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15/07/2022

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pp 01470-01495

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INDEPENDENT COMMISSION AGAINST CORRUPTION

STEPHEN RUSHTON SC  
COMMISSIONER

PUBLIC HEARING

OPERATION GALLEY

Reference: Operation E19/0569

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON FRIDAY 15 JULY, 2022

AT 2.00PM

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: Take a seat. Yes.

MS HEGER: So, Commissioner, I recall Wensheng Liu. And this part of the hearing is being conducted in private in the sense that it isn't being streamed to the public and, Commissioner, I'd ask you to make the necessary direction?

THE COMMISSIONER: Who are the parties that we are allowing here?  
We've got - - -

10

MS HEGER: So there are representatives for Mr Hindi and Mr Uy.

THE COMMISSIONER: Mr Liu and Mr Uy, yes.

MS HEGER: Mr Hindi and Mr Uy and, obviously, Mr Liu's representatives are here, as well.

THE COMMISSIONER: Mr Liu, Mr Uy and Mr Hindi?

20 MS HEGER: Correct. Could I just ask who are dialling in remotely to identify themselves?

THE COMMISSIONER: Yeah.

MR CORSARO: Can you hear me, Commissioner?

THE COMMISSIONER: Yeah.

MR CORSARO: It's Corsaro. I'm at home with second week COVID.

30

THE COMMISSIONER: How are you going?

MR CORSARO: I wish I was going a lot better than I am but that's okay. I'm better than I was. The other dialling in is my chambers where there's a separate hearing room with a facility for observing and Ms McHugh, who's a paralegal, is there and she's the only present, I understand.

THE COMMISSIONER: Right. Pursuant to section 31A of the Independent Commission Against Corruption Act, I direct that the following  
40 persons may be present at this compulsory examination, I should have said this public inquiry being held in private, namely Commission officers

including transcription staff, the witness, the witness' legal representative together with representatives for Mr Uy and Mr Hindi and Counsel Assisting. I also propose to give a direction under section 112 of the Independent Commission Against Corruption Act restricting the publication of information with respect this public inquiry being held in private. Being satisfied that it is necessary and desirable in the public interest to do so, I direct pursuant to section 112 of the Independent Commission Against Corruption Act that the evidence given by this witness, the contents of any exhibits tendered, the contents of any documents shown to the witness and  
10 any information that might enable the witness to be identified and the fact that the witness has given evidence today shall not be published or otherwise communicated to anyone except by Commission officers for statutory purposes or pursuant to further order of the Commission.

**SUPPRESSION ORDER: BEING SATISFIED THAT IT IS NECESSARY AND DESIRABLE IN THE PUBLIC INTEREST TO DO SO, I DIRECT PURSUANT TO SECTION 112 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT  
20 THAT THE EVIDENCE GIVEN BY THIS WITNESS, THE CONTENTS OF ANY EXHIBITS TENDERED, THE CONTENTS OF ANY DOCUMENTS SHOWN TO THE WITNESS AND ANY INFORMATION THAT MIGHT ENABLE THE WITNESS TO BE IDENTIFIED AND THE FACT THAT THE WITNESS HAS GIVEN EVIDENCE TODAY SHALL NOT BE PUBLISHED OR OTHERWISE COMMUNICATED TO ANYONE EXCEPT BY COMMISSION OFFICERS FOR STATUTORY PURPOSES OR PURSUANT TO FURTHER ORDER OF THE COMMISSION.**

30 THE COMMISSIONER: Oh, and I should indicate that the section 38 declaration continues and I should point out to you that a section 38 declaration will prevent your evidence from being used against you in any criminal or civil proceedings, but again there is an exception and I'll explain that to you in a moment.

MS HEGER: Commissioner, just pausing there. I don't think we've sworn in the interpreter yet.

40 THE COMMISSIONER: All right.

MS HEGER: Sorry.

THE COMMISSIONER: Or the witness indeed, have we?

MS HEGER: Not yet.

THE COMMISSIONER: Perhaps we can do that now.

10 MS HEGER: We should at least swear in the interpreter. Sorry I didn't  
raise that earlier.

THE COMMISSIONER: No, that's okay.

**<GARMAN (JOANNE) LUM, affirmed**

**[2.17pm]**

20 THE COMMISSIONER: Thank you. I think the witness took an  
affirmation on the last occasion.

MR LIU: \*Yeah. Affirmation.\*

<WENSHENG LIU, affirmed

[2.17pm]

THE COMMISSIONER: Thank you.

MS HEGER: I think you were in the middle of explaining, Commissioner, about - - -

10 THE COMMISSIONER: I'm going to repeat some of what I said on the last occasion.

MS HEGER: Yeah, sorry.

20 THE COMMISSIONER: Your counsel sought a section 38 declaration to give you some protection. I propose to make that declaration again today but I remind you that although the evidence you give can't be used against you in any civil or criminal proceedings, there is an exception and the exception is that the section 38 declaration will not prevent your evidence being used against you in respect of a prosecution for offences against the ICAC Act, most importantly the offence of giving false or misleading evidence. If you give false or misleading evidence you will commit a very serious criminal offence, the penalty for which can be imprisonment for up to five years. Do you understand that?---(NO AUDIBLE REPLY)

Was that a yes?---\*Yes.\*

Thank you.

30 MS HEGER: Mr Liu, on the last occasion you were here before the Commission, I showed you a letter and it was a receipt from Hurstville City Council. I'll just show you that letter again now. It's volume 7.2, I think it's at the end of that volume, page 3. Can you just make that a bit bigger? Thank you. And your evidence on the last occasion was that Clifton Wong gave you this letter. Is that right?---\*Yes.\*

All right. And you said that he sent it to you by email. Correct?---\*I, I believe so.\*

40 All right. Could I just show you another document, volume 7.35? So this is an email from Clifton Wong to yourself on 11 August, 2011. It says, "Dear

Mr Liu, please check and advise if the attached letter is acceptable.” And if we go to the next page, that’s the letter I showed you earlier. Correct?  
---\*Yes.\*

All right. So you received this email from Mr Wong in August 2011.  
Correct?---\*Yes.\*

10 So can you tell me how that came about? How were you put in touch with Mr Wong in the first place?---\*Through Philip Uy. At that time, I was having some difficulty communicating with Philip Uy in terms of language difficulty, I mean, over the topic of the car park project and also for the introduction to the car park project. They were sent to me by Clifton Wong directly. And then I forward them to the manager of Philip’s company.\*

Is that Kurt Vegners?---\*Yes.\*

20 Okay. When you said you had some difficulty communicating with Philip Uy about the Gloucester Road car park, what do you mean by that?---\*He couldn’t quite speak Mandarin at that time and I couldn’t speak Cantonese.\*

All right. And did Philip Uy introduce you to Clifton Wong?---\*Yes.\*

And when did that happen?---\*I can’t recall.\*

Was it around the time that Mr Wong sent you this letter, i.e. sometime in 2011 or was it earlier?---\*I really can’t remember.\*

30 Okay. You can’t remember where that introduction occurred?---\*Because of what happened to Mr Wong I am not very comfortable trying to recall things about him.\*

Well, I can understand why you feel uncomfortable, Mr Liu, but you need to do your best to remember. Can you remember where Philip Uy introduced you to Clifton Wong?---\*I can’t remember, really.\*

All right. And so who asked Mr Wong to produce this letter?---\*I think it was Philip Uy, I think.\*

40 Well, did Philip Uy tell you that he’d approached Mr Wong and asked him to produce this letter?---\*I can’t remember what happened then.\*

But you didn't personally ask Mr Wong to produce this letter, did you?  
---\*No, I didn't.\*

Okay. I'll just tender volume 7.35, which for now is tendered as part of the private portion of the inquiry. That's Exhibit 256.

THE COMMISSIONER: Thank you.

10 **#EXH-256 – VOLUME 7.35**

MS HEGER: And volume 7.2, page 3, I think had already been tendered. That was Exhibit 222, that's already part of the public inquiry.

THE COMMISSIONER: Can we just go back to the email for a sec?

MS HEGER: The email, Exhibit 256?

20 THE COMMISSIONER: Yep.

MS HEGER: Volume 7.35.

THE COMMISSIONER: Thank you.

MS HEGER: Can I show you another email, which is volume 7.33? This is another email from Clifton Wong to yourself. This one is dated 4 March, 2011.---\*Yes.\*

30 So you understand this email is earlier than the last one I showed you, which was August 2011?---\*Ah hmm. If it shows an earlier date then that would be the case. I haven't really noted the, the date of the other one you just showed me.\*

All right. Are you able to just read out the Chinese text in that email and the translator will obviously translate that for us?---\*“Mr Liu, I hope you're well. Master told me to send you the floor plan for the car park to you. Thank you. Wong.”\*

40 Did that refer to “master”, did you say?

THE INTERPRETER: I did say “master.”

THE WITNESS: \*Yeah. That is the, the coach, ping-pong coach.\*

MS HEGER: Oh, all right. So Mr Wong was referring to the ping-pong coach, is that right? Well, sorry, can I just clarify, does it just say “master” in this email? It doesn’t actually identify the name of the individual. Is that right?---\*Correct.\*

10 Right. But you understood “master” to refer to the ping-pong coach. Is that right?---\*I believe so.\*

And who is the ping-pong coach? What’s that person’s name?---\*He’s Johnny.\*

Jong Ying?---\*Johnny.\*

Johnny. Sorry. Okay. And did you understand Mr Wong had had a conversation with Johnny about this email?---\*I can’t remember.\*

20

Okay. If we go to the attachment, this appears to be some plans relating to the Gloucester Road car park. Is that your understanding?---\*Yes.\*

Okay. And can you tell me how Mr Wong came to be sending you these plans? Did you ask Mr Wong to send you these plans?---\*I don’t think so.\*

Do you know who asked him to send these plans to you?---\*I can’t remember very well.\*

30 All right. That will be Exhibit 257 in the private portion of this inquiry.

THE COMMISSIONER: Thank you.

**#EXH-257 – VOLUME 7.33**

MS HEGER: Can I show you another document, which is volume 7.36?

THE COMMISSIONER: What did the ping-pong coach, what did he have to do with this particular project if anything?---\*Well, because that's the word that is used, written there.\*

Yeah, but I think you said the word "master" refers to this ping-pong coach called Johnny?---\*That's what the two words suggest to me, but I can't be too sure.\*

10 But did the ping-pong coach Johnny have anything to do with the Gloucester Road car park?---\*He introduced Philip Uy to me.\*

Thank you.

MS HEGER: So Johnny obviously knows Philip Uy, as well. Correct? ---\*Yes.\*

20 Right. I'll show you 7.36. This is another email from Clifton Wong to yourself. This is 13 August, 2011, so a couple of days after the very first email I showed you. It says "Dear Mr Liu, attached herewith please find the letter with the correct amount. Sorry, Clifton." If we go to the next page you'll see there's another letter on Hurstville City Council letterhead which now says, "We acknowledge in receipt of a bank cheque of AUD 1 million made payable to the Hurstville City Council, being the 10 per cent deposit for the Gloucester Road car park." And you understand the previous letter referred an \$8 million cheque so this is correcting that amount. Do you understand that?---\*No.\*

30 Well, if you go back to volume 7.35, if we go to the letter you'll see it refers to "We acknowledge in receipt of a bank cheque Australia 8 million". So you understand in the next letter Mr Wong seems to have corrected that amount and said 1 million instead?---\*I think there were two letters before that as well. It was initially 8 million, then it was said to be 10 million and, like and then it was that it was 13 million simply because my funds were not available yet.\*

Are you saying there were other letters like this?---\*Yes. There was, I believe there was one that related to 13 million and another one of 10 million. \*

40 Okay. But this one says 8 million and the other one I showed you says 1 million. You understand that?---\*Correct.\*

All right. If we go back to 7.36, please and just look at the covering email again. So Mr Wong says “Attached herewith please find the letter with the correct amount.” Did you have a discussion with him about how the previous amount was wrong?---\*I, I forgot.\*

10 Do you know if somebody else had a discussion with him about how the previous letter was wrong and there needed to be a new one?---\*I don’t know about, I can’t remember about the amounts but I knew that there was change of the, the price of the land. That I knew.\*

Oh, the value of the Gloucester Road car park land was changing, is that right?---\*Correct.\*

And on your understanding, is that why the amounts in this letter kept changing?---\*That’s right.\*

I’ll just tender 7.36 in as part of the private inquiry, Exhibit 258.

20 THE COMMISSIONER: Yeah.

**#EXH-258 – VOLUME 7.36**

30 MS HEGER: Why did you need these letters?---\*That was for the purpose of the investors because the timing of their funds that came in varied and I need to show that the price of the land had gone up. I have also issued the cheque, as well, to them.\*

So you wanted to show these letters to investors in the Gloucester Road car park development. Is that right?---\*Yes.\*

All right. And you understand that Georges River Council has no record of the first letter, well, of either letter. You understand that?---\*I came to know about that only when I was here last time.\*

40 Okay. But last I showed you the first letter and I told you that the council doesn’t have a record of it. I’m now telling they also don’t have a record of the second letter, which refers to \$1 million. You understand that?---\*I know about it now.\*

And you understand the reason I'm referring to Georges River Council is because Hurstville City Council became part of Georges River Council. You understand that?---\*Yes.\*

All right. Given these amounts kept changing in the various letters, you must have understood that these weren't real letters. Correct?---\*But that's letters from the government.\*

- 10 But if you saw one letter that says a cheque was received for \$8 million, you knew that no cheque had been given to council for \$8 million, didn't you? And you knew that in August 2011, didn't you?---\*I knew about what?\*

All right. So the first letter I showed you said a cheque had been received for \$8 million and Mr Wong sent you that letter in August 2011 but you knew when you received that email from Mr Wong that GR Capital hadn't given an \$8 million cheque to Hurstville City Council. Correct?---\*No, that was given to them.\*

- 20 There was no cheque for \$8 million given to Hurstville City Council at this point in time, was there?---\*No, it was given before but I can't remember the time. All-up there were three cheques given to them and hence my request for the receipt.\*

Well, last time you were here at the Commission I showed you a letter from October 2011 which talked about an \$800,000 cheque being provided to council. You remember that?---\*Yes. Yep. That was a bank cheque.\*

- 30 So we know that an \$800,000 cheque was given to Hurstville City Council but that wasn't until October 2011, so that is after these emails from Mr Wong?---\*So this email related to the, this email was before the 800,000?\*

Yes.---\*Yes. I have provided three cheques before.\*

So you actually signed a cheque for \$8 million prior to 11 August, 2011, is that what you're saying?---\*I can't remember when but I did do so.\*

- 40 And who did you give that cheque to?---\*I can't remember who I gave it to, whether I gave it to Philip or whom and at the end it was given to Clifton.\*

All right.---\*So to the government, I meant.\*

Okay. Well, was that cheque ever returned to you, the \$8 million cheque?  
---\*I can't remember about that one.\*

And Mr Wong then sends you, on 13 August, 2011, a letter acknowledging receipt of a \$1 million cheque which I just showed you.

THE INTERPRETER: 13 August, 2011?

10

MS HEGER: Yes.---\*That was the second cheque.\*

So you signed another cheque for \$1 million, is that right?---\*Yeah, all up there are three cheques that had been given.\*

Okay. And the \$1 million cheque, who did you give that to?

THE INTERPRETER: Oh, can I get you to repeat that?

20 THE WITNESS: \*So they have asked for three cheques.\*

THE INTERPRETER: Sorry, I haven't translated that you have asked so I'll get him to repeat that to me.

MS HEGER: Who asked for three cheques?---\*The government.\*

Who told you that?---\*I can't remember who that was. There were two consultant companies then, one was Philip Uy's company. The other one was SPD, I think it was.\*

30

Yep. That was the company that lodged the expression of interest in October 2011 with the \$800,000 cheque, correct?

THE INTERPRETER: I beg your pardon, can you repeat that one?

MS HEGER: SPD was the company that lodged the October 2011 EOI with the \$800,000 cheque, correct?---\*I forgot whether it was them who did the, who did the 800,000. The government at, at that time was asking for money urgently, rather urgently.\*

40

Sure. I wasn't trying to test your memory in that respect. We have the EOI with the SPD letterhead on it and I think I showed that to you last time. You understand?---\*Right.\*

But you said that Mr Uy's company was also a consultant on this project. Is that what you said?---\*I believe so because I have sent to Kurt and there was also SPD as a consultancy company.\*

Okay. All right.

10

THE COMMISSIONER: I'm getting a bit lost now. The \$800,000 cheque, as I recall it, was sent with the unsolicited offer, wasn't it? And that cheque was returned?---\*I believe so, yes.\*

Yeah. And following that, a tender was lodged by GR Capital. Correct? ---\*Yes.\*

20

What happened to the \$8 million and the \$1 million? Were they returned, too?---\*I don't remember who that was given to, a consulting company will proceed with the buy and I don't remember whether that was returned or not. It wasn't a bank cheque. It was a company cheque. I was chased up to deposit the money and then I therefore asked for a receipt.\*

So the \$800,000 was a company cheque?---\*I think it was a bank cheque, the 800,000.\*

30

MS HEGER: Well, I might just show you volume 7.22 to confirm that. This is the expression of interest we've been talking about from SPD Planning. This is the one from 20 October, 2011. And you'll see on the last page, it says, "Our client has enclosed herein a company cheque to the sum of \$800,000 made payable to Hurstville City Council."---Mmm.

That's Exhibit 184. All right. So you know the \$800,000 cheque was returned but you're not sure what happened to the \$8 million and the \$1 million cheques?---\*I forgot about them.\*

THE COMMISSIONER: Well, this \$800,000 is said to be 10 per cent of the offering price. Correct?---\*Yes.\*

40

That must mean that the offering price was \$8 million?---\*Correct.\*

But the first of the letters back in August 2011 said that the 10 per cent deposit was \$8 million.---\*No, it should be 10 million. I was given three amounts at that time. One was 8 million, one was 10 million, one was 13 million.\*

And you say you paid all those? So basically \$9,800,000?

THE INTERPRETER: 9 million?

10 THE COMMISSIONER: 800,000.

THE WITNESS: \*No.\*

MR HOOD: Can I just raise a, it's just a language aspect that I don't wish to criticise you, Mr Commissioner, but I just take issue with the one word "paid" because as I understand his evidence is something different. I don't want to say anything more than that.

20 THE COMMISSIONER: Just, I can't hear you quite. I'm sorry.

MR HOOD: Sorry. I beg your pardon. I just take issue with the use of the word "paid" because I'm not certain that that's the evidence that he's given as such. I've got to be careful what I say because I don't want to criticised for telegraphing - - -

THE COMMISSIONER: No, you won't be. We've got to get to the bottom of this because it - - -

30 MR HOOD: My understanding is that they were sent but not paid. He sent these cheques or gave them to somebody, I don't know, but that's as I understand his evidence and I'm only just taking issue with the effect - - -

THE COMMISSIONER: No, that's okay.

MR HOOD: - - - that "paid" means in fact that they were presented and the funds were taken from his account and went to the council. That's all.

THE COMMISSIONER: All right. We'll see if we can clarify that.

40 MS HEGER: You say you signed each of these cheques, the 8 million, the 1 million and 800,000, correct?---\*I believe so.\*

All right. And you then provided them to someone to pass onto the council, correct?---\*Yes.\*

Do you know whether the \$8 million cheque was ever cashed by Hurstville City Council?---\*No.\*

10 Are you saying it wasn't cashed or you just don't know one way or the other?---\*There was not, there was, there wasn't, the money wasn't actually, the account didn't have the money there.\*

Oh, there was no money in the account from which the cheque was drawn, is that right?---\*The Chinese investors spoke to the government about the time for the payment of the money. I, based on their instructions, I provided those cheques. They, they did, they set the timing for the payment.\*

20 THE COMMISSIONER: But as I understand those letters, and I stand to be corrected, the two letters that we've been referring to talk about bank cheques which mean they had to be purchased somewhere.

MS HEGER: I'd better bring them up again. Can we just bring 7.35 up again, please?

THE WITNESS: \*I think they were company cheques.\*

THE COMMISSIONER: Certainly the one that's referred to in the SDL letters seems to have been a company cheque but my recollection is that the earlier letters in August refer to bank cheques.

30 MS HEGER: Yes. That's the first one referring to \$8 million and that says "bank cheque".---\*It's from the bank but it's not a bank cheque.\*

THE COMMISSIONER: Well, you can't get a bank cheque for \$8 million unless you give the bank \$8 million. Do you agree?---\*I agree.\*

And you can't get a bank cheque for \$1 million unless you pay the bank \$1 million?---\*Not a bank cheque. I did not provide a bank cheque but the company cheque.\*

40 So these letters when they refer to "bank cheques" they're just wrong, are they?---\*I'm not too sure about that.\*

Well, there couldn't have been an \$8 million bank cheque unless you'd given the bank \$8 million?---\*That was what was given to me. I think he was referring to the, that was the receipt that I was given after I provided the cheque.\*

And you say it was a company cheque?---\*Yeah. A cheque of the company's account, relating to the company's account.\*

10 As I understand the evidence you gave a moment ago, there weren't sufficient funds to cover those cheques?---\*Correct.\*

Yes, Mr Hood.

MR HOOD: Your Honour, again, I have to be careful what I say at this point because of obvious reasons but the important factor here is the author of the letter and, as I understand it, these are just simple forgeries. There's no authority in these letters at all. They never came from council.

20 THE COMMISSIONER: That's right. We know Mr Richardson, who purported to sign them, doesn't exist.

MR HOOD: That's right. So whoever drafted this, I mean, it's not as if the council per se received a cheque of any sort on the face of that letter.

THE COMMISSIONER: So I stand to be corrected, but as I understand the witness, he's saying that he did hand over cheques of \$8 million and \$1 million and then \$800,000.

30 MR HOOD: Yeah. But the author of this letter gives them a description that perhaps is incorrect and the fault may not lie with what this man says now. The fault lies somewhere else, with respect.

THE COMMISSIONER: Well, there's a problem with that, too, isn't there?

MR HOOD: I don't know. I haven't seen it yet.

THE COMMISSIONER: I mean, the bottom line is that these letters came from Mr Wong and they seem to have been requested by somebody.

40 There's an inference here that they would have been requested by this witness, but we'll leave that to one side. The fact is that they were letters

that the witness says he's going to provide investors, which suggests on their face something which hadn't occurred, that is, that there had been a payment of a deposit of either \$8 million or \$1 million. On one view, these letters were created perhaps to mislead the investors - - -

MR HOOD: Okay.

THE COMMISSIONER: - - - that - - -

10 MR HOOD: Well - - -

THE COMMISSIONER: - - - Mr Liu had an interest in these properties that he didn't have.

MR HOOD: Yeah. Perhaps I've misconceived the point. I understood the point to be as to the authority in the cheque itself. I thought that's what was being honed in on here, which really seems to have less importance, with respect, because of the author of the document itself. And the author of the document might have seen it in that particular light that that was important  
20 but - - -

THE COMMISSIONER: But these are letters that were provided to the witness.

MR HOOD: Yeah, but that's exactly right. I, I don't take issue with - - -

THE COMMISSIONER: We just want to get to the bottom of this and I don't want your client to get into trouble but - - -

30 MR HOOD: No.

THE COMMISSIONER: He's just got to tell us what happened, honestly.

MR HOOD: Yeah. My point is that it may not be – well, it's the author of the letter which now we can't of course question but that's where the problem may well be, with respect. I just don't want to say any more than that for obviously reasons but - - -

THE COMMISSIONER: No, very well.  
40

MS HEGER: Mr Liu, if you knew there weren't sufficient funds in the account for these cheques, why did you issue them?---\*That was mainly because the two investors have committed to the timing of the investment with the government. They were at the meeting, with Clifton, they have agreed on the timing of the investment. It was like writing the cheque and then the money will be put in later before the cheque will be cashed and that was on the basis of the timing, the schedule agreed with the government and the money had to go in at that time.\*

10 THE COMMISSIONER: When you say "the government", you're referring to the council?---\*Correct.\*

And I think you said, I may be incorrect on this, but I think you said that it was agreed with Clifton Wong, sorry, the investors and Clifton Wong agreed that the investments would be – sorry – the money they were going to invest would be paid at a certain time?---\*Yes, they had a meeting at the government place.\*

20 When you say "government place", do you mean council's office?---\*Yes.\*

Just remind me, when the tender was put in later by GR Capital, how much did it offer?---\*8 million.\*

So 10 per cent of that was 800,000.---\*Yes.\*

But if you look at the first letter, can we just go back to that?

MS HEGER: 7.35.

30 THE COMMISSIONER: That refers to the 10 per cent being 8 million which would have made the purchase price \$80 million.---\*My recollection was it should be 8 million.\*

That's the purchase price?---\*Yes.\*

The next letter refers to \$1 million as being 10 per cent.

MS HEGER: Go to 7.36, Exhibit 258.

40 THE COMMISSIONER: Which would make the purchase price \$10 million.---\*Correct.\*

And I think you told me that the purpose of these letters was to show investors.---\*Yes, I have shown, yes, that has been shown to them.\*

Well, if they saw the first letter that refers to \$8 million, they would have come to the conclusion, wouldn't they, that you had paid a deposit on an \$80 million purchase?---\*I don't think that was the case.\*

10 Well, what do you think the investors would have concluded when they looked at that letter?---\*One was of 8 million, the other of 10, the third one of 13 million. These were the prices they were aware of because the, it, it can't be, the land can't be of 8 million.\*

80 million.---\*Sorry, 80 million.\*

Yeah. But if they looked at that letter, that's what they'd think, isn't it, that the land was worth \$80 million?---\*Well, we have conversed about that and they wouldn't read that English letter anyway.\*

20 Can I ask you this, and think very carefully before you answer it.

THE INTERPRETER: "They wouldn't understand that English letter anyway." My apologies.

THE COMMISSIONER: Was the purpose of these letters so that you could show them to investors and pretend that you had secured a contract with council when you hadn't?---\*No.\*

30 MS HEGER: Can I show you volume 7.1? Can we make that a little bit bigger, please? This is an email from yourself to two email addresses, dated Friday 11 November, 2011. Could you just read out what the email says and then the translator will translate it for us?---\*"Hello Mr Wang and Mr Li. Attachment 1 was the document issued by the government as requested by Mr Wang in August. This is to show that our application has been successful. Attachment 2 is the land sales contract, lands contract."\*

All right. If we go to the next page, this is another letter on Hurstville City Council letterhead. Do you understand that?---\*That's right.\*

40 And this one is dated 11 August, 2011 and it says "Dear Mr Liu, we have the pleasure to advise you that your tender for the Gloucester Road car park

is successful and that we are in the process of preparing the contract for sale and all the related documents. We will contact you as soon as all the documents are available.” Who gave you this letter from Hurstville City Council?---\*I think it was also Clifton Wong by email, I think it was, together with the land sales contract.\*

Okay. There’s not actually a contract attached to this email that we have here, is there? I don’t think there is. All right. Well – I’m sorry. There is. There is. You see that says “contract for the sale of land” and it refers to the purchaser as GR Capital Pty Ltd?---\*Yes.\*

Who gave you the contract?---\*I think it was Clifton who gave it to me, as well, or was it the Chinese investor? I can’t remember.\*

Okay. And the two individuals you sent the November email to, if we go back to the first page of this volume, were they investors in the Gloucester Road car park development?---\*Yes. Them two went to council to have that meeting.\*

20 Okay. And the first person you said was Wang. Is that right?---\*Yes.\*

What’s their full name?---\*Ray Fah Wang, who I said was a friend of Nancy Liu last time.\*

Okay. And who’s the second person?---\*Xi Guo Li.\*

THE INTERPRETER: X-i, G-u-o, L-i.

THE COMMISSIONER: Could we just have that email read to us again?

30

THE INTERPRETER: X-i, G-u-o, L-i.

THE COMMISSIONER: No, no, no. The contents of the email, could we have that again?

THE INTERPRETER: Sure. Mr Wang and Mr Li, “Hello Mr Wang and Mr Li. Attachment 1 was the letter issued by the government as requested by Mr Wang in August. This is to show that our application has been successful. Attachment 2 is the land sales contract, lands contract.” Those are the full words in the Chinese land contract.

40

THE COMMISSIONER: So I take it from that that Mr Wang had asked you to obtain some proof that you had secured the Gloucester Road car park site?---\*Yeah, that's after then discussion based on his requests.\*

Yeah. So you send him back these two documents because he had requested them?---\*That's right.\*

10 And can we go to the letter again? And this is dated 11 August, 2011. At that point in time, you hadn't put in a tender, had you?---\*Can't remember the time.\*

All right. But you certainly were never a successful tenderer, were you?

THE INTERPRETER: Sorry?

THE COMMISSIONER: You were never a successful tenderer?---\*Well, that was the price I offered and, in fact, I didn't know why we had not been successful until this time where I'm here.\*

20 But that letter on 11 August says you had been successful?---\*That was the discussion between the investor and them in the beginning of 2011. They had three meetings already.\*

They might have had meetings, Mr Liu, but the bottom line is this, that, two things, as at 11 August, 2011, you had not submitted a tender. Correct?---\*I can't remember the timing.\*

30 All right. If I suggest to you that there was no tender at that point in time and I suggest, too, and you must remember this, that you never put in a successful tender?---\*Well, the initial conversation was that it can be sold privately without, you know, opening to the public. But later it became an open tender. And I knew that the council had some financial issues. They needed money.\*

Well, that may be but the point I'm making to you is that at no time were you a successful tender?---\*That is a fact as at now, yes.\*

40 As I recall it, and I stand to be corrected, the successful tenderer was Deicorp?---\*And that was what Counsel Assisting told me last time.\*

Yeah. Well, it's in October, wasn't it?

MS HEGER: That wasn't until 2012, July 2012.

THE COMMISSIONER: All right. And if we go to the contract, council never issued a contract to you, did they?---\*That was what council had given.\*

I think you said Clifton Wong gave it to you?---\*Given by council, together with the letter, together.\*

10

To you?---\*To my consulting company I think it was and the consulting company passed them on to me.\*

Well, that may be but, it may be but the bottom – well, look at this, look at the purchase price. It's \$12 million. You never offered \$12 million to council, did you?---\*In my recollection, there were three prices, 8 million, 10 million and 13 million. The 13 million that was in my recollection could probably actually be 12 million there.\*

20 MS HEGER: You then sent the letter and the contract to these investors in November 2011, if we go back to the first page?---\*I believe so.\*

But you also knew by that point that council had returned your \$800,000 cheque on 25 October, 2011, didn't you?---\*I can't remember the date very well. But to me, that was something we can still continue to push forward for and get at the end. And I didn't know until Counsel Assisting told me that the winner was not us, was the other company.\*

30 All right. But you know council did return the cheque on 25 October, 2011. I showed you that before?---\*Yes.\*

Then you found out around 25 October, 2011, that council had returned the cheque. Correct?---\*I can't remember when that was.\*

But you found out before this email was sent on 11 November, 2011, didn't you?---\*I can't remember very clearly.\*

40 Well, what I'm suggesting to you is that when you sent the letter and the contract to these two investors on 11 November, you knew that that letter from Hurstville City Council that you sent them was fake, didn't you? ---\*Well, they had a conversation with council themselves.\*

THE COMMISSIONER: I don't think that's an answer to the question.  
Could you put the question again?

MS HEGER: My suggestion was that you knew when you sent this email on 11 November, 2011, that the letter you attached was a fake letter, didn't you?---\*No.\*

10 THE COMMISSIONER: Had they paid any investment moneys as at 11 November, 2011? Had they made their investment?---\*Some but the balance for the purchase of the land was agreed to be paid with council by the end of December 2011.\*

Well, was the purpose of the letter and the contract that you sent to them to satisfy them that you had an interest in the property so that they would feel comfortable paying the balance of the purchase price?---\*No.\*

20 What was the purpose of providing the letter and the contract?---\*To fulfil the request of Mr Wang, so he can then make arrangements with the bank.\*

I think we're talking about the same thing, then. I think we're talking about the same thing, he can provide those documents to his bank and get the funding?---\*I don't know what he would do afterwards but I just did what he requested me to do.\*

But you understood, as I understand your evidence, that he was going to provide those documents to his bank?---\*Possible.\*

30 Well, that's what you told me.---\*Yeah, I think that must have been a step that he needed to take.\*

Can I just, I'm going to step out of this in a moment, but did Mr Clifton Wong, was he an investor?---\*He wasn't. He represented council.\*

Thank you.

MS HEGER: Can I just ask, you referred to Johnny, the ping-pong coach before. Is his name Johnny Zhou, Z-h-o-u?---Yes.

40 Is he also called Brother Tung?---\*There might be something between him and Philip but I don't know.\*

All right. Commissioner, could I ask for a short adjournment - - -

THE COMMISSIONER: Sure.

MS HEGER: - - - before there's any, I don't know if there'll be any questioning from other parties here?

THE COMMISSIONER: Sure.

10

MS HEGER: I think five minutes or so should be sufficient.

THE COMMISSIONER: Well, you can let me know.

**SHORT ADJOURNMENT**

**[3.31pm]**

20 MS HEGER: Commissioner, I'll just tender volume 7.01 as Exhibit 259 as part of the private portion.

THE COMMISSIONER: Thank you.

**#EXH-259 – VOLUME 7.01**

MS HEGER: And I have no further questions of Mr Liu.

30 THE COMMISSIONER: Thank you. Does anyone want to ask this witness some questions in relation to the matters that have arisen today?

MR PATTERSON: Not me, Commissioner.

THE COMMISSIONER: Thank you, Mr Patterson.

MR HOOD: I wonder, Commissioner, if I could do my examination next Monday after Mr Sansom if that's suits the hearing? I can do - - -

THE COMMISSIONER: Is there anything, you don't have to tell me what at this stage but is there anything you want to ask the witness in relation to the answers he's given today?

MR HOOD: There are a few things I would like to ask but I'd like the benefit of being able to see the site plan that's been produced for this witness. There are probably a number of things on that that I might want to look at and align if I'm able to with the contract.

10 THE COMMISSIONER: How long do you think you'd be? See, if I give you the weekend, you'll probably add another hour to it.

MR HOOD: Well, to the contrary, I might be able to trim it down.

THE COMMISSIONER: Okay. Is it going to be more than half an hour?

MR HOOD: In total?

20 THE COMMISSIONER: Just in relation to this?

MR HOOD: No, I wouldn't be half an hour.

THE COMMISSIONER: Okay.

30 MS HEGER: I think the current plan, Commissioner, is for Mr Sansom to complete his evidence on Monday and then to call Mr Liu as part of the public inquiry. There are just a few more matters that I wish to ask him about in the public inquiry. So I suppose we could then move into a private portion at the end of that briefly to deal with Mr Hood's questions on these topics?

THE COMMISSIONER: Sure. All right. Well, we'll do that, then.

MR HOOD: Makes sense. Thank you.

40 MR PATTERSON: Commissioner, could I ask if the legal representatives who are present today will have access to the transcript of this afternoon? Whilst I don't want to ask questions, it may be useful for the purpose of submissions.

THE COMMISSIONER: Can we think about that?

MS HEGER: Can I check that and deal with it offline?

THE COMMISSIONER: Thank you. And there's nobody from heaven that wants to ask any questions?

MR CORSARO: No, thank you, Commissioner. I assume you're referring to me?

10 THE COMMISSIONER: Go back to bed and get well.

MR CORSARO: Thank you. Thank you.

THE COMMISSIONER: So adjourn until 10.00 on Monday?

MS HEGER: Yes.

THE COMMISSIONER: All right. Thank you.

20

**THE WITNESS STOOD DOWN [3.45pm]**

**AT 3.45PM THE MATTER WAS ADJOURNED ACCORDINGLY [3.45pm]**