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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 FRIDAY 29 APRIL, 2022

AT 2.00PM

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

THE COMMISSIONER: Mr Darams, just one housekeeping matter. I indicated earlier this morning that my official functions on Monday morning preclude me from starting before 12.00. On review of that, and given the time that that matter's going to take, it would be safer to say not before 2 o'clock, not 12 o'clock. Not midday, but 2 o'clock on Monday. Yes, thank you.

10

MR DARAMS: May it please, Chief Commissioner. Mr Furlong, did you understand at any stage in the period 2016 to let's say mid-2019 that part of Mr Chidiac's role in relation to the Rhodes development was to lobby the council on behalf of I-Prosperity?---No, Mr Darams, I don't believe I did.

Did you understand that any part of Mr Chidiac's role in that same period of time, 2016 to mid-2019, was to move things along in relation to I-Prosperity's planning proposal by getting in contact, for example, with Mr Tsirekas and engaging with him to get things moving along?---Did I understand that that was his role?

20

Yeah, yeah.---No. I, I don't know that I did.

Did you understand that it was part of his role to use his relationship with – when I say his role, his role in the I-Prosperity Rhodes development – use his relationship with Mr Tsirekas to assist with any issues that I-Prosperity had with its planning proposal?---I, I don't think so. I mean, I knew of the association and I know Ms Li's evidence in terms of - - -

30

THE COMMISSIONER: Sorry, could you just keep your voice up a bit? ---Sorry, Commissioner. I, I know Ms Li's evidence of Mr Chidiac making meetings. I didn't realise so much that that was happening. I thought when she said, "I'll make a meeting" it was she making a meeting. But clearly my knowledge now is different to before and he was, he obviously worked there, but what that, what that was, I'm not sure, and I wasn't, I wasn't at the time.

40

MR DARAMS: Right. I see. Did you come to understand that at any stage between March 2016 and mid-2019 that Mr Tsirekas' involvement or role in relation to the Rhodes development was more than just as the Mayor of Canada Bay Council?---I, I don't know that I, that I did because I wasn't

aware until going through all the documentation from here that there had been those previous associations. I've always believed that as the mayor, he was interested in this site as he has always been interested in, in other sites. And I've worked closely with him over the years on many, many projects in the council area, big and small and, and I've always thought it was a, an indication of a good mayor to be involved, particularly where the involvement related to local residents and their issues with council.

10 Did you ever – I withdraw that. What I'd like to do, Mr Furlong, is play
you some calls and so could we please play volume 7, page 24, session
number 1268?

AUDIO RECORDING PLAYED

[2.11pm]

MR DARAMS: So, Mr Furlong, that's obviously a call between yourself
and Mr Chidiac. Do you remember that call now?---Oh, not particularly,
Mr Darams, but it obviously happened. It's basically describing the process
20 that I described to the Commission earlier this morning.

So this call was 14 December, 2018.---Quite late in the process.

Yeah, I think I was going to ask you, you accepted my questions before
about the involvement of Mr Chidiac.---Yep.

His involvement in the process, and I was pretty clear about the period of
time, which would have included this period of time. You understood my
questions, that's correct?---Yes. It was the whole, basically the whole
30 process period. Yes, I accept that.

So just a couple of questions I have about the things you're talking about.
---Sure.

You accept this is about one of those events I took you to in the chronology
in 1.4 earlier today, that is the December period of time?---Yes, about that
process of the ministerial directions, yes.

40 Yeah. So no issues about the Rhodes development?---Oh, yes.

Can I just ask the witness be shown page 24? Now, in light of hearing that telephone conversation, can you tell us now, what was Mr Chidiac's role in the Rhodes development as you understood, at least by this period of time? ---Sure. Oh, sorry. I think by this period of time I knew that Joseph had a, a relationship with I-Prosperty. I knew that he already had a relationship with the mayor. This is about the same time that I spoke to him about getting Belinda to sign the VPA. It's around that same period of time.

10 Yes. But doesn't this conversation and the call between you and Mr Chidiac – well, firstly, it demonstrates that in fact Mr Chidiac had an interest in this development, which was greater than just a general interest that you've describes a few times now, haven't you?---At that stage, yes.

Yeah.---Yes.

I want to suggest to you that what he's demonstrating here was the same type of interest or involvement before this period of time, and that's based upon your dealing with him.---Sorry?

20 You keep saying at this period of time, or this point in time, to try and identify it as being in December 2018, is that right?---Yeah.

What I'm suggesting to you is that in fact the way that you were dealing with Mr Chidiac here at this point in time, you dealt with him in the same manner before this period of time, that is December 2018, and in fact you dealing with him in this manner from 2016 to 2017, that's right?---Well, the text messages suggest that, yes.

30 Yeah. But also in terms of the calls that you might have had with him about this project during that period of time.---If I did, yes.

Yeah. Well, I think you've accepted before that you did have calls with him during this period of time.---Oh, certainly. He would, yeah, we would have discussions about the project, yes.

Yeah. Now, just on this page here, can you tell us why, when you say to Mr Chidiac, "Look, I put a call into Ange," you mean Mr Tsirekas - - -?
---Correct.

40 - - - what are you hoping to do there?---Well, I make it clear. I'm seeking to get somebody in the council, as I generally discussed this morning, to pick

up the ministerial paperwork and work out that we had already complied and therefore there was no reason for us to wait to have the council submit our planning proposal to the department.

THE COMMISSIONER: But, essentially, wasn't this a question of construction with the ministerial direction?---Yes and no, Commissioner. I think there were two, well, I guess, yes, the construction in terms of what it, what it related to and at what point of the process it related.

10 This is not a question for a lay person or for the mayor to be able to pronounce on what it means. This is something upon which persons with the requisite qualifications would need to consider. Isn't that right?---He would need to have an understanding, Commissioner, but I wasn't seeking to, to get the mayor's full understanding. I was seeking to find out if the mayor could put us onto people who we could talk to. As I said, I - - -

Sorry? Seeking to what?---I had spoken previously with staff and I wasn't getting anywhere, so I needed to elevate it, to try and achieve what we were trying to achieve, that is that our planning proposal had met the requisite construction of that, those ministerial directions.

20

Just in the early part of that communication, Mr Chidiac said, "Have you had a chance to speak to Scott?"---Yeah.

Who was Scott?---I, I don't know who Scott was. I can't think of a Scott.

MR DARAMS: Mr Pedder?

THE COMMISSIONER: Well, he's asking you - - -?---Oh, Scott Pedder.

30 Of course. He, he became the director of planning. He's no longer the director of planning.

At?---At Canada Bay, yeah, once Mr McNamara - - -

Canada Bay Council?--- - - - left, yeah.

He was, what, a town planner?---He, he was the director, he became the director of planning, Commissioner, after Mr McNamara.

40 Well, now that it's come back to your mind as to who he was and what this reference is making reference to, just take your mind back to that. What

was it that – or, firstly, do I take it that somebody asked you to speak to Mr Scott – sorry? His surname again?

MR DARAMS: Pedder.

THE WITNESS: Pedder. Pedder.

THE COMMISSIONER: Pedder?---P-e-d-d-a-r, Commissioner.

10 Somebody had asked you to speak to Scott Pedder. Who asked you?---I, I probably wouldn't have needed to be asked, Commissioner. I was trying to ring him, in fact, I did leave messages and I've known the man for a long time and - - -

What was the issue that you'd been asked to take up with - - -?---This is, this is the - - -

- - - or that you had tried to take up with Scott Pedder?---This is the issue I spoke to you about this morning, Commissioner, where we were being
20 delayed in terms of the council submitting our planning proposal to the department by the department and, to a degree, the council saying, no, we had to go through this Local Planning Panel process, which I didn't believe we did. And it's very plain or it was at the time - - -

One possible inference is that you had spoken to Mr Chidiac about speaking to Scott because he's the one who raises the question, "Have you had a chance to speak to Scott?" Had you spoken to Mr Chidiac about this issue before 14 December?---I, I'm not sure, Commissioner. I - - -

30 Do you think it's likely you had at some point?---It could have come up. I don't know. It was a long period of time while we were waiting and then through Christmas/New Year, there are no council meetings, so I could have spoken to him about it. Don't know.

Okay. Thank you.

MR DARAMS: So just to be clear, yeah, this call was in 14 December - - - ?---Yeah.

40 - - - so it's not after Christmas?---No, no, no. But what I'm saying, Mr Darams, is that in council time, for want of a better term, the 14th would be

on or around likely to be the last council meeting and then there is not another one until, unless the council put a special one on late January, there would not have been another one until February. So at that point in time, if we didn't resolve it, we were looking at another six to eight week delay.

And, clearly, that was an issue for your client?---Definitely.

Now, when you say that, "I think we're getting a little bit screwed over," what did you mean by that?---Well, nobody was, nobody was willing to, what's the word I want, to discuss this delay with us. They just kept saying either nothing or, "No, that's what the department says," and, and then Mr Pedder as the director didn't bother ringing back.

So when you say "they", you're talking about council staff?---Yeah.

So you say Mr Pedder doesn't ring you back?---Yep.

So you then engage with Mr Chidiac?---Clearly, yes.

One of the suggestions or one of the first things he says, "Have you rung Ange, Mr Tsirekas?"---Yep.

Because you understood that if you had any issues with this planning proposal, you could go to Mr Tsirekas and he could move things along? ---I've had an understanding for a long time that the mayor would try and assist not only on this project but lots of projects.

Just focusing on this project, you, by this time in December 2018, you knew from your dealings with Ms Li, you knew from your dealings with Mr Chidiac, you knew from your dealings with Mr Tsirekas that in relation to this particular project that Mr Tsirekas was able to move things along by getting in the ear, for want of a better description, of the council employees or council staff if you hit a roadblock or if someone wasn't returning your call or something like that.---As I said, Mr Darams, not only on this, on this project. My experience was I could talk with the mayor whenever I needed to or my clients could.

In any of those conversations you had with the mayor, did he ever reject your advance or your request? In relation to this project.---I don't know off the top of my head, Mr Darams. I'm sorry, I can't answer.

Can I just ask you to be shown page 27. Now just the second entry there on the page from you, "And I don't think we need to, but I think you know Angelo needs to have a chat to Peter Gainsford. Someone's got to read this thing and say, oh, yeah, I think Dave's right."---Correct.

Just help me out with that. Why are you saying that Angelo needs to have a chat with Mr Gainsford? Could it have been any other councillor? Could it be some other employee in the council?---Oh, could have been any other councillor, but I was seeking to get a conversation with Mr Gainsford, the
10 general manager, so that we could work this out.

The way that you were seeking to do that is to have Mr Tsirekas go to Mr Gainsford and then - - -?---Yes.

THE COMMISSIONER: What was Gainsford's position?---He was the general manager.

General manager.---Commissioner, yes.

20 You knew him or had worked with him?---Oh, I, I had known Peter for, we had known one another for a long time, yes.

Well, this is not a case where you needed to get Mr Angelo Tsirekas to speak to Mr Gainsford. You could just pick up the phone and speak to him yourself. He knows you, you know him, and you speak the same language. Language technically I'm referring to.---I suggest - - -

What's the problem? Why do you need Mr Tsirekas to come into the middle of the conversation to become the conduit?---Because clearly I
30 wasn't having any luck, Commissioner, in doing - - -

Well - - -?--- - - - in, in doing what I was trying to do with the council.

So you sort of more or less tried but weren't making any progress, and that's progress in relation to this ministerial direction issue?---Yes.

Okay. So you saw no point in persisting with pursuing Mr Gainsford or anyone else yourself, having tried to get to the bottom of it, but unsuccessfully, is that right?---Obviously at that point of time,
40 Commissioner, yeah, I thought I needed some assistance to - - -

So that provides the reason as to why there's reference here to Angelo to have a chat to Peter Gainsford to try and get him to, as it were, break through on this issue and get some satisfactory outcome.---To get a, to get a meeting with, with Peter and, indeed, Scott Pedder and to go through it, to be able to put our position that - - -

With a view to - - -?--- - - - it needed to be dealt with now, didn't need to wait.

10 With a view to putting forward the position of I-Prosperity to Mr Gainsford.---Yes. Yes, Commissioner.

But employing Mr Tsirekas in that way would be employing him to become advocate for a developer, wouldn't it?---No, Commissioner. It would, in my mind, simply me requesting that the mayor ask the general manager, "There's an issue here, can you sort it out with David?"

MR DARAMS: Just on that. You accept David – sorry, I withdraw that. You accept Mr Gainsford, Mr Pedder and others, would have other work to do as well?---Agreed.

You had tried to get them to attend to your client's matter how many ever times you've tried.---Yes.

You saw the avenue to get that, that is them to return your call or deal with you, you saw the avenue to get that to happen is to have Mr Tsirekas go and speak to them.---To ask them to return the call or whatever it may be, yes.

30 You expected that if Mr Tsirekas did do that with them, then they would return your call?---Yes.

Yeah. You expected them to follow, or do what the mayor asked them, is that right? That's why you asked the mayor?---Yeah. And to make the call.

Yeah.---Everything else would be part of whatever discussion occurred between them and I.

40 When Mr Chidiac says, a couple of points down where he says, "Okay, fair enough. Okay. Leave it with me," just can you help us out, when he says that to you, what do you understand Mr Chidiac's going to do?---He may spoke, sorry, he may speak to the mayor.

Well, you actually understood, because of his relationship, that he would go and speak with Mr Tsirekas to assist you out in this respect?---Yes.

You also understood that because of your dealings with Mr Chidiac and Mr Tsirekas and Ms Li to this point in time, that is December 2018, you knew that Mr Chidiac could do that for you.---Oh, yes. I knew that he could speak to the mayor, as I had tried.

- 10 Well, not only speak to the mayor but get the mayor to do something.
---Well, no, Mr Darams, in this conversation I indicate that I have already tried to speak to the mayor myself and been unsuccessful.

Yes. But then you understood that if Mr Chidiac did he might have more success than you.---Well, I asked him in terms of, I think we talked about it, in terms of the mayor's phone and, you know, the mayor could have been tied up. So, yes, I asked him about "Hey, do you know where he is?" effectively.

- 20 Because you understood, at least by this time in any event, that the way that you could get to the mayor if you couldn't get to the mayor would be through Mr Chidiac.---Oh, potentially, yes.

Well, not potentially, you knew that.---Sure.

Now, could we please play session 1273, volume 7, page 29?

THE COMMISSIONER: Sorry, could you give me that reference?

- 30 MR DARAMS: Yeah. Volume 7, page 29, session 1273.

AUDIO RECORDING PLAYED

[2.33pm]

MR DARAMS: Now, this is a call, if we go back to page 29, it's a call on the same day back from Mr Chidiac to you.---Yes.

- 40 Now, again, it's clear from this call, isn't it, from Mr Chidiac to you and the things he's saying to you that he's someone who can help you out getting people from the council to call you if you're not getting a particular

response to one of your questions. Correct?---I'm not sure that that's what he's says, Mr Darams. He, he says have I had a call back from anyone and I said, "Karen, but no luck with anyone else."

Okay. Well, if we could go to page 31. You can see that fourth down, the reference to Mr Chidiac, "All right. So you don't need anyone, anyone to call you back today?"---No, that's right.

10 So he's asking whether you need, isn't this how you understood it, he's saying to you, "Do you need anyone else to call you back from the council?" which you understood to be if you did, then he, Mr Chidiac, would be able to do that for you, he would be able to arrange that. Is that right?---I, I'm not sure, Mr Darams. I mean, it, it relates to my discussions and the fact that it's probably not worth anyone else because they would only refer me back down to Paul and Karen as the strategic planning people, but I think by that stage there's a fair bit of frustration there, too, so that's my response to, "No, I don't need anybody." It's almost like I've had enough for the day.

20 No, just the proposition I'm putting to you is that one interpretation is that Mr Chidiac is inquiring of you whether you need for him to go and arrange for anyone else to call you. That's how you understood that, isn't it?---No. I understood it the way I just put it, but if, if that's the understanding you have, then I won't argue with you.

Well, but wasn't that part of Mr Chidiac's role that if you needed someone from council to call you, you could use Mr Chidiac who would use his relationship with Mr Tsirekas to make that happen?---As I said before, I rang Mr Chidiac because I hadn't been able to reach the mayor to ask the
30 mayor if he could talk to the general manager to get him to ring me.

So that seems to be consistent with the proposition that I was putting to you that you knew that Mr Chidiac could use his relationship with the mayor to get people from the council to call you?---No, no. I was, I was seeking Mr Chidiac's assistance in terms of where was the mayor, can I talk to the mayor, so that the mayor could talk to those people. I wasn't asking Mr Chidiac to talk to those people for me because quite clearly, reading between the text, he didn't know what we were actually talking about in terms of the detail of, of that matter.

40

I see. Now, could we play session 1995, volume 7, page 39?

MR DARAMS: So this is a call between yourself and Mr Tsirekas on 17 December, 2018.---Yes.

Are we talking about the same issue here?---Yes, we are.

10

Now, when Mr Tsirekas asked you. “Has it all been sorted?” what’s he talking, referring about, as you understood it?---I understood he was, he was talking about the delay in finalising the planning proposal and issue of the ministerial direction.

You had spoken to Mr Tsirekas before this call and asked him to do something, didn’t you?---I don’t think I got to speak to him earlier in the day on the 14th. Whether I’d spoken to him between the 14th and the 17th, I mean, I must have by his question.

20

Sorry, which question are you talking about?---Well, his comment “Has it been sorted?”

Right. Well, the fact is that you also told Mr Tsirekas that Scott didn’t ring you back until Mr Tsirekas rang him up.---Yes.

Yeah. So did you ask Mr Tsirekas to ring Scott up?---No. I, as the previous things show, I was trying to get the mayor to talk to Mr Gainsford. I don’t recall if I asked him to talk to Scott.

30

Well, perhaps if I could show you the extract of the conversation at page 42. So just down the, fourth from the bottom, you: “And bloody Scott didn’t ring back until you rang him up.” So just in relation to that, so you understood that Mr Tsirekas had rung Mr Pedder up?---Well, I must have by that comment, yes.

Yeah. What I’m asking is, do you remember earlier that you asked Mr Tsirekas to ring Mr Pedder?---I, I don’t recall, Mr Darams.

40

Is it likely that you did though?---Well, I don’t know if I’d spoken to him in between. As I said, the previous, whatever you call these things, showed

that, that I was asking would he talk to the general manager. So we could talk to the general manager and that would have included Scott anyway but three days later I acknowledge that, I didn't finally get a call back from anyone until very late the previous Friday or, whenever that was.

Well, let's just work on these propositions. It appears that Mr Tsirekas called Mr Pedder.---Yeah. It appears that way, yes.

10 You were aware of that because Mr Pedder spoke to you?---I had spoken to Mr Pedder. Whether he, I presume he told me. The mayor asked me to ring him, yes.

Yep. You either did that – sorry. You either asked Mr Chidiac to have Mr Tsirekas get Mr Pedder to call you, that's one way you might have had that happen?---No. I asked Mr Chidiac in terms of the previous documentation if the mayor could talk to the general manager. I don't think I asked him in that circumstance for Mr Chidiac to ring Mr Pedder.

20 Yeah. Sorry. I take it from that you're linking the calls on the 14th to this call here. What I'm suggesting to you is there could be other calls in this period of time where there's no link.---Oh, there may have been, Mr Darms. I, I don't know.

So what I'm suggesting to you, one way that Mr Tsirekas gets in touch with Mr Pedder to call you is you ask Mr Tsirekas, correct?---Yes.

30 Now, do you have any recollection of doing that?---Not, not off the top of my head, Mr Darms, but you may well have another one of whatever these things are called.

But it's not that type of circumstance, that is you ringing Mr Tsirekas to get him to have someone call you back. That's something you did from time to time.---It's something I did from time to time, but also in the previous one of these I nominate that I had been trying to hear back from Mr Pedder. I had rung him myself, so - - -

40 Sure. Yep. The other way that you might do that is you reach out through Mr Chidiac.---It's possible but I don't believe I did. And the reason for that was Mr Chidiac wouldn't have been able to explain to Mr Pedder what it was about.

But Mr Chidiac could have said to Mr Tsirekas, “Scott or Mr Pedder has to call Furlong”?---Oh, possibly. Possibly.

I’m just asking you - - -?---Sure.

- - - about the possible ways that you might get, someone might get Mr Pedder to call you. Because as I think you’ve said, Mr Pedder wasn’t returning your call.---No, possible but I don’t know if that was the case.

10 Now, could the witness be played session 09534, volume 7, page 63.

AUDIO RECORDING PLAYED

[2.46pm]

MR DARAMS: Now, I just want to ask you some questions about this call with Mr Chidiac on 11 February, 2019. If I could ask you to look at the extract on page 64.---This doesn’t have a page 64, Mr Darams.

20 Oh, no, they’ll – you’ll be shown in a moment.---Oh, right.

It’s this page now. Yeah, you can’t see the numbers there at the bottom. ---This is page 2.

Yeah, that’s the same page I’d like you to look at.---Right.

Now, where Mr Chidiac says, about partway down the page, he says, “Do we need to do anything before it goes to council?” You respond, “No.” What did you understand he was asking you about?---I’m presuming he’s asking about the potential report to council. But really I’m not sure.

30

Right. So when you say no, you didn’t have anything in particular that you were thinking about that needed to happen. You were just saying, no, nothing else needs to happen.---I think by that stage I had had all the conversations that I could have with the council’s planning staff, and I was of the understanding that we had completed everything and they were putting the report up for the second time to be considered by council.

Now, if we go to the next page, page 65. Top of the page there you say what they actually have to do this time is note the comments - - -?---Correct.

40

- - - from the Planning Panel, et cetera. Did you ever tell anyone from council that that's what they want to do? I should say council employees.
---Oh, I probably would have spoken to most likely Karen Lettice and she was writing the report, because the wording I'm pretty sure from the second ministerial direction required that it be much more specific from the council than just saying, yeah, we've seen the report.

10 So just so I understand it, can you recollect having that conversation with Ms Lettice?---Not off the top of my head, but that's what I would imagine happened.

Can you imagine that you would have had that conversation with anyone else other than a council employee?---No, I don't think so. I may have spoken with the mayor about the need to be specific in the wording of the resolution 'cause otherwise we'd just get bounced back again from the department. But I don't remember the specifics of any - - -

20 THE COMMISSIONER: What did you understand he was saying about speaking to Mr Tsirekas, who he refers here to as Ange? "It'd be worthwhile you speaking to Ange or no?" and then "Yeah, no, I think he's probably better off, just give him a ring." You having pointed out you'd already spoken to him. What did you understand that Mr Chidiac was urging or suggesting be taken up by you with Mr Tsirekas?---Oh, the, I, I presume, Commissioner, the, the issue in terms of what was causing the delay and how he needed to make sure that it was dealt with, similar to the previous phone conversation that was played that I - - -

It comes back to the ministerial direction issue?---Yes, yes.

30 But what could he possibly do about the ministerial direction? Firstly, it's a direction given by a Minister of the Crown, is that right?---Yes.

And unless it's revoked or changed or amended, it is what it is, a direction from a minister?---It is, Commissioner.

40 And then there's a question, if there's an issue as to interpretation or application of the direction, as I say, it comes back to the question if interpretation as to how should the direction be read and understood.---Yes, Commissioner.

Well, going back to Mr Tsirekas is not going to resolve that issue, is it?---I, I, I don't believe I did that. I was trying to speak to people within council sufficiently senior where I could point that out. But in my opinion the construction of the directions was not such that we needed to be delayed. We were through the process prior to the dates in the ministerial direction.

Yes. As you explained earlier.---Yes.

10 But Mr Chidiac is in this call urging you to go and speak to him again but it must have been something other than getting Mr Tsirekas to try and get a proper interpretation of the ministerial direction. He was asking you to speak to him to get Mr Tsirekas to do something, presumably. What did you understand he was urging you to do and what could Mr Tsirekas possibly do if he comes back to you again, the question of legal construction of a document, namely a ministerial direction?---I agree, Commissioner, but I'm not responsible for what or why Mr Chidiac asked me. Then my response was he's already, he already knows the issue, I think. So I don't think there is any point in me talking to Mr Tsirekas.

20 The only solution to this so-called problem holding it up, go and get a lawyer to advise, isn't that right?---Well, by this, by this stage, Commissioner, we were eight days before it was finally going back to council anyway so there wasn't any point in doing anything and that's effectively what I say.

30 Going back to council for what reason?---For the council to resolve that they, not, not only has the planning proposal been to its Local Planning Panel, but they void the Local Planning Panel's resolution, as I say up in the top of that page, and not, effectively notwithstanding that, they still resolved to proceed with the planning proposal. That's all. That's all I was seeking.

So, was this speaking to people about the ministerial direction, which Mr Chidiac is talking about, all directed at trying to get the council to change its view or to adopt the view that it was consistent with or sympathetic to the I-Prosperty cause?---It was to try and get the council to agree that my reading of the direction was correct, yes.

40 And to try and persuade council they should adopt your view.---The staff, yes.

Is that right? So you spoke as a professional, you gave your view.---Yes.

And councillors could understand - - -?---Well, council staff,
Commissioner.

Yes, council staff - - -?---I didn't talk to the councillors.

- - - could understand what you had to say about the subject.---Ah hmm.

10 Well, did it then become an exercise of getting someone, somehow, to
influence council to come to the decision on this issue of the ministerial
direction that would favour the interests of I-Prosperity so that the delay that
they speak of wouldn't continue?---I think Commissioner, what I was trying
to do was to speak with someone more senior to see if I could convince
them that my understanding was correct.

20 Not so much, I'm not talking about your role or what you wanted to do or
could do and so on. You had made it clear what your opinion was. I'm
rather telling you, isn't this an exercise of Mr Chidiac talking about
speaking to people and he having spoken to Mr Tsirekas and so on, all about
an exercise not about interpretation of the direction but to get the council to
change its stance favourable to I-Prosperity so that they can move forward?
---Yeah, I, I guess so, yes, Commissioner, but it's the same, it, it, it's the
same outcome, I think, if, to what I am trying to achieve and, I mean, there
was a whole lot of other stuff that goes with it but that doesn't matter.

30 So what I'm saying, as I understand it, but you correct me if this is not right,
that all these efforts to talk to people so that council, when it comes before
council, an outcome which would be favourable to I-Prosperity would occur
through people speaking to people to try and, in other words, persuade,
influence the outcome, not a legal question of trying to interpret any longer
the ministerial direction?---I, I don't know if that's Mr Chidiac's intention,
Commissioner. It certainly wasn't mine. I was happy to talk with the
planning staff if they'd ring me back.

40 Did you understand Mr Chidiac, whether he was thinking correctly or not,
that that's the avenue he was exploring?---I presume that's the case,
Commissioner, which is why in that conversation I say to him it's not about,
I effectively say to him it's not about talking to the councillors, it's
pointless.

He seemed to see it differently - - -?---He did seem to see it differently, yes.

Yes. All right.

MR DARAMS: Now, could the witness be shown page 66? I just want to ask you a question about a couple of comments or parts of the conversation. Now, just draw your attention to your comment in the middle of the page, “And the other thing, the other thing, Joseph, as I did say to Angelo, the resolution said tidy up reports and agree in principle on the terms of the VPA”?---Yeah.

10

Now, so that suggests that you, before this call with Mr Chidiac, had a call with Mr Tsirekas about this issue. Is that right?---I’m, I’m sorry, Mr Darams. I don’t, I don’t quite follow, sorry?

Well, you say, “And the other thing, the other thing, Joseph, as I did say to Angelo, the resolution.” Do you see that?---Yes. I’m talking about the original resolution of the council back in May 2018.

20 Yeah. What I’m asking you is that that comment to Mr Chidiac suggests that before this call with Mr Chidiac, you’ve had some call already with Mr Tsirekas where you’re talking about this or you’re talking about the resolution?---No, I think, I’m not quite sure, but I’ll try and answer. I think what I’m saying is apart from the delay here in terms of the ministerial direction, the other thing, as I mentioned earlier today, was the delay in finalising the VPA rather than agreeing in principle on the terms of the VPA.

30 Sorry. I accept all that. But this extract of the conversation appears to suggest a prior conversation with you and Mr Tsirekas, where you say “as I did say to Angelo”?---Yeah, I, I, I don’t read it that way, I’m sorry. I, I read that as having dealt with, effectively, the, the issues above, about the bureaucracy and not being able to deal with the ministerial direction and, by the way, the other thing that’s caused another delay and basically caused the whole, well, a large majority of the delay was the fact that we had to complete the VPA which therefore held up by a long way the council submitting the planning proposal to the department for Gateway. And in that time, this question of ministerial directions and the like came up.

40 Now, I just draw your attention to the part of the conversation at the bottom of the page with Mr Chidiac, “Anyway, all right, mate. Just, mate, I mean,

when you get a chance have a chat to AT,” which obviously is Mr Tsirekas?---Yeah.

You said, “Yeah.” Now, what did you understand Mr Chidiac was wanting you to talk to Mr Tsirekas about?---Oh, just more of the same I think, Mr Darams, which is why I just said, “Yeah.”

10 Well, when you say more of the same, is it about the resolution to get this matter out of council and back to Gateway?---Yes, yes, and as the previous page shows, or the previous one of these, was my comment I think he already knows I’ve spoken to him about it.

Yeah, well, that’s, I guess that sort of I think answers the question I was trying to put to you, that before this call with Mr Chidiac - - -?---I must have spoken to the mayor, yeah.

20 - - - you must have had some call, another call with Mr Tsirekas, where you’re already talking about this matter with him, that’s right?---Well, that’s the previous, if not the previous one of these things, the one before it, which is between the mayor and myself.

Back in December?---Whenever it was, if, if that’s when it was.

It was back in – well, the call was back in December.---Okay.

We’re talking February now.---Well, it’s the same, it’s the same issue.

30 I see. So you say the call with you and Mr Tsirekas that you’re referring to in this conversation is that call that we played some time ago?---I would think so, yes.

Right. Is that ‘cause you say there was, you don’t recollect there being other, any other conversation between you and Mr Tsirekas between these periods of time?---Not likely through January, no.

Now, I just want to ask you, you say on the fourth from the bottom, “Don’t forget who the local member’s town planner is.” What’s that a reference to?---That’s just me being silly to Joe, saying I did a DA for Mr Sidoti.

40 I see. Now - - -

THE COMMISSIONER: Could you just scroll down in the transcript, please, next page? Next page. Yes, and the next page. Sorry, go back to the second page. I just can't pick it up, but in the course of the conversation Mr Chidiac refers to the possibility of "talking to the other side" was the expression he used, and you obviously understood what he's saying, but you said no.

MR DARAMS: Page 4. Page 4 of 8.

10 THE COMMISSIONER: 4, is it?

MR DARAMS: So page 66.

THE COMMISSIONER: Just go back to that.---Yes, Commissioner.

Sorry, is that page 4? Yes, I see.

MR DARAMS: Yeah, the very first entry.

20 THE COMMISSIONER: You'll see there the first entry, "Yeah, have a yarn to him, and if you need to speak to the other side, ah," then you said, "Oh, no, that's, that's fine, that's no problem." What did you understand he was referring to by his reference to "the other side"?---The other side is the Liberal Party.

Oh, the other side of the Liberal Party?---No, that's, that's Mr Chidiac's term for the Liberal Party is "the other side".

30 Oh, I see. Oh, of course, that's right. So what he was saying, in effect, was, well, maybe we might need to speak to the, somebody other than, for example, Labor councillors might have to go to the Liberal councillors. ---Yes, Commissioner. Yeah, that's exactly what he's talking about.

So that'll be, in other words, him suggesting, well, or here he seemed to be floating the suggestion maybe this is a matter he can exercise some influence over the Liberal councillors, is it?---I, I - - -

You said no to that, but - - -?---I, I think - - -

40 - - - is that what you understood him to be saying?---Yes, Commissioner.

Or raising, I should say.---It's about, I, I read it to be in terms of the details of what needed to be done in the council resolution, and I, I don't believe, as I said there, I, I don't think it's necessary, but if I had to speak to the Liberal councillors, there's no reason why I couldn't or wouldn't.

Did you come to know over time whether Mr Chidiac was a person who, in effect, did act as a lobbyist on different issues in local government, in particular in the area of this council?---I don't know if he's a registered lobbyist or not, Commissioner.

10

No, I'm not sure about, necessarily talking about him being a registered lobbyist, but as to whether or not he was known to be a man you could go to try and advance things in the local government area?---Excuse me. No, Commissioner, except obviously he had an association with the mayor and could talk to the mayor, but clearly here he has no association with, as he puts it, the other side.

Okay. Thank you.

20 MR DARAMS: Did you have the association with the other side?---Oh, yes.

Who from the other side did you have the association with?---Particularly there, talking about Councillor Megna.

Is this Michael Megna?---Yeah. He's been a councillor there since I worked there. If I needed to talk to Michael, just as if I needed to talk to the mayor, I could talk to Michael.

30 THE COMMISSIONER: There were two or three other Liberal councillors as well, weren't there?---I did, the reference to the local member was because two of, I think two of the councillors were people who worked for him in his, what do you call it, electoral office. I didn't know them so well, they're fairly new councillors, but certainly I could talk to Michael.

MR DARAMS: Could the witness be shown page 67? I just want to ask you about another part of the conversation. So just the third entry down you say, "Oh to Michael", you mean Mr Megna?---Yeah.

“I will talk to Michael.” Then Mr Chidiac says “Yeah, you just don’t want to get ambushed, that’s all, mate.” Now, what did you understand the ambush was in relation to? Was that in relation to this I-Prosperity matter? ---Oh, I would presume so, Mr Darams, yeah.

No, what did you understand it to be?---That’s what I understood that, you don’t want the other side in, in Chidiac’s terms, knocking us off at this late stage. And that’s where I, I think I say “No, it’s all right. It’s fine. It’s not going to happen.”

10

When you say, “No way that will happen,” why did you say that? You were effectively giving him some level of comfort, weren’t you?---Well, because I had no indication all the way through. In fact, in all of the previous resolutions, give or take a couple of councillors, but we had well more than 50 per cent and/or the need of the mayor’s casting vote. So I had no reason to think that the Liberal councillors would be any different at the end than they had been all the way the through.

I understand. Now, could the witness be played session number 10058? So volume 7, page 71.

20

AUDIO RECORDING PLAYED **[3.13pm]**

MR DARAMS: I think we might just pause it. I think we’re having some technical issue with that.---I can read it, Mr Darams, if - - -

Just bear with me. Just start from the start again.

30

AUDIO RECORDING PLAYED **[3.14pm]**

MR DARAMS: Had you by this stage become friendly with Mr Chidiac? ---No more than ever, Mr Darams, as a, as a, what’s the term? I, I can’t think, but not bosom buddies or anything like that.

I just want to ask you, there’s a couple of parts of this conversation I want to ask you some questions about. So could I ask you about part of the conversation on page 73, so 3 of 6. Now, you say, “I haven’t talked to our

40

friend yet. I will.” Is “our friend” Mr Tsirekas?---It would have been the mayor, yes.

Likewise when Mr Chidiac’s telling you, “Speak to our friend on the weekend,” that’s the same reference, that is to Mr Tsirekas?---I, I would think so, yes.

10 Did you and Mr Chidiac talk about Mr Tsirekas in those terms, i.e. “our friend”?---Sometimes he, he, it’s a bit like when he refers to “the other side”. Sometimes he referred to the mayor that way.

Yeah, but you kicked the conversation off, if I can say that, for better description, using the word “our friend yet”?---Yeah.

Yeah. Now, is that because Mr Tsirekas was the friend of I-Prosperity in respect of this transaction?---No, no.

20 Okay.---Because Mr Tsirekas and I are friends and also Mr Tsirekas and Mr Chidiac are friends.

Right. Now I just want to ask you about Mr Chidiac’s comment, or part of the conversation, the third extract from the bottom. He says here, “Just curious why, I mean when they voted last time, he excused himself.” That’s a reference to Mr Ferguson, is it?---Oh, I think so, yes.

Yep. Do you understand why Mr Ferguson excused himself?---On, no, I don’t understand why he excused himself on I-Prosperity.

30 But there was some – is it your understanding, given your experience in council, that there was some interest that Mr Ferguson must have had, or he assessed there was some interest and he excused himself from voting on anything to do with I-Prosperity?---Yeah, I would imagine so.

MS KING: I object. As I read the transcript and listen to the conversation, they were talking about Mr Ferguson excusing himself in relation to Billbergia and returning to the room for I-Prosperity.

40 THE COMMISSIONER: Yeah, do we need to go into this, though, because Mr Ferguson was involved in walking out?

MR DARAMS: No. No, I can move on from that.

THE COMMISSIONER: Okay.

MR DARAMS: Now - - -

THE COMMISSIONER: I'm sorry, just to clear that up, there's no suggestion Mr Ferguson was caught up in the I-Prosperty matter.

10 MR DARAMS: No, not at all. No, not at all. No, and I acknowledge my friend's comment about the reference in the transcript, and that's my mistake. Now could the witness be played session 09112, volume 7, page 77.

AUDIO RECORDING PLAYED

[3.22pm]

20 MR DARAMS: Now, Mr Furlong, is this, it's obviously – well, do you remember this call?---Not particularly, but it's there.

This is Mr Tsirekas asking you to, in effect, make sure you were at the meeting.---Suggesting that I should be at the council meeting the next night, yes.

30 Can, I know you can't speak for Mr Tsirekas, but in terms of why he was asking you to be there, can you assist us as to what was going to be happening on that occasion?---Oh, the council had before them the planning proposal for, again, to – sorry, not “again” – to reconsider and re-resolve just with the particular words that, in doing that, they had read and considered the Local Planning Panel's report. I didn't, as you can see, initially I didn't think it was necessary for me to be there.

Did you, so you did attend the meeting, is that right, the council meeting?
---I'm not sure, Mr Darams. I may have. I don't recall.

40 Okay. Did you ever tell Mr Tsirekas what, how the resolution should be drafted?---I don't believe so. I mean, there's a thing that, one of these from before where I said that you need to, a resolution needs to say something to the, to the effect that the council has seen the Local Planning Panel report and notes it and I also said that to the planning staff. And I'm not saying I didn't but I, I don't have any recollection of it.

Now, could the witness be played session 9226, volume 7, page 79?

AUDIO RECORDING PLAYED

[3.26pm]

MR DARAMS: So, Mr Furlong, this is just a call between you and Mr
Tsirekas. I take it you were wanting to make sure that the resolution that
10 was passed was sufficient or appropriate to make sure that the I-Prosperty
planning proposal proceeded back to Gateway and had no issues thereafter,
is that right?---No, what I was seeking, Mr Darams, as I have said before
and a number of these previously reflect, to satisfy the Department of
Planning so it didn't bounce back, the council had to be kind of specific in
the way it worded its resolution, and as Councillor Tsirekas says here, they
were briefed by the director of planning sometime previous to that day, who
acknowledged finally that it was a shambles, and also in this call,
acknowledged that, I think they had the draft that they'd been toing and
froing with the department for three times. And the department was playing
20 with things like today's Friday, no we don't like that, say it's the day before,
Saturday, that sort of silly heading stuff. That's what that's all about.

Yeah, but your statements or comments to Mr Tsirekas about what the
resolution had to say, that was to ensure that there was no further hold-up - -
-?---Definitely. Definitely.

Were you not - - -?---And I'd had – sorry. I'd had that conversation by then
also with Mr Pedder, as he says. He briefed the councillors the week before
in that regard.

30 Did you tell Mr Pedder the text of the resolution that had to be passed?
---No, I wouldn't have needed to. We would have been talking in planning
terms about what the council needed to say to, so that it didn't bounce back
from the Department of Planning, just a planning discussion.

Now, do you know whether the resolution that was passed was in the terms
that you suggested to Mr Tsirekas?---I'm pretty sure that Mr Pedder's
proposed motion was sufficient, so, it must have been because the thing got
lodged and didn't bounce back.

40

Yeah. My question was do you or are you aware whether the resolution was passed in the terms that you had dictated or suggested to Mr Tsirekas?---I, I didn't dictate, Mr Darams. The resolution in some form would have acknowledged that the council had considered the Planning Panel's report, et cetera.

10 Now, can I just ask you to be shown page 85 of volume 7, so page 7 of this transcript. Just at the top part of this exchange, you say, "Yeah, we, we collectively think, yeah, it won't come back a third time." When you say "we collectively think" who are you referring to there?---I'd need, if, if I could see the previous page?

Yeah. Sure. Of course.---I'm, I'm sure, it's probably Mr, yeah, Karen, Karen Lettice, as I said, she's read through all the drafts and we've, she and I had finally got to the point that we think we've done everything that could possibly be asked for.

20 Yeah. Thank you. Could the witness be played session number 17823 but just extracts from page 93 and 94?

AUDIO RECORDING PLAYED

[3.34pm]

30 MR DARAMS: Now, Mr Furlong, can you assist us, we can go back to page 1 and you can look at the conversation, but can you assist us as to what you and Mr Tsirekas are talking about at this stage? This is 21 May, 2019. ---It's obviously, I, I can't recall off the top of my head, Mr Darams, but it's about something that was in a VPA, some clause within the VPA. I, I don't know because the VPA by that stage, I'm pretty sure, had been signed. So I'm not quite sure what that's about. I'm sorry.

So you make this call to Mr Tsirekas and then you say, "Look, I've just CC'd you both into an email."---Yep.

Now - - -?---I think if I saw the email then I'd know what it was, but - - -

40 But you can't recall now from looking at this conversation?---There was an issue very late in the game to do with, from memory, the terms of the VPA, and I think Belinda was seeking to refinance the project. And we did ask the general manager for a letter, I just can't remember what the exact terms

were, and he came back to me a week later and, or with a letter, but the letter didn't address whatever the issue was in terms of what she needed for refinancing. Now, if it was that, that's what it was about.

THE COMMISSIONER: So the deed of agreement referred to by Mr Tsirekas is concerning that matter you've just spoken about?---The VPA, Commissioner, yes.

MR DARAMS: Why are you ringing Mr Tsirekas about that?---I don't
10 know. I'd need to see the email.

So just - - -

THE COMMISSIONER: Sorry, when you say, "I just CC'd you both into an email," you also talked about the VPA or something else?---I think it must have been to do with the VPA and clauses in, some problem with a clause. The only thing I can think of, from memory, as I said, Commissioner was to do with this issue that Belinda needed a letter from the general manager. It's very complicated. As I'm thinking, I'm
20 understanding or having a recollection back. It's to do with the council taking the position in terms of the, I can't think of the financial term, but if they went broke being the first people to get the money.

So this was the deed related to the outcome on the VPA?---It is the VPA. I think the mayor - - -

It is the VPA.--- - - - I think the mayor calls it the deed, yeah.

So there had been an agreement reached with council?---Oh, yeah.
30

And I-Prosperity incorporated a deed, which is the deed being referred to here?---As the VPA, yes.

At the end of the day, there had been substantial discussions with council and I-Prosperity about the VPA issue, and how did it resolve, what was the result?---Oh, the, before it - - -

I'm sorry? I couldn't hear that.---Commissioner, before the, the VPA had been signed and, and - - -
40

Yeah. What was the amount?---Oh, approximately 20, \$25 million plus some land access.

So is that what council had been seeking from day one or is it not - - -?
---Oh, I don't know what - - -

You don't know.---That was a result of the valuers and the price, well, the amount set per square metres of uplift and all that sort of stuff.

10 But you were not involved in the discussion of the VPA?---Oh, I was, yes.

You were, I see.---I wasn't involved in the valuation aspect of it.

No, no.---But, yes, I was involved in the discussions. That's the only thing I can think of. It's got to do with the way a lender would finance the project. Because the council was named as the – I can't think of the term, but the first one to get their money, and that was considered to be a lien on the, on the title. It's out of my understanding, but - - -

20 MR DARAMS: Just noting the date, the 21st of May, 2019.---Yep.

You say, "Yeah, look, I just cc'd you both into an email."---Yep.

Could the witness be shown volume 1D, page 197? So it's an email from you to Mr Gainsford.---Yes.

Now you cc Ms Li in but then you blind copy Mr Tsirekas in and you send it to his Yahoo email account but not his Canada Bay Council account. Can I just ask you about that? Were you trying to keep from Mr Gainsford the fact that you had also sent this correspondence to Mr Tsirekas?---I, I, I may have been, Mr Darams, I may have just made a mistake. I'm not the, I'm not the best typist in the world but - - -

So, well, can you tell us why you've sent it to Mr Tsirekas' Yahoo account, his private email account?---No particular reason. I probably used that account most times but I, I don't know the specifics of this. It seems to be about the, the issue that we spoke a minute ago. So - - -

40 Right. Well, is it that you were trying to keep from Mr Gainsford the fact that you were providing a copy of this to Mr Tsirekas as well?---Oh, could be, Mr Darams. I, I, I don't recall but could be.

If you were, can you assist us as to why you were trying to keep Mr Tsirekas' involvement in this particular issue from Mr Gainsford? Can you recall why you were doing that, if that's what you were doing?---No. I can't recall why if that was what I was doing. I'm just trying to read it again as, as we, as we speak.

10 Is it the case that you wanted to keep Mr Tsirekas in the loop as to what was going on here but you didn't want council employees to know that that's what you were doing, so you sent it both to Mr Tsirekas' private email account and, as opposed to a cc, you blind copied Mr - - -?---I'm, I'm not arguing, Mr Darams, I just don't recall.

I'm just trying to, if there is a particular reason why you were doing this and - - -?---Not that I, not that I can think of but it, it could be. I don't know. I'm not, I'm not disagreeing with you. I don't quite understand it.

20 Sorry?---I'm still trying to read it, I'm sorry. I don't quite follow it, I don't think it's what I was talking about before but - - -

Sorry, you don't think this is the - - -?---Oh, yes, it is. Yes, the raise the strange issue. That's, yeah.

Just so I'm clear. When we went to the extract of the phone conversation - - -?---Yep, yep.

When you say you were cc'ing Ms Li and Mr Tsirekas into an email you are referring to this email?---Oh, I'm pretty sure so, yes.

30 Yeah.---Yes.

Now, just going back to raising this issue with Mr Tsirekas. Was there anything you wanted or were seeking Mr Tsirekas to do?---No, no. I'm just, I guess, keeping him in the loop. It was an email to, to Mr Gainsford requesting, as I said, that I-Prosperity, Belinda needed some advice from the council in terms of the way the planning agreement works.

40 Why are you keeping Mr Tsirekas in the loop about something that seemed to be a relatively private or specific issue to I-Prosperity?---I, I, I don't know, Mr, Mr Darams.

Is that because of the nature or your understanding of Mr Tsirekas' interest in I-Prosperty's planning proposal?---No different to what it had been previously. I don't, I, I don't know of any other reason why. I think there's a response from Mr Gainsford a few days later.

Now, could the witness be played session 19341, volume 7, page 107?
Three page extract, yes, please.

10 **AUDIO RECORDING PLAYED** **[3.46pm]**

MR DARAMS: Now, again could I just ask you a few questions about this conversation. Can you just tell us why you were calling Mr – sorry, why you were having this conversation with Mr Tsirekas about the VPA?
---Same reason as all of the other conversations, Mr Darams. I was seeking the mayor's assistance to resolve – or not to resolve, to help resolve an issue that, not being a financial wizard or a lawyer, I didn't quite understand and I don't think, I'm not sure who else understood it, but effectively what was
20 being asked was a revaluation of land that hadn't yet had any benefit.

THE COMMISSIONER: Effectively you're being asked by the refinanciers or - - -?---No, being asked by council, I think, Commissioner, to have a revaluation of the land.

Did council actually ask for a revaluation?---I think that's what the conversation says. And at that stage there had been no uplift. The land hadn't changed, so - - -

30 No, so it's unlikely the council would have been calling for a revaluation at that stage.---Well, they must have been, Commissioner, 'cause that's the, Peter and Lindsay are the general, presuming, the, the general manager and the council's lawyer.

The source of this problem, the trigger point, seems to be the requirement of the financiers who are refinancing, they want a letter, et cetera, setting out some matters. So they were putting the heat on Belinda or her company to come up with what they required to be (not transcribable) by way of some sort of security. But I'm just trying to query whether it was council making
40 the requirement for a revaluation or not.---Well, that was my understanding.

If you can't answer the question, just say so.---That was my understanding further down.

Yeah, I know there's some reference in the discussion, I'm just wondering whether it was a fact whether there was some misunderstanding about that issue of further revaluation.---It could have been a misunderstanding, Commissioner, but -

10 But anyway, you don't have any information about it.---I don't have the precise detail, no.

MR DARAMS: Now, just bear with me one moment. Can I – I just want to ask you a couple of questions. Could the witness be shown volume 1D. Volume 1D, page 94. Now, just have a look at this email, Mr Furlong. An email you sent on 13 February, 2017 to Mr McNamara. You've copied in Mr Dewar, Ms Li and Mr Sawyer, and again you've blind-copied Mr Tsirekas in. Now, a couple of questions if you might be able to help me. And by all means please read the email if you need to, but firstly are you able to assist us as to why, when Mr Tsirekas wasn't the mayor at this time, 20 on 13 February, 2017, why you were copying or blind-copying him into an email to the council?---For the same reason as all of the rest, Mr Darams.

The same reason being?---To keep him informed.

Keep him informed.---Yep.

Even though he's no longer the mayor of the council?---Even though he's no longer the mayor of the council.

30 Does that suggest that there reason you were keeping him informed, even when he was no longer the mayor of the council, that tends to suggest that you understood at this time he had some particular involvement or interest in this Rhodes development on behalf of I-Prosperty, if you were keeping him informed.---I was just continuing with the process. I'm not, not suggesting anything else than that. I'm sorry, I - - -

No, no. My question - - -?---I'm not suggesting that because I copy him in that I thought he had a, any interest other than that of being the mayor, formerly the mayor.

40

THE COMMISSIONER: Sorry, I think the question was whether you had an understanding that he had some continuing involvement or interest in the I-Prosperty and project and that explains why you were to copy him in. What's your response to that?---I would have thought, I would have seen them, copied him in because I presumed he would still be interested in the outcome.

MR DARAMS: Well, what I'm going to suggest to you is that you - - -

10 THE COMMISSIONER: Sorry, what was that based on, that you think he might possibly still be interested? Based on what had happened that led you to such an understanding?---I, look, Commissioner, I'm sorry, I, I don't recall from February 2017 what I was actually thinking but that's the only explanation. I'm not disagreeing with your question, Mr Darams, that's the only explanation I can think of.

Okay, yes.

20 MR DARAMS: Thank you. And just finally, just if I could ask you to have a look at page 162 of this volume.

THE COMMISSIONER: Mr Darams, we might have to conclude this afternoon on that point.

MR DARAMS: Yes. Could I just formally deal with some tender of the exhibits I went to just now?

THE COMMISSIONER: Yeah, sure.

30 MR DARAMS: So could I do this? The audio and transcript for the following session numbers: 1268, which should become Exhibit 5; 1273, which will be Exhibit 6; 1995, which will become Exhibit 7; 09534, which will become Exhibit 8; 10058, which will become Exhibit 9; 09112, which will become Exhibit 10; 9226, which will become Exhibit 11; the extract from session number 17823 will become Exhibit 12; the extract from session number 19341 will become Exhibit 13.

40 THE COMMISSIONER: Very well. It will be noted that those – those documents will be admitted and they'll be marked in accordance with the number mentioned on the tender of them.

#EXH-005 – AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 1268 BETWEEN JOSEPH CHIDIAC AND DAVID FURLONG ON 14/12/2018 AT 14:39:13

#EXH-006 – AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 1273 BETWEEN JOSEPH CHIDIAC AND DAVID FURLONG ON 13/12/2018 AT 15:13:37

10 **#EXH-007 – AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 1995 BETWEEN DAVID FURLONG AND ANGELO TSIREKAS ON 17/12/2018 AT 19:55:59**

#EXH-008 – AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 09534 BETWEEN JOSEPH CHIDIAC AND DAVID FURLONG ON 11/02/2019 AT 16:04:41

20 **#EXH-009 – AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 10058 BETWEEN DAVID FURLONG AND JOSEPH CHIDIAC ON 14/02/2019 AT 15:35:38**

#EXH-010 – AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 09112 BETWEEN DAVID FURLONG AND ANGELO TSIREKAS ON 18/02/2019 AT 10:20:56

#EXH-011 – AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 9226 – BETWEEN DAVID FURLONG AND ANGELO TSIREKAS ON 19/02/2019 AT 11:34:41

30 **#EXH-012 – EXCERPT OF AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 17823 BETWEEN DAVID FURLONG AND ANGELO TSIREKAS ON 21/05/2019 AT 09:09:26**

#EXH-013 – EXCERPT OF AUDIO TRANSCRIPT OF TELECOMMUNICATION INTERCEPT SESSION NUMBER 9226 BETWEEN ANGELO TSIREKAS AND DAVID FURLONG ON 06/06/2019 AT 12:02:45

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THE COMMISSIONER: Yes.

MR DARAMS: No further tenders this afternoon, Chief Commissioner.

THE COMMISSIONER: I'm sorry, were you going to ask the witness for something else or it seems to me that we'll need to conclude.

MR DARAMS: Yeah, we need to conclude today. I will be a very short period of time on Monday. I understand, I've been informed, that there might be an application on behalf of Mr Tsirekas' representatives to ask some questions of Mr - - -

THE COMMISSIONER: Yes, okay. Yes.

MS KING: Yes, Chief Commissioner. I confirm that I will be making an application to ask some questions.

THE COMMISSIONER: Yes.

MS KING: I also understand that Mr Chidiac's representatives may also be seeking leave to ask some questions. The other matter that I just wanted to raise - - -

THE COMMISSIONER: Sorry, just before you go onto the other matter. I think I made it clear that any application should be supported in writing and sent to the Commission and I think I don't need to elaborate. You understand what I'm referring to?

MS KING: Yes, yes.

THE COMMISSIONER: In obtaining leave to cross-examine.

MS KING: Yes. And in relation to that issue, we are experiencing ongoing difficulties with the upload of transcripts and exhibits onto the public site and I was hoping that there could be some kind of additional promptness in that uploading. Say, for example, the transcript of yesterday afternoon was only uploaded after lunch today, which makes it very difficult for me to prepare that application in writing. So if we could have some, I don't know if there is any power but if I could just express that it is creating difficulties for us as a legal team.

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THE COMMISSIONER: Yes. Well, look, I would certainly urge that we get the transcript as soon as possible. The position is I think we'll just need to re-evaluate where we're at on Monday. As I've said before, we won't be sitting in the morning. That gives you a little more time. If it continues to present serious issues to you, then, of course, I'd entertain any application as to deferring any cross-examination that's permitted so that you have the opportunity of catching up, as it were.

MS KING: Yes. Thank you very much.

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THE COMMISSIONER: I don't want to unnecessarily inconvenience Mr Furlong but we'll try and do our best on Monday but if it's just simply impossible, it may be that we have to get Mr Furlong back on a future occasion. So if I could ask you to keep in touch with Counsel Assisting as to how things are progressing and it may be that with the fact that I'm not sitting on Monday morning may provide you with the opportunity of finalising your preparation.

MS KING: Yes - - -

20

THE COMMISSIONER: If it doesn't, then I'll entertain any other application.

MS KING: Yes, Chief Commissioner. And I'm once again very open to working out ways that this can be done administratively but it seems to me that it might be, say, for example, the transcripts of the conversations might be able to be uploaded to the private site more quickly than they can be to the public site if that assists in expediting the legal team's access to those transcripts.

30

THE COMMISSIONER: Yes. Well, I think we'll do everything we can to meet the problem. Mr Furlong, I'm going to adjourn shortly. It will be necessary for us to continue with your evidence. I'm hopeful that you will be finished on Monday. We won't be starting until 2 o'clock. We'll do everything within our power to proceed as expeditiously as possible and hopefully avoid having to bring you back another time.---Thank you, Commissioner. The, obviously, the problem I have is that I'm a sole trader and because of the way things have worked out this week, I've effectively lost a week and put a whole bunch of appointments and things back,
40 particularly on Monday, and I'll do my best to move them, certainly.

Well, Mr Darams, it seems to me that if Mr Furlong has got commitments which he can't re-order, it may be that we have to stand him down the list, as it were, until Tuesday or Wednesday or something of that kind or a day that might better suit him?

MR DARAMS: Absolutely. We'll certainly try and accommodate them. I anticipate - - -

10 THE COMMISSIONER: And that may also accommodate counsel in terms of having time to prepare.

MR DARAMS: Correct. Yeah.

THE COMMISSIONER: So I think if you could speak to counsel and see what, speak to Mr Furlong to see how he's placed, we'll try and work out the - - -?---Commissioner, could - - -

- - - most beneficial arrangement for everybody.

20 MR DARAMS: Yes.

THE WITNESS: Could we not go for a little bit longer today if they're only a few questions?

THE COMMISSIONER: Yeah, well, the problem is counsel do want to ask you some further questions. At the moment, I'm not sure how many questions or how long it's likely to take.---Sorry.

30 I can't help you.---I thought Mr Darams just said, "and finally", so - - -

Yes. I think Mr Darams is pretty close to the - - -

MR DARAMS: I'm pretty close but there are other people who want to ask you questions.---No, no. I understand the cross-examination but to me, we're all here now. If there's a little bit longer, can't we just deal with it 'cause whilst everybody's been very pleasant polite, this is not an experience that I want to continue.

40 THE COMMISSIONER: No, no. I understand. Well, I have other staff to consider in determining we won't be able to sit on this afternoon to take any more evidence but I understand from what Mr Darams has said, he hasn't

got much more to ask you, so we'll adjourn until 2 o'clock on Monday.
And I'll leave it to Counsel Assisting to discuss with - - -

MR DARAMS: May it please.

THE COMMISSIONER: - - - counsel and other legal representatives the
likely program for Monday.

MR DARAMS: May it please.

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THE COMMISSIONER: Thank you. I'll adjourn.

THE WITNESS STOOD DOWN **[4.05pm]**

AT 4.05PM THE MATTER WAS ADJOURNED ACCORDINGLY
[4.05pm]