner.

But not impossible?---Not impossible, Commissioner, and I would have repaid them back.

So what you're prepared to say is the possibility is that occurred but, what, not a probability?---It's unlikely, Commissioner.

10 But it's a possibility?---A slight possibility. If there's no explanation.

Well, I'm putting to you if there's no record at all of you or Mr Tsirekas bearing the cost of the travel expenses, it's highly likely, isn't it, that I-Prosperity, for whatever reason, generosity or whatever, must have paid for them. It's highly likely, isn't it?---I wouldn't say highly – I disagree with you there, Commissioner.

Pardon?---I disagree with you on that.

20 Well, all right. You take exception to my phraseology "highly likely". I'm putting it to you, given that there's no record of you or Mr Tsirekas incurring any expenditure for travel expenses to Shanghai and those trips, it is likely, more likely than not that is, that those expenses were picked up by I-Prosperity. That's the proposition that's being put to you. Now, do you accept that it's, in those circumstances, likely that they did so?---I, I'd say unlikely. I disagree with you there, Commissioner.

You say possible but you're not prepared to say likely?---Quite possible.

30 Quite possible?---Quite possible. But Mr Tsirekas was understanding that I, I would meet all expenses. I need to make that very clear, Commissioner.

MR DARAMS: Could the witness be shown the transcript, I don't wish to play the audio, but the transcript of session 1302. Mr Chidiac, I'd like you to read through this transcript of this call between yourself and Mr Tsirekas on 12 December, 2018. We've already played the telephone call in the proceedings but I just want you to read the transcript, please. Let me know when you get to the end of the page and we'll change pages.---Yeah.

40 Next page.---Yep. Yep. Yep.

Just tell me when you get to the end of that page.---Yep.

Now, you accept that in this conversation you and Mr Tsirekas are talking about potentially arranging travel to Shanghai.---That's correct, yes.

Could I just ask you to be shown page 2 of the transcript. Mr Tsirekas asks you, "Yeah, has Chun got back to you?" And you say, "Mate, Chun got back to me about two hours after I sent the message but I don't have notification on mine. He said he should be." Do you know why
10 Mr Tsirekas was asking you about whether Chun had gotten back to you?
---I can't recall the exact conversation, no.

Is that because you understood or you knew that in fact Mr Tsirekas also knew that Chun was someone who would be arranging things if you were in Shanghai? Is that right?---Arranging things?

Yeah. Entertainment and the like.---No, he'd be arranging for us to get into a pub, yes, or a karaoke room, yes.

20 But isn't that arranging entertainment for you?---No.

No. What is it?---Putting our name on the door to gain entry.

Is that the only thing you understood that Chun was doing for you?---And getting, recommending a karaoke room for us.

So then on this page 3 of the transcript you say, "He should be. He should be. Belinda came back to me. I said, 'Are the boys in Shanghai?' She said, 'Let me check for you.' She sent me the message." Now, just stopping
30 there. When you said, "I said, 'Are the boys in Shanghai,'" you're referring to Michael Gu and Harry Huang?---And others.

Well, when you're referring to Michael Gu and Harry Huang, why were you asking Ms Li why they would be in Shanghai?---I'm only, I can't remember the actual conversation, Mr Darams.

Well, just looking here, you don't need to remember - - -?---Yeah, yeah, yeah, yeah - - -

40 Let me finish.---Yeah.

Let me finish. You don't need to remember the conversation. We've got it here in black and white for you.---I can see that.

Now, why were you asking Belinda to find out whether Harry Huang or Michael Gu are in Shanghai?---Can I answer now, Mr Darams?

Yes.---I can't recall.

10 Well, what if it was suggested one of the reasons why you were inquiring whether they were present in Shanghai is because, if they were, then you knew that they would pay some of the travel expenses associated with the trip, was that right?---No, that's negative, Mr Darams.

20 What if it was suggested to you that if they were present in Shanghai, then you'd be able to meet up with them or catch up with them, and you and Mr Tsirekas would then be able to be provided with some of their hospitality, for example nightclubs, for example lunches, for example dinners? Isn't that the case? What if that was suggested?---Absolutely not. That's never happened previously, so I wouldn't accept it happening again.

THE COMMISSIONER: As at the time of this conversation, December 2018, you were still providing services to I-Prosperity in relation to the Rhodes planning proposal?---I'd have to look at my invoices, Commissioner. I'd have to look at my invoices. I can't recall when the dates, these - - -

30 I think it'll – yes, you can do that, but I think you can take it that there are invoices suggesting that you were at this time still under contract, rendering services to I-Prosperity. On that basis, the inquiry as to whether Harry, Michael Gu and Harry Huang would be there or not, an inquiry made by, was being made in the conversation you had with Mr Tsirekas in order to perhaps be able to catch up with him in relation to I-Prosperity, the I-Prosperity project at Rhodes.---And others.

Yep. Because I take it that Harry Huang and Michael Gu were resident in, they were residents of Shanghai?---I'm not aware of that. They're citizen and residents of Sydney, Australia.

40 But in any event you knew that they did travel to Shanghai from time to time?---I did, yes, Commissioner.

So would the purpose of the inquiry as to whether the boys, who you've said would, which would be a reference to Harry and Michael Gu, an inquiry being made so that you'd be able to raise matters concerning the projects that you were involved in for I-Prosperity?---Didn't need to go to Shanghai to raise any, any issue as far as Rhodes concerned. Could have - - -

No, but these boys were two of the big boys in I-Prosperity, weren't they? ---They were two big boys that lived in Sydney Australia. I, I had access to them if I needed. Didn't have to go to Shanghai.

10

You're not suggesting, though, that you wouldn't take advantage of the opportunity, if you all happened to be got in Shanghai, of talking to them about the latest developments or prospective developments in the Rhodes project?---What I'm saying, Commissioner, I didn't have to go to Shanghai to access Michael Gu and Harry. Harry was easily accessible out here. Michael Gu travelled a lot.

Right. Well, would it have been convenient to meet up with Michael Gu because he was on the move all the time?---Convenient to try to convince Michael Gu to put an entity together to take the West Tigers to play a game in Shanghai.

Oh, but not, nothing to do with I-Prosperity, is that what you're suggesting? ---It's a possibility that would have come up. I can see you find it funny, Mr Darams, but they're the facts. Obviously it doesn't fit into your narrative, but that's the fact.

Yes, Mr Darams, back to you.

30 MR DARAMS: Now, Mr Chidiac, well, just on this. Do you accept that there's no reference in any of the text messages that you've sent to Ms Li, any of the text messages you've sent to Mr Harry Huang, in any of this conversation you had with Mr Tsirekas, the mad West Tigers supporter, any reference whatsoever to this alleged trying to convince I-Prosperity to donate more money or sponsor the West Tigers?---There's no reference to anything in there.

There's no reference to this West Tigers in anything, is there?---There's no reference to any event in there.

40

Have you got any email or any other document that you can provide to

assist us with your attesting what you're saying that you were allegedly having these conversations with Ms Li and Harry Huang and Michael Gu about trying to convince them to firstly sponsor the West Tigers or convince them to have a trip or have the West Tigers in Shanghai? Is there any document you can point to?---I can get the CEO of the West Tiger to, to confirm that's, that is the case.

No. Just can you - - ?---No documents.

10 No documents.---No documents.

Okay. Just focusing back on this conversation, Mr Chidiac. Just down the bottom you say, "Harry and Michael are there. That would be a bonus." Why would it be a bonus for them to be in Shanghai?---So I can discuss the Wests Tigers touring China, Shanghai and sponsorship.

What if it was suggested that it would be a bonus if they were there in Shanghai because you and Mr Tsirekas could talk about the I-Prosperty planning proposal?---Disagree.

20

What if it was suggested to be a bonus if Harry and Michael were in Shanghai on this particular trip because you and Mr Tsirekas could then take the benefit of their hospitality?---There was no need to. We used to pay for, when they were present I used to pay for their coffees and lunches.

Just go over to page 4, please. Just picking up from where Mr Tsirekas says "All right. I'll send her times anyway but Frank's holding some good prices for the hotel." Just read down.---Sorry, where am I reading from, Mr Darams?

30

Just from Mr Tsirekas, see where it says, towards the bottom of the page "All right. Okay"?---"All right. Okay." Yeah.

"I'll send her times anyway." See that?--- Yeah. I see that.

Mr Tsirekas says "Just go, just go." Go over the page. You say "Yeah, fuck, do something. Let's do our own thing." "Yeah, all right. We'll just go." Then you say, "Just get Colacicco to fucking sell a few properties between now and then so - - ." "Yeah, I know." "- - you've got a bigger budget." Just stopping there. When you say this to Mr Tsirekas, the Colacicco you're referring to is Frank Colacicco?---That's correct, yeah.

40

So when you say to him, to Mr Tsirekas, “Get Colacicco to fucking sell a few properties between now and then so you’ve got a bigger budget,” see the “bigger budget”? Were you referring to Mr Colacicco paying for Mr Tsirekas’ travel expenses?---No, I’m not suggesting that at all.

Well, what are you referring to there in relation to this bigger budget? What’s the budget for?---Well, Frank Colacicco – can I answer the question, Mr Darams? Frank, Frank Colacicco was tossing and turning whether he
10 should go overseas with us or not. He was complaining that he had limited funds to pay for the expenses. So what I’m suggesting there, from memory, is get him to start working a little bit harder and start selling some more properties and start making, making some more money.

Yeah, but you’re referring here in terms of not Mr Colacicco’s budget, you’re talking to the person, Mr Tsirekas, about his budget. “So you’ve got a bigger budget.” That’s got nothing to do with Mr Colacicco travelling, has it, Mr Chidiac?---I don’t know what I was referring to there, Mr
20 Darams.

I think it’s pretty plain. What if it was suggested to you it’s pretty plain on here what you’re saying to Mr Tsirekas? “Go and get Colacicco to sell more properties” so you and Mr Tsirekas have a bigger budget for your travel to Shanghai.---No. That, I wouldn’t have suggested that at all, Mr Darams.

Well, what if it was suggested that - - -?---That’s unlike me.

Well, what if it was suggested it was not unlike you and in fact that was
30 what you understood to be the case, that you and Mr Colacicco were funding Mr Tsirekas’ travel? What if that was suggested to you?---No, absolutely negative, Mr Darams.

Could the witness be shown page – sorry, the transcript for session 20336 and could we start, please, at page 10 of the transcript? Mr Chidiac, we played this part of the transcript in the public hearing, but this is the transcript of this telephone call between you and Mr Tsirekas on 27 March, 2019. Let me know when you get to the end of the page.---Oh, okay. Yes.

40 Just go to the next page, please. Read that to yourself.---Yes.

Just on this page here, I took you to page 10 of the transcript just for some context, but Mr Tsirekas changes the conversation, see in the third comment, third entry on the page. “When are we going to China? Have you seen Belinda or Harry?” You say, “Mate, I haven’t fucking spoken to any of them.” Mr Tsirekas says, “They’ve dropped us.” Just stopping there, this conversation’s on 27 March, 2019. See that?---I see, yes.

You and Mr Tsirekas and Mr Colacicco were in Shanghai at the end of January/early February that year. See that?---If that’s what you say, yeah.

10

Well, that’s what - - -?---Yeah, yeah.

- - - what’s the case.---Evidence suggests, yes.

So here we have - - -?---I don’t have it in front of me.

- - - maybe a little over six weeks later Mr Tsirekas is asking you again, “When are we going to China? Have you seen Belinda or Harry?” See that?---I see, yeah, yeah.

20

And then you say, “I haven’t fucking spoken to any of them.” Just on that, can you assist us as to why you might have been considering going back to China so quickly after having just come back from China?---Yes, I can.

Yeah.---I loved the Chinese people, loved Shanghai, loved China, and I’d go back there any day.

30

What if it was suggested that the reason you loved China and Shanghai so much is because I-Prosperity or people on their behalf were entertaining you and providing entertainment and travel expenses on your behalf and Mr Tsirekas’ behalf, and so, you know, in the saying “When the sun shines, make hay,” you thought you might as well go back to China quickly?---Can you say that again? When the sun makes - - -

When the sun shines, you make hay. So your relations are back, you’ve been to China. Quickly after returning, you’re having a conversation about going back to China again. What if that was suggested to you?---No, I’d say that’s sophistry.

40

Yes. So when Mr Tsirekas says, “They’ve dropped us” – “No, it’s not that they’ve dropped us,” you said. Well, what did you understand he was

referring to when he said to you, "They've dropped us"?---That's a phrase he uses very often.

What did you understand he was referring to?---I can't recall the conversation.

10 What if it was suggested that you understood what he was referring to is that I-Prosperity in effect had turned off the tap and they weren't prepared to fund these travel expenses associated with these trips to Shanghai? What if that was suggested to you and that's what he was referring to?---I'd say that's sophistry, Mr Darams.

So when you say, "No, it's not that they've dropped us," they're your words, right?---Well, that's what it says here, yes.

So when you respond to him in the negative, i.e. "No, it's not that they'd dropped us," what were you saying to him or intending to convey to him? ---Oh, I can't recall the conversation, Mr Darams.

20 Weren't you trying to convey to him, trying to keep Mr Tsirekas happy to say, no, look, it's okay, they haven't dropped us, they'll be back? Isn't that what you were trying to convey to him?---That's your narrative, Mr Darams.

But I'm suggesting to you isn't that what you're trying to convey to him?---I don't know what I was thinking back then, Mr Darams.

30 'Cause then you go on to say, look, they've got sort of financial troubles at the moment or they're just trying to stay afloat. That's really what you're saying afterwards, isn't it?---That's what the message says, yes.

What I'm suggesting to you is that you link the conversation or the comment by Mr Tsirekas "They've dropped us," and you say no, you're linking that to their financial position, aren't you?---No, Mr Darams.

Well, what are you doing in the rest of or the balance of this conversation? ---Well, I'm saying the, the industry over there's struggling. The - - -

40 You say they're busy, sorry, trying to stay afloat. So that's a financial reference, isn't it?---Not necessarily, no.

'Cause then you say, "Yeah, a lot of people are struggling, mate, financially out there." So again you're linking the financial position or the state of I-Prosperty with Mr Tsirekas' comment, "They've dropped us." Then you say, "No, they haven't dropped us." What would you say in response to that suggestion?---What I would say, that's a phrase Mr Tsirekas used quite often.

10 No, no, I'm putting the suggestion to you that you're linking the phrase "They've dropped us," and your response, "No, it's not that they've dropped us," you're linking your response to I-Prosperty's financial position.---I don't think that was my intention, Mr Darams.

Well, what was your intention?---I can't recall the conversation, Mr Darams.

THE COMMISSIONER: I see the time.

MR DARAMS: Yes.

20 THE COMMISSIONER: So, Mr Darams, just to try and give us all some sense of timing, how much longer do you think you might be with – or do you want to interpose anyone?

MR DARAMS: I do wish to interpose after the adjournment. I think what I propose to do then is to go into a private session in the public hearing, and we indicate that will be with Ms Li, Mr Zhou, Mr Tsirekas and Mr Chidiac being present.

30 THE COMMISSIONER: And their legal representatives?

MR DARAMS: Correct. There are some matters I wish to address in that forum.

THE COMMISSIONER: So you're saying Mr Tsirekas, Mr Chidiac and - - -

MR DARAMS: Ms Li and Mr Zhou, Chun Zhou. They're all, the witnesses are all available.

40 THE COMMISSIONER: Well, I see Mr Moses is here. Mr Moses, you're appearing on behalf of the council, aren't you?

MR MOSES: Yes, Chief Commissioner.

THE COMMISSIONER: Are you asking that – I've already granted leave to Mr Moses to appear. Are you saying that he should or should not be present? Is there any reason why Mr Moses should not be here or - - -

10 MR DARAMS: No, in terms of the matters that I propose to deal with in that session, none of them will impact any of the interests that Mr Moses is representing.

THE COMMISSIONER: Mr Moses, I know you've made application to cross-examine Mr Chidiac. The question of timing arises. I think there is, from what I understand, a need to interpose this witness.

MR MOSES: Yes, Chief Commissioner.

20 THE COMMISSIONER: I would have hoped that we would be finished with the witness by 1 o'clock, is that – or not?

MR DARAMS: I hope we can finish those witnesses by 1 o'clock, yes.

THE COMMISSIONER: So, Mr Moses, I'm prepared to say not before 2 o'clock, if that's of any use to you.

MR MOSES: Yes, thank you, Chief Commissioner.

THE COMMISSIONER: Unless you want to be heard otherwise on - - -

30 MR MOSES: No, not at all. If we can be excused, thank you.

THE COMMISSIONER: Is that suitable to you?

MR MOSES: Yes, it is.

THE COMMISSIONER: All right. Well, I'll take the morning tea adjournment. Take a break of 15 minutes and then resume.