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INDEPENDENT COMMISSION AGAINST CORRUPTION

STEPHEN RUSHTON SC
COMMISSIONER

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OPERATION GERDA

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 12 FEBRUARY, 2019

AT 10.00AM

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

THE COMMISSIONER: Yes, Mr English.

MR ENGLISH: Perhaps if Ms Li can be called back to the witness box.

THE COMMISSIONER: Yes.

10 MR DREWETT: Whilst that's happening, Commissioner, I wonder if I can raise with you an administrative enquiry. Is it the expectation, certainly from my experience in other inquiries that have been going on, that once my client has completed her questions and answers from Counsel Assisting it would then go around the room for any cross-examination, if there is any, and that her own counsel would then have the opportunity, following cross-examination from others, to then question if there is anything that needs to be raised, prior to Counsel Assisting then having the last word, so to speak? Is that how you would anticipate the matter to proceed?

20 THE COMMISSIONER: Most certainly and I'd leave it to the lawyers to work out amongst themselves – not you of course because you will go last, subject to Mr English – but the other lawyers to work out amongst themselves who goes in what order.

30 MR DREWETT: Could I ask, therefore, after it's gone around the room and if there is any cross-examination, would you be willing to allow my instructing solicitor, Dr Accoto, and myself the opportunity of some 10 or 15 minutes in conference with my client prior to any questions that I may have of her? Obviously we haven't been confirmed with her, about the evidence. It's a different sort of jurisdiction from perhaps down the road and perhaps a little bit less formal in that respect. Would you be willing to give Ms Li's counsel the opportunity of 10/15 minutes just to see if there's anything that she, in particular, wished to raise?

THE COMMISSIONER: No, that's fine. That's fine.

MR DREWETT: I appreciate that.

THE COMMISSIONER: And I should indicate too that, as you're aware, your client participated in a compulsory examination.

40 MR DREWETT: Yes, that's right.

THE COMMISSIONER: I'm proposing at some point today to release that. I've made a section 112 order, as you know, and I'll make it available to the parties. I don't expect that to cause delay. I'd ask those who want to ask questions to do so, but if for some reason any party thinks that there is material in the compulsory examinations that they would like to question the witness about, then I'll hear applications in relation to that. It may be that we have to get your clients back for a short period time.

MR DREWETT: Yes, indeed. Thank you, Commissioner.

MR C. WATSON: Before we commence, Commissioner, might I just enquire, is there any difficulty in Mr McCreadie being permitted to be seated next to me so that he - - -

THE COMMISSIONER: No, that's fine.

MR C. WATSON: Thank you.

MR ENGLISH: Thank you, Commissioner. Ms Li, I first just had better ask, is your screen on today?---Yes.

10 Just some documents I neglected to bring to your attention yesterday. If page 106 of Exhibit 39, which is marked volume 4A, can please be brought on the screen. So page 106 of volume marked 4A. Thank you. So you see this document, Ms Li, do you recognise that?---Yes.

It says it's an AUSP wage PMT. Is that payment?---That's right.

There's two periods identified, two weekly periods identified with respect to the two tables. What do those tables represent or the content of those tables represent?---The employees on the book.

And so this is for AUSP?---Should say, yes, yeah.

20 So if we look, for example, in the first table, number 2 is you, is that right? ---That's right.

And so you're paid for that week \$413 on the books?---Yes.

There's a \$13 amount of tax that's to be withheld.---That's right.

Your total payment is \$400 and the rest you can see as it goes along.---Yes.

30 We see Mr Sirour is also receiving an on-the-books payment from this company.---That's right.

If we can go to the next page, please. The heading of the top table is somewhat covered but is this a similar document in respect of wages for SIG for the same two periods or is it the, I'm sorry, is it only one period? ---One period.

40 There seems to be a repeat, is that just, those tables appear to be a repeat. Do you agree with that or is there some difference there?---It's by the, first one I think is by the first name and the last one's according to the last name.

So these are employees of SIG who are to be paid on the books for this period, is that right?---Yes.

Now, I might be missing something but I don't think I can see your name there. Is that right?---No, my name's not there.

So you were only paid on the books by AUSP. Is that right?---At that period, yes.

If that can just come back one more time. So for this period it suggests – that’s the week ending 28 August, 2016 – that the total weekly payment for SIG is \$11,672.50?---Yes.

Thank you. If the witness, okay. I’m sorry. Page 106 can be brought back on the screen. There’s an entry there in the top table number 5, Azza Abbas. Do you see that?---Yes.

10 Do you know who Azza Abbas is?---Is Tommy Sirour’s wife.

And did Ms Abbas perform any work to your knowledge for AUSP?---No.

What about SIG, did she perform any jobs for SIG?---No.

If the witness can please be provided with a hard copy of Exhibit 47. I took you to some of these documents yesterday. Perhaps if Exhibit 38 – which is marked volume 4, page 85 – can be brought on the screen. You recall this is Mr Lu’s personal time sheet for the week ending 28 August, 2016, where he
20 claimed \$210. Do you see that behind tab 1, or it should be on the screen in front of you, Ms Li.---Yeah.

Do you recall I asked you some questions about that where he claimed \$210, sorry, 210 hours?---From the email, yeah.

From his email, that’s right.---Yes.

And do you recall I took you to the SIG payment summary where he was actually paid for 206 hours?---From the payment?
30

From the payment summary he was only paid for 206 hours. Do you remember that?---Yes.

If you turn to the document behind tab 2 which can be brought on the screen. It’s volume 4B, page 10. Now, this isn’t a document that was created by SIG. What it is, Ms Li, is a filtered version of the new spreadsheet that I asked you questions about yesterday. Do you remember there was Sheet 1 and then there was New?---Yes.

40 And for the record, Commissioner, that New sheet is found from page 47 of Exhibit 39.

THE COMMISSIONER: Thank you.

MR ENGLISH: And what’s happened here is there’s been a filter applied to provide the information in chronological order from Monday to Sunday, in this case in respect of Mr Lu and the names pursuant to which he purported to perform shifts at Sydney University. Do you see that?---Yeah.

On two occasions you can see that he used his own name to be paid by SIG.---Yes.

Do you know why it was that Mr Lu used his own name on occasion in spreadsheets to claim shifts that were paid by SIG to him?---I think he work overtime through SIG.

10 And you don't see, I think you agreed with me yesterday, you don't see Mr Balicevac's name in any site time sheets, do you?---Very rare, yeah.

Very rare.---Yeah.

Is it also very rare that one would see Mr Lu's name appearing in those site time sheets or is it somewhat more common?---He, he, he did the most of overtime through SIG when he is, when he is, was SNP employee.

And using his own name, that is, on the time sheet, is that right?---Yes. Yes. Yes.

20

If I can just ask for page 97 of Exhibit 38, which is marked volume 4, to be brought on the screen, and that's behind tab 3. Volume 4, page 97. See, this is Mr Balicevac's personal time sheet for the same period. You recall there he claims 216.5 hours. You recall I asked you some questions about that yesterday?---Yes.

And he was paid, do you recall, a bit more. He was paid for 218.5 hours. Do you recall that?---Yeah.

30 Just go to the next page, which is behind tab 4, which is volume 4B page 12. So here you can see again the chronological filter applied to the new spreadsheet that you saw yesterday in Exhibit 39. This time when Mr Balicevac's hours are tallied up according to that new spreadsheet, the total is 193.5 hours. Do you see that at the bottom?---Yeah.

And you recall Mr Balicevac claimed 216.5 hours. I just showed you that. ---Yeah.

40 But he was actually paid for 218.5.---Yeah.

Now, the difference between 193.5 and 218.5 is 25 hours, so there seems to be a discrepancy there.---Looks like it.

Yes. Can you provide the Commission with any explanation as to why there might be that discrepancy between the new sheet information and what he was actually paid?---I only can think the possibility, but I'm not exactly sure why the, the, the difference.

What might be one or more of those possibilities?---Might be the conciliation between, between Emir, Frank or, or with other guards, the personal time sheets. When they're reconciled, there's difference maybe.

So there might have been some further reconciliation by the office staff?

---Yeah. Yeah, probably.

And there's been an adjustment made to the payment amounts, is that right?---I think so.

10

Is there any other reason you can think of why there might be that discrepancy?---Might be his personal time sheets maybe made a mistake or something.

Thank you. If that exhibit could be returned, please. And I was asking you some questions yesterday in the afternoon session about a hotel stay and a dinner at Wolfies, which you used your credit card to pay for, for Mr Smith's benefit. Do you recall that?---Yes, I did.

20

Now, your evidence was yesterday that Tommy paid you back in respect of those charges that were incurred on your credit card for the hotel stay and the dinner?---Yes.

Was there ever any suggestion that Mr Smith paid for that hotel stay or dinner by reimbursing Tommy or Mr Balicevac?---I don't think so.

30

Now, if page 139 of volume 2 can be brought on the screen, please. So you recall this is where we got up to yesterday afternoon. I was asking you some questions about that entry where Mr Balicevac said, "Looks like SNP will go for sale," and I think your evidence was that Tommy saw that as a potential opportunity to take the contract at Sydney University.---That's right.

Now, if we just focus on your message at 1.45 on 8 March, 2017, you ask, "We should do something?" And Mr Balicevac responds, "We have to close monitor." There's a discussion – I withdraw that. Mr Balicevac says, "Keep between us please." And then over the page you see, unfortunately it's covered by the exhibit stamp but it reads, "When Tommy come on Monday to see Dennis to approach him."---Yeah.

40

Can you read that?---Yeah.

"When Tommy come on Monday to see Dennis to approach him."---Yeah.

So were you aware of any approaches that Tommy might have made to see Dennis at about this time in relation to this issue which is the possibility of obtaining the Sydney University contract for SIG?---It might be.

Well, did he tell you that he was going to do that, Tommy?---Yeah, he mentioned to me several times he's going to go to Sydney Uni to see Dennis but it happen, sometimes it didn't happen. Most of the time.

And did he tell you why he wanted to go and see Dennis?---He's saying to say just want to close to Dennis so might be good for him for his business.

Do you know if he raised the issue of SIG taking over the Sydney University contract with Dennis?---Yeah.

10

What did - - -?---Not direct say Dennis but it will happen he always say.

Well, he said it would happen.---Yeah.

Did he say that he spoke about it happening with Dennis? Did he have a conversation with Dennis about that possibility?---Not exactly words but he's probably saying will help.

20

What would help if he spoke to Dennis about it?---If close to Dennis so maybe Dennis will help him.

And was one way of Tommy getting close to Dennis arranging hotel bookings for Dennis?---You mean Tommy, sorry, again.

So Tommy wanted to get close to Dennis.---Yes.

He thought that would help his business.---Yes.

30

And if we look at the bottom of page 140 which is two days after that first entry, this time on 10 March, you're talking about "printing a hotel booking confirmation. Tommy told me the whole plan. Can't wait if we get it." So is that a plan by Tommy to take over the contract at Sydney University? ---Might be, yes.

And is part of that plan getting close to Dennis?---I think so.

And does that involve obtaining a hotel for him to enable Tommy or SIG to get closer to Dennis?---I think so.

40

Is that something that Tommy would do, to your understanding, if he wanted to grow a business? He'd offer gifts or benefits to people who might be able to provide work to SIG?---Yes.

MR O'BRIEN: Commissioner, can I take an objection at this stage?

THE COMMISSIONER: Yes. What is it?

MR O'BRIEN: I'm troubled by the questioning of this witness in relation to what Tommy might have thought. The difficulty is, it lacks a context in terms of time and contemporaneity to these SMS messages. We have discussions that are occurring obviously on SMS between my client and this witness that are then being brought into a context of conversations that have apparently, or least being put in some sort of way by Counsel Assisting as between Tommy and this witness without the context as to time or without the context as to what was said, and therefore respectfully I say that you're not helpfully assisted by that line of enquiry because it imports that there
10 was conversations, when in fact that is not clear, between this witness and Tommy, and these text messages are not all that clear either. This witness obviously has communicated with my client. What she knows and might have thought is relevant and obviously probative in relation to the context of those conversations, but then to bring it into a context of conversations between this witness and Tommy, who I understand won't be called, is problematic.

THE COMMISSIONER: Well, he won't be called because he's not here.

20 MR O'BRIEN: I'm not laying any aspersions in relation to that. Obviously, he's not here and he can't be called but it's troubling that his intentions connected to these telephone text messages are then imported through a leading set of questions to this witness and then imported in an inculpatory way against my client. That's the concern I have.

THE COMMISSIONER: Mr English?

MR ENGLISH: Well, I thought I was careful to ask Ms Li what Tommy had told her about this and I'll continue to be careful.
30

THE COMMISSIONER: But my understanding was that the timing was linked to these texts.

MR ENGLISH: I think my friend's objection conflates two approaches in the questioning. One was originally in relation to the time of these messages, but then a general question was asked as to whether this was Tommy's modus operandi, and it was a general question that was specifically asked for that purpose. And I'm not trying to link the two, I'm trying to get a general response from the witness right now as to what she
40 knows of Tommy's approach to offering such gifts or benefits to people to obtain additional business for his company.

THE COMMISSIONER: I think there's some – if you can endeavour to get more detail I think, because to talk about his general practice in business I don't think really assists unless we can get some more detail about it.

MR ENGLISH: May it please, the Commission. Ms Li, I was just asking you questions about the plan. I think you've answered those. If we go

down to the last entry on the page, you can see Emir saying to you, "We had great meeting this morning." Now, do you know who he's saying he had a great meeting with? You can see at the middle of the page, just in fairness, there's a reference to Daryl. Does that assist any, in your recollection, as to who that meeting may have involved?---Who involved in the meeting?

Yes. So there's Mr Balicevac saying, "We had a great meeting this morning."---Can't exactly remember, yeah.

10 And that's on 13 March, 2017, so some three days later. So perhaps the reference to Mr McCreadie won't help but do you recall anything along those lines?---Might be Tommy went to see him.

Went to see Emir?---Yeah.

Go over the page. Again I'm sorry about the stamp that covers the first entry. I'll read it to you. It says, "We have mentioned Fisher Library lock and unlock." That's from Mr Balicevac to you, and then you say, "To SIG." And then Mr Balicevac says, "Dennis going to look the way how to put SIG
20 in," and then says, "without conflicts." So does that suggest that Mr Balicevac's talking about a meeting he had with Mr Smith?---Yeah.

And that was a meeting for SIG potentially to take over the Fisher Library and locking and unlocking aspects of the contract with the university, is that right?

MR BENDER: I object, Commissioner. This is really questions about the witness's interpretation now of some text messages, not based on any personal observation she had of the conversation.
30

THE COMMISSIONER: She was a party to it, though, wasn't she? I think he can ask her understanding. What was the question again, sorry?

MR ENGLISH: Well, perhaps I'll ask about what her recollection was at the time.

THE COMMISSIONER: Yes.

MR ENGLISH: If you cast your mind back to the 13th of the 3rd, 2017, if
40 you can, this discussion that's on the page here that I've just read to you, do you recall what that was about?---I believe at that time, I can't exactly remember this, but for the whole story I, I think was Tommy want to get the entire contract but he, he ask the advice from lawyers. Maybe he cannot because of conflict. But probably Emir and Dennis, they had a talk with Tommy, maybe give the Fisher Library or unlock to other, other subcontractor and not SNP first. Maybe can give to Tommy. Probably like that.

There's a discussion or an entry that can be seen at 8.43, where there's a price provided, "31 ex-GST". That's from Mr Balicevac to you, and you say, "Good." Do you see that?---Yeah.

What was your understanding of that exchange?---You mean the price?

The price and your response that that's good.---Because for SIG, getting the price from SNP is probably around the 28. So if he getting 31, will be higher.

10

So a better profit for SIG?---Yeah.

And then you write, "Wow," and then Mr Balicevac writes, "Compare \$34.56," and says so it makes him look good in front of his bosses. That comparison amount of \$34.56, what's he referring to there, Mr Balicevac, to your understanding?---Maybe SNP charge Sydney Uni.

20

So do you understand Mr Balicevac saying that Dennis Smith would look good because SIG can offer a cheaper rate than what the university's currently paying?---Yes.

Can you just go down a bit, please. Then on 14 March, 2017, Mr Balicevac says, "Tommy, might be great news. 1 April we might have Fisher and lock and unlock." You say, "Really?" and then, "Wow," and then, "That's quick." Then you say, "Under SIG?" and it's responded on the next page – which again, I'm sorry, there'll be the exhibit stamp – "No Triton." Luckily you can see that. And that's from Mr Balicevac. What was Triton?---Triton is another security company. Oh, sorry.

30

Yes, another security company. And who is that connected with, that company?---At the moment is Tommy's friend called Ramy Khalifa. He's a director.

Was Tommy once a director of Triton to your understanding?---No.

And do you know, why did you ask at the bottom of the previous page if the, why did you ask if Fisher lock and unlock could be provided through SIG? You've asked that question at the bottom of the page. Do you see that?---Yeah. For my - - -

40

Did you, sorry, you answer. Sorry.---For my understanding is SIG shouldn't take over Sydney Uni.

Why not?---Conflict of interest with SNP.

And so if we can just go back over to the next page, Triton, was that a company that had any dealings to your understanding with SNP at the time?---No.

What about the university?---No.

Now, the conversation goes on and there's a discussion between SIG and Triton and then Mr Balicevac says at 12.22, "Too dangerous." And you say, "I know." See that?---Yeah.

10 What was too dangerous, what did you know was too dangerous?---For my understanding is the same, he think shouldn't use SIG as well. SNP will find out.

And was this a matter you ever raised with Tommy about which company should be used for this plan?---I never mention this but he always talk to me, like he always say, "SIG going to take over Sydney Uni will be very good." I said, "Maybe not."

You said maybe not?---Yeah. Is not really good what my understanding to him, yeah.

20 You expressed that to Tommy, that it wouldn't be good if SIG took over the contract?---I think so.

Well, did you explain to him why it wouldn't be good?---I said we, we not ready for everything, like operation side and conflict of interest as well.

So on the operation side you thought SIG, what, couldn't handle a contract the size of that involving Sydney Uni?---No. No.

30 Well, to your understanding was Triton a company that was able to handle those operational expectations?---For operations hundred per cent Triton is not as well but, sorry, can you repeat it.

So to your understanding did Triton have similar, or did it have the capacity to take on the operational expectations of a contract with Sydney University?---No as well.

40 But what, it didn't have the conflict of interest problem?---But if we compare with SIG like for the conflict, only for conflict of interest SIG shouldn't.

Now, if we go down, the entry at 12.33 Mr Balicevac says, "Lynn, I'm confident it is happening." Now, I take it he's to your understanding expressing confidence that either one of these companies is going to get this aspect of the Sydney University contract. Is that right?---Yeah.

Was that something, his confidence that he expressed to you on more than one occasion about SIG or another company taking over this contract?---I

believe he mentioned to me on this, this occasion but more he, he talk to Tommy about it and Tommy mentioned to me.

So what did Tommy say to you about that?---Said he, he's very happy he can, he can have more hours from the, from the contract, yeah, the new contract.

So Tommy was happy because of the potential of obtaining more hours?
---That's right.

10

And what about the potential of being paid a higher rate? Did Tommy express anything about that?---Yeah. Of course, yeah, yeah.

Was he also happy about that possibility?---Of course, yeah.

It goes over on the next page, 143. I apologise again. What that reads is, "Me, Dennis and Daryl will seat," s-e-a-t, "today or tomorrow." That's from Mr Balicevac, "Me, Dennis and Daryl with seat today or tomorrow," and you write, I'm sorry, Mr Balicevac writes, "Great," and you write, 20 "Good." Now, I know I'm reading a bit of that thread to you, but do you have an understanding about what Mr Balicevac's saying in that first thread, in that first conversation?---They might be all discuss more about the Fisher Library stuff.

And the locking and unlocking?---Yeah.

Now, Mr Balicevac asks if all is ready on your end, do you see that?---Yes.

And you say, "The master licences," is that a yes?---Yes. 30

So is that for Triton, a master licence, or SIG?---I think for Triton, yes.

And then you say, "Just let me know public liability and workers' comp," and you say, "Those are easy to fix." Do you see that?---Yep.

Now, when you were writing that at the time, were you thinking it's easy to fix if we set up a guard force that's off the books like we're doing through Pharaohs or are you talking about obtaining public liability and workers' comp for a guard force that's entirely on the books?---I, I think I mentioned 40 about the, to put the public liability and the workers' comp, the certificate to get.

Yes, but in doing so, you remember I asked you some questions yesterday about SIG's certificate of currency, and it only identified 25 guards?
---That's right.

And that was because the guards that were paid off the book weren't covered on that certificate?---That's right.

So when you say here it's easy to obtain public liability and workers' comp, would that be for the full number of guards or only for those who are represented on the books?---I think, I think at that time my very simple understanding is just to get the certificate. I didn't even think how many guards to be on the book yet.

10 Now, down the page the conversation continues. Mr Balicevac says, "Excellent," and then, "Lynn, so excited," and then, "Dennis happy to do now me and Daryl will work out how to SNP not find." See that?---Yes.

What's your understanding of what he's saying there?---Probably it's not good if SNP find out Sydney Uni give the Fisher and lock and unlock to Tommy.

20 And that might be one part of it. What about, "Dennis happy to do now me and Daryl," or at least, "Dennis happy to do now"? Do you know, what's your understanding of what he's referring to there, the reference to Dennis? ---So might be he, Dennis knows the plan.

Now then we can go over the next page. You'll see on the same day Mr Balicevac says, "Lynn, Dennis wife called. Her mother very sick. He's not sure what is for weekend. Can this be moved or cancelled with no cost to Tommy or not?" See those entries?---Yeah.

Do you know what Mr Balicevac's referring to there?---I think the, there's a hotel booking for him.

30 And you haven't responded to that for a while, but you receive some more messages, one of which, at 1.26, Mr Balicevac says, "99 per cent April will start."---Yeah.

Was he, do you recall, expressing some confidence that this plan would be in place by April of that year?---Yeah.

Did he say anything further to you orally about that?---He say most to Tommy, and Tommy is very happy when he come to the office.

40 Tommy was happy when who came to the office? Or when he - - -?---Yeah, when Tommy came back from office (not transcribable) always saying we're going to start, we're going to have the contract.

Now, you rejoin the conversation at 1.31 and you ask about the hotel booking. Do you see that?---Yeah.

"You mean the hotel booking?"---Yeah.

You say at the bottom of the page, "We can cancel."---Yeah.

Mr Balicevac says, "Mum sick," and then says, "He's saying if can't he will still go. He just worried costing Tommy to cancel it." See that?---Yeah.

So did you understand that to be Mr Balicevac passing on a concern he'd received from Mr Smith in relation to Tommy potentially incurring costs if this booking was cancelled?---Yeah.

10 And then you work out that the booking can be cancelled free of charge at this point in time.---Yes

And just over the page, you say again, along a similar line, "No problem. Please tell Dennis we can rebook for him any time he wants." Now, that's a conversation that has been related to a plan to obtain locking and unlocking and Fisher Library aspects of the contract for SIG or Triton, right?---Yeah.

Now, you've said Tommy at around this time came into the office quite happy.---Yeah.

20 It looks like Emir was expressing to you that he was confident that by April those parts of the contract would be obtained.---Yes.

And in those circumstances was this hotel booking, did Tommy express to you that he wanted to, wanted you to make this hotel booking for Dennis because he was pleased with the way these negotiations were progressing? ---Yeah, he just said do, do the booking for Dennis.

30 And that was at around the time that you were discussing this plan with Emir and the messages that we've just gone through, is that right?---I believe so, yeah.

Now if we go to page 148, please. That can just be zoomed in a bit. There at 12.21.47 you see Mr Balicevac says, "Dennis approaching uni to create account code."---Yeah.

Do you know what that was about?---Not sure, but I can't recall it.

40 Well, it seems that he then says to you, "You prepare all paperworks," and you say, "No problem. We just opened bank account today." Does that assist in understanding the account code that Mr Balicevac is referring to? ---I think that account code is in university, maybe billing code.

Well, for which company had you just opened a bank account, do you recall?---I think it's Triton.

So is Triton being set up within the university with an account code? Is that your understanding?---Yeah.

You ask a question at 12.27, "Let me know about insurance." Do you see that?---Yes.

You said, "So I can organise then." And then the response some four seconds later, "Has Daryl been in contact with you?" You're talking about insurance there. Did Mr McCreadie have anything to do with insurance for Triton?---Might be Daryl know more about what should be insured if Triton take the contract.

- 10 So do you recall Daryl getting in contact with you about such matters?
---Can't remember.

You go on at 12.30 to say, "Booking just cancelled."---Yeah.

And then over the page, I'll have to read that to you again. The first entry is "SNP contract have been opened." "SNP contract have been opened," from Mr Balicevac to you.---Yeah.

- 20 And then he says about the same time, "Dennis is looking in." Another message at the same time, "Talking to finance team." Now, do you understand what he's referring to there?---I think he may probably saying Sydney Uni contract might be SNP is open to other security company as well.

What about "Dennis is looking in"? Did you understand that to mean Dennis is looking in and it's Dennis talking to the finance team? Did you understand that's what he's saying there?---Might be looking to put the Triton inside and with lower price.

- 30 Did you understand "Talking to finance team," that also is a reference to Dennis is talking to the finance team?---I think so.

Mr Balicevac expresses excitement at 12.47.21. Is this something that he was very eager to see happen, a change in contract at the university?---Yeah, I think so.

Then you ask, "What do you mean contract open?" Do you see that? And he says, "Open to make sure no effect." Do you see that?---Yeah.

- 40 And he comes along and confirms at 12.52, "Finance team have given approval to Dennis." See that?---Yeah.

And then he says, "Now we looking close in contract SNP can't sue us."
---Yeah.

Was that a concern that you'd discussed with anyone at SIG about this plan, that you might be sued by SNP or the company might be sued by SNP?
---I think I mentioned to Tommy.

And what did Tommy say when you mentioned that prospect to him?---He knows then he probably went through lawyer to ask.

And were you somewhat concerned that you might have some liability personally because you say, "I am the director for Triton. Do you think it will be affected?" You were a director at the time, were you, of that company?---Probably that time.

10 Who asked you to be a director of that company?---Tommy.

And you agreed?---I agreed at the beginning because Australian United Security was closing down. He might, he think, he trying to, at the beginning I said no, but he said I have no one to set up a new company for us just in case SIG something happen so he can transfer the other security service to the new company.

Were you to be paid for that role as a director of Triton?---No.

20 You just did it because Tommy asked did you?---Yes.

And still on 15 March Mr Balicevac says, "Dennis might use SIG direct." ---Yeah.

Did you ever have a discussion about that possibility with anyone at SIG in addition to this conversation thread?---I think maybe the girls in the office just, just have a chat and then most of the time I think it's Tommy probably.

30 When you heard that from Mr Balicevac, "Dennis might use SIG direct," did you tell him that there could be risks with conflicts of interest and maybe Triton would be a better company?---I don't know I mention Triton or not but hundred per cent I said SIG shouldn't take over.

If we go over the page the first entry is, "Tell Tommy to hit Chifley Square." Do you know what the reference to Chifley Square was?---Chifley Square is one of our, another company where the subcontractor is Secure Corp.

40 So do you understand Mr Balicevac's suggesting a similar plan to take over a contract should be put in place in respect of the contract at Chifley Square?---I think Tommy has connection at Chifley Square, yeah.

It goes on to say, "Me and Daryl had enough. We are unleashed." ---Unleashed. Sorry.

See that there?---Yeah.

Do you understand – I withdraw that. Did Mr Balicevac suggest to you at any other time he was in some way tied down?---You mean he’s very tired?

Well, no. Do you know what he’s referring to there about why he’s now unleashed? Unleashed from what?---Basically I don’t really understand unleashed.

10 And you see at the bottom, he says, “Fuck SNP,” and you write, “LOL.”
---Yeah. He expression, I, I have no comment, I only do this, yeah, yeah, the smiling face.

If we can go to Exhibit 37, page 40, please. Again, this is an extraction report from your phone, Ms Li. If we can just go to page 41. Can you see it’s 31 March, 2017? You ask Mr Balicevac, “Any news for the contract coming?”---Yes. Because Tommy always ask me to ask Emir.

20 And it’s suggested that, “We might not be able to kick off from 1st of April but 1st of May, hundred per cent.” Then you ask, “I see. Any reasons?”
Any reasons for what? Were you referring to the delay?---Yes.

And Mr Balicevac says, “Stupid lawyers taking time to say clear.” And did you understand that there was some legal advice saying that there might be some difficulties in this proposed plan?---I don’t know what’s happened to be delay, but Tommy was unhappy with Emir promise to him start from 1 April but didn’t happen then he keep ask me to contact Emir about the reasons.

30 And then Mr Balicevac goes on at 10.43.23, do you see, “Also Dennis said not to overly push.” What do you understand he’s referring to there?
---Maybe it means they not talk too much at that time.

He goes on to say, “Could be saying from them why,” and you say, “Understand.” What did you understand at that time?---The legal process, process.

40 Over the page, on 5 April, 2017, Mr Balicevac says, “Good news, approved.” You say, “Really,” and “When started?” He says, “Now first step done. I am with Dennis at coffee,” and you say, “Okay.” So what did you understand had been approved?---Maybe Triton approved.

And approved by who?---The university.

And do you understand that’s something that Mr Smith communicated to Me Balicevac?---Yeah. A hundred per cent, they contact each other, yeah.

There’s a reference to Dazza at 11.47. Who do you understand that to be?
---Daryl.

Is says, "Will write tender so we can plead secured." Was that something Mr McCreadie would do, write tenders?---Yeah.

Who for? SIG?---For this time probably Triton.

For Triton. Had Tommy asked him to write tenders previously? Are you aware of that?---I think maybe not tender, maybe other risk - - -

10 MR O'BRIEN: I object to that question. It presumes that without apparently featuring within the SMS messages that there was a request by Emir to Daryl to do that. That is absent, what I've seen so far.

THE COMMISSIONER: You can take that up with Daryl, can you?

MR ENGLISH: I can, Commissioner, yes. Go over the page. That reads, "Time has come," the message from Mr Balicevac.---Yeah.

Then you write, "Yes!"---Yeah.

20 And then he says, "Next year hopefully entire contract."---Yeah.

Was that something that was discussed amongst SIG staff, that there was a possibility that SIG or Triton could obtain the entire university contract? ---Yeah, from Emir's words, yeah.

From Emir's words?---Yeah.

30 Over the page to 44, you ask on 11 April, 2017, at 1.07, "Hi, Emir. For the contract Daryl is doing the tender."---Yeah.

It goes on, and Mr Balicevac says at 1.24.22, "Well, we spoke with recruiting team this morning, myself and Dennis."---Yeah.

What do you understand he's referring to in relation to the recruiting team? ---With HR in university.

And Dennis is a reference to Mr Smith, is it?---Yeah.

40 Then Mr Balicevac says, "Now he said to go ahead. Dennis now sending to MSS/Wilson and from you pricing details." So MSS, do you know who that is?---A security company.

And Wilson, is that another security company?---That's right.

So is that a request that, at least to your understanding, that three companies might be invited to provide pricing details?---Yeah.

Mr Balicevac goes on to say, "So all going by book." What did you understand him to mean by that?---I think all the process has to be step by step.

That's within the university, is it?---Yeah.

10 It goes on at 1.32.35, you say, "I will do company profile, pricing and offer. Daryl will do?" Did you prepare a company profile and pricing and an offer?---The company profile is Tommy always prepared for the tender to all other companies, other, yeah, other, when he getting the new contract.

Well, you said, "I will do the company profile." Are you saying that's something that Tommy already had prepared, did he?---Yeah.

What, for Triton, was it?---I can't remember for Triton or SIG. SIG hundred per cent has the profile. There's someone specialised to do the profile for him.

20 And it seems like, would you agree, that you're preparing a tender submission.---Me?

Yes, that's what's happening here. There's three people that are going to tender and SIG or Triton is one of them. Would you agree with that?

30 MR BENDER: I object. It's really a question of what was passing between Mr Smith on the one hand and Mr Balicevac on the other. My learned friend, with respect to him, is asking questions based on interpretations of text messages the witness is reading now. She wasn't a party to those conversations.

THE COMMISSIONER: I think that's right, Mr English.

MR ENGLISH: Thank you, Commissioner. To your understanding, why were you preparing a company profile, a pricing and an offer? For what purpose?---To get, to get the contract.

And you understood that those documents would be submitted to Sydney University, did you?---I think so.

40 And you've said, "Daryl will do?"---I think it's pricing and offer Daryl will do.

That's for Daryl, was it?---Yeah, I think so.

Is that a convenient time, Commissioner?

THE COMMISSIONER: Yes, certainly. We'll adjourn for 15 minutes.

SHORT ADJOURNMENT

[11.21am]

THE COMMISSIONER: Yes, Mr English.

MR ENGLISH: If volume 2, page 183, could be brought on the screen, please. This is another extraction report, Ms Li. Just so you're aware, it's from your phone. If we go over the page, please. If that can just be zoomed in a bit, please. See, it's a series of messages from 16 April, 2018?---Yep.

You say at 10.02, to Mr Balicevac, "Please call me." Seventeen seconds later, you send another message asking if he's at work, and then some 27 minutes later you send a message to Mr Sirour saying, "Tommy, Emir asked me to remind you about the organising gift for Dennis." What's the organising gift that you referred to in that message?---That for or - - -

Yeah, well, you say it's for Dennis. What was the gift meant to be? What were you going to organise?---I think from the conversation, probably the trip. I don't know at that time but I think it's for the trip Emir mentioned.

So it looks like you might have had a call with Emir. Do you recall having such a call with him?---I believe so, yes.

And what did you discuss during the call?---Probably he asked, just ask, say, did Tommy organise the gift for Dennis, probably.

THE COMMISSIONER: And that's Dennis Smith?---Yes.

MR ENGLISH: And the gift, you said, was a trip?---Yeah.

Is that right?---I think Tommy mentioned to me he wants a ticket to the overseas.

Tommy mentioned to you, he wants the ticket. So what do you mean by that? Who wants the tickets? Does Tommy want them or does someone else?---I think he, Tommy think Dennis wants, I'm not a hundred per cent sure but, yeah. Is, is the ticket for the overseas, yeah.

Well, that's what Tommy says to you at 10.37.---Yeah.

"He want tickets to overseas. Just call Emir and get all details from him and then let me know."---Yeah.

So the "he", is that Dennis Smith?---Yes.

And then you send another message at 10.41 this time to Emir, where you say, "Hi, Emir. I've talked to Tommy already. He asked whether you can give me all the details about the trip so I can organise the ticket."---Yeah.

Some five minutes later Mr Sirour says to you, "Tom emailed Dennis late last night and said there will be no changes to SIG at Sydney Uni." So that Tom in that message, do you know who Mr Sirour is referring to?---I think Tom, Tom, Tom from SNP.

10 THE COMMISSIONER: Tom Roche?---Yes.

MR ENGLISH: And says, "There'll be no changes to SIG at Sydney Uni." Did you understand it that around that time, 16 April, 2018, there was a concern that there would be changes in respect to SIG's involvement at the Sydney University contract?---I think SNP want no service from SIG anymore.

20 And it says, "Tom emailed Dennis." Do you understand that Mr Smith played some role in ensuring that didn't occur?---I believe so, yeah.

Can you tell the Commission what you know that Mr Smith did?---I think Dennis emailed Tom or gave, I think he emailed or called probably.

Called who?---Tom.

To say what?---I remember the email. In the email was clearly saying university still want SIG to stay. The similar meaning.

30 THE COMMISSIONER: And you've seen that email have you?---Yes.

In what circumstances did you see it?---I think, I can't remember Tommy forward it to me or Emir forward it to me, yeah, the email.

Thank you.

40 MR ENGLISH: Perhaps that could be brought on the screen. Page 342, Exhibit 36. I'm grateful. If we just perhaps start at page 343. You can see there that there's an email. It says, "To Tom." It says, "Sorry to trouble you. I know you're overseas." And then sets out a number of matters mainly by reference to bullet points, signed off by Mr Smith. Do you just want to take the time to read that and then we can go to the next page and I'll ask you if this is the correspondence you're referring to. Perhaps if we can go to the previous page. You can see that there's an email from Mr Roche in response to Dennis Smith which then through Mr Balicevac is forwarded on to you on 16 April, 2018. Do you see that?---Yes.

So is that, when there was this email – I withdraw that. When there was this message from Mr Sirour to you, "Tom emailed Dennis late last night and

said there will be no changes to SIG at Sydney Uni,” did you understand that to be connected with the email at the bottom of page 342 and over the page?---I think so.

10 And so if I can just have volume 2, page 184 brought back on the screen, please. This is the series of messages on 16 April, 2018, where there’s a discussion about organising a gift, which you’d said is a trip, further down, tickets overseas and there’s a reference from Mr Sirour to Mr Roche’s email to Dennis Smith. In your mind was there some link between Mr Smith’s
10 email to Mr Roche and these tickets that were to be organised for Mr Smith?---I believe that’s, that’s the benefit, the trip, Dennis get, get from Tommy. He helped him.

THE COMMISSIONER: How do you know that?---I guess.

You’re guessing, yes.---Yeah.

20 That’s okay. Mr English, am I right in assuming that, I think it was 23 April the Commission executed search warrants at the university?

MR ENGLISH: It was the 18th, Commissioner.

THE COMMISSIONER: Thank you.

MR COLEMAN: Sorry, Commissioner. I couldn’t hear that question.

30 THE COMMISSIONER: I was just asking whether I was right in assuming that the Commission executed search warrants at the university, I said 23 April but apparently it was the 18th.

MR COLEMAN: Thank you.

MR ENGLISH: So, Ms Li, did you go ahead and organise any tickets for Mr Smith at around this time, 16 April?---I was trying to organise but Emir didn’t give me the details.

So you spoke to Emir about it, did you, to try and get the details?---I messaged him.

40 You messaged him?---Yeah.

If volume 2, page 278 can please be brought on the screen. Sorry to jump back in time here. This is again an extraction report from your phone, Ms Li. If we go to the next page, it’s in relation to a conversation, at least, starting on 28 November, 2016. Mr Balicevac at 10.13.48 says, “I hope I can get us Campus Assist through you. I’m trying to work with Joe, Campus Assist manager.”---Yep.

And you say over the next page, it's partly blocked out, "I think you can do it. I trust you." What was Campus Assist, do you know?---Probably lock, unlock.

At the university?---Yep.

10 On page 280, there's a discussion about ensuring – Mr Balicevac says, "I'm talking to Daryl to make sure SNP not to find out. We have to ensure this as well," and then you say, "Daryl should be with is. It's benefit for everyone." What did you mean by saying it's a benefit for everyone?---I think if, probably saying for the SIG and I believe it's probably Daryl, Tommy and Emir and SIG and they very close so if Campus Assist maybe goes to SIG, so maybe SIG going to get more hours.

THE COMMISSIONER: And how would that benefit Daryl?---Probably their commission would be higher.

That's the commission you spoke about yesterday?---I think so, yeah.

20 MR ENGLISH: Mr Balicevac says, "Yes, he is, Lynn. Just one important thing SNP never find out." See that?---Yeah.

What did you understand the importance of SNP not finding out was?---My understand probably the Campus Assist not go through Tommy. SNP shouldn't be, shouldn't find out.

30 Shouldn't find out that that's a possibility of it going through Tommy? ---Emir just saying we'll get it, but I don't think Tommy will get it, you know.

But it's the case if Campus Assist went through SNP then SIG was going to get more hours anyway, wasn't it?---Yes. Might be they can put another subcontractor as well.

What, so they could earn a better rate for those hours if they were if they were contracting themselves to obtain the Campus Assist work?---For SNP?

40 If SIG was contracting itself to obtain that work, it would get paid with a better rate?---Yeah, should be, yes.

But if it got the hours through a subcontracting arrangement, the profit wouldn't be so good. Is that the concern?---That's right, yes.

And if we go to page 281, the bottom of the page Mr Balicevac says towards the bottom of the page, 13.14, "Lynn, I sent you an email and see if you guys can help me out for this machine, and that way I will return in two weeks. I understand you guys are tight at the moment paying for company fees, et cetera. I hope I get this contract going." There's a reference to a

machine. What did you understand that to be?---Might be the machine he gave to Dennis. A gift.

What type of machine, do you know?---Can't remember.

He says in that email, "I hope I get this contract going." Did you understand there to be some link between these contractual possibilities and this machine?---Might be he give the gift to Dennis so get more close to Dennis so Dennis can help.

10

THE COMMISSIONER: And how did you come to find out that this machine might be given to Dennis? Did somebody tell you?---I think he mention, he mention this for Dennis.

Emir?---Yeah.

MR ENGLISH: You say, "Look, if Tommy doesn't help you, I will help you with the money."---Yes.

20

You said, "I'll try him first." So you were going to try Tommy to obtain some money for this, to assist in the purchase of this machine, is that right? ---Yes. Yeah, Tommy said no to Emir first. I think he thinks because the machine's from Emir to Dennis, not from Tommy self to Dennis. That's why he doesn't really want to help Emir for the money.

So he said no at first, did he?---Yeah.

But did he change his mind and later persist in the purchase?---I think so. Probably. But I can't remember how, you know, yeah.

30

Well, if we go to page 282. There's some emojis shared and then you say, "I know it's important." What are you referring to there?---Maybe keep the good relationship.

Who between?---Between Dennis and Tommy.

And then there's a discussion about a summary for the money. You write, "1,500 he said he will pay at least." Is that Tommy?---Yes.

40

"And he said he going to give 500 vouch money which you want to put in the machine." What does 500 vouch money mean?---I think he promised to give Emir the voucher \$500. Yeah, it's close to Christmas time probably, yes.

And do you have any understanding about how a \$500 voucher could be put towards purchasing a machine or this machine?---Yeah, like probably saying, yeah, I think he promised Emir to give him 500 voucher when they discussed. Now, if, so ignore the voucher so the 500 put as cash to him.

There's a further discussion about money on the last half of page 282 and over on page 283 Mr Balicevac asks you one question and you can see that there.---Yeah.

Did you lend him, it seems you may have lent Mr Balicevac some money to purchase this machine. Is that right?---Maybe, may not.

Maybe or maybe not?---Yeah.

10

You can't remember correctly?---That's right. I said I'll help him but I'm not hundred per cent sure it's from my money or Tommy's money.

So on the previous page there was mention of \$1,500 coming from Tommy.---Yeah.

Were you going to help him with further funds in addition to that whether they come from yourself or came from Tommy?---Yeah.

20

And that additional advance, was that to be in the form of a loan that Mr Balicevac would pay back?---Yeah.

And are you aware if he did pay back or are you aware if that money was advanced, that further sum was advanced to him?---You mean the money give to him?

Yes, the extra amount you just spoke of, whether it came from you or came from Tommy.---Give to him already or - - -

30

Did you give it to him or did you arrange for it to be transferred to him or given to him?---Should be arranged to him, but in my memories probably this one transferred to him as well, probably from company account.

And did - - -?---Probably because I remember he give the bank details to us so Tommy said transfer to that.

And you mentioned it was to be a loan. Was it the fact that Mr Balicevac repaid back that money?---Yes.

40

Now, did Mr Lu ever say anything to you about him arranging gifts or benefits for Mr Smith?---He probably mentioned to me before.

You say probably.---Yeah.

Can you be a bit more precise? What did he say to you that you can recall? ---Maybe he said he gave Dennis Smith gift as well.

He's given Dennis Smith a gift as well?---Probably, yes.

Did he say what it was?---No.

Have you spoken with Tommy since 18 April this year?---18 April.

Sorry, last year I should say, last year.---18 April?

Since the warrants were executed in this matter.---After I came to the office after I spoke to him by WhatsApp.

10

He was overseas, was he?---Yes.

Did he ask you any questions about this investigation?---He mentioned like did I get the computers back, the office stuff back. He want me to do the invoice.

THE COMMISSIONER: Sorry, he wanted you to?---Do the invoice for other clients, yeah.

20 MR ENGLISH: And what about SIG, is that still in business?---At the moment?

Yes.---I have no idea.

Is Tommy, to your understanding, involved in the management of other security companies in Australia while he's overseas at present?---Managing other security company, I'm not a hundred per cent sure whether he's managing but the company director is not him.

30 What's the company's name that you're referring to?---Probably MOK.

And he's not a director you said. Do you know who the director of that company is?---Called Magdy. Magdy Aly I think.

And is that a security company?---For what I know, yes.

Now, you gave some evidence yesterday about the instructions Tommy gave you to implement payments to SIG's guard force using Pharaohs Group, you remember that?---Yes.

40

And you gave some evidence that you're aware that Tommy did that so he could avoid paying employee entitlements and taxation obligations?---Yes.

They were legal obligations which Tommy was trying to avoid through that scheme?---Yes.

You knew it was a dishonest scheme or you knew it was put in place to avoid the paying of legal obligations?---Yes, but goes to the external accountant. Can you repeat - - -

Sure. You said it goes to the external accountant but you and the other staff in the SIG office entered the data into the MYOB sheets, correct?---Yes.

The external accountant would then get the MYOB data?---Yes, he will get it.

10

So the external accountant, are you saying the external accountant received information to establish that guards were being paid off the books?
---Tommy said that, this.

Yes, but did the external accountant receive, for example, your payment summary that showed the number of guards that were being paid off the books?---No.

20

So the external accountant only received information in relation to the on-the-books payments, is that right?---That's correct.

So it was quite dishonest, don't you accept, that setting up a scheme that hid, in effect, those payments that were off the books, that was a dishonest scheme?---I believe it is not good, yes.

30

THE COMMISSIONER: And I suppose you could say the same things about processing payments under false names and processing payments where, as you understood it, Emir, Mr McCreadie and Mr Lu hadn't done the work?---I think they didn't but I mentioned to Tommy several times that that's not good.

Can I ask you this, why were you prepared to involve yourself like that?---I don't want to lose my job and I just had a baby.

You didn't want to lose your job and you just had a baby?---At that time.

Okay, thank you.

40

MR ENGLISH: Ms Li, this payment scheme that Tommy instructed you to implement, involving Pharaohs, to your knowledge, did he offer the use of that scheme to any other companies?---Yes.

Can you tell the Commission what you know about that?---You mean before or at that time?

So in the period prior to 18 April, 2018, in the years prior when Pharaohs was paying SIG's guard force, was Tommy offering to other companies to have their guard force paid off the book through Pharaohs?---Yes.

And what were the companies that you understand Tommy made that offer to?---I think it's Paragon Security.

Is that Paragon?---Oh, Paragon, yes.

Do you know who's involved or the name of the person involved with Paragon Security?---Lucas.

10 THE COMMISSIONER: Do you know his second name? His surname, rather.---Webb, Webber.

MR ENGLISH: Lucas Webber, is it?---I think so, yeah.

Have you heard of a company called Wrightway?---That, yeah, that's after, I think they sold the company to Wrightway.

They? Is that Paragon sold to Wrightway, is it?---Yes, that's right.

20 And so what happened there? Was Paragon and Wrightway, are they security companies?---Yes.

So they've got their own guard force?---Yes.

And rather than pay their own guards direct, what, they had an arrangement with Tommy whereby Pharaohs would pay their guard force, is that right? ---Yeah, might be they don't, I'm not sure they knows Pharaohs. Lucas should know Pharaohs the company, but they probably knows Tommy's company more than Pharaohs.

30

And to your understanding did Tommy charge a fee for offering that service to Paragon and Wrightway?---I think Tommy mention to me before. Not, not fee, probably he getting the GST from the payment.

He's accruing a GST credit, is he, from that payment?---I think so, yeah.

THE COMMISSIONER: Mr English, there was some, don't ask me which page, but there was some schedules yesterday where I think the name Lucas appears.

40

MR ENGLISH: There is. I can bring those up, Commissioner. By reference to, I'll just - - -

THE COMMISSIONER: You can do it by reference to one that was shown to the witness yesterday.

MR ENGLISH: Pardon?

THE COMMISSIONER: By reference to one of the documents that was shown to the witness yesterday.

MR ENGLISH: Well, then perhaps we can use Exhibit 39.

THE COMMISSIONER: Yes.

MR ENGLISH: And page, starting at page 64.

10 THE COMMISSIONER: I think it was one where it showed \$112,000.

MR ENGLISH: Yes, yes, that's the one, Commissioner. So this is the SIG payment summary for that period ending 28 August, 2016. Do you see, Ms Lee? I've asked you numerous questions about this schedule.---Yeah.

If we go to page 67, please. There's an entry at 182.---Yes.

Lucas.---Yes.

20 Is that the Lucas you referred to?---Yes.

Mr Webber, is that right?---That's right.

Now, can you explain to the Commission by reference to the notes, it seems he's to be paid an amount. Can you explain how that's calculated, please? ---I think it's one, the total hour, one hour per commission. So 385.25 plus 329, probably.

30 And so he's paid a commission, is he, Mr Webber?---Yeah. Yes.

For each hour that - - -?---He give to Tommy.

- - - that he puts guards through Tommy's schemes off the books?---Yes. Yes.

There's SE, do you see that?---Yes.

What's SE?---Egroup.

40 Is that another security company?---Yes.

It seems to be receiving a payment.---Yes.

What's that for, do you know? Or can you say?---Egroup is the guards they request from Tommy, then he get each \$1.

So someone associated with Egroup receives a \$1 commission for each hour, is that right?---Yes.

THE COMMISSIONER: Who was that person, do you know?---Simon.

Simon?---Yeah.

I think they're located at Camperdown, is that right?---Petersham.

Petersham, is it?---Yeah.

10 Petersham, yes.

MR ENGLISH: And the reference to Farhmy, do you know who Farhmy is, number 188?---Yes.

Who is Farhmy?---One of the guard or Tommy's friend.

So that's not a commission payment?---No.

20 Are there any other of these type of commission payments identified either on page 67 or 68? There's a Matthew on page 68.---Yeah.

And there's a TML although there's no money attributed to them for this week. Are they people who are involved in a commission-type payment? ---TML?

Matthew or TML?---Oh, Matthew. Matthew is commission payment I guess.

30 Who does Matthew work for?---He is I think a strata company. Probably he's a director or something.

Of a strata company?---Yeah.

What, a strata managing agent?---Probably, yes.

What, linked to properties that Tommy supplies security guards to?---At the residential building.

40 Do you know where that residential building is?---The name called Epica at Chatswood.

What about TML?---TML, I don't know how the TML come but that's the office, office worker.

Office work where?---In, in Tommy's office.

THE COMMISSIONER: Can we just go back a page. See the entry for 190 it's got MOK, M-O-K.---Yes.

Who is that?---Is Magdy's company, yeah, similar like of he want to use MOK to be similar like Pharaohs.

And was that a company that Tommy set up?---Yes, as well, yes.

And on the right-hand side of the page it says "lodge BAS".---Yeah.

10 Do you know what that entry means?---If he use MOK like Pharaohs, if, if he used him so he will give him money then, but this company need to be lodge a BAS every quarter so the text if MOK or Magdy the director didn't get enough money or very little money so Tommy has to pay the BAS.

So he had to lodge the BAS?---Yeah.

And did he do that?---He, yeah.

He did?---Yeah.

20 And were there invoices prepared for MOK, M-O-K?---I believe, yeah, should have.

And were they invoices prepared - - -?---Oh, MOK's invoices Magdy send it to us because we refuse to say we're not preparing the invoice.

Okay.---Yeah. So every time MOK send the invoice by himself to us.

Thank you.

30 MR ENGLISH: They're my questions for this witness, Commissioner.

THE COMMISSIONER: All right. Any idea when we might be able to make available the compulsory examination transcript?

MR ENGLISH: I'm told first thing after lunch.

40 THE COMMISSIONER: All right. Well, I'd like to proceed if we can and if overnight anyone determines that they ought to ask the witness questions based upon that transcript then we'll deal with it tomorrow. Any objection to that? No.

MR COLEMAN: Not from my point, Commissioner.

THE COMMISSIONER: All right. Who would like to ask the witness questions?

MR O'BRIEN: Commissioner, I have a series of questions. I understand I'm expected to demonstrate an interest to the Commission in doing so. Can

I just stipulate in terms of that interest that I intend to ask questions about that exhibit last placed onto the screen mentioning my client's name sums apparently paid to him and I intend to ask about those payments. I secondly intend to ask about a sum of money which was put to my client at one particular time and this witness was present as I'm instructed. So those are the two series of questions.

THE COMMISSIONER: Thank you. You proceed, thank you.

10 MR O'BRIEN: Thank you, Commissioner. Ms Li, I represent the interests of Mr Emir Balicevac. You understand who I'm talking about?---Yep.

Can the witness please be shown Exhibit 39, page 64, that's volume 4A. This is a document that you were just taken to a moment ago and I want to ask some further questions about it. Now, in this document, you were shown by Counsel Assisting an entry involving Emir. That's the case, isn't it?---Yes.

20 And you can see at line 42, the entry with Emir's name, you see that?---Yes.

Balicevac is the surname, 218 and a half hours, do you see that?---Yes.

Now, the evidence as I understand that you've given the Commissioner, is that you did not prepare this spreadsheet, is that so?---That's right.

And indeed the evidence you've given to the Commission is that you did not provide the names of guards who would be used by Emir in the time sheet rostering, is that so?---I did not provide the names to give to - - -

30 I understand you said you did not provide the names, is that right?---If email, in the email provide, I didn't.

You've said that Sue provided those names, didn't she?---I think so. Yeah, I think her, yes.

And you've said that Sue drafted this document, is that so?---Might be Sue, might be the other girls in the office.

40 And I think you've said that when you were provided with emails from Emir, you simply forwarded them to Sue, is that right?---Yes.

And Sue gave the names of the guards that were to be put on to the roster, is that right?

MR ENGLISH: Can I just rise for a moment there, because the witness was taken to specific emails and gave specific answers, and the questions now are of a general nature that perhaps don't marry up with the specific answers the witness gave. I just think there needs to be a bit more specificity.

There's a bit of a danger that we're moving into an area of generality that doesn't reflect the witness's evidence, in my respectful submission.

MR O'BRIEN: I'll deal with that. Did you ever provide Emir with any names that could be put on to a roster so that he could claim their time?

---Yes. I did before.

10 When did you do that?---Sometimes he asks me urgent, they call me and, but basically I don't know the names. I will ask the office girls to give me a name as well.

So who are the office girls who gave you the name?---Whoever work that day.

Including Sue?---Yes.

But in relation to this document that's in front of you on the screen, your evidence is clearly that Sue prepared this document, is that so?

20 THE COMMISSIONER: Well, she prepared the contents. I think the witness gave evidence yesterday on that.

MR O'BRIEN: Thank you, Commissioner.

THE COMMISSIONER: That may be wrong, that this was a template she put together.

30 MR ENGLISH: That's right, Commissioner. She created the template and it evolved over time, I think.

THE COMMISSIONER: Yes, thank you.

MR O'BRIEN: So the numbers and writing that appears on this document was entered by whom?---The office girl, like, Sue.

Sue. Thank you. Now, going to that line then, 42, there's a figure of \$4,770.---Yep.

40 And you explained how that was comprised yesterday in your evidence. ---Yeah.

Did you ever arrange for a payment to be made to Emir for that amount of money?---Privately or - - -

Did you personally, yourself, ever arrange for a sum of money of that sum of money, \$470 - - -?---4,000?

- - - \$4,770 to be paid to Emir?---I don't think so.

Did you arrange for the payments to be made to these people who are set up in this schedule?---I don't understand. Can you repeat again?

You were taken to this schedule and it has a whole lot of names and a whole lot of money that is apparently going to be paid to those people.---That's right, yes.

10 Did you arrange for the payments of money to these people?---The, the schedule finished, then the girls were according to the schedule to give the money.

Did you arrange for the payments of money?

THE COMMISSIONER: Isn't Mr Balicevac's position that he didn't receive that money?

MR O'BRIEN: Yes.

20 THE COMMISSIONER: Very well.

MR O'BRIEN: Well, can I just answer that in a series of propositions, then, with this witness?

THE COMMISSIONER: Sure.

MR O'BRIEN: Because it's not quite -- the answer, with respect, is not quite yes but it's close to that.

30 THE COMMISSIONER: I would have thought it was, no, that's not his position. But anyway, you go on.

MR O'BRIEN: Thank you. Were you aware of a process by which Tommy would receive some of the money that was paid to Emir?---Tommy received money to give to Emir?

Well, do you know how Emir got paid?---I think it's deposit to his wife's account.

40 And was it deposited in full?---I believe so, but I didn't deposit, yeah.

Who made the deposit?---I think Taymour.

And once that deposit had been made, did you understand that it was Tommy's practice to receive half of it, or thereabouts, back in cash?---I don't know for that part.

So if I suggested to you that half of the payments that were made through SIG to Emir were repaid to Tommy in cash, are you able to say that that's true or not?---No.

Is that because you don't know?---Yes, I don't know.

And is that because Tommy never said anything about that to you?---No, he never said this.

10 I want to ask you about an event in the middle of 2017, perhaps May or June of 2017, where Tommy offered Emir some money. Do you know of what I'm talking?---Can't remember it.

Do you recall an instance where Tommy asked you to write a cheque in the sum of \$20,000 for him in around the middle of 2017?---I remember he asked me to prepare a cheque but leave, leave the name first, empty cheque.

Was it a cheque in the sum of \$20,000?---I think so. Not sure the how much, but is an empty cheque but with a number there.

20

And you don't recall the number?---Yeah.

And do you recall that Tommy asked in your presence that that be given to Emir?---I think so, yes.

And do you recall that Emir said, "I'm not going to take that," and refused to accept the money, the cheque?---The cheque still in the office, he didn't take, but I, I can't remember he refused or not.

30 Can I suggest to you that Emir refused to accept the cheque and this made Tommy quite upset? You were there and witnessed it.---Probably. I can't remember exactly.

What you can't remember it or it probably happened? What's the situation, please?---Probably happened, can't remember exactly.

There is one further area, with your leave, Commissioner.

THE COMMISSIONER: Certainly.

40

MR O'BRIEN: I want to ask you about these SMS messages in relation to the machine. Do you know what I'm talking about?---Yep.

You are not certain of what sort of machine it was, is that so?---Yeah, for the time being, I can't remember what's exactly the machine.

Can I suggest to you, it might have been a pinball machine?---Might be.

Does that ring any bells?---Might be. I'm not familiar with this machine so I didn't pay attention to it.

Can I suggest to you that neither you nor Tommy gave any money to Emir for that machine?---Can you repeat again?

10 I want to suggest to you that neither you nor Tommy gave Emir any money for the machine as it turned out. What do you say to that?---Can you use another word?

Yes. Let me come at that a different way. You can't remember whether you or Tommy gave money to Emir for the machine, can you?---I believe Tommy did.

You believe, you're not certain, is that where you stand with that? You believe it but you're not certain?---From the text message, Tommy should, did.

20 That's your understanding but you don't have a recollection of it, is that right?---That's right.

Can I suggest that in fact the loan was provided to Emir by Frank Lu?---As well?

Are you able to say anything about that?---I remember Frank always borrowed money Emir but I'm not sure whether that's the occasion as well.

30 Those are my series of questions, thanks Commissioner.

THE COMMISSIONER: Thank you. Anyone else?

MR DEAN: Commissioner, I seek leave to ask questions on behalf of Mr Sirour. There are a number of topics, given this witness's evidence.

THE COMMISSIONER: Well, let's see how we go.

40 MR DEAN: Ms Lu [sic], I appear on behalf of Mr Sirour. I'll refer to him as Tommy because that's how you're referred to him in your evidence. Is that all right?---Yes.

It was the case, wasn't it, that SIG had other clients other than SNP, that's correct, isn't it?---Any other clients?

They had other clients, didn't they?---Yes.

And SIG serviced other locations other than Sydney University?---That's right.

Now, you agreed yesterday that Tommy saw you as the chief financial officer for his companies?---No. I'm not agree with that. I didn't say - - -

But my question is Mr Sirour saw you in that role, didn't he?---I don't think so too, but he put me on for the profile.

You were responsible for his company's books, weren't you?---What books?

10

The financial books of the company?---No. The external accountant.

You prepared them in MYOB, didn't you?---Yeah, only bookkeeping side.

Yes but that was inputting all the numbers, wasn't it?---Yeah. Data entry.

Data entry of all the numbers.---Not only me, the girls as well.

20

But you were responsible for those girls?---I can say supervising but - - -

Yes and you taught them how to do it, didn't you?---I teach them but I still have questions, I will ask external accountant's opinion as well.

And those books included wages?---Yes.

Superannuation?---Yes.

And tax?---Yes.

30

And you were the person responsible for making payments from his companies, weren't you?---Yes.

And you had a specific authority to speak to the ATO on behalf of his companies, didn't you?---Yeah, he asked me to call them.

And on occasion you arranged payments to the ATO, didn't you?---Yes.

40

And you had access to Tommy's credit card?---No. Not credit. He would take, he would take the photo for me if I need to pay something.

I want to suggest to you that on occasion you used his credit card.---With his permission.

And you had the passwords to the company's online bank account?---Yes, he gave it to me.

I want to suggest to you that you were ultimately responsible for everything financial in his companies.

THE COMMISSIONER: Are you suggesting that he wasn't himself?

MR DEAN: I'm suggesting that she was the person making the payments and had control of it.

THE WITNESS: But I think - - -

10 MR ENGLISH: I object to the question because it elides the distinction between instructions and responsibility.

MR DEAN: Well, I'll ask it this way. On occasion you would make decisions without any instruction from Tommy, wouldn't you?---No.

I want to put to you that answer is untrue.---Because all the office girls they knows. All the decision come from Tommy because he always make decision.

20 You were just shown some messages that you had with Mr Emir Balicevac, weren't you?---Yes. Yes.

Dated from 28 November, 2016.---Yes.

About arranging for purchase of a machine.---Yes.

And in those messages you indicated that if Tommy wouldn't agree to something, you would do it yourself, didn't you?---I help personally for Emir.

30 Yes.---Yeah.

So on occasion you would make decisions in relation to the company, or what you perceived to be the business, that were your decisions, not Tommy's.---But for that is I help Emir by personally help, not for company help.

Now, I want to suggest to you that it was your idea for you to be paid in cash.---No.

40 And I want to suggest to you that you paid yourself in cash without telling Tommy.---That's not true.

Now, it's the case, wasn't it, that Tommy was a generous boss, wasn't he? ---Yes.

And from time to time he would give his employees gift cards.---Employee?

Employees, people in the office. He would give them gift cards to say - - -
?---Gift cards, no.

Gift cards.---No.

No?---He give cash, \$100, when he happy.

And on occasion you would ask Tommy for money to pay for your travel.
---He offers me.

10

I want to suggest that you asked him.---Why?

That you wanted to visit your family - - -?---Yes.

- - - and you asked him for money to go travel.---I didn't ask for money for
travel.

THE COMMISSIONER: What's it matter whether she asked or Tommy
gave it as a bonus or whatever? What's it matter?

20

MR DEAN: I won't press it any further, Commissioner.

THE COMMISSIONER: Thank you.

MR DEAN: Now, yesterday you were asked about time sheet at Sydney
University.---Yes.

30

Now, I want to suggest to you that you never asked Tommy if you should
give Emir Balicevac, Frank Lu or Daryl McCreddie security guard names
for that fraud. I want to suggest to you that you never asked Tommy to do
that.---Always ask.

I want to suggest that that evidence you gave yesterday and today is untrue.
---I didn't understand.

I want to suggest - - -?---Yesterday, today - - -

- - - that your evidence that Mr Taher gave you permission to provide those
names - - -?---Yes.

40

- - - is untrue. What do you have to say about that?---You mean he give me
the permission to give the - - -

No, I'm saying that he did not.

THE COMMISSIONER: I think that what he's suggesting to you is that
you're telling lies. That's what he's suggesting to you.---Suggest me?

Yes, that you're being untruthful. He wants you to either agree or disagree that you're being untruthful.---We always ask Tommy. Even office girl always ask Tommy as well.

MR DEAN: Yesterday you gave evidence about a conversation you said you had with Tommy where you expressed concern about the number of hours that were recorded on the time sheets being over 200 hours. I want to suggest that that conversation never happened.---I believe it happened.

10 It was a case, wasn't it, that Tommy had nothing to do with the time sheets did he?---He knows everything.

And it was the case, wasn't it, that Tommy had nothing to do with the creation of the invoices for SIG?---Invoice for SIG to - - -

To SNP.---He should know. He always check how much we are getting from SNP.

20 But he didn't create them, did he?---No, he didn't create.

That was your responsibility, wasn't it?---Invoice, yes.

And Tommy had nothing to do with the creation of any invoices involving Pharaoh Group?---He was.

And it's the case, isn't it, that Tommy didn't found Pharaoh Group, did he? ---You mean set up?

30 He didn't create Pharaoh Group, did he?

THE COMMISSIONER: Yes, set up.

THE WITNESS: I, to be honest, I'm not sure really if Taymour set up or Tommy set up. I believe Tommy paid the money for the setup, probably pay the setup fees sort of things.

40 MR DEAN: I want to suggest to you that Tommy never told you to pay guards for the Pharaoh Group specifically to avoid tax, workers' compensation and leave payments?---He did.

I want to suggest to you, he never gave those reasons to you for the payments?---(not transcribable)

Those are reasons that you've thought of subsequently, aren't they?---He knows.

THE COMMISSIONER: What other reason could there be? I'm just pondering that question, what other reason could there be?

MR DEAN: It was the situation that a number of the security guards liked to be paid in cash, wasn't it?---But they ask to be on the book as well but Tommy reject.

Well, I want to suggest to you that there were security guards that wanted to be paid in cash.---It does happen.

10 Yes. And it was the case, wasn't it, that those security guards were directed to Pharaoh Group so they could be paid in cash at their choice? That was the case, wasn't it?

MR ENGLISH: I object. There's something misleading the in question because the guards that were paid in cash weren't necessarily paid by Pharaohs Group. I think there maybe just need to be a clarification in the way its asked.

THE COMMISSIONER: Yes.

20 MR DEAN: A reason that guards were directed towards Pharaohs Group was so they could be paid in cash, wasn't it?---I believe the guard don't even know Pharaohs Group.

But it was the case that those guards wanted to be paid in cash, wasn't it? ---Might be.

Now, you were asked yesterday about weekly payments to Frank Lu, Emir Balicevac and Daryl McCreadie.---Yes.

30 It's the case, wasn't it, that those payments were for those three men to manage the provision of the contracted security services by SIG at the University of Sydney?---Yes. Help, yep.

Yes, but to specifically manage the services that were being provided.---For the guards (not transcribable) yes, help, yeah.

Yes. For example, Mr Lu did the rostering.---Yes.

40 And he was paid for doing the rostering.---That's right.

And Mr Balicevac and Mr McCreadie were paid for other services related to that that they did as well.---Yes, as well, yeah.

THE COMMISSIONER: Can you just be a bit more specific? What services are you suggesting that they performed?

MR DEAN: Management services in relation to the guards at the site.

THE COMMISSIONER: Which they were already being paid by SNP, correct?

MR DEAN: I think in terms of the subcontractor, subcontractor has their own responsibilities to manage the security guards that they're putting forward.

THE COMMISSIONER: Very well.

10 MR DEAN: So there'd be additional logistical issues there. Now, you were taken yesterday to a restaurant booking and hotel booking in relation to Dennis Smith.---Yes.

They were bookings that you made?---I believe so, yes.

Yes. And you paid for one of them on your credit card.---Yes.

Now, you knew that Tommy was the sort of person that had a very big mouth? Liked to promise but not deliver?---Yes.

20

And I want to suggest to you that when you paid for those restaurant and accommodation, that was because you were worried that he had made a promise that he was going to break.---No.

And I want to suggest to you that Tommy did not in fact instruct you to make those bookings.---He did.

I'm just checking, Commissioner, if there's any other questions I need to ask.

30

THE COMMISSIONER: That's okay. You go ahead.

MR DEAN: Now, in relation to SIG taking over the SNP contract at Sydney University, do you remember questions about that?---Yeah. Yeah.

Now, it's the case, wasn't it, that Tommy went to a lawyer and got legal advice?---Probably, yes.

40 And the effect of that legal advice was that he would be restrained from taking over that contract.---Yes.

I have no further questions, Commissioner.

THE COMMISSIONER: Mr Watson? Oh, there's two Mr Watsons, isn't there?

MR C. WATSON: Commissioner, can I reserve my position until I've had an opportunity to see the material that, Your Honour, you've indicated, Commissioner, would be made available?

THE COMMISSIONER: Certainly. Certainly. Is there anyone else who's proposing to ask questions, though?

MR COLEMAN: I'm in the same position as my learned friend, Commissioner.

10

THE COMMISSIONER: Yes, okay.

MR COLEMAN: But otherwise, no.

THE COMMISSIONER: Well, what I'm going to do is I'm not going to release you from your summons yet. It may be that the two gentlemen who just stood up might want to ask you some questions once they've seen a transcript of what you said in your compulsory examination.---Sure.

20 But it may not happen. So - - -

MR ENGLISH: Can I assist, Commissioner? I've received instructions we might be able to provide those documents by 1 o'clock. I don't know if that will assist in what you're scheduling or anticipating scheduling, Commissioner.

30 THE COMMISSIONER: Why don't we adjourn till quarter past 2.00? That gives people enough time, I would have thought, to go through it. If there's not enough time, you come back and you tell me that you need more time, then so be it. But I'm keen to allow this witness to go if we can so she's not in here another day. Yes.

MR DREWETT: Commissioner, I wonder if the time could be well used if I could have that conference with my client.

THE COMMISSIONER: Of course, yes.

40 MR DREWETT: If my friends who are yet to ask questions would have no objection to that. I don't think I'll have many, if any, questions for my client, but it would be useful.

MR COLEMAN: No objection from me, Commissioner. No objection.

THE COMMISSIONER: No problems? No. Okay, good. That's fine. All right, well, I'll adjourn till quarter past 2.00 and you'll make arrangements, Mr English for that material to be - - -

MR ENGLISH: That's right. With my instructor, yes.

THE COMMISSIONER: Okay, thank you.

LUNCHEON ADJOURNMENT

[12.55pm]