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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER HALL QC
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION SKYLINE

Reference: Operation E17/0549

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 19 JULY 2018

AT 10.18AM

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AGAINST SECTION 112(2) OF THE INDEPENDENT COMMISSION
AGAINST CORRUPTION ACT 1988.

THE TRANSCRIPT HAS BEEN PREPARED IN ACCORDANCE WITH
CONVENTIONS USED IN THE SUPREME COURT.

THE COMMISSIONER: Thank you. Yes, Ms Curtin, are you ready to proceed?

MS CURTIN: I call Mohammad Melhan Hussein.

THE COMMISSIONER: Just before you do, Mr Baran, you - - -

MR BARAN: I appear on behalf of - - -

10 THE COMMISSIONER: Well, you seek leave to appear?

MR BARAN: I do. I appear on behalf of Mohammad Ali Hussein. I do seek to not formally appear but to protect the interests of the witness about to be called, who is the brother, Mohammad Melhan Hussein, both witnesses will take the objection.

20 THE COMMISSIONER: Yes, come forward, Mr Hussein. Mr Baran, you said that he wishes to have a declaration under section 38?

MR BARAN: Yes, your Honour.

THE COMMISSIONER: Do you take an oath or affirmation to give evidence. An affirmation? .

MR M HUSSEIN: Yes.

30 <MOHAMMAD MELHAN HUSSEIN affirmed [10.19am]

THE COMMISSIONER: Mr Hussein, just state your full name for the record, if you would.---Mohammad Melhan Hussein.

Mr Hussein, I understand you wish to give evidence under objection, that is to obtain the protection of the Act and this has been explained to you; is that right?---Yes.

40 THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act I declare that all answers given by Mr Hussein and all documents and things produced by him during the course of his evidence shall be regarded as having been given or produced on objection. Accordingly, there is no need for him to make objection to individual questions or documents produced.

MS CURTIN: Mr Hussein, could you tell the Commission your current occupation?---I work for a development company.

THE COMMISSIONER: Sorry, for a, what sort of company?---A development company.

MS CURTIN: Forlife?---Forlife Development.

It is right that your brother is the sole director of that company?---Yes.

10 Sorry, your brother's name is?---Mohammad Ali Hussein.

What title do you hold in the company, Mr Hussein?---Just the manager.

How long have you been employed by Forlife?---Since it started.

When was that?---Around four years ago.

20 Are you its only employee?---No, there's a couple more.

Who are the other employees?---One of my other brothers and another guy.

What's your other brother's name?---Mohammad Abbas Hussein.

What is the name of the other employee?---Wasim.

30 There are three employees including yourself; is that right?---Yes.

Do you hold any formal qualifications, Mr Hussein?---No.

Did you finish high school?---Yes.

But after that, you didn't undertake any further training?---I started studying and I stopped.

40 THE COMMISSIONER: Mr Hussein, would you just move that microphone towards you a little bit. Just keep your voice up a bit more to ensure it will be recorded accurately.

MS CURTIN: What did you study Mr Hussein?---I studied business management.

But you didn't finish that qualification?---No.

Do you have any trades?---No.

What did you do before you commenced workings for Forlife?---Before that I used to own a car yard.

How long did you work at the car yard?---Around seven years.

10 Is that the full extent of your professional experience before joining Forlife Development?---Before that I was a security guard as well.

So you've worked as a security guard and at a car yard?---Yes.

What did you do at the car yard?---Car sales.

20 I take it then from your evidence you don't have any qualifications in, say, building or construction?---No.

What about town planning?---No.

What about valuation work; have you undertaken any kind of training that would equip you to undertake valuation work for properties?---No.

30 Where are the property developments that Forlife undertakes, where is the work that you do?---Our main work right now is in the Liverpool area.

When you say "right now", have you worked elsewhere other than the Liverpool area?---Yeah, we did, in the Penrith area before.

So the work that Forlife has undertaken in property development has been restricted to Liverpool and Penrith; is that right?---Yes.

40 Would you mind telling the Commission the nature of the work that Forlife Development does?---We buy properties; we do our studies on them; we do plans on them; we get DAs out; and now we've just recently started building as well.

Is the work that you've described restricted to residential work or is it commercial also?---Right now it's all residential, mainly.

When you say "right now", has there been a period of time when it was not residential?---Not really; it's always been residential.

You've done no commercial work to date?---No.

What's the largest development that Forlife Development has undertaken?--- unit sites for up to 49 units.

10 Nothing larger than that then, I take it?---No.

Have you done any work as part of Forlife Development's work with the Aboriginal community in the past, Mr Hussein?---We've put offers through to them but, no, we haven't done any work.

Not done any development work- - -?---No.

20 - - -with the Aboriginal community? What about development work in Newcastle; has your company undertaken any development work in Newcastle?---We were meant to be doing work in Newcastle but we didn't go ahead with it.

Is the work that you were going to undertake in Newcastle and the work that you were going to undertake with the Aboriginal community the same work?---Yes.

30 What work was that?---They wanted to plan for houses and residential blocks in the Newcastle area.

Which Aboriginal community are you referring to, Mr Hussein?---Sorry, I can't remember the name of it.

You don't know?---No.

Was it it the Awabakal Aboriginal community?---Not sure, because it all came to me through a third party, not through them directly.

40 What was the name of the third party?---It was through I think it was Advantage Property Experts.

Advantage Property Experts Syndications Pty Ltd; is that right?---That's right.

Was that the company you were dealing with?---I was dealing with a person not a company.

What was the name of the person you were dealing with?---Hussein.

Is that a gentleman by the name of Hussein Faraj?---Yes.

How do you know Mr Faraj?---From our community I've met him.

10 Which community is that?---Through the Lebanese community.

When did you meet him?---Probably known him for around five, six years. Before that, I used to know him but not know him properly. So we used to see each other at the community centre and just say "Hi" and "Bye"; that was about it.

20 Would it be right to say that you met Mr Hussein around 2012?---Yes.

Up until the agreement that you have mentioned with Advantage in the Newcastle region, had you undertaken any business with Mr Faraj?---Nothing that went through.

I beg your pardon?---No business that actually went through.

And what about with his company Advantage?---The same.

30 So is it right to say that you've undertaken no business transactions with Mr Faraj- - -?That's correct.

- - -personally?---That's correct.

And what about Forlife Development Pty Ltd, is that right also, that you've undertaken no business transactions with Mr Faraj?---That's right.

40 What about Forlife with Advantage, the company, has that undertaken no business transactions prior to the one we've mentioned?---No business transactions.

I beg your pardon?---No business transactions. There was business proposals, but they didn't actually go through.

I see. Is it your evidence that aside from the agreement that we'll come to shortly that you entered into on behalf

of Forlife Development with Advantage, that there were no business transactions resulting in any payment being owed to Advantage by Forlife Development Pty Ltd?---That's correct, no payments.

Are you sure about that?---100 per cent.

10 Did your brother do any - - - and when I say "your brother" I mean the director of Forlife, did he do any work with Mr Faraj, to your knowledge?---No, he didn't have any dealings with him.

None at all?---No.

Did you know any of the other directors of Advantage apart from Mr Faraj?---The thing is I've met a few people, but I don't know whether they're directors or not.

20 I see. Could you tell the Commission who you met?---I met a Chinese lady.

And what was her name?---I honestly can't remember.

Was it a lady by the name of Rose Zhao?---Rose.

I see. Any other people?---And I also met Nick, a person by the name of Nick. I don't know his surname.

30 Was it Nick Petroulias?---If you show me a photo, I might be able to tell you, but I would - I wouldn't know his surname.

THE COMMISSIONER: In what circumstances did you meet Nick?---I met him once at the office with Hussein at the Burwood office they had and I also met him at Iran once.

At?---Iran. In Iran.

40 Iran?---Yes.

THE COMMISSIONER: Thank you.

MS CURTIN: Mr Hussein, I'll just show you a photo, because you mentioned that you might be able to identify the man you know as Nick?---Yes.

Is that the gentleman there?---Yes.

So that's Mr Petroulias - - -

THE COMMISSIONER: On the screen. Can you see it on the screen?---Yes.

MS CURTIN: So that's exhibit 42, page 1. And you've identified a photo there as being of the man who you know as Nick who you met?---Sorry, what was that, 42 point?

10

Sorry, that is page 1 of exhibit 42 that you've got in front of you. I'm just identifying it for the purposes of transcript?---Oh, okay, yes.

That's a photo of a gentleman who you know to be Nick?---That's right.

Who you say you met in connection with Mr Faraj?---Yes.

20

And when was that?---I met him once in Sydney before we - before I seen him again in Iran. I seen him in Campbelltown and then the second time I seen them together was in Iran.

I see.---And then the third time was in their office in Burwood.

30

In whose office in Burwood, Mr Hussein?---Well, it was referred to me as their office, so I think Advantage Property Experts group.

I see. Did you meet Mr Petroulias in the offices in Burwood in connection with this proposal that you put forward on behalf of Forlife Development with Advantage?---No, I actually met with him regarding a different proposal that we were doing.

40

So you didn't meet Mr Petroulias in connection with this proposal?---No.

Is it your evidence that you dealt only with Mr Faraj in connection with this proposal?---Yes.

Can you tell the Commission when roughly you made this proposal in terms of dates?---Honestly, I can't be precise.

Okay. 2016?---It must have been around that.

There's a proposal that Forlife Development has entered into dated 13 June 2016 with Advantage. Does that sound correct?---Can I - do you mind?

10 Yes, I'll take it to you in a moment. It is volume 16, page 133. It will come up in front of you on the screen, Mr Hussein. It might need to be a bit larger. Do you recognise that document, Mr Hussein?---Can you just - can we go to the next page, please? Yes, I do remember this document.

So that's a document described as a fee proposal from Forlife Development Pty Ltd addressed to Advantage Property Experts Syndications dated 13 June 2016?---Yes.

20 Is that the business to which you've referred earlier that you had with Advantage?---Advantage Property Experts Syndications, yes.

Did you prepare this document, Mr Hussein?---I'm pretty sure this is the one I prepared.

Pretty sure?---Yes.

Is there anyone else within Forlife Development that would have been responsible for preparing it?---No, that would be me

30 So only you?---Yes.

Could you scroll down, please, to the next page, page 134. At the bottom there it says:

Mohammad Hussein director.

That's not you, is it?---That's Mohammad Ali Hussein.

40 That's your brother; is that right?---Yes.

Did you give him a copy of this document before it was provided to Advantage?---I'm pretty sure we met and he seen it.

You met your brother?---I'm pretty sure in the meeting, he must have seen it, when we met together in the office, in our office.

Before you gave this proposal to Advantage?---Yes. From memory, yes.

I should ask, there's no signature that appears on page 134 of this document, but is it correct to say that this document was in fact given to Advantage?---Yes, I'm pretty sure it was given to Advantage.

10 Did you give it to Mr Faraj?---If anything, I must have emailed it to him.

You think you emailed it to him?---Yes.

Around the date that it is dated?---Around the date it was dated, yes.

20 When you prepared this document, Mr Hussein, was it based on instructions that you received from anybody?---No, it was actually negotiated - talk that we had among each other, me and Hussein.

You and Mr Faraj; is that right?---Yes.

So, if anything, Mr Faraj gave you the instructions?---He told me this is basically what we need.

30 He told you what would be involved in the project; is that right?---Yes.

The services that are referred to on page 135, if we just scroll down, yes. The services that appear in that table on that page, were they based on what Mr Faraj told you was needed---?Yes.

40 You will see at the top of that page it refers to Awabakal Local Aboriginal Land Council. Do you accept that that was the land council that you were dealing with with Advantage?---You can't say I was dealing with Advantage, they were dealing with them.

I see. But is it correct to say then that you got no instructions or received no instructions from anyone from that council?---Never.

Only Mr Faraj?---Yes.

Could we just go back to the first page of that document, Mr Hussein, page 133. Do you see the first paragraph refers to the "Awabakal economic advancement project contract"?---Yes.

What do you know about that project?---From memory, that was a project in Newcastle.

10 I see. What work was Forlife going to be doing in connection with that project---We were going to engage town planners and architects and surveyors to undertake all the work necessary to do.

Did you understand what work was going to be involved in connection with that project?---At the time, yes.

Where was the land?---In Newcastle.

20 Can you be more specific?---Not really.

So somewhere in the Newcastle region?---In the Newcastle region.

How many sites were involved, do you know?---It was big. From memory, it was pretty big.

How big?---I think it was around - they wanted to do around about 400 and something houses, or something.

30 Sorry, you'll have to speak up, Mr Hussein?---They wanted to do, I think from memory, around the 400 or 450 houses.

They wanted to build around 400 or 450 houses?---Yes.

By "they" you mean Advantage?---Advantage, yes.

How many lots were involved, do you know?---No.

40 Do you know what zoning was involved in the land that you'd be working in connection with?---You see, the reason that we didn't go deep into the - into the searches and go spend our money and do it is because, previous to that, there was other stuff that we were meant to do, us and Advantage Property, and nothing came through from it. So that's the reason we didn't do further studies on it.

Sorry, my question was: do you understand what zoning was

involved in the land that you would be dealing with?---At the time, yes.

And what zoning was that?---I think it was E4 or something and then we had to change it to R2, from memory.

What's E4, Mr Hussein?---Environmental.

10 I see. So part of the work that you were to do - - -?---Is to rezone the area.

To make zoning applications?---Yes.

Rezoning applications? And you said earlier that somehow it didn't go ahead. Can you repeat that evidence. What did you mean?---Nothing came through from it, so they were meant to pay the deposit. They never paid the deposit so we can continue working.

20 Yes. You're telling the Commission that Forlife Development did no work?---Did no work.

On this project?---Yes.

And you did no work because you didn't get paid; is that your evidence?---That's right.

30 Are you referring to the \$300,000 initial payment that you were to receive?---Yes. Yes.

If I take you to page 136 of this document, you'll see there about the fourth paragraph it refers to "forwarding to us with an initial payment of \$300,000 enclosed acceptance form"; do you see that?---Yes.

I take it that that was the payment that you're saying you ought to have received from Advantage but did not?---Before we started work.

40 You never received it?---No.

Did you chase up that payment, Mr Hussein?---I asked Hussein a few times when I seen him and nothing came through.

Did you send any further correspondence in connection - - -?---No.

So this is the sum total of the correspondence you had with Advantage in writing; is that right?---Yes. That's right.

Are you sure about that?---Yes.

Just this document dated 30 June that you prepared?---Yes.

10 Just staying on that page, it refers to "completing the enclosed acceptance form". And then if we go over to page 138, you'll see that there are some signatures appearing on that page?---Yes.

I take it then this is a copy of a document that Forlife Development received back from Advantage; is that right?---Yes. Hussein gave me this document.

20 Did you see anyone append their signatures to this page?---No.

Do you know to whom those signatures belong?---No.

None of them?---None of them, except obviously down the bottom it says "Advantage", so I was assuming that was Hussein.

What about on right, "KNL for Awabakal". Can you see that in handwriting?---Yes.

30 Do you know who that is?---No. No, I don't.

Was this the only arrangement that Forlife had entered into with Advantage, this letter?---Yes, there was; there was other proposals, but this is the only one that they came back and it was signed and nothing went ahead.

Forlife Development has never been indebted to Advantage for any money; is that right?---No, no.

40 What about you personally?---No.

What about Mr Faraj; Forlife has never been indebted to Mr Faraj?---No.

You've never been personally indebted to Mr Faraj?---No.

For any sum of money?---No.

If Forlife did owe money to Advantage, you, as manager, would know about it; isn't that right?---Yes.

THE COMMISSIONER: Did you ever have a discussion with the person you referred to as Nick, whom you identified from the photograph, about the Advantage proposal?---No, not with this one.

10 MS CURTIN: Mr Hussein, you mentioned that you'd met Mr Petroulias at a meeting with Mr Faraj and that was at Mr Faraj's offices in Burwood; is that right?---Yes.

To your knowledge, what was Mr Petroulias doing at that meeting?---He wasn't actually at the meeting. I was sitting with Hussein Faraj and with the other lady, Rose, and 15 minutes into our sit-down he came in.

20 Mr Petroulias came in?---Yes.

Did he explain what he was doing there?---No.

Did he seem to know Mr Faraj well?---Yes.

THE COMMISSIONER: Was there any discussion involving the person Nick at that time?---Not in front of me. No. The only discussion we had at that time was regarding what had happened in - about the dealing that we were trying to do in Iran.

30 MS CURTIN: When you say "we", do you mean you - -
-?---Myself, Hussein - and I met Hussein and Nick over there.

Was it your understanding then that Mr Petroulias was doing business with Mr Faraj?---Yes.

40 And that business involved also that deal in Iran that you have mentioned, did it?---Yes

I see. Before we leave this document, the fee proposal, Mr Hussein, I just wanted to take you back through the services that you've identified on page 135. Down the bottom there it says:

Valuation of all lands within the scope of work...

Was that work that Forlife would do?---You see, most of the work outlined on this document is not actually work that Forlife would do, as in a company personally.

I see?---It will outsource the work.

Because Forlife didn't have the qualification or experience to do the work; is that right?---That's right.

10

What about the assessment of state significant development of the Warners Bay site, does that fall into that category of work that Forlife was not equipped to do?---I think it's all of the work that is on there, Forlife wouldn't have done it itself; it would have outsourced it.

Is that because Forlife Development does not have - - -?---It's a development company. We outsource all our work.

20

Just let me finish my question.---Sorry.

Is that because Forlife Development Pty Ltd does not have the experience or professional background to do the kind of work that is listed in this table; is that right?---Yes.

Mr Hussein, your evidence earlier was that you were never paid for the work that was to be undertaken by Forlife, and that is you were never given the \$300,000 progress payment, the first progress payment; is that right?---That's correct.

30

Because of that Forlife Development never commenced any of the work it said it would do under that fee proposal; is that right?---Yes.

You've never been paid anything by Advantage in connection with this proposal?---That's correct.

40

Or, indeed, in connection with any business?---That's correct.

Can I give you a document, Mr Hussein - it's dated 30 November 2016 - for you to have a look at. Mr Hussein, that's a document headed "Tax invoice" that has the Forlife Development logo on the top of it dated 30 November 2016. Do you recognise that document?---I've seen this document

before.

Did you prepare this document, Mr Hussein?---No.

Do you know who did?---No.

Where did you see the document? You said you've seen it before?---I'm not sure if I can say where I've seen it.

10 Did someone give it to you?---Yes.

Was that your brother, Mohammad Hussein?---No.

Do you know if Mr Mohammad Hussein prepared this document?---No, this was - this document was not prepared by our office.

20 It wasn't prepared by your office. So no-one, to your knowledge, at Forlife Development prepared this document?---No.

And you don't know who did?---No.

It says "Settlement acknowledgment re Awabakal economic advancement project contract". Is that the contract in connection with the fee proposal that you prepared, Mr Hussein?---It has the same name on it, so it must be.

30 I see. And do you tell the Commission you know nothing about this document?---That's right. I have seen it before but it wasn't us that prepared it.

THE COMMISSIONER: Did you know who was behind Advantage, who were the director shareholders?---To my - to my knowledge, it was Hussein Faraj. To my knowledge, he owned - he was a director of that company.

40 Nobody else associated with the company that you know of?---No.

MS CURTIN: Do you know what this document purports to do, Mr Hussein?---"Progress payment 1 on acceptance of fee proposal and before commencement including work" - it's meant to be for a payment of \$300,000.

You have to speak up Mr Hussein. What did you say?---A payment of \$300,000.

It refers to a payment of \$300,000?---Yeah.

It suggests, doesn't it, that Forlife Development had, in effect, been paid \$300,000 by Advantage?---That's not true.

That's not true?---No.

10 You're telling the Commission that that's not right; you've never been paid?---Never been paid.

If this document suggests that you have been, that is false, is it?---That's true.

I take it from your evidence that this document is, in fact, an unauthorised document?---That's right.

It has nothing to do with Forlife Development?---Correct.

20 You didn't authorise it?---Correct.

It's false?---That's right.

The document refers to Mirror Developments Pty Ltd. Do you see that?---Yes.

Do you know who that company is?---No.

30 Have you had anything to do with that company?---No.

Has Forlife Development had anything to do with that company?---No.

MS CURTIN: I tender that document, Commissioner.

THE COMMISSIONER: Yes. The document on the letterhead of Forlife, 30 November 2016, addressed to Advantage Property Experts Syndications Pty Ltd will become exhibit 95.

40 **#EXH-095 - FORLIFE DEVELOPMENT TAX INVOICE DATED 30 NOVEMBER 2016**

MS CURTIN: Just before we leave this document, if you look in the paragraph underneath the heading in bold, the last sentence of it says:

Advantage has agreed to the set off of Forlife's liability to Advantage for the below specified amount.

Do you know what a set-off is, Mr Hussein?---Sorry, just one second. From reading it, it means that they want to set off this payment on to something that I owe them, or something like that.

10 That's right. That can't be right, can it?---Impossible.

Because, on your evidence, you didn't owe Advantage any money?---Nothing.

And, on your evidence, Forlife didn't owe Advantage any money?---That's correct.

MS CURTIN: Commissioner, that's this witness's evidence.

20 THE COMMISSIONER: Thank you. Does anybody have any questions? Mr Baran?

MR BARAN: No, Commissioner. Could the witness be excused?

THE COMMISSIONER: Thank you Mr Hussein. You may step down. Thank you for your attendance.

30 THE WITNESS: Thank you. Do you need this paper back?

THE COMMISSIONER: Just leave it there, thank you.

THE WITNESS EXCUSED [10.52am]

40

MS CURTIN: Commissioner, I call Mr Mohammad Ali Hussein.

THE COMMISSIONER: Yes, thank you. In the hearing room or is he here?

MR BARAN: He's outside, Commissioner

(Mr Mohammad Ali Hussein enters the hearing room)

10 THE COMMISSIONER: Mr Hussein, you're going to give evidence. Do you want to give evidence on affirmation as distinct from giving evidence on oath?

MR A HUSSEIN: On oath, please

THE COMMISSIONER: On oath?

MR A HUSSEIN: Yes, please.

20 THE COMMISSIONER: Do you want to take an oath on the Bible?

MR A HUSSEIN: On the Koran.

THE COMMISSIONER: If you wouldn't mind standing while that is administered.

<MOHAMMAD ALI HUSSEIN, sworn [10.55am]

30 THE COMMISSIONER: Yes?

MR BARAN: Just the objection.

THE COMMISSIONER: Sorry, you're saying that he wants to take the benefit of section 38?

MR BARAN: Yes, your Honour.

THE COMMISSIONER: Are you appearing for Mr Hussein?

40

MR BARAN: Yes.

THE COMMISSIONER: I grant leave for you to appear.

Mr Hussein. I understand it has been explained to you that there's a procedure whereby you can object to giving questions, and that affords you some protection against

your evidence being used in the future. That's your wish, is it?---Yes.

10 Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness, Mr Hussein, and all documents and things that may be produced by him in the course of his evidence are to be regarded as having been given or produced on objection. Accordingly, there is no need for the witness to take individual objection to particular questions or answers.
Yes?

MS CURTIN: Mr Hussein, you're a property developer; is that right?---Yes, that's right.

And you're the sole director and shareholder of Forlife Development Pty Ltd?---Yes.

20 Have you always been the sole director and shareholder of of that company?---Yes.

When was it incorporated?---2012.

You're director of another company called Saleh Group Investments Pty Ltd; is that right?---Yes that's right.

And that is connected with Forlife, is it?---I'm not sure if it's connected.

30 The work that you undertake as a property developer, is that under the name of Forlife Development or under Saleh Group Investments?---Some under Forlife and some under Saleh.

How many employees does Forlife Development have, Mr Hussein?---We've got four.

That's your brother, Mohammad Melhan?---Yes.

40 He's the manager; isn't that right?---Yes, that's right.

You have another brother who works for the company?---Yes, that's right.

What kind of work does he do?---My other brother?

Yes?---He does most of my accounts.

So administrative work mainly; is that right?---Pretty much, yes.

What's that brother's name, Mr Hussein?---Another Mohammad.

I beg your pardon?---Mohammad Abbas.

10 Could you give the Commission his full name, please?---Mohammad Abbas Hussein Saleh.

Thank you. There's a fourth employee at the company?---Yes.

And his name is?---Wasim.

What's his surname, Mr Hussein?---Chaker.

20 How do you spell that?---C-H-A-K-E-R.

What does Mr Chaker do, Mr Hussein?---On site, takes care of sites for me, goes to meetings with me with architects, council work, the whole lot.

Do you hold any formal qualifications, Mr Hussein?---No.

Did you finish high school?---Year 10.

30 Year 10. After finishing high school and year 10, what work did you do?---Oh, I did a fair bit. I was in panel beating, then I got into mechanics, then I owned a car yard for a while and then I got into property development.

Did you undertake any trades during the time that you were - - -?---No.

You've undertaken no trades; is that right?---No.

40 Do I understand your evidence correctly that when you say prior to being becoming a property developer the work that you did professionally was mainly in the area of mechanics, cars?---Yes.

Panel beating, and you owned a car yard; is that right?---Yes.

How long did you work in the car yard?---My brother owned

it prior to me. Then I owned it for a while. All up, it was four years.

And after finishing that work in the car yard, you then established Forlife Development; is that right?---Yes.

Since then you've been working as a property developer?---Yes.

10 I understand from your evidence, then, that you've got no experience in town planning prior to, for example, starting at Forlife?---Prior to Forlife, no.

No? And no experience in construction or property development at all?---Prior to Forlife, no.

20 I see. What about your employees; did they have any particular experience prior to establishing Forlife in property development?---No. We all learnt through the company.

Sorry, what was that?---We all learnt through the company together.

What kind of work does Forlife do?---Property development. We buy properties. We get them DA-ed.

30 Where do you undertake that work?---Most of our work is out Liverpool way.

Aside from Liverpool, where is the work that Forlife Development has undertaken?---Liverpool.

So, only Liverpool; is that right?---Yes.

Has it been principally residential work that Forlife Development has done?---Mostly residential, yes.

40 Was there any other work other than residential that Forlife Development has done?---No, it was mostly residential.

When you say "mostly", has Forlife done any commercial work?---What do you classify as "commercial"?

THE COMMISSIONER: Anything that's not residential?---No, none.

MS CURTIN: No? So strictly residential, strictly in the Liverpool area?---Yes.

And what's the largest project that Forlife has undertaken since it was established?---Unit sites, 49 units.

When was that, Mr Hussein?---Oh, 2015. 2015, I think it was, yes.

10

Have you entered any projects with the Aboriginal community in New South Wales, Mr Hussein?---Have we done any projects?

Yes.---No, we haven't gone ahead and done any projects.

What about property development work in the Newcastle area; I take it from your evidence you've never done any work in the Newcastle area?---No, we haven't.

20

But you know that your company entered into an agreement with Advantage Property Experts Syndications?---Yes.

When was that?---I can't remember the date.

If I tell you it was in June 2016, does that sound about right?---It sounds about right. It must have been 2016, yeah.

30

Did you have anything to do with the negotiations?---No.

With Advantage?---No, I didn't do any dealings directly with them, no.

So who was it that entered into the negotiations?---My manager.

Your brother, Mohammad Melhan, you're saying?---Yes.

40

So is it right then that you had no dealings yourself with Advantage?---At all.

Do you know Mr Hussein Faraj?---Yes, I've met him. Once or twice I've met him, that's about it.

But you didn't meet him in connection with this - -
-?---No.

- - - agreement - - -?---No.

- - - that your company entered into with Advantage?---No.

So your evidence is that the agreement that Forlife Development entered into with Advantage Property Experts Syndications was negotiated solely by your brother; is that right?---Yes, that's right.

10

Mohammad Melhan Hussein?---Mohammad Melhan Hussein, yes.

What was your understanding of the agreement that you entered into, Mr Hussein?---What I knew about it, there were some properties, and I think they needed rezoning and DAs.

Who is "they"?---That's Property Advantage (as said).

20

What did you know about - - -?---That's all I knew.

Did you know anything about the Aboriginal community that was involved?---Not the Aboriginal community because I don't think we had any direct dealings with the Aboriginal community.

Do you know the name of the land council that was involved?---No.

30

You never spoke with anybody within the land council at all?---I wouldn't know.

Do you know if your brother did?---Wouldn't know, to be honest, no

Do you know how many sites were involved in the project?---Not sure.

40

Do you know the size of it?---No.

Not at all?---No. Nothing went ahead. Nothing happened after that, so - - -

When you say "nothing happened after that" do you mean?---If we had started the works, I would have known what the site was, where it was exactly everything, but - - -

There's a fee proposal that was prepared by Forlife Development dated 13 June 2016. I take it when you say nothing happened after that, you mean that nothing happened after that fee proposal was put forward; is that right?---I'm not sure. Fee proposal by Forlife?

I'll take you to the proposal, Mr Hussein?---Yes.

10 It's in volume 16, page 133. Do you recognise that document?---Yes, I have seen it, yes.

That's a letter from Forlife Development to Advantage Property Experts Syndications?---Yes.

The heading is "Fee proposal for planning and reports"; do you see that?---Yes.

20 Would you go to the next page. Down the bottom it appears to have your name?---Yes, that's me.

As director. Do you know if this document was ever given to Advantage?---I'm not sure.

Did you see it before today?---The fee proposal? This?

Yes?---Yes, I'm sure I've seen it, yes.

30 Who showed it to you?---It must have been my brother.

I see?---Yeah.

Do you recall reading it?---It's been a few years, so I honestly can't remember.

He wouldn't send anything to Advantage of this nature without having your authority to do so, would he?---Of course not.

40 I take it that this letter was sent, if it was sent, with your authority to do so?---Of course it would have been with my authority, yes.

But you can't recall - - -?---I can't remember, to be honest.

You can't say now today what this agreement contracted or

obliged Forlife Development to do?---I can't remember.
It's been a few years, so I don't.

You don't know the nature of the services that you agreed
to undertake?---Oh, I'm sure we agreed to do rezoning and
DAs, and that's what it was.

10 But you have no knowledge of where the work was to be
conducted?---Not exactly, no. No.

Do you have any knowledge of who Forlife was going to be
working with in connection with this work?---Advantage
Property, that's all I knew.

You didn't know any other companies involved?---No. No.

Have you heard of the company Able Consulting Pty
Ltd?---No.

20 Never heard of them?---Never heard of them.

So you weren't aware that about Forlife Development was
going to be going to be doing work with
Able Consulting?---No.

I take it you weren't aware that Able Consulting was going
to be the manager of this project. You're shaking your
head?---Not at all.

30 Not at all?---No.

Do you know a company by the name of Mirror Developments
Pty Ltd?---No.

No?---No.

Never heard of them?---Never heard of them, no.

40 Could we just go back to that document. Do you understand
that this fee proposal was accepted, Mr Hussein?---Yes.

It was?---It was accepted, I'm sure, yes.

By Advantage?---By Advantage, it would have been, yeah.

You see on page 138, which is the the next two pages down,
this document appears to have some signatures. Did you see

anybody sign this document?---No.

Do you know who did sign the document?---I'm honestly not sure.

Do you recognise any of the signatures there?---Not at all.

Do you know who - can you see the handwriting there "KNL for Awabaka1"?---Yeah.

10

Do you know who KNL is?---No.

Never heard of them?---Never heard of them.

What about Knightsbridge North Lawyers?---No.

Never heard of them?---Never heard of them, no.

20

Mr Hussein earlier we were talking about how it came to be that Forlife entered into this agreement and you mentioned that you knew Mr Faraj. I take it that you never met Mr Faraj in connection with this particular agreement; is that right?---With this particular agreement, no.

Did you meet a Mr Petroulias in connection with this agreement?---Never heard that name.

Never heard of him?---No.

30

THE COMMISSIONER: Have you heard of a person by the name of Nick at this time?---No.

You weren't introduced to a person called Nick by Mr Faraj or anybody else?---No.

MS CURTIN: How much was Forlife to be paid for this work, do you know, Mr Hussein?---I'm not sure.

40

No idea?---I'm not sure, no.

Do you know if you ever were paid for this work?---If we were paid?

Yes.---No.

You never were paid?---Never were paid.

Had you ever undertaken any work with Advantage before?---No.

When I say "you", I mean you personally?---No.

What about Mr Faraj?---No.

You've never undertaken any work with Mr Faraj?---I've never - no, I've never done any dealings with him.

10

THE COMMISSIONER: How did this proposal originate, do you know?---In - - -

Whose initiative was it and what context was it made?---It was all through my brother.

I see.---Yeah, from day one.

THE COMMISSIONER: Thank you.

20

MS CURTIN: What about Forlife Development? Had it ever undertaken any work with Advantage Property Experts Syndications prior to this agreement?---No, nothing.

Is this right then to say there were no business transactions prior to this agreement in June 2016?---That's right.

30

Between your company, Forlife Development, and Advantage Property Experts Syndications?---That's right.

THE COMMISSIONER: Have you ever met or discussed with Mr Faraj this proposal in the years between the time of the proposal and the present?---Sorry, come again?

Have you ever discussed with Mr Faraj this proposal?---No. I haven't had any discussions with him at all.

Not at all?---Not at all, no.

40

MS CURTIN: If I understand your evidence correctly, and that is that your company Forlife has had no business transactions with Advantage prior to this agreement, is it right to say then that your company was never indebted to Advantage for any money?---That's right, never indebted, no.

Yes. At any time was your company indebted to Advantage?---Not at all.

So Forlife never owed, to your knowledge, any money to Advantage Property Experts Syndications?---Not at all.

What about to Mr Faraj personally?---Never.

Never?---Never.

10

Are you sure about that?---100 per cent.

If your company did owe money to Advantage, you would know about it as a director; isn't that right?---I sure would, yes.

20

Could we just go back to that fee proposal. I asked you whether you knew how much Forlife was to be paid. If we go to page 136, it refers to an initial payment of \$300,000. Do you see that in the middle?---Yes.

Then if we go to the next page, page 137, that \$300,000 is referred to as a "progress payment on acceptance of fee proposal"?---Mmm-hmm.

Is it right that Forlife was never given that money?---Never given that.

30

It was never paid - - -?---It was never paid.

- - - \$300,000?---No.

Who was supposed to pay that money, do you know?---Advantage, I think.

Advantage?---That's who the fee proposal was to.

I see.---Yeah.

40

No other party was - - -?---No.

- - - required to had pay that money?---No.

Not Awabakal?---I wouldn't know who Awabakal is, no.

I'm going to show you a document, Mr Hussein, exhibit 95.---Yeah.

Just before I show you that document, is it your evidence, then, that you were never paid that money and so no work was undertaken by Forlife; is that right?---That's right. That's correct.

Was that the end of the negotiations or the end of any communications with Advantage, to your knowledge?---To my knowledge, that was it, yes.

10

No work was commenced?---No work, no.

I will just show you that document then. It is exhibit 95.---Yes.

It's a document that appears to be on Forlife Development's letterhead, dated 30 November, to Advantage Property, headed "Tax invoice". Do you recognise that document, Mr Hussein?---No.

20

It has your name down the bottom; do you see that?---Yeah.

You didn't prepare this document?---No, it's not me.

Have you ever seen it before?---First time.

Are you sure about that?---Yes.

30

You've never seen this document?---Never seen it before, no.

So are you telling the Commission that you didn't prepare it?---No, I didn't.

And, to your knowledge, no-one at Forlife Development prepared it?---Well, if someone at Forlife had prepared it, it would have come through me, but I've never seen it, no.

40

So to the best of your knowledge, your brother. Who's the manager of the company, didn't prepare this document?---It wouldn't have been him, no, because he would have - he would have put it past me before.

If he had prepared it, he would have given it to you?---Yes.

For your sign-off?---Yes.

You haven't signed this document, have you?---No.

Is it your evidence that you never authorised this document to be given to Advantage Property Experts?---That's right.

10 It seems to refer to this fee proposal that you entered into with Advantage, doesn't it?---"Progress 1 payment". It does say - it does say, "Progress 1 payment on acceptance of fee proposal", so, yeah, it must have been for that, but it wasn't prepared by us, no.

If it's right to say then that this document wasn't authorised by you, would you accept then that it is in fact an unauthorised document?---Yeah, I would say that, yes.

20 It is false, is it?---Pretty much, yeah, or it wasn't prepared by me or anyone from my company, so it is false. To me it is false.

Do you know what a set-off is, Mr Hussein?---A sorry?

A set-off?---No.

Not familiar with that concept?---No.

Do you see there it refers to in that paragraph the words:

30 Advantage has agreed to the set off of Forlife's liability to Advantage.

Do you see those words?---Hmm.

Do you know what that means?---No.

Your evidence before to the Commission was that Forlife Development, to your knowledge, has never been indebted to Advantage; is that right?---That's right.

40 This document seems to suggest that in fact Forlife did have a liability to Advantage; do you understand that?---Okay.

So that's wrong, isn't it?---That 100 per cent is wrong.

So it's the case, then, that there was no set-off that you agreed to or that Forlife agreed to?---At all.

Of any liability that apparently Forlife owed to Advantage?---Nothing at all.

Because there was no such liability; is that right?---There was nothing, yes, that's right.

It refers in that box there to Mirror Developments Pty Ltd. Can you see that?---Yeah, Mirror Developments.

10

Your evidence earlier was that you didn't know of that company?---Don't know them at all.

So you don't know what that's referring to; is that right?---No, not at all.

Is it the case that you can't explain this document at all, Mr Hussein?---I can't explain it, sorry.

20

And it is not the case, then, that Advantage has paid you any money?---It hasn't paid us nothing.

Never paid you a cent?---Not a cent.

MS CURTIN: That's the evidence of this witness.

THE COMMISSIONER: Yes, thank you. No other questions for Mr Hussein?

30

MR BARAN: No, Commissioner. Could the witness be excused and if I could be excused.

THE COMMISSIONER: Yes, certainly. I'm about to excuse your client. Mr Hussein, thank you for your attendance here this morning. You are excused.

THE WITNESS EXCUSED

[11.19am]

40

THE COMMISSIONER: I propose to take a short adjournment of five or 10 minutes. Then I'll resume and provide an indication as to what evidence will be called today and at a later stage of the proceedings. In particular, in the hearing of 6 August, I'll say something about some program matters about that. I'll adjourn for five or 10 minutes and then resume.

SHORT ADJOURNMENT

THE COMMISSIONER: I want to just put on the record a few matters concerning programming. The Commission will shortly adjourn and resume to take the evidence of another witness not before 2.30 today.

10 So far as the further programming of the hearings this week are concerned, it is proposed to call Mr Strauss tomorrow morning at or about 10 o'clock. There's no other witness available to be called in the morning, so we'll adjourn and then take the evidence - further evidence - from Mr Green at 2 o'clock.

20 Notice has already been given by the Commission of the hearing program both this week and the hearing schedule for August next. The next segment after this week commences on Monday, 6 August next. It will continue through that week, except for Wednesday of that week - that is 8 August, the Commission will not sit - and the Commission will resume on Thursday and Friday of the week of 6 August and then continue in the week that follows, the week of 6 August.

That program, in essence, apart from 8 August, has been previously notified to the parties. When I say "parties", those who have been granted leave to appear.

30 In relation to Ms Bakis's position - I note Ms Bakis has returned to the hearing room - an email was received by the Commission from Ms Nolan this morning which related to her availability in the week of 6 August. My understanding is the email is to the effect that she has a matter in some running court list. I take it to be, in a court sitting in Newcastle in that week. If Ms Bakis wishes to be legally represented by Ms Nolan in the week of 6 August and the following week, then it is a matter for her to confirm arrangements with her.

40 The Commission's hearing program has been disrupted this week by virtue of the fact that it was not until this week, notwithstanding earlier notice, Ms Nolan indicated she was not indicated today because of some other professional commitment. That has caused inconvenience. It has been necessary to try and reschedule witnesses for today in her absence and to defer the cross-examination, which should have taken place today of Mr Green, until tomorrow at 2 o'clock.

By reason of the fact that notice has been given of the

scheduled hearings in the week commencing 6 August and the week after that, I intend to ensure that there is no further disruption caused to the Commission's programmed hearings. Ms Bakis has been summonsed to give evidence, and she should be under no mistake that the Commission proposes, insofar as it is possible, to call her to give evidence on 6 August, or as soon thereafter as possible.

10 I, accordingly, make these remarks so that Ms Bakis also is not inconvenienced and will be legally represented in that week if she requires to be legally represented as she has to date. Accordingly, as I have said before, it is a matter for Ms Nolan to make herself available in accordance with the program earlier advised, and no more disruption to the program, as I have said, is to take place.

Dr Chen, are there any other procedural or other matters that need to be addressed?

20 MR CHEN: No, only that the next witness will not be available until before we expect 2.30.

THE COMMISSIONER: I'll say not before 2.30 then.

MR CHEN: Thank you.

THE COMMISSIONER: That witness is?

30 MR CHEN: Dr Janne Lindrum.

THE COMMISSIONER: I'll adjourn to about 2.30 or as soon as you're ready to proceed with her evidence.

MR CHEN: Thank you, Commissioner.

THE COMMISSIONER: I will adjourn.

AT 11.39AM THE HEARING WAS ADJOURNED TO 2.30PM

40