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INDEPENDENT COMMISSION AGAINST CORRUPTION

STEPHEN RUSHTON SC
COMMISSIONER

PUBLIC HEARING

OPERATION GALLEY

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 27 JUNE, 2022

AT 10.00AM

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

THE COMMISSIONER: Take a seat.

MS HEGER: Commissioner, I understand the cross-examination of Ms Stores is continuing.

THE COMMISSIONER: Yes. Mr Corsaro?

MR CORSARO: Yes. I made it, thank you, Commissioner. Not easy. I'm ready to proceed whenever you are, Commissioner.

10

THE COMMISSIONER: Well, we can proceed now, is that okay?

MR CORSARO: Thank you. Yes.

THE COMMISSIONER: Oh, before you do, I should say too that we didn't receive any application in respect of Mr Liaw, so I'm going to excuse him from further attendance. You proceed.

MR CORSARO: Ms Stores, would you agree with the proposition that in performing your duties and obligations as the executive strategic planner, you did so with an understanding as to the provisions of the Hurstville Council Code of Conduct?---Yes.

10 And you understood that that code defined the relationship between council officers, correct?---Yes.

And you're aware, by reference to your knowledge about the code, that councillors could not issue any direction to you, correct?---That's correct.

Or to Ms Christy, correct?---That's correct.

20 And the only obligations you had were to act in accordance with directions that were appropriately given to you both, correct, you understood that?
---Yes.

And the appropriate person to give those directions, to the extent that they were necessary, was the general manager, true?---Yes.

And the general manager, as you were aware, was responsible for the efficient and effective operation of council's organisation, correct?---Yes.

30 And the general manager's role and obligation was to ensure the implementations of the decisions of council by directing the staff accordingly, is that correct?---Yes.

So he essentially was the go-between between the councillors of Hurstville Council and the staff, correct?---Yes.

You carried out your functions, didn't you, on the basis of lawful directions given to you from time to time by the persons having authority to give them, correct?---Yes. And I followed the processes that were required under the relevant legislation and the processes in council's policies and plans.

40 And indeed you knew that the councillors did not have lawful authority to direct you to do anything, correct?---Yes.

And in connection with any meetings that you might have had with any council from time to time, that usually took place in the context of having the general manager present for this very reason, correct?---The general manager was normally present at the council workshops and briefings that were held, and also at the council meetings.

So you agree with the proposition I have just put to you, do you?---Yes.

10 Thank you. As at 9 February, 2016 the person that had the lawful authority to direct you or Ms Christy was Laurie O'Connell [sic], is that correct?

---Yes. He was the acting general manager, I think.

Now, I want to ask you about something that we touched on last week when I wasn't here, and that's the draft employment land study that you told the Commissioner about. Can we turn to that subject matter now, please? The draft employment land study was prepared, the work for that commenced in about September 2014, is that correct?---I think that's correct.

20 And you recall telling the Commissioner last week that at some stage that draft study was deferred by council?---Yes, that's correct.

Now, that was put before council on 9 December, 2015. That's correct, isn't it?---That's what I recall is correct, yes.

I'm sorry?---Yes.

30 Now, am I right in believing that the study which we're dealing with concerned different industrial areas within the Hurstville Council area. Is that correct?---That's correct. The, the employment land study covered most commercial and industrial lands. They were, it was focusing on the lands that were zoned for employment land uses at the time.

40 And the heart of the study concerned, didn't it, Ms Stores, whether the sites within the Hurstville Council zoned in that particular way were candidates for rezoning for residential development. Correct?---It was, the objective of the study was to prepare a strategy for the employment lands. Council had received a number of enquiries in relation to particular sites. And, at the time, there was a ministerial direction relating to employment lands that required, if we did have any planning proposals for employment lands, that council would require a strategy.

You were the author, weren't you, of the report?---If I recall correctly, it was myself and it could have been the Manager of Strategic Planning at the time.

And who was that?---Carina Gregory.

I'm sorry? Say again?---Carina Gregory.

10 Am I right in believing that when it came before council in December 2015, the majority of the councillors voted to defer it for further consideration. Correct?---Yes.

And I take it you were present during the course of the actual deliberations of council that day, were you?---I can't recall whether I was there at that council meeting.

20 It would have been usual, wouldn't it, if you're the author of the report, if you're available, you'll attend the council meeting where consideration is given to it, just in case anything is required of you?---It was usual but on occasions, I could not attend all council meetings.

So although you have no specific recollection, the likelihood is that you were there. Is that a fair summary of what you're saying?---I could have been at the meeting but I cannot recall that I was in attendance.

30 Thank you. I take it that if you can't recall you were there, you aren't able to assist the Commissioner in relation to consideration and debate between the councillors concerning that particular study. Correct?---Can you just ask that question again, please?

If you can't remember whether or not you were there, I'm assuming you can't assist the Commissioner with indicating your recollection of the deliberations between the councillors that day when they were considering that study?---Not at that particular meeting.

I'm sorry? You're agreeing you can't recall?---I can't recall.

And you can't recall why council resolved to defer it. Correct?---No.

40 But the indications were that if council resolved by majority to defer it, odds are that council weren't happy with the study as it stood. Correct?---That's,

if they had more questions or, in relation to the study, that could be the reason why it was deferred.

So the position was they could have accepted it, they could have rejected it, they could have deferred it. Correct?---Correct.

They didn't accept it. Correct?---Correct.

10 Their indication of deferral was a strong indicator, wasn't it, that they weren't happy with it?---Correct, or that they wanted further information or workshops.

The deferral I think you say was to give the report further consideration. Have I understood your evidence correctly?---Could you ask that question again, please?

20 I think last week you told the Commissioner that your recollection is that it was deferred for the purposes of giving the report "further consideration", I think is in your statement. If that's not your - - -?---Yes, I, I, I think based on the workshops that had been provided in the lead-up and based on council's decision, that further work was to be done on the, the actual employment lands study.

Thank you. And you indicated your concern to the Commissioner last week that the deferral of the draft employment study meant, by reference to ministerial direction or otherwise, that the planning proposal for Landmark was going to proceed, or would proceed without an assessment relevant to what was in that study, correct?---Yes, that's correct.

30 And you say, do you, that the planning proposal was not considered in the light of that study, is that your recollection?---I didn't undertake the assessment of the planning proposal. I was working on the VPA at the time.

But your fear was that it wouldn't be, correct?---As council, the ministerial direction, as I recall at the time, required council to have an endorsed strategy for employment lands if they were proposed to be rezoned. So therefore, in that instance, we did have a planning proposal and council didn't have an endorsed strategy.

So you're giving your belief of the direction, correct? That's what you believed the direction to be, correct?---Yes. That's, that's what I understand and recollect the direction at the time was.

Can I ask you, please, to go to the document at 4.2, page 68 and 69? I'll ask for that to be put on-screen, if I may, Commissioner.

10 THE COMMISSIONER: I'm probably the only person who doesn't know, but what are employment lands?---Employment lands include the commercial zoned lands and also industrial lands that generate employment land uses.

Okay, thank you.---And more space for employment.

20 MR CORSARO: Just to take up what the Commissioner has asked, I'm clear, aren't I, in believing that the employment land study was about rezoning, wasn't it?---It was, the purpose of the study was to provide a strategy for how council would look at the employment lands that we currently had, whether those lands were still required based on the department's directions at the time and which lands could potentially be considered for rezoning.

Yeah. In other words, the core subject matter of the study was the possibility of changing the zoning from industrial to something else, correct? So it's a rezoning issue, isn't it?---Yes.

30 It's not a height, it's not a bulk issue, it's a rezoning issue, correct?---It's, it was a strategy, it wasn't a planning proposal. So it was providing the overarching investigation framework.

What you have on-screen in front of you is the report to council in connection with the Landmark planning proposal. If you go back, please, to the start of this document to show the witness. So that's the front page of that document. I was showing you page 68 and I asked for that to be on-screen. You've seen that before, haven't you?---Yes.

And the author was Ms Gregory, with the strategic planner being Mr Sanderson. Do you see that?---Yes.

And at the time you told the Commissioner you weren't involved in this process at all, correct?---I wasn't involved in the assessment of the planning proposal.

No. Have you read this? Have you read it recently?---I may have read that a long time ago, at the time.

But have you read it recently?---No.

10 All right. So you can see that it's the planning proposal from the heading?
---Yes.

And if I take you back to page 68 of that document, you'll see there's a whole section here, clause 4.3, Draft Hurstville Employment Land Study.
---Ah hmm. Yes.

Now, it's clear, is it not, if you go to page 69, and take whatever time you need to read it, Ms Stores. If you go to page 69, you'll see that the planning proposal itself that council had to consider not only referred to the draft
20 planning proposal but summarised its effect. Correct?---Yes.

So you'd assume, wouldn't you, that the councillors had at their meeting when they came to consider the planning proposal, transparency as to the fact that there was a draft planning proposal, they had earlier deferred it and it was in the condition in which it's recorded in this particular document.
Correct?---Yes.

So when you said that you had a concern that the draft planning proposal, if it was deferred in February 2016, may not have been considered when the
30 planning proposal was before council, having seen that, you'd have to say, well, that concern is allayed. Correct?---The study was still in a draft form. It hadn't been adopted by the council. And, as I recall, I cannot remember the wordings of the ministerial direction at the time but it required council to have an endorsed strategy if lands were to be considered to change.

So, presumably, the authors of this report would have been aware of the direction. You'd expect that. Correct?---Yes.

And if that was an important consideration for the council to deal with, odds
40 are it would have been in this report. Correct?

THE COMMISSIONER: Well, can we really say that? I mean - - -

MR CORSARO: Well, these are all criteria, Commissioner, which are relevant for the council staff to put before the council. And if there was some direction, and the direction is online, one can see it, we don't need to tax this particular witness in relation to her belief. It's there in black and white as to what it says.

THE COMMISSIONER: Okay.

10

MR CORSARO: But I'm dealing with her evidence to you last week that she had a concern and that there was something untoward in relation to the meeting on 9 February, to which I'm returning.

THE COMMISSIONER: Very well.

20

MR CORSARO: So what I'm putting to you is you indicated to the Commissioner last week that your concern about the events on 9 February were that by deferring the draft employment study, it was not going to make its way to consideration by the council with the planning proposal. That's what you told him. Correct?---Yes.

Having read this, you would say that's not a real concern, though. Correct? ---I couldn't say that that wasn't a concern. I didn't write this report.

30

But you weren't aware of the contents of this report when you gave the evidence before the Commissioner last week. Correct?---I hadn't read the report recently but at the time, we were following the process that was required for the employment land study and that we had planning proposals for various employment land zone sites.

If you go to that document and I take you to page 82 of the document, Ms Stores, look at the bottom of that page. It says, "The report to council on 9 December, 2015, on the draft Hurstville employment land study supports a rezoning of the land to B4." See that?---Correct. Yes.

40

So not only was the council being informed about the contents of the report following the 9 February, 2016 meeting but also was being told by the authors of this report that it was consistent with the report itself. Correct? ---Yes.

And were you aware of that when you gave evidence last week?---I most probably didn't recall this report but, as I said, that the employment land study was still a draft document at that stage.

Irrespective of whether it was a draft or accepted by council, the report itself recommended rezoning, it concerned rezoning and it was rezoned consistent with the employment land study. Correct? That's plain, isn't it?---It was, the site has been rezoned. The planning controls that applied to the site I think are different to those that were being reviewed at the time.

10

But I'm talking about the rezoning which is the subject matter of the draft employment study. Correct? It was rezoned as recommended by the study itself, your own document. Correct?---The site was rezoned as a part of the planning proposal process, and as this report refers to, it referred to the draft employment land study at the time.

And that the draft employment land study which you prepared actually recommended rezoning of the site in the way that we see on that page, correct?---Yes. From industrial to B4 mixed uses.

20

So, if I just draw a line in the sand at this point, as at April 2016, 20 April, 2016 the council staff took before the council a report which referred to the draft study, correct?---Yes.

Indicated what the draft study contained, correct?---Yes.

Recommended rezoning of the land consistent with that study, correct?
---Yes.

30

And so by default, you would agree, wouldn't you, that the councillors at the 20 April, 2016 meeting were effectively considering the impact of the provisions of the draft employment land study relevant to this site, correct?
---Yes.

I want to go back to the meeting of 9 February that you told the Commissioner about last week. The draft was in the form in which it remained as at the date the planning proposal was considered by council, correct?---Yes.

40

And it had been deferred in December as you told the Commissioner a little while ago, correct?---Yes.

And in the meantime, between the deferral in December 2015 and this meeting on 9 February, 2016 the consultants had considered the draft employment land study and had effectively made the same recommendations in connection with the strategy and the rezoning, correct?
---In terms of the rezoning, yes.

Now, Mr O'Connell – I'm sorry, is it Mr O'Connell? Yeah, Mr O'Connell -
- -?---O'Connor.

10

- - - was acting general manager at the time, correct?---Yes.

So he was there for the purposes of discussing the matter with the councillors and presumably giving you directions, true?---Yes.

Because you weren't going to take any directions from the councillors, were you?---No.

20 And indeed had you taken directions from the councillors, you knew that that was inconsistent with the code of conduct and being the person you are you would have made a formal complaint about that, wouldn't you?---Yes.

Because there was a process in relation to complaints in relation to breaches of code of conducts at the time, correct?---Yes.

And you didn't make that complaint, did you?---No.

30 Now, if I ask you to think back at 9 February, there was a discussion, wasn't there, in connection with the draft employment land study and you informed those there that the consultants had made the same recommendations and the report was not going to change, correct?---Correct.

Now, Mr O'Connell said, didn't he, that having already been deferred it was unlikely that council was going to accept the employment land study. That's what he said, correct?---Yes.

40 And he said an alternative would be not to put it up for rejection by the council but rather defer it for further consideration on another occasion, assuming there was a change of heart in the council, correct?---Yes.

And at the end of that meeting, the councillors told Mr O'Connell that it was a matter for him as to whether or not he wanted to put it up to council on the expectation it might be rejected because of the early deferral or to defer it again, correct? That's what happened?---I recall, and having a look at my notes, that the councillors had indicated that the report should, should not go back to the council meeting in March.

Because of the likelihood of rejection?---I couldn't say.

10 Well, what I want to suggest to you is that what happened is that Mr O'Connell indicated that it was a matter for him to determine what to do with that report, correct?---It was the general manager's decision as to which reports were presented to council at which time,

And he made it plain that he was going to decide whether or not to put the study up and take the risk that it was being put up and rejected, correct?---I don't recall whether that was discussed at that meeting.

20 I'm going to suggest to you that the councillors did not say that they wanted it deferred, but indicated that it was a matter for the general manager as to what he wanted to do, but the possibility existed that if it was put up based on the earlier referral, it would be rejected. Do you accept that?---I'd have to have a look at the notes of the meeting that were taken at the time.

Do you want to do that?---Yes.

30 They're annexure 3 to your statement if you have that handy, otherwise I'll ask for it to be put on-screen. I'm sorry, can I just ask you while that's being done, you have no independent recollection, as you sit there, of what happened? All you can recall is what's recorded in those, in that file note, is that a fair summary?---Having read the file note, I do recall that discussion and the discussions that occurred at that meeting.

All right. Well, we don't need the file note because I want your recollection. What I suggest to you, what occurred at that meeting is that the councillors told Mr O'Connell that it was a matter for him as to whether he wished to put the draft study up before council again and take the risk of it being rejected based on your earlier deferral or not. It was a matter for him. Do you accept that?---I cannot recall that exact discussion, no.

40

You can't - -?---About, about those elements, no.

Okay. So you don't have a recollection one way or the other. Is that a fair summary?---Of what you're saying, no.

Your superior was there, is that right, the person to whom you reported? That was the manager, is that right?---The - - -

Ms Christy, I'm sorry, is that – yes, Ms Christy, the Acting Director of Planning.---Yes.

10

And the general manager were both there, correct?---Yes, yes.

And they were persons who, if a direction had been given, were also aware of the code of conduct, correct?---Yes.

And you know of no formal complaint having been made by anyone in relation to what occurred at that meeting, correct?---I'm not aware of any, no.

20 Thank you, Commissioner.

MS HEGER: I have no further questions for Ms Stores.

THE COMMISSIONER: All right. Can we just go back to page 82 of volume 4.2. I just want to see whether I've misunderstood something. Where it says that the land study supports a rezoning, it then goes on to say, "...however recommended that further work and studies be carried out in relation to urban design, traffic and infrastructure as well as 'a detailed economic assessment or legitimate value capture potential resulting from the uplift in land values from proposed changes to zones and planning controls.'" And then it goes on to say why a land value capture assessment would be useful. Was that detailed economic assessment ever undertaken, do you know?---The economic assessment for the value capture process was undertaken for the planning proposal. It was undertaken by council's consultants, SGS, at the time. After we had received the planning proposal, there was also a VPA offer that was provided, and that economic assessment, looking at the value capture methodology, was applied by those consultants.

40 What about further work and studies in relation to urban design, traffic and infrastructure?---Yes, the employment land study had – we, council had

engaged a number of consultants to do the work. We had planning consultants as well as economic consultants involved in the initial employment land study. As we progressed with that work, we also engaged urban design consultants GMU to undertake more detailed analysis of the actual planning controls for building heights and FSRs. We then were having a look at council's other plans and strategies, being our Development Contributions Plans, what infrastructure had been identified in those plans to support future development and demands. We also had a look at what traffic analysis and data that council had to assist in understanding the traffic impacts of any development and any changes in the zonings of these sites.

Yes, thank you. Thank you very much for your assistance and you're free to go.---Thank you.

THE WITNESS EXCUSED

[10.35am]

20 THE COMMISSIONER: I think we need to take a short adjournment, don't we, because the next witness is Mr Yan?

MS HEGER: Yes, that's right, Commissioner.

THE COMMISSIONER: And we've got to set up for the interpreter.

MS HEGER: That's correct.

30 THE COMMISSIONER: All right. Just let me know when we can come back.

SHORT ADJOURNMENT

[10.36am]

THE COMMISSIONER: Madam Interpreter re-sworn and the witness re-sworn too.

40 <GARMAN (JOANNE) LUM, affirmed

[10.42am]

THE COMMISSIONER: Take a seat. Thank you.

MS HEGER: Mr Yan, GR Capital Group was registered on 5 December, 2013, correct?---*Yes.*

10 And you started working for GR Capital group around that time, correct?
---*No. It was around 2014.*

Well, was it early 2014?---*Yes.*

And at that time you worked from GR Capital Group's office at 10 park Street, Hurstville, is that right?---*The office belonged to WDL but GR Capital's office was there as well.*

And you worked from that office, correct?---*Yes.*

20 Did you work from there full-time, that is five days a week?---*In the normal course, on normal days, yes.*

That was your usual practice, to work five days a week from that office, correct?---*Correct.*

And you were the only employee of GR Capital Group around this time, 2014?---*Not officially, because I was the employee of WDL but at that time I also helped do things for GR Capital.*

30 And in 2014 there was no-one else working for GR Capital, is that right?
---*No, no-one else.*

And in this period, 2014, did Wensheng Liu come into the office most days?---*Yes.*

Well, was it every day or just most of the time?---*Basically daily but he won't stay the whole time from the morning until the afternoon.*

40 All right. And during this time, 2014, Philip Uy would visit the office from time to time?---*Yes.*

On average, during 2014, how often would Philip Uy come to the office?
---*Basically he would come each week.*

How many times a week?---*It depends. Sometimes he came more often,
sometimes less often.*

But you think he came every week, you just can't recall how often each
week, is that right?---*Correct.*

10 And One Capital Group was registered on 21 July, 2014, correct?
---*Correct.*

And it entered into options for Landmark Square in August 2014, correct?
---*Yes.*

Is it about that time you started doing work on Landmark Square?---*It was
sometime after that.*

20 Can you say what month you started work on Landmark Square?---*I can't
remember.*

But it was in 2014?---*Yes.*

In March 2015, the office for GR Capital Group and One Capital Group
moved to 124 Forest Road, Hurstville, correct?---*Correct.*

That's the Bing Lee building, isn't it?---*Yes.*

30 And from that time you still worked from the office five days a week?
---*Yes.*

And Wensheng Liu came in most days?---*Yes.*

Was it daily?---*Basically.*

40 And at that time you were the only person working for GR Capital Group
and the One Capital Group, correct?---*Do you mean, "working for", do
you mean that I am an employed person of the two companies or I, I was
someone who was working, doing matters for these two companies?*

Well, let's start with the first. Were you an employee of GR Capital Group and One Capital Group around this time, March 2015?---*I was employee of GR Capital Group.*

But you also did work for the One Capital Group?---*Yes.*

And around this time, who else was employed by GR Capital Group?---*I don't think there was anyone else.*

10 Around this time, March 2015, did the One Capital Group have any employees?---*No one else.*

Was anyone else around this time doing work for One Capital Group, even if not as an employee, aside from you?---*Yes, Elaine Tang was.*

20 Didn't she start working for the One Capital Group later in 2015 or early 2016?---*Well, at that time the One Capital Group wanted to do Elaine's development, and they, there was some marketing work involved and they were looking at working with other companies in that areas. Elaine has, has done some work in that, for that purpose as well.*

But I'm asking you – are you talking about the Landmark Square development?---*Yes.*

And I'm asking you at what point did Elaine start doing work for One Capital Group?---*My recollection was middle of 2015 approximately.*

30 All right. And in 2015 did Philip Uy continue to visit the office every week?---*Yes, because his, his company Gencorp was also in the same building, Bing Lee building.*

And was it the same in 2016?---*Yes.*

So in 2016 as well, Philip Uy visited One Capital Group's office at least once a week?---*Yes.*

Can I ask you this, did you invest any money in the 1-5 Treacy Street development?---*Yes.*

40 How much?---*200,000.*

And when did you make that investment?---*August, around August 2014.*

And how did you make that investment? Did you deposit that money into Wensheng Liu's account? How did that work?---*20,000 of that was directly deposited into the GR Capital company account.*

The GR Capital Group account, is that right?---*Yes.*

10 And what about the rest of the money?---*The rest of the money was remitted through a money remitter from China and then deposited into the company account of WDL, I believe.*

And were both of those done by electronic funds transfer?---*Yes.*

And did you also invest in the Landmark Square development?---*No.*

Did you ever make a return on your investment?---*Not so far.*

20 So you never got the 200,000 back?---*No.*

Were you given any property in the 1-5 Treacy Street development?

THE INTERPRETER: Any property?

MS HEGER: Mmm.

THE WITNESS: *No.*

30 MS HEGER: Have you asked Mr Liu to return the \$200,000 to you?---*No, because there was a receiver assigned for the property due to a legal proceedings and there was nothing left from, for the company.*

Administrators were appointed in October 2018 to GR Capital Group, is that right?

THE INTERPRETER: 2018?

MS HEGER: Yeah.

40 THE WITNESS: *Yes.*

MS HEGER: So you've just given up any hope of getting that money back, is that right?---*Definitely no hope of getting it back from the company.*

Well, have you asked Mr Liu to repay it to you personally?---*No.*

Why not?

THE INTERPRETER: Sorry, I'll get him to repeat.

10 THE WITNESS: *There are many people like me who have invested like me, like I did, like they were friends of Mr Liu, people from Philip Uy's side. I personally have not answered and neither did I think other people have.*

MS HEGER: Elaine Tang also invested in Treacy Street, is that right?
---*No.*

What about Landmark Square?---*I don't remember very well about that.*

20 All right. You said on Friday that you met Yuqing Liu at a ping pong club, is that right?---*Yes.*

And it's there that he was introduced to Wensheng Liu, is that right?
---*Yes.*

Now, I asked you on Friday whether you met Yuqing Liu in 2016 and you said "Yes." Do you recall that?---*That's right.*

30 I just want to be clear about the timing of that meeting. We've looked at Yuqing Liu's travel records, of course, and they show that he came to Australia in November 2015 and then again in March 2016, which is when that dinner in Chinatown occurred. Did you meet him at the ping pong club on his first visit in November 2015 or his second visit in March 2016?
---*My recollection was March 2016.*

Are you certain it's March 2016 or is it possible it could have been November 2016?---*My recollection was it was March.*

40 All right. And during Yuqing Liu's visit in March 2016, did he come to Wensheng Liu's office at Forest Road?---*Yes.*

And you were there on that occasion?---*Yes.*

And so you witnessed Wensheng Liu and Yuqing Liu have a meeting on that occasion?---*Yes.*

And Wensheng Liu talked about Landmark Square and 1-5 Treacy Street, did he?---*Yes.*

10 And he was inviting Yuqing Liu to invest money in both developments, is that right?---*Because Yuqing Liu had thought of making such investments, so Wensheng Liu introduced and invited him to invest into these two projects.*

And that occurred at the meeting at Wensheng Liu's office in March 2016, is that right?---*Yes.*

Was there anyone else at that meeting?---*I think Gensheng Yu was there too.*

20 You mentioned him on Friday, is that right?---*Yes.*

He works with Yuqing Liu, correct?---*He does, he did not work for him but they had a business in China together. They were business partners.*

I also asked you on Friday about a meeting at Mayor Badalati's office. Do you remember that?---*Yes.*

30 And I asked you whether that occurred in March 2016 and you said that it did, is that right?---*Yes.*

And you said you were a translator on that occasion. Do you remember that?---*Yes.*

That is a translator for Yuqing Liu.---*Yes.*

I just want to be sure about the date of that meeting as well. Did you attend one or two meetings in Mayor Badalati's office?---*Once.*

40 All right. And did that meeting in Mayor Badalati's office occur before you travelled to China in April 2016?

THE INTERPRETER: Before who travelled? Can I get you - - -

MS HEGER: Before you travelled to China in April 2016.

THE INTERPRETER: "You"?

MS HEGER: As in Mr Yan.

THE INTERPRETER: Oh, okay.

10

THE WITNESS: *Yes.*

MS HEGER: Did Wensheng Liu come to that meeting in Mayor Badalati's office?---*No.*

Did he arrange for Yuqing Liu to attend the meeting in Mayor Badalati's office?---*That I don't know.*

Who asked you to attend the meeting in Mayor Badalati's office?

20 ---*Wensheng Liu did.*

And did he tell you anything else about how that meeting was arranged or what its purpose was?---*No, he only told me to go and translate, interpret for Yuqing Liu.*

And as far as you're aware, is that the first occasion Yuqing Liu met Mr Badalati? Or are you aware of him meeting Mr Badalati at some other time?---*I don't know.*

30 So he may have met Mr Badalati earlier, but you just don't know, is that right?---*Correct.*

Just going back to the Treacy Street. You ultimately did purchase apartments at 1-5 Treacy Street, didn't you?---*My wife did.*

All right. How many apartments did she buy?---*Two.*

Do you know how much they cost?---*One for \$960,000, the other for \$970,000.*

40

And when were those apartments bought?---*I think contract was exchanged in February 2016, but the funds were not available at the later point so there was no settlement at the end. We did not settle at the end.*

Oh, so your wife entered into a contract but the transaction never settled, is that right?---*Correct.*

All right. So she didn't end up buying apartments in 1-5 Treacy Street at all, is that right?---*Correct.*

10

Can I ask you about the trip to China in April 2016? You flew on 10 April, 2016 to Guangzhou, correct?---*I think I flew directly into Beijing.*

You might have flown via Guangzhou into Beijing, does that sound right? ---*It's possible.*

And Elaine Tang was on the same flight, is that right?---*Yes.*

20 Just going back a step, you referred to a meeting at Forest Road with Yuqing Liu and Wensheng Liu. Did Philip Uy also attend that meeting? ---*I can't remember very clearly but it's possible that he was there.*

Well, do you recall any meetings between Wensheng Liu, Yuqing Liu and Philip Uy around this time, March 2016?---*They definitely would have had meetings together at that time.*

But did you attend any of those meetings?---*I could have.*

30 All right. But you don't have a recollection of them, is that right? ---*Yes.*

Did Philip Uy go to Mayor Badalati's office on that occasion in March 2016?---*No.*

When you flew to China you understood that you were going to attend a signing ceremony in Tangshan, correct?---*Yes.*

40 And you understood that at that ceremony Yuqing Liu and Wensheng Liu were going to sign an agreement?---*Yes.*

And you understood it was the same agreement that they'd signed in Chinatown on 18 March, 2016?---*Correct.*

And was it the same agreement that had been signed in Chinatown that they did sign in Tangshan?---*There was some slight twist to it. Tangshan side required certain changes to some of the wordings but basically the content was generally the same.*

10 And the agreement that was signed in Tangshan still concerned 1-5 Treacy Street, Hurstville, didn't it?---*Yes.*

And it still provide that Yuqing Liu was to invest \$50 million in 1-5 Treacy Street?---*Yes.*

And it still provided that Yuqing Liu was to invest \$80 million in Landmark Square, correct?---*Yes.*

20 And it still provided that, for Treacy Street, Yuqing Liu would get some of the profit and the rest would go to Wensheng Liu, correct?---*Yes.*

And the same for Landmark Square?---*Yes.*

After you arrived in Beijing on 11 April, you travelled to Tangshan, correct?---*Yes.*

And Elaine Tang did as well?---*Correct.*

And it was Yuqing Liu who arranged that transfer, correct?---*Yes.*

30 You understood he paid for that transfer?---*Okay, it was a car arranged by his company. That, the one that received us was a car from his company.*

Right. His company Xinfeng, correct?---*Yes.*

Could I show you volume 1.4, page 246, which is Exhibit 127. Do you recognise this document?---*Yes.*

40 Is this an itinerary for the China trip that was prepared by Xinfeng?
---*Yes.*

All right. I'll take you to the English version of the document. That was the Chinese version. The English version is at page 242. And if at any point you think the English version is an inaccurate translation, please let me know.---*Can I have the two versions side by side so I can view them in one view?*

I'll see if that can be arranged. While that's happening, I'll ask you this. When you arrived in Tangshan, you met Vince Badalati, is that right?
---*Yes.*

10

You hadn't seen him in Beijing. Rather, you saw him in Tangshan for the first time, correct?---*Yes.*

And in Tangshan you also met Mr and Mrs Hindi?---*Yes.*

Was that the first time you had met Mr and Mrs Hindi? Or had you met them on an earlier occasion?---*First time it was.*

And in Tangshan you also met Wensheng Liu?---*Yes.*

20

And Philip Uy as well?---*Yes.*

I think we can now show you the documents side by side. All right. Could I go to the next page? Sorry, we only have this page as a comparison, is that right? That's all right. Let's stay on this page for now then. Can I ask you this, who invited Vince Badalati to China?---*I think it was Yuqing Liu.*

And why do you say that?---*If it was me, I wouldn't be inviting him to visit someone else's office or businesses.*

30

All right. So you believe Yuqing Liu invited him because this was a visit to Mr Liu's office?---*Not just office but there was also visit to the waste power of his, power station of his.*

All right. And does the same apply to Mr and Mrs Hindi? You believe Yuqing Liu invited them?---*Yes.*

40

Did you have any involvement in inviting them or making their travel arrangements for this trip? And I'm asking about both Mr Badalati and Mr and Mrs Hindi.---*No.*

You didn't have any role in organising their flights or accommodation?
---*No.*

All right. We'll go back to that document, the itinerary. We'll go to the next page, and the next page again, sorry. Further down to the next page. It'll be the last page of this document, please. All right. You'll see this is a list of the attendees on this visit to Tangshan, correct?---*Yes.*

10 That includes Vince Badalati and this document lists him as "Mayor of Hurstville, Australia State Councillor", correct?---*Yes.*

And it lists Con Hindi as the "Deputy Mayor of Hurstville, Australia State Councillor", correct?---*Yes.*

It also lists Mireille Hindi as a councillor of Kogarah, correct?---*Yes.*

You recall Mrs Hindi wasn't in fact a councillor of Kogarah at this time, correct?---*Correct.*

20 And you'll also recall I showed you some text messages from you that contained that same information about her being a councillor of Kogarah. I showed you that on Friday. Remember that?---*Yes.*

Did you provide this information – that is the positions of Mr Badalati, Mr Hindi and Mrs Hindi – to Xinfeng?---*Yes, I did provide them.*

You sent them to Gensheng Yu, I think that was your evidence, is that right?---*Yes.*

30 This also records that, of course, that you attended, Xin Yan, and it records you as the assistant to the Chairman of Australian The One Capital Group. You see that?---*Yes.*

It also records Philip Uy as the General Manager of Australian The One Capital Group, correct?---*Yes.*

40 And you understood him to hold that position at this time?---*Well, he did not actually hold that position, but because of his business relationship with Mr Liu, he was given, he was said to be of that position at that time.*

He was certainly represented on this trip as the General Manager of the One Capital Group. Do you accept that?---*Yes.*

It also refers to Rongdi Shao as the Project Development General Manager of Australian The One Capital Group. Do you see that?---*Yes.*

And he was also on this trip to Tangshan, correct?---*Yes.*

10 And you understood him to hold that position of Project Development General Manager of the One Capital Group at this time?---*His case was the same as that for Philip at that time.*

And by that you mean he didn't technically hold that position but he was represented as such on this trip, is that right?---*Yes.*

It also refers to Qinghe Huang, do you see that?---*Yes.*

20 And was he in fact the General Manager of the Sales Department of One Capital Group Hong Kong Branch at the time?---*No, he wasn't.*

But he was represented as such on this trip?---*Yes.*

What role did he have in One Capital Group's operations at this time?
---*He had no position or role.*

30 Why was he on the trip?---*As to why he was there, I don't know, but there was a lot of representation or – Xinfeng Hubei had a quite significant scale, so maybe they want to have more persons and positions and representations there on the list.*

Does Mr Huang go by another name as far as you're aware?---*I don't know.*

Was he also known as Wong Ching Ho or Tommy Wong?---*I'm not familiar with this name Tommy Wong.*

What about Wong Ching Ho?---*Neither.*

40 Is Mr Huang Philip Uy's brother?---*Looks like it.*

Well, you formed that understanding based on your interactions between him and Philip Uy in Tangshan on this occasion, is that right?---*He mentioned it once before.*

THE INTERPRETER: I ask him to clarify who the “he” he was referring to.

THE WITNESS: *I think Philip mentioned it twice but I can’t recall the details. I think he was talking to someone else and he referred him as a
10 brother.*

MS HEGER: Okay. You mentioned a few of these people didn’t actually hold the positions that this itinerary records. If that’s the case, why were they represented to hold them during this trip, do you know?---*Like I explained before, Tangshan Xinfeng Hubei is quite a scalable company, enterprise locally. So maybe this side wants to show that we have a significant team with, of significant strength.*

THE COMMISSIONER: It made the company look bigger than it was,
20 didn’t it?---*Yes.*

And was that to attract investors?---*No, but just for the purpose of this trip.*

But why was it necessary to make the company look bigger than it was? ---*Well, that’s the way to business in China. The strength of two sides have to match. So if one side is significantly stronger than the other one, then it’s hard to business, for the two of them to business together.*

30 Okay. Thank you.

MS HEGER: During this visit to Tangshan there was local media present for part of the time, is that right?---*I can’t remember very well about that.*

Well, do you remember people taking photographs?---*Yes.*

And did you understand them to be part of One Capital Group or Xinfeng or were they from somewhere else?---*From Xinfeng side.*

40 All right. One purpose of this trip was to attract investment from persons or businesses in China, wasn’t it?---*Yes.*

All right. Can I show you again exhibit 175 that we went to on Friday? You saw this banner when you arrived at Xinfeng's office in Tangshan, correct?---*Yes.*

And it says, "Welcome, Mayor Vince Badalati, to Tangshan Xinfeng," correct?---*Yes.*

10 And you understand that the title of mayor carries great importance in China, is that right?---*Yes.*

The Mayor of Beijing, for example, is the highest ranking official in Beijing, is that right?---*Yes.*

And so you understood that Mr Badalati was being welcomed as mayor to help promote this agreement in China, correct?---*No. He was invited so, to, to visit the waste plants in China.*

20 Well, if the purpose was simply for Mr Badalati to go and tour the waste-to-energy plant it wouldn't have been necessary to welcome him in such a way, would it, or to advertise him as the Mayor of Hurstville, correct? ---*No, it was necessary.*

It was necessary?---*Yes, it was necessary because as you, you see on the attendees list on the itinerary, the local government officials, including the Deputy Mayor of Tangshan, was also present. If they see that there is official involvement in Australia, it would convenient the government, the Chinese side to obtain funds or subsidies from the government or from banks.*

30

THE COMMISSIONER: For what purpose?---*Do you mean the purpose of obtaining funds from banks or the government?*

Yeah.---*If the government sees that is a local enterprise business or investing with a foreign enterprise, then maybe there will be some different policies from the government. For example, giving them government subsidies.*

40 Mr Badalati was there, wasn't he, because he was one of the councillors that might decide whether or not the One Capital Group development at

Landmark Square and Treacy Street would proceed?---*This trip, I don't think it's for this purpose.*

Well, if you look at the invitation, most of the invitees are representatives or pretend representatives of One Capital.

MS HEGER: I should just clarify, it was an itinerary as opposed to an invitation.

10 THE COMMISSIONER: Okay, the itinerary.---*Yes, this is a cooperation between The One and Tangshan Xinfeng. If the local mayor was present, that would leave the Tangshans an impression that it was supported by the local government.*

Can I suggest to you that this particular meeting at the waste-to-energy plant
- - -

THE INTERPRETER: Sorry? I can't hear.

20 THE COMMISSIONER: This meeting or, sorry, this presentation at the -- well, that photo showing that the mayor was the Mayor of Hurstville had nothing to do with any proposed investment in a waste-to-energy facility in Australia, did it?---*The two real estate development projects were in Australia.*

Oh, I understand that. You're talking about Landmark Square and Treacy Street.---*Yes.*

30 And that's why Mr Badalati and Mr Hindi were in China, correct?---*To my understanding, the reason they were there was for them to visit, to visit the waste-energy plant and to attend the signing ceremony.*

Yes. And the signing ceremony concerned an agreement that related to Landmark Square and Treacy Street, amongst others.---*Yes.*

40 And can I suggest that that is why Mr Badalati and Mr Hindi were there in China?---*Well, he, they, they were there to witness the, the signing of the, of the agreement because Xinfeng is investing, overseas they will attract local governments' attention.*

In respect of investment into the Landmark Square and Treacy Street developments, is that right?---*Yes.*

Thank you. Yes. Oh, just before we move on. Who was it that arranged for Mr and Mrs Hindi and Mr Badalati to travel to China, who made the arrangements?---*I don't know about that.*

Well, I'll remind you about something you said last week. I asked you some questions concerning the dinner at Chinatown. Do you recall that?
10 ---*Yes.*

And I asked you a number of questions, and I'll take you to them. The first was "The agreement which was signed at the restaurant concerned very valuable property developments in Hurstville, didn't it?" and you said "Yes."---*Yes.*

And that was truthful evidence?---*Yes.*

And I then asked you this, "And you knew that if those developments were to proceed you would need council approval?" and you said "Yes."
20 ---*Yes.*

And that was truthful evidence?---*Yes.*

And I then asked you, "And you knew that Mr Badalati and Mr Hindi were Councillors on Hurstville Council?" and you said "Yes."---*Yes.*

And that was truthful evidence?---*Yes.*

And I then asked you this, "And you were aware, weren't you, that they would likely be involved in the approval process?" and you said "Yes."
30 ---*Yes.*

And then I asked you "Why were Mr Badalati and Mr Hindi at the dinner?" And you said "I truly do not know why they were there." And then I asked you this, "Well, were they there as you understand it because they might assist with the approval process?" And you said, "My understanding is if we have a good relationship with council, then definitely it will be helpful for the project." And that was truthful evidence?---*Yes.*
40

And I then asked you this, “And this dinner was part of maintaining that good relationship, was it?”---*Yes.*

And then I asked – sorry, that was truthful evidence?---*Yes.*

I’m sorry, I don’t think I put your answer to you. You said, “I believe so.”
---*Yes.*

And that was truthful evidence?---*Yes.*

10

And then I asked you this, “And if you were able to maintain a very good relationship with these councillors, the purpose of maintaining such a good relationship would be so they were favourably disposed to these developments?”---*Yes.*

And you said, “I believe so.”---*Yes.*

And that was truthful evidence?---*Yes.*

20

And then I asked you this, “The reason why Mr Badalati and Mr Hindi were invited to the dinner, as you understood it, was that if you were able to maintain a good relationship with them, they might vote favourably in relation to these developments?” And you said, “Yes.” Was that truthful evidence?---*Yes.*

Then I asked you this, “And when I say ‘vote favourably’, what I mean is that they might vote to approve these developments.” And you said, “Yes.”
---*Yes.*

30

And that was truthful evidence?---*Yes.*

And that’s the very reason they were in China, is it not? That is, to maintain the good relationship and ensure, as best you could, that they might vote to approve the developments?---*In a general sense, yes, that’s what it means.*

MS HEGER: I’ll just note for the record that the transcript of that exchange from Friday was shown on-screen during that series of questions.

40

THE COMMISSIONER: Thank you. Yes, I should have it’s at transcript 474 through to 475. We’re going to take a short break?

MS HEGER: Yes.

THE COMMISSIONER: Is that a convenient time? 15 minutes.

SHORT ADJOURNMENT

[11.54am]

THE COMMISSIONER: Take a seat. Thank you.

10

MS HEGER: Mr Yan, I'll show you again the itinerary for that April trip to China in 2016. It says at point 3 that at 4.30pm "The merchants will visit Tangshan Xinfeng Jingmai Industrial Park", correct?---*Yes.*

And that's where Yuqing Liu's waste-to-energy plant is located, is that right?---*Yes.*

And Mr Badalati and Mr and Mrs Hindi also attended the waste-to-energy plant, correct?---*Yes.*

20

We'll come back to this itinerary in a moment but can I now show you volume 2.27? I'll just check the page. Bear with me. Page 7. This sign was displayed at the waste-to-energy plant, correct?---*I don't remember whether it was seen at the waste plant but it was posted in the Xinfeng building.*

All right. And was there also a sign about the – this one concerned Landmark Plaza, was there also a sign about the project at 1-5 Treacy Street?---*I can't remember. There might be one.*

30

All right. I'll just mark that for identification.

THE COMMISSIONER: 18, I think, is it?

MS HEGER: 18.

#MFI-018 – VOLUME 2.27, PAGE 7

40

MS HEGER: You mentioned on Friday that part of your job was preparing marketing material for Treacy Street and Landmark Square, is that right?
---*Yes.*

Did you or Wensheng Liu bring marketing material for Treacy Street or Landmark Square on this trip to Tangshan?---*I, I did in the computer. It was saved in the computer.*

10 And what was that, marketing material for Treacy Street or Landmark Square or both?---*Both.*

And you brought your computer to Tangshan, is that right?---*Yes.*

And did you display that marketing material to anyone?---*No.*

Did you print it out in Tangshan?---*No.*

20 Was there any marketing material distributed about Landmark Square or Treacy Street in Tangshan?---*No.*

All right. If I go back to the itinerary - - -

THE COMMISSIONER: Just before you do, what sort of marketing material did you bring?---*Chinese introductory documents in Chinese, in relation to the two projects.*

What about photographs?---*Yes.*

30 And were those photographs used in any way?---*You mean in Tangshan?*

No, I'll let it go for the moment.

MS HEGER: If I can go back to the itinerary it says that at 6.00pm "The merchants will have dinner at the banquet hall on the second floor of the office building of Tangshan Xinfeng." Do you see that?---*Yes.*

And you attended that dinner?---*Yes.*

40 And it was at the Xinfeng building, is that right?---*Yes.*

Mr Badalati attended that dinner?---*Yes.*

And Mr and Mrs Hindi?---*No.*

They didn't attend that dinner?---*No.*

And I should just clarify, this is not the day of the signing ceremony, this is the day before. Do you understand that? So I'll ask you that question again. Did Mr and Mrs Hindi attend the dinner this night, the 11th?---*Well, they did.*

10

They did attend this dinner?---*Yes.*

All right. And did you have to pay for that dinner?---*No.*

It was provided by Xinfeng, is that right?---*Yes. It took place in the dining hall of Xinfeng themselves, so they provided it.*

All right. And that night you went back to the hotel in Tangshan, is that right?---*Yes.*

20

You stayed at the Tangshan Grand Metropark Guofeng Hotel, correct?

THE INTERPRETER: I'm not sure what the Chinese translation would be for the hotel. I'll just do a - - -

MS HEGER: It says Guofeng here, G-u-o-f-e-n-g.

THE WITNESS: *Yes.*

30 MS HEGER: And Mr Badalati and Mr and Mrs Hindi were staying there as well, correct?---*Yes.*

All right. The next day you had breakfast at the hotel, is that right? It says that on the itinerary.---*Yes.*

And was Mr Badalati there at that breakfast in the hotel?---*Yes.*

And Mr and Mrs Hindi, were they there at the breakfast?---*Yes.*

40 Did you pay for that breakfast?---*No.*

Was it provided by Xinfeng?---*I don't know because at the time of the breakfast you only need to say which room you are staying in.*

So the cost of the breakfast was charged to your room, is that right?

---*Yes.*

And who paid for your accommodation at the Tangshan hotel?---*I don't know. I was only told to leave the room to the card at the reception when I leave.*

10

I'm sorry, could you explain that? You mentioned a card. Could you just explain that?---*That is the room access card.*

Oh, okay. You don't know who paid for your room, is that right?---*I did not know.*

Well, did you assume that Yuqing Liu or Xinfeng had paid for it?

---*Possible.*

20 Did you see Wensheng Liu pay for it?---*I did not see him paying for it.*

All right. But if he had, you'd know, wouldn't you? Because you were in charge of the GR Capital and One Capital accounts, correct?---*That was possible but I do not know because it was paid in renminbi.*

But if Wensheng Liu had paid for it, he would have charged to the GR Capital or One Capital account, correct?---*It, it depends because sometimes there were business, you know, trips made by airfare. I mean, there were airfare charged to trips that he had done but they were not charged to the account.*

30

All right. Sometimes he paid for expenses personally, did he?---*Yes.*

It then says on the itinerary that the merchants visited Tangshan World Horticultural Expo Hall. Do you see that?---*Yes.*

And is that what you did that day?---*Yes.*

And were Mr Badalati and Mr and Mrs Hindi on that tour as well?---*Yes.*

40

And was organised by Xinfeng as well?---*Yes.*

Did you pay anything for that tour?---*No.*

Do you believe Yuqing Liu or Xinfeng paid for it?---*To my recollection, at the time of the tour, I, I, I forgot whether the, this, this, if the centre was closed or not but I remember we did not need to buy a ticket to go in.*

All right. The itinerary next said there was lunch at Nanhu Jiudao. Is that what you did next?---*Yes.*

10

And were Mr Badalati and Mr and Mrs Hindi at that lunch as well?
---*Yes.*

Who paid for that lunch?---*I don't know.*

Did you pay for your lunch?---*No.*

Did Wensheng Liu pay for his or your lunch?---*No.*

20 Did you witness anybody pay anything at that lunch?---*No.*

Do you believe Xinfeng or Yuqing Liu paid for it?---*I believe Xinfeng did, Xinfeng did.*

And is that belief based on the fact that you didn't see anybody else pay for it at that time?---*Yes.*

30 The itinerary then says at 5.00pm the signing ceremony of Tangshan Xinfeng Thermoelectric Group and Australian The One Capital – go to the next page, please – One Capital Group will be held in the multifunction hall on the second floor of Tangshan Xinfeng. Do you see that?---*Yes.*

And that signing ceremony was held that evening at the Xinfeng building, correct?---*Yes.*

And you attended that ceremony?---*Yes.*

And Mr Badalati attended?---*Yes.*

40 Did Mr and Mrs Hindi attend?---*No.*

Can I show you volume 2.8, page 18? The signing ceremony was held on a stage in the hall at the Xinfeng building, correct?---*Yes.*

And the itinerary said about 200 people were in attendance. Were there lots of people watching the signing ceremony in this hall?---*Yes. They were Xinfeng staff.*

And was the local media there?---*I can't remember whether or not there were local, there were media companies present.*

10

All right. Can we just make this photo a little bit bigger, please. Second from the left is Philip Uy, isn't it?---*Yes.*

Who's the gentleman to the left of him? Our left.---*It could be – I think he was a leader in the local municipality.*

All right. And on the other side of Philip Uy is Yuqing Liu, correct? ---*Yes.*

20 Next to him is Mr Badalati, correct?---*Yes.*

Who's next to Mr Badalati?---*The Deputy Mayor of Tangshan, I believe.*

And next to him is Wensheng Liu, correct?---*Yes.*

And who are the two men next to him?---*Local government officials.*

Can I show you – I'll just, I'll tender that photograph. It'll be exhibit - - -

30 THE COMMISSIONER: 177, I think.

MS HEGER: 177. Thank you.

#EXH-177 –PHOTO AT VOLUME 2.8 PAGE 18

MS HEGER: Can I show you now the next page, page 19, the same volume. Can I make that a bit bigger, please. This is another photo of the signing ceremony that took place in the hall that night, correct?---*Yes.*

40

And you can see on the screen behind Yuqing Liu and Wensheng Liu is another picture. That's a picture from the dinner at Chinatown on 18 March, isn't it?---*Yes.*

THE COMMISSIONER: Was that one of the photos that were on your computer?---*No.*

MS HEGER: Well, who provided this photograph to be shown on this occasion?---*I have no idea.*

10

Commissioner, I'm told there's a technical difficulty with the system and we need to take a short break to rectify it.

THE COMMISSIONER: Why don't we just adjourn till quarter to 2.00.

MS HEGER: Yes, that's convenient.

LUNCHEON ADJOURNMENT

[12.45pm]