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COMPULSORY
EXAMINATION

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INDEPENDENT COMMISSION AGAINST CORRUPTION

STEPHEN RUSHTON SC
COMMISSIONER

COMPULSORY EXAMINATION

OPERATION GERDA

Reference: Operation Gerda E17/0445

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 6 JUNE, 2018

AT 2.30PM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

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

THE COMMISSIONER: Now, this is the compulsory examination of Qin Li. I understand, Mr Drewett, that you seek authorisation to appear?

MR DREWETT: Yes, I, I seek leave on behalf of my client to legally represent her interests here today.

THE COMMISSIONER: Yep.

MR DREWETT: I, I, I believe it's pronounced Chin, as in C-h-i-n.

10 THE COMMISSIONER: Oh, thank you.

MR DREWETT: I believe. Is that - - -

MS LI: Yes.

MR DREWETT: Yes. And I am instructed that she will be seeking the protection of a section 38 - - -

THE COMMISSIONER: Right.

20

MR DREWETT: - - - certificate and I've explained to my client what that means and she's indicated to me she understands that and she would seek that.

THE COMMISSIONER: All right. Well, I have a few words to say about that as well.

MR DREWETT: Yes, thank you.

30 THE COMMISSIONER: In relation to this compulsory examination, the Commission is investigating allegations that, 1, from 2014 staff of S International Group, otherwise known as SIG, Sydney Night Patrol and Inquiry Co Pty Limited, otherwise known as SNP, and/or the University of Sydney have made false entries on daily time sheets claiming for staff who did not actually work or who no longer worked at the University of Sydney and/or who were overseas or otherwise unavailable to work at the times claimed. 2, from 2014 SIG, SNP and/or University of Sydney staff edited daily time sheets to include staff that did not actually work and/or replaced names with other staff members' names regardless of the associated
40 signature.

I propose to make a, or give a direction rather under section 31A of the Independent Commission Against Corruption Act 1988. I direct that the following persons may be present at this compulsory examination, Commission officers including transcription staff, the witness, the witness's legal representatives. Mr Drewett, you are instructed by?

MR DREWETT: DA Amaton Solicitors.

THE COMMISSIONER: Right. Mr Drewett - - -

MR DREWETT: And my instructing solicitor in court today is Mr Dion Accoto, spelt A-c-c-o-t-o.

THE COMMISSIONER: Well, obviously you're both entitled to be here.

MR DREWETT: Yes, thank you, Commissioner.

10

THE COMMISSIONER: I also propose to make a direction under section 112 of the Act, it's a non-publication order. The order that I propose to make restricts the publication of information with respect to this compulsory examination. The direction will prevent those present today other than Commission officers from publishing or communicating information relevant to this compulsory examination. It will permit Commission officers to publish or communicate information for statutory purposes or pursuant to any further order made by the Commission. The direction may be varied or lifted by the Commission without notification if the

20 Commission is satisfied that it is necessary or desirable to do so in the public interest.

20

Being satisfied that it is necessary and desirable in the public interest to do so, I direct pursuant to section 112 of the Independent Commission Against Corruption Act 1988, that the evidence given by this witness, the contents of any exhibits tendered, the contents of any documents shown to the witness, any information that might enable the witness to be identified, and the fact that the witness has given evidence today shall not be published or otherwise communicated to anyone except by Commission officers for

30 statutory purposes or pursuant to further order of the Commission.

30

BEING SATISFIED THAT IT IS NECESSARY AND DESIRABLE IN THE PUBLIC INTEREST TO DO SO, I DIRECT PURSUANT TO SECTION 112 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT 1988, THAT THE EVIDENCE GIVEN BY THIS WITNESS, THE CONTENTS OF ANY EXHIBITS TENDERED, THE CONTENTS OF ANY DOCUMENTS SHOWN TO THE WITNESS, ANY INFORMATION THAT MIGHT ENABLE THE WITNESS TO

40 **BE IDENTIFIED, AND THE FACT THAT THE WITNESS HAS GIVEN EVIDENCE TODAY SHALL NOT BE PUBLISHED OR OTHERWISE COMMUNICATED TO ANYONE EXCEPT BY COMMISSION OFFICERS FOR STATUTORY PURPOSES OR PURSUANT TO FURTHER ORDER OF THE COMMISSION.**

40

THE COMMISSIONER: Now, Ms Li, that means that you can't talk to anyone about the evidence you give here, apart from of course your lawyers,

and indeed you can't even tell anyone that you've been here. Do you understand that?

MS LI: Yes.

THE COMMISSIONER: And I should tell you that it's a serious criminal offence for any person to contravene the direction I've just given.

MS LI: Okay.

10

THE COMMISSIONER: Do you understand that?

MS LI: Yes.

THE COMMISSIONER: Now, your counsel has sought what is called a section 38 declaration. Let me just explain, and I may be repeating things he has already said, but I do so anyway explain your rights and obligations. As a witness you must answer all questions truthfully. Were any items required to be produced by way of summons?

20

MR BAINE: No, Commissioner.

THE COMMISSIONER: You are also required to produce anything that I direct you to produce during the course of your evidence.

The effect of the section 38 declaration is that your answers or any items produced cannot be used against you in any civil proceedings, or subject to one exception, in any criminal proceedings. That exception is that the protection given to you by a section 38 declaration does not prevent your evidence from being used against you in a prosecution for an offence under the ICAC Act, most importantly, and indeed it's probably the only one you have to worry about, is that the section 38 declaration that your counsel has asked me to make will not protect you if you give false or misleading evidence. And, to give false or misleading evidence to this Commission is a very, very serious matter for which the penalty can be imprisonment for up to five years. Do you understand that?

30

MS LI: Yes.

40 THE COMMISSIONER: So it is so important that you tell the truth. I'll make that declaration now. Pursuant to section 38 of the Independent Commission Against Corruption Act 1988, I declare that all answers given by this witness and all documents and things produced by her during the course of her evidence at this compulsory examination are to be regarded as having been given or produced on objection and there is no need for the witness to make objection in respect of any particular answer given or document or thing produced.

10 **PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT 1988, I DECLARE
THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL
DOCUMENTS AND THINGS PRODUCED BY HER DURING THE
COURSE OF HER EVIDENCE AT THIS COMPULSORY
EXAMINATION ARE TO BE REGARDED AS HAVING BEEN
GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO
NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT
OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR
THING PRODUCED.**

THE COMMISSIONER: Yes, Mr Bain.

MR BAINE: Thank you, Commissioner. Would you please state your name?

20 MS LI: Xin Li.

MR BAINE: Of course, thank you, thank you. We might, Commissioner, take the - - -

THE COMMISSIONER: Ah, the witness hasn't taken an oath yet, have you. My apologies. Do you wish to take an oath or an affirmation?

MS LI: Ah - - -

30 MS DREWETT: I believe she wants to take an affirmation, I asked her before we came in.

THE COMMISSIONER: Thank you. I do apologise.

<QIN LI, affirmed

[2.40pm]

MR BAINE: Thank you. Ms Li, we might start again. Can you please just state your name.---Qin Li.

Thank you. And are you also known as Lynn?---Yes.

10 Thank you. And what's your date of birth?---[REDACTED].

And what's your residential address?---[REDACTED].

Do you have a mobile telephone number?---I do.

What's that number?---At the moment I changed.

What's your current mobile telephone number?---[REDACTED]

20 And are you the only person who uses that number?---Yes, at the moment, yes.

And how long have you had that number for?---Just I got on Sunday, Sunday or – just for only probably two or three days.

So very recent.---Yes, that's right.

What was the number that you had before that recent mobile?---Before is [REDACTED].

30 And approximately how long did you have that number for?---Since I came to Australia I was using that mobile number.

And when was that?---2007 should it be.

Okay. So approximately 11 years.---That's right.

And you were the only person who used that, that telephone number?---That's correct.

40 And have you ever been issued any other mobile phone numbers through any workplaces?---I don't think so, I don't get any other phone number from other place, no.

So a work phone has never been issued to you?---I can't say that phone is a work or not but the boss pay the bill for the mobile number. He, probably one or two years, he can't remember since when, he was put my number under his name then started paying the bill.

Okay. And that was the mobile telephone number that you had for 11 years?---Yes, that's right.

Okay. All right. Thank you very much. Ms Li, what's your occupation?
---In the company is admin and accounting manager but sometimes the boss always like put me as CFO, actually I'm not really CFO for the company.

Okay. All right.---Yeah.

10 So maybe before I ask you questions about the company - - -?---Yeah.

- - - I'll just ask you a question just jumping back a step.---Yeah.

Did the telephone number that you had for the 11 years - - -?---Yeah.

- - - did that phone belong to SIG or just the number?---SIG?

S International Group.---The phone number?

20 Yes.---Before, can you repeat again, sorry?

Sure. The mobile telephone that you used for 11 years - - -?---Yeah.

- - - was that a mobile phone that was given to you by the company or did you buy that phone yourself?---Okay. The mobile is, the mobile is I bought it by myself and afterwards the boss said, "I going to pay you the bill, put this number with me." Then he change the plan so I got a new phone from him with a new plan but my old phone he used to take to the site as the site phone.

30

As a site phone.---Yeah. So I'm not sure if this is my phone or belong to the boss.

Okay.---Yeah.

So the physical phone you gave to your boss - - -?---Yeah.

- - - and might have inserted a new SIM card in it, but you continued to use a SIM card with the same telephone number - - -?---That's right.

40

- - - for 11 years.---Yeah.

Okay. All right.

THE COMMISSIONER: Where's that phone now?---Which one? Sorry, which phone?

The one that you had before last weekend.---Oh, with me.

Okay.---Yeah.

MR BAINE: Okay, thank you. So you have both mobile telephones with you at the moment.---Yes, that's right. But the SIM card, the old SIM card I returned back.

To S International Group?---I tried to ask one my friend to give back to them. I don't think she give back to them yet.

10

Okay.---Yeah.

Ms Li, can you please identify any university qualifications that you have. ---Oh, I'm a master of account, master degree of accounting and I'm CPA as well.

Okay.---Yeah.

20

And your master degree in accounting is from which university?---West, UWS.

Okay.---Yeah.

And your CFA is that the only professional accreditation - - -?---CF, C, CPA.
Sorry, CPA.---Yeah.

Do you have any other professional accreditation?---No.

30

Okay. All right. Thank you. So I'll now start asking you some questions about S International Group.---Sure.

Are you currently employed there?---For my understanding, no.

Okay. When did you commence employment at SIG?---Started, it's complicated. I was employed by Australia United Security but S International and AUSP, they are the same boss.

40

Okay. So when did you commence your employment with - - -?---I think was end of 2009 or beginning of 2010 probably, like yeah, yeah.

Okay. And at approximately - - -?---Yeah.

- - - what time did you stop working for them and commence your work with SIG?---I'm not sure exactly the date or the timing but things, AUSP was closed.

And when did they close?---I, I do not recall. Probably 2006.

Even though, but your employment started in 2010?---2010?

I think your evidence just before - - -?---Oh.

- - - was that you started in 2010 at - - -?---Oh, 2010, sorry, okay, can you repeat again?

Of course. So when did you start your employment at Aus Professionals?
10 ---Oh, 2009 to 2010, yeah, that's right, yes.

Okay. And when did you commence your work - - -?---SIG.

- - - at SIG?---2016 probably when A USP stop closing.

Okay.---Yeah.

All right. Okay. Thank you. Can you describe what your position at SIG
involved?---From my understanding is admin and accounting manager.
20

Okay.---Yeah.

But on a day-to-day basis - - -?---Yes.

- - - what tasks did you perform?---Basically is invoicing and paying the
invoice and the bookkeeping.

Did you invoice many companies?---Invoice company?

30 Yes.---Yes.

Can you name some of those companies?---Yeah. Um, SNP and Network
10 and hmm, what else, I think there's a name called Bondi, the site's called
Bondi, but it's, it's a residential place and other site called Epica and Era,
it's a residential place at Chatswood. It's all direct contract for the boss,
yeah. And ah, as clients as a subcontract maybe Paragon and ah, what
other, do you need more?

That will be okay. Did SIG have any subcontractors?---Yes.
40

How many?---Hmm, the boss, he using the subcontractor differently year by
year because he use one for a few years and he stop and he use another one
for the main ones, but maybe around two or three, yeah.

So who were those subcontractors?---Oh, yeah. One main one recently is
Pharaohs.

Okay.---Yeah.

And when did they become the subcontractor, approximately when?---At least two or three years ago I guess, yeah.

Okay. All right. Thank you. How much are you paid, Ms Li?---One thousand five hundred at the moment but it depends, since beginning it depends year to year and how much work I'm involving as well and when I have a baby so I reduced my work as well.

10 Okay.---Yeah.

And that's approximately \$1,500 per week?---At the moment, yes. Not before, yeah.

All right. Thank you. How long have you been receiving \$1,500 for?---Probably at least one, more than one year. At least, yeah, I think.

Okay. All right. Thank you. And how is your salary paid to you?---\$400 by bank and \$1,100 by cash.

20

Why do you receive cash payments?---The boss doesn't really want to pay that much tax.

Right --- Yeah. Because he, he want, if I need \$1,500 net, he going to pay a lot of tax too.

Is he paying tax on the smaller portion and the larger cash portion is untaxed?---Yes, yes. That's right.

30 Do you have any other sources of income?---No. Not much, no. I don't think so. For the main living, for the main living this one, yes.

Okay. But do you have any other jobs?---Not really.

Do you perform any other work outside of your services at SIG?---Just sometimes helping my husband but it's sometimes for free but at the moment I was employed by you know, in the restaurant as a bookkeeping staff. Yeah.

40 Is he a restaurant owner or were you doing that separately?---Repeat again sorry?

What was the nature of your work as at the- -?---Bookkeeping.

Bookkeeping at a restaurant?---Yes.

What restaurant?---Called the Brimo's Café and restaurant.

All right. Do you have, are you able to explain to the Commission the nature of the cash deposits that you received into your bank account between March 2014 and November 2016?---Explain?

Yes.---Can you repeat the question again? The following one.

10 Do you recall receiving cash payments into your, or cash deposits into your bank account of approximately \$1000 per week between March, 2014 and November, 2016?---I can't remember much. I need to check the records from my bank account. I do receive cash, a hundred per cent, but I don't know how much exactly, yeah.

And is that cash that you received related to the answer that you gave before where Mr, your boss does not pay any tax on that cash portion?---Yes, that's right.

Can you identify who your boss at S International Group is?---Tommy Sirour.

20 And do you recall between November 2013 and March 2015 receiving weekly bank transfers from your sister?---My sister?

Yes.---Not, I don't have a sister.

You don't have a sister?---No.

Can you explain to the Commission your relationship with Ms Summer Li?
---Oh, that's my friend.

30 Your friend.---Yeah.

Why was she transferring you money on a weekly basis?---Oh, is just, you know, the cash money, yeah, he, I think 2014 to 2015, is it?

40 2013 to 2015. November 2013 to March 2015.---November. I do not recall that much but there's one reason, I think. I wasn't in office working because I'm having babies, had a baby. The first baby was December, 15 December, 2014, so there's a period of time wasn't in the office but the boss still pay me the like, kind of like maternity leave payment. So, I, I'm not in office, so my friend deposit the money, so transfer the money to me. That's one of the reason, yeah. But for the others, probably I'm just probably, sometimes I don't really, you yoy know, to get it the money so she just take then she give to me straightaway. From bank would be easier, yeah.

THE COMMISSIONER: But she transferred it out of her own account, did she?---Yeah. That's correct, yeah.

MR BAINÉ: Was he an employee at AUS Professionals or at S International Group?---Yes.

Ms Li, have you ever received any gifts or benefits from Mr Sirour?---Gifts? I'm not sure what kind of a gift. For my recall not really gifts.

Has he ever paid for a vehicle or has he ever given you a contribution towards a vehicle?---No vehicle. No.

10 What about holidays?---Yes, holiday, yeah. Holiday is I travelling to China, he paid the tickets.

And how frequently would you travel to China where he had paid for the ticket?---Probably maximum two times a year, but basically I think it once a year. Yeah. Maximum two times a year. But not really sure, like, which year is once or which year is twice. He does pay the ticket, yes.

20 And are there any other benefits other than travel and purchasing tickets that Mr Sirour has given to you?---Paid the phone bill. Sometimes if I sick or I unable to go to the office, he still pay me for the day as well. And now these days because I was, when I'm pregnant or even after the first baby, I go to office not, didn't stay that long as well. I probably 9.30 or maximum 10 o'clock I can be in the office and I can leave early, around probably 2 o'clock, or even 1.30 if I finish the work or if nothing to do in the office.

Have you ever received any cash bonuses from Mr Sirour?---He was trying to, he was started to promise me was say because the business was growing up, he give me \$20,000.

30 THE COMMISSIONER: \$20,000?---Yeah. He was promised me but he never started to getting paying me, but things probably, I'm not sure exact, like, exact time. I think after New Year, probably January or February, he no, even March, I'm not sure how many months, which month, but he was trying, started to pay me \$500 a week.

MR BAINÉ: In addition?---Yeah. In addition because for the \$20,000.

40 Does that mean that you were receiving \$1,500 plus \$500?---For 2018 but before, no.

Right, okay. ----Yeah.

THE COMMISSIONER: In cash?---Yes.

MR BAINÉ: And did you declare that extra money?---Haven't declare yet, the financial year haven't finish.

Have you, Ms Li, known Mr Sirour as long as you've worked at SIG or did you know him beforehand?---I know him through the work.

How did you come to work at SIG?---Before I, he was in not SIG, AUSP actually. Yeah. I was worked in tax agent, he's a client. So, we know like that, like, I do his job in the tax agent so, he said he come work with me one day a week, then I started one day a week, two days a week. Later I'm then work with him.

10 So, he recruited you?---Yes, that's right.

And that was in 2008, 2010?---I can't remember exactly the, probably the end of 2009, started knowing him. Exactly start one day, two days, I can't remember exactly the timing, yeah.

Do you know who the directors of S International Group are?---At the moment?

20 Yes.---Yes, Ramy Khalifa.

Do you have any relationship with Ramy Khalifa?---Not relationship, I know him, he work for Tommy as a security guard in the company.

Have you worked with Ramy?---What do you mean, worked?

Do you perform any work with, with Mr Khalifa?---He doing the roster, I'm doing admin and accounting.

30 So when you say he's doing the roster - - -?---Yeah.

- - - what do you mean?---He's arranging the guards. If one of the site need the guard, so he put the guards on the site, he call the people.

So for all of the - - -?---Yeah.

- - - contracts that S International Group has - - -?---Yeah.

40 - - - Ramy Khalifa is responsible for assigning guards to the various locations?---Not Sydney Uni.

Not Sydney Uni.---Yeah.

Who is responsible for allocating guards to Sydney Uni?---Frank Lu.

Frank Lu. Okay. So you mentioned a few of the people that you've worked with.---Yeah.

In your evidence earlier you said that you had a friend who you worked at S International Group with.---Ah hmm.

Who is that?---Again, sorry?

Was it Ms Summer Li that you were referring to?---Yeah, we, we work together in AUSP and SIG.

10 And is Summer her actual name or is that a nickname that she was given?
---Nickname.

What's her actual name?---Call Yuanjun Li.

Could you spell that?---Y-u-a-n-j-u-n, then space, surname is Li, L-i.

Thank you. And how long have you known her for?---
(Not transcribable) two thousand, probably she came here 2008 or 2009 to, came to Australia, since that day I know her.

20 What work does she do at S International Group?---Similar like what I am doing.

Right. What about, is there a person at SIG - - -?---Yeah.

- - - known as Su?---Yes.

Who is that?---The same like Summer, like the work things, yeah.

30 So she has two nicknames?---Huh? No. That's separate name.

Separate.---Yeah.

Okay, so can you please explain who Su is?---Su is office girl.

Yes.---Like, like Maggie, like Linda, like Amy.

And what is Su's name?---I'm not sure. I can't remember her name but we all know her name is Su. Her Chinese name I can't remember, yeah.

40 How long has she worked at SIG?---Probably around a year.

And she started when?---I do not recall. Before Maggie, yeah. Maggie probably worked for around two years, less, less than two year, almost two years. Can't remember, yeah. But Sue is before Maggie, yeah.

By approximately a year?---Yeah.

And what about Amy?---Amy's less, less than a year.

What work does Amy perform at SIG?---She's more involving with SNP the time sheets.

Right. --- and the calculating the hours.

And what about Su, the work?---The same.

10 And Linda?---Linda involved SNP time sheets for period of time as well, even Maggie as well the same, but both of them, even me, I didn't involve time sheets but we, all of us, like had issue with Frank Lu, that's why we stopped doing the thing we, to involve with SNP or like even Sydney Uni, the time sheets, yeah.

So, Ms Li, you heard the allegations that the Commissioner read to you previously?---Yes.

20 And you have read those allegations in the summons that was served on you.---Yes.

What is your response to those allegations?---Allegation?

That time sheet frauds have been committed at the University of Sydney. ---Ah - - -

Do you have a response to that?---I'm not really understand. Can you repeat again?

30 Okay.---Yeah.

I'll go through some documents with you.---Yeah, sure.

Ms Li, the first one that I'll show you is, this, Ms Li - - -?---Yes.

- - - is an email - - -?---Yeah.

- - - from Emir Balicevac to you - - -?---Yeah.

40 - - - on 21 February, 2014.---Um, can I, one second. You know the email I'm using, all my girls using my email too, not only me.

Okay.---Yeah.

Thank you.---So I just want to clarify this, yeah.

Do you have any recollection of this particular email?---Remember or what?

Yes.---It's too common. Like he always send the emails by his time sheets.

Who is Emir Balicevac?---He at the moment for what I know he's second-in-charge for Sydney Uni site for SNP.

How did you first meet Emir Balicevac?---Through the work.

Did he ever work for SIG?---I can't say he didn't, he, he, he did, he did, he did, like at the beginning he was employed by Tommy because he was not SNP guards, yeah, and he worked for Tommy, yes.

10

Do you recall when he ceased working for Tommy?---I, I do not recall which year but I know, I think SNP wanted he to be a second-in-charge or team leader or something, that's why he stopped working for Tommy.

Would you please have a look at the second page of this email. Do you see - - -?---Yeah.

- - - that on the row that starts with the day Thursday - - -?---Yeah.

20

- - - if you go over to the right-hand side in the Notes, there's a comment about - - -?---Ah hmm.

- - - Dennis Smith?---Yeah.

What does that mean?---Dennis Smith, I know he's a client of university – sorry, what was your question again, what's the meaning of?

Can you explain that comment?---For this whole sentence?

30

Yes.---I think for my understanding is that shift they didn't work but they still got, still got paid and promised by Dennis Smith.

Is Dennis Smith an employee of SIG?---No.

So why would Dennis Smith request to be paid the full 12 hours as Emir? ---For what I know is Dennis Smith and Emir, their relationship is very good and I'm not sure it's real or not real, but ah, because Tommy know Dennis Smith is a client of the university so anything if, if he request or if Emir say it's from Dennis Smith, Tommy always scared, just say "Pay them," like that.

40

Right. Okay. Well, you can - - -?---To keep the relationship, yeah, I think.

So I might ask you some more questions about Dennis Smith shortly. ---Yeah.

But for the moment, do you recognise seeing time sheets similar to this time sheet?---I think so.

And is there anything in this particular time sheet that indicates that fraudulent behaviour in relation to false time sheet hours is occurring?
---Yes.

10 And is that only the comment that I've just drawn your attention to or are there other indicators in this document that hours are being claimed for which have not been worked?---I, I can't see from this, this time sheets but from other time sheets, I think he put, like, the names but we think that no one work, but we not sure if there's no one or not but signed by someone else name on the time sheet.

So, Ms Li, this document is dated February 2014. Approximately when did you start receiving time sheets that had hours claimed which you thought were not actually worked?---I do not recall exactly which timing, but for my understanding they being, like, very largely claiming the hours since probably July or June 2014, since Frank start doing the roster I think.

20 Okay. So, Commissioner, I might tender this document.

THE COMMISSIONER: Certainly.

MR BAINE: As an email from Emir Balicevac to lin@sinternationalgroup on 21 February, 2014.

THE COMMISSIONER: Thank you. That will be marked Exhibit 7.

30 **#EXH-007 - EMAIL FROM EMIR BALICEVAC TO SI INTERNATIONAL RE: TIME SHEET DATED 21 FEBRUARY 2014**

-MR BAINE: Ms Li, I'd like to show you some more documents. --- Yeah.

The first one is, it's an email from Emir Balicevac to lin@sinternationalgroup, copying in Daryl McCreddie on 26 August, 2016, attaching a time sheet. ---Oh, yep.

40 Do you see on that second page, in the column for Wednesday, approximately halfway down, it says, "Me 30 and Daryl 30"?---Yep.

Do you take that to mean that Emir Balicevac has claimed a 30 hour shift?
---Yeah, for my understanding, yes.

And that Daryl has also claimed a 30 hour shift?---Yes.

And on your reading of that time sheet, do you see that at the top of the Wednesday column, between 10, 10.00am and 2.00pm, Emir has claimed two hours?---Yep.

And then he claims 30 hours and then he claims a further two hours between 6.00pm and 10.00pm?---Yeah.

And in the final item in that column --- Yeah.

10 A further four hours has been claimed?---Yep.

So, do you see that on that day, Emir has claimed 38 hours of work?---38? Yeah. Just means all Emir added up them together, yeah.

And it's impossible for someone to work 38 hours of work in a single day, isn't it?---Yes.

20 So, these must be fraudulently claimed hours?---That's what we thought and we reported it to Tommy as well.

And how did Tommy behave when he saw a 38 hour shift?---It depends the situation. At the beginning we do, we told him what's happening, they been claiming the hours. Tommy call Emir or Frank like, call them like, being arguing with them like, "You guys shouldn't claim this stuff like this." But Emir always, Emir or Frank always tell Tommy the hours, the guards being attended the site, you don't need to be worry. That's what Tommy told me, yeah.

30 And do you also see --- Yeah.

That for the shift on Thursday – Yeah.

Between 6.00pm and 10.00pm --- Yeah.

A gentleman named - - -?---Yahiya.

- - - Yahiya has performed four hours of work on the time sheet but that four hours shift is actually been claimed in two parts --- Yeah.

40 Two by Emir and two by Frank?---That, two by Daryl.

I beg your pardon, two by Daryl.---Yeah, yep.

And do you accept that this conduct was taking place from at least August, 2016?---Huh? Sorry?

Do you accept that this conduct was taking place from at least 26 August, 2016?---You mean the behaviour, they doing this?

Yes.---Yeah.

And as you indicated in the document that I showed you from 2014, the conduct has actually been occurring for much longer too?---Yes. Yes, like, probably is, like, we not sure what's the reason, like, for the first document like, like, request to be paid by for, request by Dennis Smith, but we don't know exactly these things, you know? We only, we tell Tommy, "Do we need to pay?" Tommy said, "Pay." But we don't know it's already worked on already, yeah.

All right. Thank you. I'll now show you another document.

THE COMMISSIONER: Do you want to tender that one?

MR BAIN: Oh, thank you, Commissioner, I will seek to tender that one.

THE COMMISSIONER: We'll mark it as Exhibit 8.

20

#EXH-008 - EMAIL FROM EMIR BALICEVAC TO LYNN AT SI INTERNATIONAL RE: TIME SHEET DATED 26 AUGUST 2016

MR BAIN: This is another document, Ms Li, which you will see was sent the following day on Saturday 27 August, 2016.---Yep.

From Daryl McCreadie to lin@sigservices and Emir Balicevac --- Yeah.

30 And it says, "Hi Lin, summary of this week." And then he comments that it's been a busy week. And then towards the bottom he has done the maths and it adds up to 186 hours for the week.---Yep.

It's impossible for someone to have worked 186 hours, isn't it?---100 per cent, yeah.

And this is plainly fraudulently claimed hours, isn't it?---For my understanding, yes.

40 Can you explain what the phrase, "Shine it up," means?---I, I think probably is just let's get more hours or something like this.

All right, thank you. Commissioner, I might tender that document too.

THE COMMISSIONER: I'll mark that one Exhibit 8.

MR BAIN: I think 9.

THE COMMISSIONER: Oh, sorry, Exhibit 9.

**#EXH-009 - EMAIL FROM DARYL MCCREADIE TO LYNN AT
SIG SERVICES AND EMIR BALICEVAC RE: HOUR SUMMARY
DATED 27 AUGUST 2016**

10 MR BAINE: Thank you. Thank you, Ms Li. I'll show you a further document in relation to that week. --- Yeah.

This is, this is an email on 30 August, 2016 and it is sent from SIG Services to Frank Lu --- Yeah.

And it says that, so you see that it's been sent from Su?---Yep.

So this is, in fairness to you, this is not your document?---Yep.

20 But attached to this document is a spreadsheet. --- Yep.

Which I'd like you to have a look at. --- Yep.

As you can see --- Yes.

At the top of this spreadsheet, it says it's, "SNP week ending 28 August, 2016"?---Yep.

30 So it corresponds with the two previous emails that I have showed you? ---Yep.

Have you seen document precedents like this before?---Yes.

Can you explain to the Commission in your experience - - - ?---Yeah.

- - - of working with these documents - - -?---Yeah.

40 - - - what the columns on the right-hand side highlighted in orange mean? ---The, the, they're claiming the hours under, in the brackets name.

Right. So - - -?---

So, The hours goes to Emir, Daryl or whatever who is there.

So the name of the person - - -?---Yeah, yeah.

- - - for example in the second series of rows you have the name Lincoln Nock?---Yeah.

That would be the name that was inserted in the time sheet?---That's correct, yep.

But the person who was actually being paid for that shift was Emir?
---That's correct.

And the same is true in the row below - - -?---Yeah.

10 - - - where the name of Lincoln Nock has appeared on the time sheet but Daryl is actually claiming for those, those hours?---That's right.

Do you know whether or not Lincoln Nock actually performed any work?
---I don't think so because we do receive Lincoln Nock's personal time sheets as well but I believe if that hours goes to them, Lincoln Nock didn't work because if Lincoln Nock worked he will claim by himself and then by sending his own time sheets to us.

20 THE COMMISSIONER: It would be very odd, wouldn't it, it would be very unusual for somebody to be, to do the work and their money goes to Emir or Daryl.---Yeah, but what the explanation is, they ask someone else on the site to work that shift. But we, we don't know really they attend or not, be honestly.

MR BAINE: Do you think that they do ask someone else to work that shift?
---For what I understandings, for Tommy told me something is like, if just maybe this small place, maybe you need one front door and the back, but maybe one other guard can just walk front door and back door, so do two job, two people's job.

30 Right.---Yeah, so that's for my understanding, yeah.

Right. So you understand it to be that if the location is quite small and it only requires, in the judgement of Tommy, one person to perform the work, then only one person will work but two people will appear on the time sheet as having worked?---For my understanding, yes. The thinking in our way.

So on this time sheet, if you just have a look through the documents - - -?
---Yeah.

40 - - - and actually go on to the third sheet 3.---Yeah.

You also have that in a hard copy in front of you.---Yeah.

Have you seen a precedent similar to this previously?---Yes.

And can you explain to the Commission what you understand this document to be?---I, I do seen them but because this sheet is most of time, you know

the girls, they're doing, do the arrangement, so I'm not hundred per cent sure for this page. I think that's the total hours they worked.

It does appear as though it's the total hours worked, doesn't it?---Yeah.

And that for example - - -?---Yeah.

- - - if you on your hard copy turned to the second page --- Hard copy?

10 And you see Frank's name start to appear, there are approximately 10 rows where Frank is claiming for hours that he did not work, and just take it from me - - -?
---Yeah.

- - - Ms Li, that if you added all of those hours up - - -?---Ah hmm.

- - - it would equal 126 hours. So there are 126 hours in, in orange. And then there are 32 hours in yellow.---Yeah.

20 What's the difference between the orange and the yellow?---For my understanding is 32 hours he worked, he actually worked, but the orange one he didn't work.

And is it the case in your experience that that would hold true of the other names in this document, where there's orange highlighting it indicates fraudulently claimed hours - - -?---Yeah.

- - - and where there's yellow highlighting it indicates work that was actually performed?---Yeah.

30 Commissioner, I might tender that document.

THE COMMISSIONER: The email of 30 August, 2016 from SIG Services, so from Su of SIG Services to Mr Frank Lu will be marked Exhibit 10.

#EXH-010 - EMAIL FROM SIG SERVICES TO FRANK LU – NO SUBJECT – DATED 30 AUGUST 2016

40

MR BAINE: Thank you. Ms Li, I'd also like to ask you - - -?---Yes.

- - - about benefits that were received by some individuals who were not employees of SIG.---Ah hmm. Okay.

Do you recall SIG paying for any flights for non-SIG employees?---Flights for, I can't remember for flights. Tommy did promised Emir or even

Dennis Smith to pay their trip flight but I'm not sure whether it's happened or not. I think maybe Emir he promising, Emir did fly but Tommy didn't pay but he paid by cash probably. Can't remember exactly. But I do remember they asked Tommy.

I might ask you some questions then.---Yeah.

I'll show you two documents.---Yeah.

10 These both - you have two documents in front of you, Ms Li.---Oh, yes.

Now, Ms Li, these documents have been sent to the email address info@sinternationalgroup.com.---Yeah.

Do you remember seeing - - -?---Yeah, I do.

So let me ask you about the first document, the 19 November, 2013. ---Yeah.

20 You recall seeing this document?---Yes.

What do you understand this document to be?---Tommy booked the ticket for Daryl.

Now, Daryl is not an employee of SIG, is he?---That's right.

So do you know why he would be booking flights for Daryl?---For my understanding is hope Daryl can look after Tommy for Sydney University and they don't cut the hours, yeah.

30 And so Tommy hopes that Daryl would protect - - -?---Yeah.

- - -the interests of SIG - - -?---That's correct, yes.

- - - at the University of Sydney?---Yes.

And if you look at the second document which is from 25 December, 2013, do you recall seeing this document?---(No Audible Reply)

40 It's an email from Virgin Australia - - -?---Ah hmm.

- - - to info@sinternationalgroup.com?---Ah hmm. I remember Tommy booked once but I can't remember twice. Sydney to Melbourne. I remember he booked for his whole family, but for the second document I can't remember.

So it's the same document.---Oh, the same, the same.

It's the same thing.---Oh, oh, okay.

But are you aware of any other flights or holidays that were purchased for Mr Daryl McCreadie?---I do not recall. If you give me the email I, I remember, you know.

Do you remember if any international holidays were booked for Mr Daryl McCreadie?---International? I do not recall, yeah.

10 So to the best of your recollection --- Yeah.

You can confirm that you saw these documents but you can't recall - - -?---
Yeah. I remember he booked for his, he, he went with his family, yes, but for international I'm not sure, yeah.

Now, Ms Li, you just a moment ago said --- Yes.

That, "They asked Tommy to pay for the flights."---Yeah.

20 When you say, "They," who are you referring to?---Emir.

Emir?---Yeah.

So the three people that are getting benefits are Emir and Frank and Dennis Smith, sorry Emir and Daryl and Dennis Smith?---Benefits you mean?

Yes. Benefits like travel paid for or accommodation paid for.---For Frank, I remember Frank, Emir, they, they do have a, sometimes Tommy gives them you know, the, I think the gift card as well.

30 Gift cards?---Yeah. Gift card, probably \$150, \$100, something like this.

To spend at a department store or what was the nature of those gift cards?
---Just as a gift. To use, you mean?

Yes. But do you recall where they could use those gift cards?---Maybe, maybe Myer.

Myer.---Yeah.

40 All right, thank you.

THE COMMISSIONER: And did that include Dennis Smith, did he get those cards?---Be honest to you, Dennis Smith never asked directly. It's all Emir ask to say like, "You better provide something, gift card or arrange something for Dennis Smith."

And was any money paid, as you understand it, to Dennis Smith?---No. No, no money paid.

MR BAINÉ: I might ask you some questions about Dennis Smith. Commissioner, I'll tender those documents.

THE COMMISSIONER: Sorry.

MR BAINÉ: No. Thank you.

10

THE COMMISSIONER: We'll mark them as one exhibit if that's okay?

MR BAINÉ: Yes, thank you.

THE COMMISSIONER: And we'll mark them as Exhibit 11.

#EXH-011 -TWO EMAILS FROM BESTFLIGHTS AND VIRGIN AUSTRALIA RE: TRAVEL ARRANGEMENTS FOR DARYL MCCREADIE

20

MR BAINÉ: I have three documents that I'd like to show you, Ms Li. Sorry, just give me one moment. Commissioner, I actually seem to be short a few copies of one of those emails.

THE COMMISSIONER: Don't worry. Just - - -

MR BAINÉ: But I can give - - -

30

THE COMMISSIONER: I can get one later.

MR BAINÉ: So, Ms Li --- Yes.

The first document is sent on 29 September, 2015 and it's from Tommy to reservations@theshangrila.---Yes.

And it says, "Please find the credit card authorisation for the booking of Dennis Smith." And if you turn the page you will see a form that appears to have been completed by you.---Yeah.

40

Do you recall completing this document?---Yes, I do.

And that's your signature?---Yes.

And if you turn to the final page you'll also see that your credit card has been provided.---Yes.

And do you recall paying for this?---Yes.

How often did Dennis receive, Dennis Smith receive weekends paid for by SIG at luxury hotels in Sydney?---How often? Not, not many times.

THE COMMISSIONER: More than five?---No, I guess less than five.

More than once?---Yeah, this is one of them and I remember, can't remember is paid, paid a dinner for them as well, yeah.

10

MR BAINE: Well, I'll let you have a look at the second and the third document - - -?---Yeah.

- - - which are in relation to that dinner.---Yep.

There's first of all an email on 6 October, 2015 which attaches a receipt --- Yeah.

From Dennis Smith's dinner at a restaurant called Wolfies.---Yeah.

20

Which cost \$369.---Yep.

And you'll see in the third document which I have provided to you - - -? ---Yeah.

- - - which is a statement of your St George credit card.---Yeah.

If you turn to the third page, the second item is 8 October processing day and the transaction date, 6 October, Wolfies Restaurant, \$369.---Yes.

30

So did SIG pay for accommodation and restaurants for Mr Dennis Smith? ---Yes.

Why?---To keep the good relationship.

How did the relationship between Mr Sirour - - -?---Ah hmm.

- - - and Mr Smith start?---Through Emir, how is (not transcribable) Emir.

40

Sorry?---Emir told Tommy Dennis Smith is the boss of the university and can say want this guard or don't want this guard. If Dennis Smith thinking this is good, hundred per cent the guard is staying there, no matter SNP like or not.

Do you think that Mr Smith provided or Mr Sirour provided - - -?---Ah hmm.

- - - these benefits to Mr Smith to protect SIG's subcontract at the University of Sydney?---For to, to certain degree, yes.

When you say to a certain degree, can you explain any ambiguity?
---To protect SIG hundred per cent to stay in Sydney Uni but this is too long ago, I think just to keep the relationship. Think the same thing, should be same.

Have you paid for any - - -?---Ah hmm.

10 - - - flights, overseas holidays, restaurants for Mr Smith more recently?
---Recently Emir did asked but I'm not sure whether Tommy did or not.

And is your evidence - - -?---Yeah.

- - - Ms Li - - -?---Yeah.

- - - that Mr Smith - - -?---Yeah.

- - - was an associate of Mr Balicevac?---Yeah.

20

And Mr Sirour had no previous dealings with Mr Smith other than through Mr Balicevac?---That's correct.

Okay. Commissioner, I'll tender those three documents.

30 THE COMMISSIONER: Why did you use your credit card?---I believe at that time probably Tommy's credit card didn't, is not with him or he's not in the office probably and they, they need urgently. Now, I think, I think I used my credit card, because Tommy sometimes, I'm not sure he applied at that time his credit card or not for the company, I'm not a hundred per cent sure whether he had already or not, but if he had the credit card might be the credit card is with him and, you know, they need, they need, over the booking you need the front and the back, the copy as well, so we can't provide it so I use my credit card to book quickly.

Did you use your credit card on other occasions for Tommy?---For, for them or - - -

40 For payments to other people or gifts, benefits?---I do not recall much. Maybe sometimes you know the, the gift card, maybe I paid through my credit card, I'm not a hundred per cent sure, I can't remember much. Maybe used Tommy's credit card, but if Tommy's credit card not in the office or not available so I just use my credit card so he pay me the cash back.

Did Tommy tell you that you should use your credit card because he didn't want to use his credit card?---No.

Are you sure about that?---He didn't tell me say use your credit card. Oh, I don't think so, yeah, no.

Those documents will be marked Exhibit 12.

#EXH-012 - THREE DOCUMENTS RE: HOTEL RESERVATIONS FOR DENNIS SMITH AT THE SHANGRI-LA HOTEL

10

MR BAINE: Thank you, Commissioner.

And, Ms Li, does S International Group have any accounts with any travel agents?---Before had with Flight Centre.

Flight Centre.---Yeah. Under Tommy's name.

Which branch of Flight Centre was that with?---Maybe Eastgardens. That's what I know he always go to Eastgardens.

20

And do you know if SIG had any accounts with any airlines?---Account airline? Not what I know I think.

And any hotels?---No as well I think.

Thank you. I might ask you some questions about the arrangement at the University of Sydney between S International Group and the University of Sydney.---Yeah.

30

When did SIG become a subcontractor to SNP?---I do not recall the year. Probably before 2014. For Sydney oh, started with Sydney Uni probably and then we have the other SNP site, small sites as well. I do not recall exactly. Maybe before 2014.

How did SIG become the subcontractor?---How?

Yes.---I'm not exact sure how but at that time there's one general manager called Mark Gemmell.

40

Where did he work?---Work for Tommy.

And how do you spell his surname?---Not sure. Gemmell, I can't, yeah, I'm not sure exactly how to spell.

So he worked for SIG?---Yes.

And was it his role to facilitate negotiations with SNP about securing the subcontract at the University of Sydney?---For what I know at that time he

was made a relationship between SNP and SIG then Tommy become a subcontract, but when I, when Tommy told me is he did the relationship I have no idea, yeah.

Thank you. Do you know at SNP who was aware of the fraudulent time sheets that were being claimed?---For what I know is Daryl.

And what about Dennis Smith?---I don't know whether he knows or not.

10 Do you think he knows?---Because we, I never met Dennis Smith and is (not transcribable) is from Emir and Emir sometimes said Dennis Smith knows but we don't know whether Dennis Smith know or not.

Is Emir and employee of SNP?---At the moment, yes.

Has he previously worked for SIG?---Yes, he did.

20 And he left that role in approximately 2015?---I'm not sure exactly the date, yeah, but when his position, he, he's a guard then he become a team leader, then become a second-in-charge of, on the site there. When his position higher then become SNP guard.

So can you explain to the Commission how the process works - - -?---Yeah.

- - - when guards send their time sheets - - -?---Yeah.

- - - to SIG?---Yeah.

30 What email address do the guards send their time sheets to?---The email address is info@sinternationalgroup.com. Before was used another email called info@sigservices.com.au I think, yeah.

Do they send it directly to you?---Which, time sheets?

Yes.---Some of them. So that's why all the girls have all my email address on their computer as well to make sure they receive all the guards' time sheets.

40 How many email addresses have you been allocated at SIG?---There's one lynn@sinternationalgroup, another one is lynn@sigservices as well, but for some reason the sigservices has stopped working, there's a problem with receiving the emails, so we stop using that email address.

Are there any other ways that guards at the University of Sydney would send their time sheets to you?---Yes, by mobile number, message.

Which mobile telephone did they send those time sheets to?
---The [REDACTED].

And you indicated before that's what's known as the roster phone?

---What do you, again, sorry?

I withdraw that. So you received the time, time sheets from Emir?---Yeah.

Frank?---Yes.

Daryl?---Yes.

10

Anyone else?---Other guards.

So the other guards would send their time sheets directly to you?

---Some of them. Like, if they said that have a problem with the emails or something then we just give my email address. Some, and they send it to the girls as well because later on I wasn't really involved in the time sheets, so they keep still sending to me but I forwarded to the girls, so the girls dealing with the hours and the time sheets.

20 So once the time sheets had been received - - -?---Yeah.

- - - you send them to the girls?---If I received them.

If you received them.---Yeah.

What would the girls then do?---Send it to the email address, the company email address, info@sinternational or lynn@sinternational, whatever, so they send it to the email address then print out from the printer.

30 And what do they then do with those time sheets?---The personal time sheets?

Yes. --- They would check with the site time sheet to compare whether they worked these hours.

And if they noticed that there are discrepancies - - -?---Yeah.

- - - what do they do?---Report it to Tommy or report it to me.

40 And once they had reported it to you - - -?---Yeah.

- - - what would, or Tommy, what action would then be taken?---If they report it to me, at the beginning they do report it to me and I do report it to Tommy as well and at, at the beginning Tommy tried to argue with them, don't claim the hours, but later on they had, they think I reported to Tommy too many times about the things, the difference, they start to say Lynn not involve anything about Sydney Uni anymore. Then Tommy said in front of

everyone as well, "Lynn is not in charge of Sydney Uni or anything regarding to Sydney Uni anymore, all go to Frank and Emir directly."

Right.---Yeah.

When did that happen ?---I can't exactly remember. At least half a year ago.

10 Okay. And Frank and Emir - - -?---Yeah.

- - - don't work for SIG and they are not administrative staff.---Yeah.

So tell me, what happens - - -?---Yeah.

- - - once Frank and Emir have the time sheets - - -?---Yeah.

- - - that have been cleared as being, not containing any mistakes, who do they then notify?---Who do they, you mean the site time sheet, no mistake? They send it to SNP.

20

They send it to - - -?---By fax or by email.

Right.---Yeah, I think, yeah, from there, from university.

And SNP then pays for those hours?---Yeah, yes, from the site timesheet and compare what we send to them.

Right.---Yeah.

30 Okay. I'd like to ask you some questions about the SIG payroll.---Yeah.

Who administered the payroll at SIG?---What do you mean again?

Who administered the payroll at SIG?---Admit?

At SIG.---Yeah.

MR DREWETT: Administer.

40 MR BAINE: Sorry. Who, who was in control of the payroll at SIG?---If you say control I say I'm supervising over the payroll but later on I'm not really involving, involving. If they have a problem they ask me. If they think it correct, yeah, yeah.

And when you say they - - -?---Yeah.

- - - are you referring to Amy and Linda?---Yeah, and Maggie.

And Maggie.---Even before Su or Summer, yeah.

And who would then prepare - - -?---Yeah.

- - - the invoices - - -?---Yeah.

10 - - - to send to SNP?---Everyone in office was did invoices before like, whoever have time to do the invoice who do the invoice. For example, if Linda doing the payroll then Maggie is doing the invoice and if Maggie doing the payroll and Linda sending the invoice. So I trained them to do, how to do the invoice.

And the invoice would be issued to SNP?---Yes, that's right.

Commissioner, I note the time.

THE COMMISSIONER: I'm happy for you to go as long as you like.

20 MR BAINE: Okay.

THE COMMISSIONER: Subject to convenience of others.

MR BAINE: Did SIG issue invoices to any other companies?---Beside, yes.

And can you explain how Pharaohs Group - - -?---Ah hmm.

- - - would invoice SIG?---Basically he doesn't invoice us, we prepare the invoice for him in the office.

30 Right. So does that invoice - - -?---Yeah.

- - - match the invoice that you send to SNP?---Not really matching. We according to the, the total amount we needed for the whole payroll because it's not only SNP one client, we have a few other clients too, so make the whole payroll very big. So the Pharaohs' invoice is for the whole payroll.

For the whole payroll?---Yeah.

40 Why does that system exist?---Tommy want to, how to say, doesn't want to pay too much GST.

Okay.---Yeah.

So, right. The arrangement then is that Pharaohs receives an invoice that has been prepared by you. Correct?---I'm not sure whether he receives but the invoice is in, in our office.

We'll just show you a document on screen.---Yeah.

Is this an example - - -?---Yeah.

- - - of one of the invoices that has been prepared?---That's correct.

And can you just state who prepared that invoice?---Amy I think.

Emir?---Amy.

10 Amy.---Amy, yeah.

Amy. I beg your pardon.---The girl, yeah.

Yes. So - - -?---Amy or Linda, these two, yeah.

And SIG gives that invoice to - - -?---Yeah.

20 - - - Pharaohs?---I don't think Pharaohs, the director of Pharaohs knows this, he might be knows invoice but because he has a office and Amy or one of the girl can go to his office, so the invoice going to send it from his office to our office, but I'm not sure the director of Pharaohs he see the invoice.

Surely he would have to see the invoice though, Ms Li, because does he not withdraw the amount of money on the invoice?---Oh, no, because we don't show the invoice, we, the girl text message him or take a photo of how much he need, need from the bank.

30 So - - -?---Or invoice, like invoice number this one, how much is the total, and he should get how much out.

So Mr Elredi will go to - - -?---Yeah.

- - - the bank the following day - - -?---Yes.

- - - after receiving a text message from you?---Not from me, from Amy or - - -

From Amy?---Or, Amy, whoever doing the payroll.

40 Yes.---Yeah.

So he receives a text message from SIG.---Yes.

He then goes to the bank, he withdraws that money?---Yes.

And tell me if this is correct.---Yeah.

Does he then deposit some of that money into bank accounts of SIG employees?---Yes.

And does he then take the remaining balance of that money - - -?---Yeah.

- - - to the office in Rockdale?---Yep.

That money is then given over to the SIG staff, for example Amy - - -?
---Yeah.

10

- - - who count that money?---Yes.

And then they put that money into envelopes?---That's correct.

That money is then collected by SIG guards?---Yes.

To do whatever they choose.---Yes.

20

And the money that is received by them in envelopes has been taxed? Yes or no?---The money in the envelope been taxed? For Pharaohs or for SIG?

SIG.---What, what I know is that invoice with the GST so being taxed, I'm not sure it's ah - - -

Okay. But your evidence, Ms Li, is that Mr Elredi has no idea about the invoicing?---Who, sorry, again?

Mr Elredi.---Elredi?

30

Yes. The director of Pharaohs.---Taymour?

Taymour.---Oh, oh sorry. Taymour, does he know about this invoice?

Yes.---Ah, I can't say he doesn't know, but he doesn't know the invoice how to prepare it. He do know the invoice exist but, I guess, yeah.

How does it come to be that Mr Elredi receives for example \$80,000 - - -?
---Ah hmm.

40

- - - deposited into his company's bank account?---Again, sorry, how?

How is it that Mr Elredi comes to receive approximately \$80,000 being deposited into his bank account?---How he react or - - -

Why is it that Mr Elredi - - -?---Oh, as a subcontractor.

What services does he perform as a subcontractor?---It's the agreement between he and Tommy, we don't know. He agree and Tommy pay him.

At the beginning it was 1,500 a week to give him, so Tommy transfer this large amount of money to get the cash out, but later on becomes \$3,000 every week.

So - - -?---So they agreed. I'm not sure how he yes, say yes to Tommy, yeah.

Mr Sirour - - -?---Yeah.

10 - - - pays Mr Elredi - - -?---Yeah.

- - - a service fee of approximately \$3,000.---At the moment, yes, for the time being \$3,000.

And he accepts that money - - -?---Yes.

- - - on the basis that he will accept the transfer - - -?---Yeah.

- - - from SIG to Pharaohs - - -?---That's right.

20

- - - of whatever is contained in the invoice.---Yeah.

And then Mr Elredi withdraws all of that money?---Yes.

And follows through with the process that we described involving the Rockdale office?---Yes.

Whereabouts is the Pharaohs Group office located?---Where? Office?

30 Yes.---The recent one is Rockdale.

Pharaohs are - - -?---Pharaohs.

- - - operating in Rockdale?---Operate?

Yes. Where does Mr Elredi work each day?---For what I know he works for, (not transcribable) he work a few, for a few other companies, security company, as a security guard. He worked at Chifley before for SecureCorp before. That's what I know. And the company changed and he change his
40 company but I'm not sure whether he really operate on the Rockdale office or not.

And when you say the Rockdale office - - -?---Yeah.

- - - do you mean the same Rockdale office that SIG would distribute money on Wednesdays and Thursdays?---Yes, yes.

Would he perform business on Monday, Tuesday and Friday at that office?

---I'm not sure.

But probably on Wednesday and Thursday?---You mean - - -

Pharaohs Group.---He will go there?

And Mr Elredi - - -?---Ah hmm.

10 - - - would go into the Rockdale office - - -?---Yeah, yes, yeah.

- - - on Wednesday and Thursday.---Not, maybe not Thursday, maybe only Wednesday.

Maybe only on Wednesday.---Yeah.

Do you think that the subcontracting services - - -?---Yeah.

- - - that Pharaohs provides SIG - - -?---Yeah.

20 - - - is a sham?---Sham?

Do you, I'll rephrase the question. Do you think that the subcontracting services - - -?---Yeah.

- - - provided by Pharaohs - - -?---Yeah.

- - - to SIG actually take place?---To a certain degree, yes, because Pharaohs recently start providing the guards for SIG.

30 Approximately how many guards?---Not many. I can't remember how many but - - -

Less than 10?---Probably less than 10. Depends for the occasion, for the events or for the job, yeah.

So - - -

40 THE COMMISSIONER: How recently did that start?---Not too long ago, I, I, for my memory, yeah, remember.

MR BAINE: Do you recall what location those guards were providing services at?---Sometimes maybe Sydney Uni, sometimes other site for the event like Eastside, Eastside Group or Eastside company, they're the company.

What's that, Ms Li?---I think is, they're doing the Apple store, the, the, the company.

What's the company called?---Eastside I think.

Easter S-i-t-e?---E - - -

Or S-i-d-e?---S-i-d, I'm not sure exactly, S-i-d maybe.

Is this a new company of Mr Elredi's?---Yes, he's a new client.

10 I see. I beg your pardon. So Eastside is the company that you're referring to. Is that correct?---Yeah, probably, he, depends, you know, different, if Tommy's stuck with providing the guards, so he call Pharaohs or call Taymour to providing the guards.

But to the best of your knowledge, do you think that Pharaohs actually provides any services to SIG?---For at the beginning, no.

And even if they were more recently providing services to SIG - - -?
---Yeah.

20 - - - of less than 10 guards, that could not add up to approximately \$80,000 worth of services?---Of course not, yeah.

So do you think that the scheme is a bit mischievous?---Scheme? Ah - - -

I, I, I won't press it, I won't ask. Now, since the ICAC search warrant - - -?
---Yep.

30 - - - what have you been doing, Ms Li, for SIG?---I start that day, I was stayed at home and Tommy tried to call me to ask for the computers back and, and in the office was the list almost finish, so we was planning to go another, in the new office in Mascot but Tommy said don't go to that office anymore, and I ask him, do you still want to continue the work or you know, continue the business. He said, "Probably not." He said he not sure. He said he might be selling the business.

Are you still in contact with Mr Sirour?---Now? No. Before I change, after I change my mobile, no.

40 And the computers that Mr Sirour was talking about - - -?---Ah hmm.

- - - where are they?---I remember I got two or three computer back from here.

Right. Okay.---Yeah.

So, Ms Li, what benefit do you think Mr Sirour - - -?---Yeah.

- - - actually gets from allowing guards like Daryl McCreadie, Frank Lu, Emir Balicevac to claim for hours at the University of Sydney that they did not actually work?---Because he, even they claiming the hours, Tommy's still getting big profit behind it.

So Tommy keeps a portion of the cash that's left over each week, does he?
---Not cash, from the bank account I think.

10 From the bank account.---Yeah, like for what I think is the proper way to getting the profit, like, he invoice and how much is guards cost, still he left a big portion.

Do you have any idea how much that might be?---Probably ten grand.

Ten grand per week?---Yeah.

20 And are you aware of any other benefits that Mr Sirour receives from that contract, that subcontract with SNP?---Not really for other benefit, only for the profit, yes, yeah.

Okay. Thank you. Ms Li, since the search warrant was executed - - -?
---Yeah.

- - - on 18 April, 2018 - - -?---Yeah.

- - - have you had any conversations with Tommy?---Yes, I do.

30 There was the conversation about the laptops or the computers?---Yes, that's one of them.

40 Approximately how many other conversations were there?---How many I'm not sure, but he do text message me from WhatsApp and he said call me, something like this. Later on I was dealing with Magdy more often because he trying to transfer all his business to Magdy's company called MOK, M-o-k, Protective Service, to that company. So because transfer all the other except SNP business there's other clients still running at the moment so they need my help to help the, the invoicing as well and just collecting hours from the security guards, but I help them probably one or two days, I, I, I and I said I can't do anymore because I'm pregnant and I can't do more work anymore with you guys as well. Yeah.

So you communicate with Mr Sirour through WhatsApp?---Yes.

Do you use any other social media applications?---With, with Tommy only WhatsApp or mobile.

Not WeChat?---Not WeChat, Tommy - - -

Not Facebook?---Tommy doesn't have WeChat. Not Facebook I didn't communicate, no.

Have you had any communications with Emir?---I did after thing happen, I informed them, say ICAC come to our office, that's all.

10 Was that the only time you spoke with Emir?---Yeah, that's the message. After that he tried to call me, I didn't answer. That's all I didn't. And he tried to ask someone he knows to contact with me, try to talk to me, I said no.

And other than, and before the search warrants were executed - - -?
---Before, yeah.

- - - did you communicate with Emir via any social media applications?
---Only mobile. Social app, for I can't recall, I don't think so, but mobile most of the time, yeah.

20 Or your personal email account?---My personal email? I can't recall much, yeah.

Okay. And what about Frank, have you spoken with Frank since the search warrants?---I did.

30 On how many occasions?---At this time I message him to told him I could come to our office because I can't, can't Tommy at that time was overseas, can't reachable, so I contact with them and then Frank tried to call me probably, at the beginning call me probably every week, every day, at the beginning all the days, try to say what's happening, I say I don't know what's happening.

#BREAK IN RECORDING [4.11.02]

#RECORDING RESUMED [4.11.22]

40 MR BAINE: Thank you.---Yeah. Yeah, he call me for asking what's happening with Tommy, did you guys get computer back, sort of question like this. Now, I always tell him I don't know, I don't know basically, yeah.

Okay. And do you ever communicate with Mr Lu through - - -?---Ah hmm.
- - - social media applications?---After things happen, no.

Before things happened?---Before things happen actually I don't have his WeChat anymore. You know, I mentioned before in the conversation say he, he had like kind of arguments, told Tommy he doesn't want me to in

charge or touch anything regarding to university so basically I deleted his WeChat at (not transcribable) already, long time ago, yeah.

And what about Daryl, have you had any communication with Daryl?
---No, no, no Daryl I think.

Before the search warrant did you have communications with Daryl?
---Yes, I do.

10 And was that over social media applications?---No, no social, only message or phone calls.

Ms Li, has anyone told you what evidence you should give to the Commission today?---No.

Have you spoken with anyone about the evidence that you're going to give to the Commission today?---No.

20 And do you have the mobile handset used to receive SMSs and emails from USYD-based guards, do you have that mobile handset with you today?
---Yes, I do.

And are you currently using that telephone?---No, no SIM card.

Okay. Commissioner, I might make an application that a section 35 be issued in relation to that device.

30 THE COMMISSIONER: I direct pursuant to section 35(2) of the Independent Commission Against Corruption Act 1988 that the witness produce to the Commission the mobile phone which has just been referred to in the evidence

I DIRECT PURSUANT TO SECTION 35(2) OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT 1988 THAT THE WITNESS PRODUCE TO THE COMMISSION THE MOBILE PHONE WHICH HAS JUST BEEN REFERRED TO IN THE EVIDENCE.

40 THE COMMISSIONER: And, as I understand it, doesn't currently have a SIM card in it. Is that right?

MR BAINE: I think that's right.

THE COMMISSIONER: Yes. So when we finish here today you'll have to hand that mobile phone over.---No problem.

And they'll have a look at it and then it will be returned to you - - -?---Sure.

- - - as soon as possible. And, and as I understand it, you've got another mobile phone you can use?---That's right.

Okay.

MR BAINE: And, Ms Li, does that telephone that you will be providing to the Commission have a PIN on it?---Yes.

10

Would you be able to provide to the associate on a Post-it note what that PIN number is?---Yeah, sure.

Thank you very much. Sorry, Commissioner. Pardon me.

THE COMMISSIONER: No, you're right.

MR BAINE: All right. Thank you, Commissioner.

20 THE COMMISSIONER: Can I just ask you a question, Mr Baine. Exhibit 7 - - -

MR BAINE: Yes.

THE COMMISSIONER: - - - which was the email of 21 February - - -

MR BAINE: Yes.

30 THE COMMISSIONER: - - - you were asking some questions about Dennis Smith. Am I, am I right in assuming Dennis Smith was an employee of the university?

MR BAINE: Correct.

THE COMMISSIONER: Is that entry intended to record the fact that he was paid money by SIG?

MR BAINE: It does appear that way, Commissioner.

40 THE COMMISSIONER: Right. Is that what you recall too, that Mr Dennis Smith would be paid money from time to time by SIG?---No. I, I think ah, I think, hmm, for my understanding Dennis Smith never get paid by money, it's all Emir or Aymna Huda, they're taking the money.

MR BAINE: But on - - -?---But I don't know whether Emir give the money to, but yeah.

On the face of that comment - - -?---Yeah.

- - - it is possible that Mr Smith has received payment from SIG?---Sorry, my understanding, yeah, I think they did the shift, I'm not sure they did or not the shift but the shift is from 9.00 to 19.00 so it's 10, is 10 hours, yeah, but they should get paid for 12 hours because probably they should do a patrol shift for 12 hours. That's my understanding for the sentence.

THE COMMISSIONER: Who's team leader, sorry, team leader Rate Sierra, what does that mean?---I don't know for this one. But they should
10 get paid maybe by team leader rate, but Sierra, I don't know what's that.

Okay. All right. Thank you. Anything else?

MR BAINE: Just Ms Li - - -?---Yep.

- - - in respect of the Hotel - - -?---Yeah.

- - - By you .---Ah hmm.

20 The use of your American Express card, can you recall whether - - -?
---Ah hmm.

- - - those charges were made, whether those charges, whether you paid for those charges on your card?---I think so, yeah.

And much in the same way that you receive - - -?---Oh, once um, I'm not sure. I need to double-check because I, Tommy did – I'm not sure is this or not, okay, this once it happened like, and tried to book the, the room for him but he said he was, his mother-in-law was sick or something, what
30 happened, he didn't attend so was cancelled, but I'm not sure, I need to go check whether I have, I have, they charged me or not.

THE COMMISSIONER: Would you do that for us?---Now or - - -

Not now, no.---Of course.

Yes. Okay. And just you can let us know.

MR BAINE: Okay. If you could check that for the Commission, that
40 would be very helpful.---Yeah, sure.

Thank you very much.---No worries.

THE COMMISSIONER: All right. I propose to adjourn now, but I'll just remind you about the section 112 order I made that you can't talk to anyone about your evidence, apart from your counsel.---No problem.

Or the fact that you've been here today.---Sure.

And thank you very much for your assistance.---Thank you.

MR DREWETT: Commissioner, can I just say - - -

THE COMMISSIONER: I'm sorry, did you have questions you want to ask?

10 MR DREWETT: No, no, I have no questions, but I just want to put on the record that Ms Li's given that evidence and she's five months pregnant and I think her due date is on 4 September of this year.

THE WITNESS: 5th, yeah.

MR DREWETT: I'll just put that on the record in case there was an intention to recall her in relation to any part of her evidence. I'm sure my friend would be mindful of the fact that women in their last trimester might be tricky in terms of stressful situations.

20 THE WITNESS: Thank you.

THE COMMISSIONER: Tricky, yes. Well, is there any reason why I can't excuse her from her summons?

MR BAINE: No, Commissioner.

30 THE COMMISSIONER: What we're going to do is excuse you from your summons, so that you're released and you can go away and if we need to speak to you again we'll let you, we'll let you know. And if you could convey that information to us that you just spoke about - - -?---Yeah, sure.

- - - that would be very good. And congratulations about the baby.

THE WITNESS: Thank you.

THE COMMISSIONER: Second child?---Yes.

I'll bet you're excited, hey?---Yeah.

40 Good, good. All right. Thank you. I'll adjourn.

THE WITNESS EXCUSED

[4.20pm]

AT 4.20PM THE MATTER WAS ADJOURNED ACCORDINGLY

[4.20pm]

