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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE RUTH McCOLL AO
COMMISSIONER

PUBLIC HEARING

OPERATION KEPPEL

Reference: Operation E17/0144

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 1 OCTOBER, 2020

AT 10.00AM

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: Yes, Mr Robertson.

MR ROBERTSON: Commissioner, can I first deal with some matters of housekeeping. Yesterday, I played a recording of a telephone intercept of a call between Mr Daryl Maguire and the CEO of the Australian Petroleum Production and Exploration Association, Malcolm Roberts. Can I indicate that Mr Roberts has given a voluntary interview to this Commission, in respect of which a formal record has been taken. Can I have a copy of that record of interview on the screen, please, Operator? This was an interview that took place on 6 March, 2019. I'll tender this statement in a moment, but before I do so, can I draw attention to what Mr Roberts says on page 13 of that document? You'll see that the investigator from this Commission indicated at about line 40, towards the bottom of the page, "If Mr Maguire had not been a member of parliament," then the question continues over the page, "would you have agreed to see him over this issue?" "This issue" being a reference to the oil issue that was the subject of some evidence yesterday. Mr Roberts responds, "Probably not," and then gives a further explanation in relation to that matter. So given the evidence that came yesterday, I thought it was appropriate that I tender that record of interview. So I tender the record of interview of Mr Malcolm Roberts.

THE COMMISSIONER: Very well. That will be Exhibit 216.

#EXH-216 – RECORD OF ICAC INTERVIEW WITH MALCOLM ROBERTS DATED 6 MARCH 2019

MR ROBERTSON: Can I indicate that, as presently advised, I don't intend to call Mr Roberts to give evidence, but in the event that anyone considers themselves to be disadvantaged by that course, they should let the Commission know so that I can consider the position accordingly.

THE COMMISSIONER: Very well.

MR ROBERTSON: Can I also note that the 2018 report of the New South Wales Parliament Asia Pacific Friendship Group has been made available to the Commission. I tender that report, because it's relevant to some of the evidence given by Mr Coure yesterday.

THE COMMISSIONER: Very well. That will be Exhibit 217.

#EXH-217 – ASIA PACIFIC FRIENDSHIP GROUP REPORT DATED 15 NOVEMBER 2018

MR ROBERTSON: In terms of the program of evidence from today, and today the evidence will start a segment of the inquiry regarding Mr Maguire's involvement with persons associated with property sales and property development. As I indicated in the opening, one of the issues the Commission is considering as part of this investigation is Mr Maguire's association with property developers and vendors of substantial properties, and so there'll be some evidence attending to that issue and certain connected issues starting today and for the next few days in the public hearing. On that issue I'll first call Mr William Luong. I expect him to be
10 for most of that day, and if time allows today I'll call Mr Tim Lakos, who at the relevant time was Head of Investment of Country Garden Australia Pty Ltd. And the two witnesses for tomorrow are Mr Jock Sowter and, as I've already indicated, Ms Sarah Hill. So that's the program of witnesses. There is a draft order of witnesses for next week which either has been uploaded or will be shortly uploaded for the benefit of those following along.

THE COMMISSIONER: Thank you, Mr Robertson.

MR ROBERTSON: They're the housekeeping matters from my
20 perspective. I call William Luong.

THE COMMISSIONER: Thank you.

MR HARRIS: Commissioner, Harris for Mr Luong. He will make an affirmation.

THE COMMISSIONER: Thank you, Mr Harris. Mr Luong, could you please stand and listen to the court officer?

30 MR LUONG: Yep.

THE COMMISSIONER: Thank you. Please be seated. Mr Harris, have you explained to Mr Luong his rights and liabilities under the Independent Commission Against Corruption Act?

MR HARRIS: Yes, Commissioner. I trust Mr Luong understands that, those aspects, and could I indicate he is seeking a declaration pursuant to section 38? Thank you.

THE COMMISSIONER: Thank you, Mr Harris. Mr Luong, will you listen very carefully to the explanation I'm about to give you?---Yep.

Very well. As a witness, you must answer all questions truthfully and produce any item described in your summons or required by me to be produced. You may object to answering a question or producing an item. The effect of any objection is that although you must still answer the question or produce the item, your answer or the item produced cannot be used against you in any civil proceedings, or subject to two exceptions, in any criminal or disciplinary proceedings. The first exception is that this protection does not prevent your evidence from being used against you in a prosecution for an offence under the Independent Commission Against Corruption Act, including an offence of giving false or misleading evidence, for which the penalty can be imprisonment for up to five years. The second exception only applies to New South Wales public officials, and I don't understand you to fall into that category. I can make a declaration that all answers given by you and all items produced by you will be regarded as having been given or produced on objection. That means you don't have to object to each answer or to the production of each item, and I gather from your solicitor that you would like me to make that declaration.---Yes, please.

Very well. Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all documents and things produced by him during the course of his evidence at this public inquiry are to be regarded as having been given or produced on objection, and there is no need for him to make objection in respect of any particular answer given or document or thing produced.

PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY HIM DURING THE COURSE OF HIS EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION, AND THERE IS NO NEED FOR HIM TO MAKE

**OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER
GIVEN OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Can you state your full name please, sir?---William Luong.

10 And are you the Managing Director of Swamer Investments Pty Ltd?
---That's correct.

Can you just explain what Swamer Investments Pty Ltd is? What does it do?---Swamer Investment basically, I use Swamer Investment and Swamer Trading, all right, I think you probably know that I got, also have Swamer Trading, and - - -

20 So there's another company that you're a director of called Swamer Trading Pty Ltd, is that right?---Yes. Yes, yes, yes. And Swamer Investments is basically used to invest in property and also used as a, to receive commissions as a go-between, I mean, an agent in a sense, all right, in helping the, either the buyer or the seller to source the appropriate property.

And so it's common for you, through Swamer Investments Pty Ltd, to either act for a vendor of property or a proposed buyer of property to assist a property transaction to take place?---Yes, yes, yes.

30 Is that right?---Yes. And I also help in the negotiation as well sometime, if they want me to help, yes.

And so sometimes you'll act for the buyer, sometimes you'll act for the vendor, is that right?---Yes. Yes.

And is it just in relation to property sales, or is it also in relation to what I might call property developments, where an owner of property is looking to develop their land?---When you say in property developments, could you be clear what that mean? I don't understand.

40 Well, for example, someone who owns a piece of property who wants to, for example, build apartments or commercial premises or something, is that something that you assist with or are you focused more on selling of properties than buying of properties?---I think it's more on selling a property than buying a property, and I also sometimes get advice on what to do with the properties.

When you say advice as to what to do with the properties, does that include development of the property for example to build things on it?---I don't

think I have given actual advice on development of a property or I don't know what – will you be able to give me an example? I can't recall.

Well, for example - - -?---But I have given advice on what you do with a property sometimes.

When you say what to do with a property, what do you mean by that?

---Okay. For instance the property at, close to the airport belong to Louise Waterhouse. I was introduced to Louise Waterhouse by Daryl Maguire and then I don't know how he, he said to Louise at the time, but I met Louise, all right, and the three of us were together, and then Louise was, asked me about what can I do with this property. And then my advice to Louise at the time was, I think they, she was wanting to do a – because I was given, before that I think I was given a, I think it was called SmartWest Sydney or something, one of these proposal, and then I looked there and they were trying to do like a theme park or something there and also industrial whatever it is, and then I told her this may not be appropriate and then you have spent a lot of money in doing it, all right, and probably it's good you sell it rather than doing it yourself. This is the advice I gave her at the time.

20

And so I take it that at least when you're providing assistance for the buying or selling of land, you or your company will usually do that on a commission basis. Is that right?---Yes.

And so if you were successful in brokering a purchase or brokering a sale, the amount that your company would be entitled to would usually be fixed as a percentage of the purchase or sale price. Is that right?---Yes. It depends on the property and also depends on the vendor or the purchaser.

30 But at least the usual fee structure will be by way of commission rather than in some other way?---Yes.

It may be depending on the vendor or the purchaser or the particular piece of property, the percentage commission might change as a matter of negotiation. Is that right?---The percentage will change depends on what it is. So some people say, they, say for Louise, she is very hard bargaining. She said, "You've got to achieve that price before I give you this," sort of thing.. So it depends on the price structure at the end.

40 So it's usually by way of commission and sometimes there'll need to be some manner of negotiation as to exactly how the commission works. ---Yes, yes.

And the particular kind of piece of property is likely to affect the amount of commission involved. Is that right?---Yes.

And in terms of the introduction to Ms Waterhouse, did you say that that was Mr Maguire who gave you that introduction?---Yes.

So before you were introduced to her by Mr Maguire, you didn't know, at least you didn't know personally Ms Waterhouse. Is that right?---Not at all.

How did you first come to know Mr Maguire?---I attend a restaurant opening in Guangzhou, I think it's called Wagga Wagga Café, Wagga Wagga Restaurant, whatever they call themselves. So when I looked at this, I remember it because Wagga Wagga, you know, it's Australian name, Australian. And I can't remember the exact date or year, but I was invited
10 by Gordon. I went from Shenzhen to Guangzhou on that day to attend it, because I was in China, I was in China at the time.

When you say Gordon, do you mean Gordon Tse?---Gordon Tse.

And Gordon Tse is the proprietor of the Wagga Wagga Cafés in China. Is that right?---Yeah. I think he own a number of other business as well.

And who was it that invited you to that opening? Was that Mr Tse or was that Mr Maguire?---Mr Tse, Gordon.
20

And are you saying that's how you first came to know Mr Maguire?---Yes.

So you met Mr Maguire in the context of an opening of a Wagga Wagga Café?---Yes. I think we were sitting at the same table when we were having that lunch. I think it was a luncheon.

And then it was Mr Maguire who introduced you to Ms Waterhouse. Is that right?---I think that was quite, maybe two years, three years, I can't remember exact date, it was after when I was in Australia.
30

Do you recall approximately when that was?---I can't recall, but I can recall what it was was there was a dinner at Marigold.

A dinner, is that what you said?---A dinner. It was introduced through a dinner at Marigold.

THE COMMISSIONER: Introduced to Ms Waterhouse?---Yes.

MR ROBERTSON: And I think - - -?---I think there was three of us,
40 Maguire, myself and Waterhouse, Louise.

And I think you referred a little while ago to some information that you were sent regarding the SmartWest Sydney proposal. Is that right?---Yes.

And who provided you with that information, can you remember?
---I think it was Daryl. I think, I think Louise probably sent later as well. I can't recall.

Can we go please to volume 16, page 21. I'm just going to show you a document on the screen which might help you in fixing a time period for that particular set of information.---Yeah. There's nothing on the - - -

It'll come up just in a moment.---Oh, sorry.

THE COMMISSIONER: It'll come up. It takes a while, Mr Luong.
---Okay.

10 MR ROBERTSON: Just have a look halfway down the page first, there's an email from Ms Waterhouse to the electorate office of Mr Maguire, 7 April, 2017. This is an email that - - -?'17, so that's three years ago.

That's right. Now, that email is not an email to which you are a party but just have a quick look at it because it refers to - - -?'---Yes, it hasn't come up yet. I've got nothing on the screen.

I'm sorry.---Do I need to turn it on or - - -

20 THE COMMISSIONER: No, no.

MR ROBERTSON: Can Mr Grainger approach, Commissioner?

THE COMMISSIONER: Yes, by all means.

THE WITNESS: Sorry.

MR ROBERTSON: Can I suggest a very brief adjournment while some technical people fix the screen? I apologise.

30 THE COMMISSIONER: Yes. We'll take a short break to try and fix the screen.

SHORT ADJOURNMENT

MR ROBERTSON: Let's try again. Volume 16, page 21.---Oh, yes, it's come up now.

40 Is there now a document on the screen?---Okay.

If you have a look about halfway down the page, an email from Ms Waterhouse to Mr Maguire's electorate office. You're not a party to this email but I'll show you in a moment that it was forwarded to you.---Yeah.

Ms Waterhouse is referring to free-trade zone in Shenzhen and discussions about exciting project, et cetera. And we'll just turn two pages just so you

can see the attachment. Two pages to page 23 of volume 16.---It hasn't come up yet. It might be coming up.

Just bear with us for a moment.---Yeah, I saw the document now, the actual document.

Now, that's the document you were referring to before that you were provided.---Yes, yes, yes.

10 And we'll then just jump back two pages and see there Mr Maguire forwards that on to a Gmail address. Do you see that there at the very top of the page?---Yep, to, yep.

And that's your personal email address. Is that right?---That's my Gmail, yep, yep.

And so is it consistent with your recollection that you received the papers regarding the Sydney West, sorry, the SmartWest project in about late April of 2017?---Yep.

20

Now, before that point in time you had a meeting with Ms Waterhouse and Mr Maguire in Parliament House. Is that right?---I had a meeting with Mr Maguire in Parliament House, I would have, 'cause I have gone to Parliament House a number, quite a number of times and - - -

But you specifically, before receiving the documents I've just shown you, had a meeting with Ms Waterhouse and Mr Maguire in Parliament House in early of April of 2017. Is that right?---I can't recall that.

30 Do you at least agree that you had quite a number of meetings with Mr Maguire - - -?---Yes.

- - - in Parliament House?---Yes.

And that's always been on his invitation inviting you into Parliament House?---Yes, yes, yes.

Sometimes those meetings have taken place in his Parliament House office. Is that right?---Yes.

40

Sometimes there's been meetings over dinner - - -?---Yes.

- - - in a dining room within Parliament House. Is that right?---Yes, yes.

Before you were introduced to Ms Waterhouse did you have a relationship with Mr Maguire, did you know Mr Maguire?---(No Audible Reply)

Were you in regular contact with him? What was your relationship like with him?---I met him in China. He was sitting next to me at the lunch, that ceremony, the opening ceremony lunch.

The opening ceremony for the Wagga Wagga café with Mr Tse?---Yeah, yeah, yeah. And obviously I think there's some Chinese cannot speak English, so I can speak English so I think I spoke a lot with him. And since they're coming from Australia, obviously you feel a little bit more comfortable as well. And then I think when I came back to Sydney and I think I have people asking me for agricultural products, and I know he's in Wagga Wagga, so I didn't know at the time, to be honest, I didn't know he was a franchisee of Harvey Norman, so I thought his background was a farmer now in Wagga Wagga. So I asked him for help in sourcing product, meat and I think probably even cottons and all sort of thing.

So you were asking Mr Maguire for his - - -?---To help, yeah.

- - - assistance in identifying - - -?---To help me to, yeah.

20 - - - potential exports of product that you might be able to export into China. Is that right?---Yes, yes.

And so that was the first dealings of a business-type nature that you had with Mr Maguire. Is that right?---Yes, yes.

But just in relation to the SmartWest project that you drew attention to before, do you agree that you worked with Mr Maguire to try and broker a sale of that SmartWest land on behalf of the Waterhouse family?---Okay. He asked me, first of all, when he send me this I think he might – these are my recollections – and then he asked me whether I can meet Louise Waterhouse, and because he has helped me so much in the past of sourcing product and so forth, so obviously I wouldn't refuse. All right, and he asked me whether I can give personal advice. So then we have a dinner at Marigold. Obviously we didn't talk much, it was the first meeting with Waterhouse, and I didn't even look into this in great details at the time. Louise just send something to me, I didn't even, you know, I know what it is, but. And then, then I sort of had a look later, if my memory's correct, after the dinner meeting, right, and then I think, because I promised to contact Louise as to what I think, because she asked for my opinion.

40 So at the dinner you promised to make contact with her. Is that what you're saying?---Yeah, I think she asked me, 'cause I said, "No, I can't give you what it is," I think at the time, because the document just there and I need to study it, and I also need to study location and so forth. And I think one day she said to me, "she's very comfortable", I've been in her office a number of times because I go to give advice and I never charge her, all right, for giving those advice because she's a friend of Maguire, Daryl, because Daryl helped me a lot. So I went there obviously and we discussed, and she told

me a bit more about more, a bit more about what she want to do with the land, and obviously we discuss and then I told her, “No, it’s not, to me I think it will be better if you can sell the land rather than put all this money in.” I said, “you will need, develop the land will probably cost you probably close to a billion dollars, all right, whatever, this depends on what you want to do.” And she said, oh, the Waterhouse family want to be remember this is, we break off a land, have a plot or something, you know, there. I said, “Yeah, that’s fine, you can demand that if you want, you know what I’m saying, if you sell to someone.” And at the end of the day she
10 agreed to sell.

And just to try and fix this by reference to timing, so there was a dinner that you’re referring to when you had a little bit more of a casual dinner with Ms Waterhouse and Mr Maguire. Is that right?---I think I only had one dinner with Louise.

But the particular dinner that you’ve told us about so far - - -?---At Marigold.

20 That was at Marigold with Mr Maguire and Ms Waterhouse, is that right?
---Yes.

Was there anyone else present at that meeting, do you recall?---I don’t think so.

And do you recall when that meeting was in reference to the email that I showed you? So I showed you Mr Maguire sending you an email regarding the SmartWest project on 27 April, 2017. Is it possible that you were actually sent that email either during the course of the dinner or briefly
30 before or briefly after the dinner, does that ring a bell?---I can’t, I can’t recall it to be honest.

But it was at least around about the time of that dinner, is that right?---Yes, probably. Very close, I think, have to be.

Now, do you agree that you agreed with Mr Maguire that you and he would work together to assist the Waterhouse family in selling the land near the Western Sydney airport?---When you say that we, I think what, what, what it was, it was basically Maguire always passed those sorts of things to me.
40 Like, I think, including olive farm or something, olive oil and those sorts of thing. And then sometimes I looked at it, I say, “That’s not possible.” Sometimes I look at it, the land, they ask me to do (not transcribable) feasibility study on it, see whether it’s worthwhile, and then sometimes I say, “No, it’s not worthwhile.”

So I’m just trying to understand what you’re just explaining. You’re saying before there was anything to do with Ms Waterhouse, there were a series of occasions where Mr Maguire would make contact with you and say, “Here’s

an opportunity in relation to,” say, olive oil, beef or some other product, is that right?---Yes, yes.

So that was a past relationship, but in relation to the Waterhouse land, you and Mr Maguire had an understanding that you would work together to try and help the Waterhouses sell that land. Do you agree?---I was the one who suggest they sell the land. I don’t think it was coming from Maguire.

10 It might have been your idea, but you had an understanding with Mr Maguire that you would work together to help Ms Waterhouse, is that right?---Yes, to help Waterhouse, yes.

Not just to help Waterhouse, but for you and Mr Maguire to work together to help Ms Waterhouse, correct?---(No Audible Reply)

20 It wasn’t just Mr Maguire sending you a possible investment opportunity. Mr Maguire was closely involved in your attempts to assist Ms Waterhouse and her family in selling that land, do you agree?---I was helping Waterhouse to sell the land and I understand that Louise asked me at the time, “If it’s successful, you will pay. Will you consider taking care of Daryl?” I said yes. So I don’t know what she meant by that.

So are you saying that there was a conversation with Ms Waterhouse where Ms Waterhouse suggested that you should, what, pay or take care of Daryl, is that what you’re saying?---“Take care”. I think the word is “take care” or “consider”, “take care”, whatever. I think something along that line. It was suggested.

30 And you agreed to take care of Daryl, is that right?---Yeah, I mean to me, someone refer something to you, so at the end of the day, if something is successful, you - - -

So is it right to say that you - - -?---But it wasn’t mentioned before, I think, if my memory is correct.

40 Well, is it right to say that you and Mr Maguire had an understanding that involved at least two things? First, that you would work together closely to assist the Waterhouse family in selling their land and, secondly, that if a sale was successful, you would pay Mr Maguire a fee?---I think so.

You had that understanding with Mr Maguire, is that right?---I think I, I think yes. Even though not – yes, I think so.

What did you say? Even though it wasn’t written down?---Yes.

So Mr Maguire, as you understood it, expected that in the event that the sale was successful in the SmartWest land, he would end up with a fee. Is that

right?---I think so.

And not just a fee, a fairly substantial fee, would you agree?---(No Audible Reply)

10 Not \$10,000 or \$50,000, something in the many hundreds of thousands of dollars, if not more. Do you agree?---Never discuss, to be honest, because we don't know what is the fees at the end of the day because I think, especially with that one, it depends on how much you can get on the selling price. That was very, very hard bargain with Louise at the time (not transcribable)

You expected that in the event that a sale was successful, you would receive a fee in the millions of dollars. Do you agree?---Yes.

And that if you did receive such a fee, you would pay a fee to Mr Maguire in the hundreds of thousands of dollars, correct?---It could be, yeah.

20 Indeed, you contemplated that you may pay a fee to Mr Maguire that would exceed \$1 million. Do you agree?---I can't recall that number.

So you're at least agreeing hundreds of thousands of dollars, is that right? ---I think so, because I don't, we don't even know at the end how much we get off Louise, I don't know.

30 But do you at least agree that if there was a good sale price, then there was a possibility that Mr Maguire would receive a fee that exceeded \$1 million? ---Mmm, I can't even recall what is the maximum commission we can get out of that. I remember it was a very hard negotiation with Louise, all right, and I think that Rob was also involved, Louise brother. And at the end, I think there was a proposal coming out from Louise, asking how much she get and how much, how, what is the selling price and how much she get in commission. There was a scale thing. So I can't remember exactly how much is going to be as a maximum, or how much is the minimum.

Do you agree that you proposed to Ms Waterhouse a service fee on a sliding scale?---Yes.

40 But which, with a very good sale price, at the top of the sliding scale, you would receive or your company would receive a service fee or \$13.9 million?---Yeah, that could be, that could, yeah, that - - -

That sounds about right?---I can't remember the numbers, numbers, but there was a very big scale.

But it's consistent with your recollection that if it was a very good sale price, your fee or your company's fee would not be \$100,000 or \$200,000, it would be in the many millions of dollars, correct?---Yes.

And indeed, if it was a good sale price, towards the upper end of what you would hope to achieve, something like \$13.9 million sounds about right based on your recollection, correct?---I can't remember the exact numbers.

You can't remember the exact numbers, but I'm in the general field?---I remember there was a very big scale, and I remember I told Waterhouse that cannot be achieved anyway.

- 10 But you're not suggesting the 13.9 that I've given you is completely out of the ballpark. You might not recall it being 13.9, but it's something like that figure.---I remember there was a very big scale, and I also I think the price is also from one to the other end it was very – it's a big difference.

- 20 Do you at least accept - - -?---And I remember what I told Louise and Rob, this is totally impossible to achieve that. I think they was putting that, we talk about it and then they asked me to write it down. I think they were putting that is like, to entice me to work harder. That's what he, I think that's the word we're using. But I don't think, in the market, no one will pay that sort of price.

Do you at least accept that at the upper end of that sliding scale, as proposed to Ms Waterhouse - - -?---I think it was actually - - -

- - - the fee for your company exceeded \$10 million?---Mmm, I can't remember the numbers, but I think it's very high numbers.

- 30 Something like \$10 million or more, do you agree?---I, I, I can't remember the numbers exactly. I remember actually it was proposed by, by them, and I, I wrote it down and sent it back to them or something. I think it was Rob was, and Louise and Rob, myself, three of us sit down and work out the numbers, and then asked me to write, put it in writing or something. And then I sent it back to them or something. Something like that.

Do you agree that you at least contemplated that in the event that a good price was able to be obtained for the SmartWest Sydney land, your company may receive a fee exceeding \$10 million?---As I said I can't remember the exact numbers.

- 40 Do you agree that you contemplated - - -?---I remember there was a big numbers, and also there's a, the scale was very high from (not transcribable) our end.

Do you agree that you contemplated that if a good sale price was able to be achieved, you would be in a position to pay a fee to Mr Maguire exceeding \$1 million?---I can't recall how much I'm going to pay him. But I remember Louise asked me, "Will you consider to take of care of Maguire?" I said yes.

You explained that, but I'm trying to get a sense of the figure, and I think you've said at least in the hundreds of thousands of dollars, is that right?---I can't remember exactly what it is, because my, my - - -

10 No, no, I'm not asking for exact. I'm asking for order of magnitude.---I don't think, I don't think Daryl has actually mentioned any numbers to me as well, because we don't know what's going to get at the end. To be honest, I think the chance of selling that land is very minimal because it's an industrial land under the flight path.

Just focus on my question, please.---Mmm.

Do you accept that you contemplated that, in the event that a good sale price could be obtained for the SmartWest Sydney land, you would be in a position to pay a commission to Mr Maguire in the hundreds of thousands of dollars?---I think so, depends, subject to what I get at the end of the day.

20 Of course it would depend entirely on the price, but if you get a good sale price, you'd be in a position to pay hundreds of thousands of dollars to Mr Maguire. Correct?---Yes.

And more than hundreds of thousands of dollars, an amount exceeding \$1 million dollars if a good sale price is obtained. Do you agree?---As I said, we have no, I don't think we have, to my best recollections I don't think we have discussed the amount.

30 I'm not asking whether you discussed it. I'm asking what you contemplated you would do in the event that you got a good sale price, and I think you've accepted hundreds of thousands of dollars and, by the sounds of it, you're at least not sure about a figure exceeding \$1 million. Is that a fair summary of your evidence?---Yes. Because I don't, I don't believe we can get the high end anyway because I told Waterhouse straight, straight away (not transcribable) - - -

I'm not asking about that at the moment.--- - - - they ask, they ask that sort of price, I said no, impossible.

40 I'm not asking about that at the moment. I'm asking what you contemplated as the person trying to broker this deal, and I think you agree that at least hundreds of thousands of dollars may have changed hands between you and Mr Maguire if a good sale price was achieved. Do you agree?---I, I agree, I agree there would be a reasonable amount paid to him because that - - -

Because Mr Maguire was - - -?--- - - - that we normally pay to a introducer, whether that's Mr Maguire or someone, someone else.

But Mr Maguire was more than an introducer. He was intimately involved in the exercise of attempting to broker this sale. Do you agree?---I don't think so. I think after I was introduced, after Ms Louise was introduced to me, I think I talked to Louise more because - - -

You were in regular contact with Mr Maguire, though, updating him as to what was going on with the proposed sale. Correct?---Oh, yeah, I do. I do for all the other (not transcribable) actually introduce me, to me, because as a matter of courtesy.

10

Well, it was more than a matter of courtesy. Mr Maguire was assisting in attempting to make the transaction take place. Do you agree?---I don't know what you mean by that. How - - -

Well, he set up meetings with people within government with a view to making changes to things like roads so as to assist in the transaction taking place. Do you agree?---Okay. That is not my part.

No, that's Mr Maguire's part. That's what I'm putting to you.---Yeah. I haven't played any role in that and I know that Louise was talking to Maguire about this sort of thing. I don't want to play any part of it. Mine is a few sales and that's it.

20

No, but Mr Maguire was at least playing a part in matters such as what was going to happen with roads near the site. Do you agree?---I heard about it because I think I heard it from Louise.

You heard it from Mr Maguire as well because Mr Maguire told you, didn't he?---I think I might have heard it from Maguire as well.

30

Do you agree that you were in regular communications with Mr Maguire regarding this proposed sale, where you would update Mr Maguire as to what you were doing to progress it and Mr Maguire was updating you as to what Mr Maguire was doing to progress it?---As I said, I always updated him on anything he refer to me.

Yes, and he updated you as well as to what he was doing with a view to progressing the sale. Do you agree?---I think what he was doing is nothing to do with the sale because he was not, when I, when I actually proposed this to the buyer, those things never discussed.

40

You knew that there was an issue in terms of zoning of this land. Correct?---I think it was a rural zoning and I - - -

But you wanted the zoning changed because that would increase the change of a sale. Do you agree?---I want the zoning changed?

Yes. So as to make more money out of the sale.---I can't recall.

You can't recall that?---I can't recall.

You at least know, don't you, that when the sale looked like it was falling over, the original attempts for the sale to be progressed, when it looked like it was falling over, Mr Maguire offered to assist in speaking to relevant authorities regarding issues such as zoning and roads. Do you agree?---I did not initiate that. I don't think I initiate that.

10 You at least knew about it, didn't you?---I think he may have told me.

You discussed those kinds of things regularly. Correct?---I think he was telling me what Louise asked him to do or something I think.

20 You and Mr Maguire were in a partnership regarding this issue. You were doing work to assist the sale, Mr Maguire was doing work to assist the sale, and you had an understanding that if it was successful, you would share the profits. Do you agree?---As I said, my understanding was, at the time, is when a build is successful, we will be paid a referral fees. And rezoning and all that, I never asked him to do. I don't think I have at all. And the road and all that, I think it was Louise asked him to do. I think Louise was acting not just trying to sell to my clients, because Louise was trying to sell to all the other client and Louise was trying to, wanting to) develop the thing themselves. So - - -

Thank you for that but can you answer my question, please?---What was the question?

30 So you agree that you and Mr Maguire acted in the nature of a partnership where you would do things to assist the Waterhouse family in selling the land, Mr Maguire would do things to assist in attempting to sell the land, and the two of you would share the commission associated. Do you agree? ---As I said, I cannot recall we had such a sort of a partnership, but I already going to say that he always referred a lot of referrals or leads to me, whether it's a buy or sell.

40 I'm not worried about other leads at the moment. I'm just worried about the SmartWest project. Do you at least agree that Mr Maguire's role in attempting to cause that transaction to take place, the sale of the SmartWest Sydney land, was more than a mere introducer, he was closely involved in attempting to have that deal made. Do you agree with that?---I agree with that because I know that Louise asked him to do something, but not out of my suggestions. Because I - - -

Not, but you and him worked closely together in an attempt to procure that sale. Do you agree?---(No Audible Reply)

You were in regular communications?---Yes.

You told him what you were doing, he told you what he was doing, correct?---Yes.

With a view to ultimately making money that you would share. Do you agree?---Of course we will share but not as what you are thinking, like 50/50 partnership sort of thing.

10 So if it's not a 50/50 partnership, what sort of partnership was it then?---We never discuss about percentages. I don't think so.

Well, as you understood it, as you contemplated it, you have agreed that, at least for a good sale price, Mr Maguire would get hundreds of thousands of dollars. If it's not 50/50, what is it? Is it 90/10?---I don't know.

20 What is it?---As, as I said we, we don't know what it's going to get at the end of the day. When I actually met Louise, I not even contemplating make any money out of it because it was only a meeting of a friend, she used the word friend. When he sent it to me, I didn't even look at it, I think, at the time.

You've said it wasn't - - -?---And then after that, after I met her, she told me about what, what it was, and then I promised I was going to come back to her, and then we had a number of meetings after that.

30 You've said it's not in the nature of a 50/50 partnership. What sort of partnership, or what sort of relationship was it? Of course the amount of money available would depend on the sale price, but at least in your mind what percentage or what approach did you intend to take in relation to any commission payments that were paid as a result of a successful sale of the SmartWest Sydney site?---(No Audible Reply)

Is it 40 per cent? Is it one per cent?---No, cannot be one per cent, it's not fair.

No, precisely. So what was it, what was it, then?---And I, I don't know because we never discussed the percentages. I don't think we have.

40 I'm not asking you whether you discussed it. I'm asking what was in your mind, noting that you have already accepted that for a good - - -?---Didn't, didn't - - -

Let me finish the question, please.---Yep, sorry.

Given that you have already accepted that in the event of a good sale price, you would be paying Mr Maguire hundreds of thousands of dollars.---Yes, I would be, I would be, because I think the minimum is, I think he just had

the maximum is over 10 million, the minimum was, what, 2 or 3 million or something. I can't recall.

And obviously if the fee of \$2 million was paid, for example, you wouldn't be giving Mr Maguire \$2 million because you've brokered the deal, you're going to keep most of the money. Is that right?---Yes.

But you're going to share at least some of it with Mr Maguire. Is that right?---Yes.

10

And so what's he getting? Is he getting 25 per cent, is he getting 40 per cent, is he getting one per cent?---He's not getting, of course he's not getting one per cent. I think now - - -

THE COMMISSIONER: Because that's too small?---Yes, it's too small, all right. It's, it's, it's an insult to, to do so.

20

MR ROBERTSON: Particularly in circumstances where I think you accept Mr Maguire's role was not just as an introducer sending you a contact detail of Ms Waterhouse, but actually involved in attempting to get the deal across the line. Is that right?---He's not helping me get the deal across the line. I make it clear. I know that Louise want to develop the land at one stage anyway and Louise is the one who say, "I want to get these things done and get it rolling " and all that. It's not out of me.

Okay. So let's be, I want to just pause there.---So I'll be selling the land as it is.

30

Pause there for a moment because I want to be quite clear about this proposition.---Mmm.

Are you saying that Mr Maguire did nothing to get any deal across the line, sale of the property, other than introduce you to Ms Waterhouse? Is that what you're saying?---No. What I'm saying is, obviously he have done something for Louise, okay. It's so clear as you probably can see. But it's not thing that I ask him to do, because you do this, do this to get this across the line.

40

No. Each of you have different areas of responsibility in this arrangement, but Mr Maguire is closely involved in doing things with a view to the sale proceeding. Do you agree?---I know he have done, I know he has helped Louise, okay, but I don't know, you mentioned to me, I remember now, there's a road they talk about and I was suggesting to Louise to acquire another land next to it so that you get, I think there was a little block of land, this is, because there's, I think the road was too far away and I think if you acquire another land then you get close that road.

No, we're getting distracted here, Mr Luong.---That was, that was my - - -

Focus - - -?--- - - - my suggestions.

Just focus on my question, please. I'm going to stop you there. Focus on my question. Do you agree that Mr Maguire was closely involved in taking steps with a view to getting a deal across the line for the sale of the SmartWest land. Do you agree or not?---Whatever he have done for service provided to Louise is not at my request.

10 Thank you for that, but can you direct yourself - - -?---And obviously he had done something - - -

Pause there please. I'm going to ask the question again and I want an answer, please.---Yeah.

Do you agree that Mr Maguire was closely involved in taking steps with a view to getting a deal across the line for the sale of the SmartWest land. Do you agree with that or not?---When I sell the land, as I said - - -

20 Do you agree with that proposition or not?---You keep putting word into my mouth.

No, no.

THE COMMISSIONER: Just listen, listen.

THE WITNESS: Which is not what I'm trying to understand, sorry.

30 THE COMMISSIONER: Mr Luong, just listen to the question very carefully.---Yes.

And if you can't answer it, say so, but just listen to the question and please respond to the question.

MR ROBERTSON: Do you agree that, to your knowledge, Mr Maguire was closely involved in taking steps with a view to a deal being agreed pursuant to which the SmartWest Sydney land would be sold?---As I said, I know he has involve in it and - - -

40 So does that mean the answer to my question is yes?---If you want to say yes, that's yes, but - - -

No, no, no, no.---I know he has - - -

I put a question to you, you've given an oath or an affirmation to tell the truth.---Yeah.

Tell me if the answer is yes or no.---I'm telling the, I'm trying to use my memory, I'm telling, I'm trying to tell the truth.

Take your time, take your time.---Yes.

Is the answer to my question yes, is it no or is it something else?---I cannot deny he have help, all right, but helped Louise, all right, not helping me - - -

So it's not no?--- - - - to sell the land, no.

10

So it's not no. Does that mean it's yes?---No, what I said, I did not deny he have helped, Louise because I know from Louise. Louise told me.

No, no. Listen, listen carefully. I'll put it again.---Right. But I have not asked - - -

I'll put it again. Just pause there, pause there, pause there, please. I'll put it in a slightly different way.---Yeah.

20

Just focus very carefully on the question, please, and respond to the question. Do you agree that you and Mr Maguire worked closely together with a view to causing for a deal to be done for the sale of the SmartWest Sydney land? Do you agree with that or not?---I agree I brief him all the time, all right, and whatever discussed with Louise, I think I told him.

30

Can I put the question again and I want an answer, please. Do you agree that you and Mr Maguire worked closely together with a view to procuring a deal for the sale of the Sydney West site? I'm so sorry, the SmartWest Sydney site, I should call it.---I mean, we worked together in a way, what you say, he introduced Louise to me, I work on it, I brief him back as a matter of courtesy. Obviously, when Louise asked me whether I will take care of him, I said yes. I think I even told Paul at the interview I will consider taking care of him, but I don't think there was any discussion as to how much I'm going to pay him.

I'll put the question again. Do you agree that you and Mr Maguire worked closely together with a view to procuring a deal for the sale of the SmartWest Sydney site?---(No Audible Reply)

40

If you don't agree with it, just say no. If you agree with it, say yes. If you don't understand the question let me know and I'll try and reframe it in a way that you can understand.---Cos I don't understand the question, I under, what you, what you are putting, my understand what you ask me, all right, is whether I work with him closely to get the sale done.

Yes.---To be honest with you, whether he work or not, I will sell the land as it is.

That's not what I'm asking you.---All right. So how - - -

That's not what I'm asking you.---I brief him, yes, all right. I don't need him to help in the sale.

So you just briefed him as to what you were doing.---I will discuss a little bit, but I didn't need his help to get a sale done.

10 No, I'm not asking whether you needed his help. What I'm suggesting to you is that you both worked closely together, you did some work, he did some work and you were in regular communications with each other and you both had a common goal, that common goal being to procure if possible a good sale price for the SmartWest Sydney site. Do you agree?---As I said, my sale, when I brief my people on the sale, we don't brief them whether there's a road or not. It's not my problem. And I know Louise - - -

Are you having some difficulty – just pause there, please.--- - - - I thought Louise - - -

20 Pause there please. Pause there please.---Yes.

Did you understand the question that I put to you?---I think what my understanding is you say that I work closely with him to effect the sale.

Yes.---All right.

Do you agree with that or not? It's not a difficult question.---(No Audible Reply)

30 THE COMMISSIONER: You may not necessarily have been doing the same things, Mr Luong. He may have been doing some things and you may have been doing some other things, as Mr Robertson just put to you. The proposition is that the common goal for each of you in doing what you might have been doing respectively was to achieve the same sale of the land. Do you understand that question?---I know what you are saying, but my understanding was it was Louise talk to him about the road, whatever it is. My suggestion to Louise at the time is, I think there was a road a little bit further away, the roundabout or something.

40 Just come back to - - -?---I asked Louise - - -

Mr Luong.--- - - - to buy another block of land so he close the gap - - -

Mr Luong, please - - -?--- - - - so they get access to it.

Please listen to the question. I think you've already said that and Mr Robertson directed you back to the question. But is this the case, that

you knew Mr Maguire was doing something in relation to the road issue which was concerning Ms Waterhouse?---Yes.

And did you understand that she was concerned that the issue with the road might prevent either a successful sale of the land or a development of the land?---I don't know whether the issue of a road will help, will assist the land. It might have, but if you buy another block of land which is close to the, the road they're going to build, then obviously she have no problem.

10 They have no?---Have no problem getting access to the road because we buy that land in between – there was a little block of land in between.

Perhaps, Mr Luong, you just really, as Mr Robertson said, have to focus on the question and what her concern was, not what advice you might have given about resolving it.---Okay.

MR ROBERTSON: Do you agree that you and Mr Maguire worked closely together with a common goal of procuring the sale of the SmartWest Sydney site?---(No Audible Reply)

20

Now, first, do you understand the question that I've put to you?---(No Audible Reply)

Mr Luong? Do you understand the question that I've put to you.---I'm, I'm trying to think what you're – see, I know that Louise or Maguire trying to sell the land to someone else as well. And has nothing to do with me, if they have success in selling that land, know what I'm saying? I won't get paid a cent.

30 I'm not asking about that.---It's only if I effect the sale, all right, if I find a buyer, and the buyer buy from me, then I get paid.

Quite right, and you and Mr Maguire worked closely together to achieve that goal, correct? You did some things, Mr Maguire did some things - - -? ---I did some thing, but Maguire may do something for different thing, because I understand that Maguire introduced Louise to someone else to sell the land as well. And that had nothing to do with me.

40 So does that mean you don't - - -?---I, I wasn't involved in the, the conversation at all.

Mr Luong, we're going to be here for a long time unless you focus on the question. I just want an answer to my question, please. If the answer's yes, that's fine. If the answer's no, that's fine. But I want an answer, please. Are you agreeing or not agreeing that you worked closely together with Mr Maguire with the common goal of procuring a sale of the SmartWest Sydney land? Do you agree with that or not?---We worked together, but I don't think your question is fair. I don't understand. I don't understand it,

to be honest. I mean, put it this way. If he sell the land to someone else, Maguire, to another connections, it's nothing to do with me.

I'm not asking about that.---I don't get paid a cent.

You at least worked together - - -?---So if, if we work together - - -

Let's deal - - -?--- - - - then (not transcribable) will get paid as well. I won't. (not transcribable) and, and at the end of this conversation.

10

Let's deal with it in parts. I think you've accepted that you worked together with Mr Maguire, with the common goal of selling this land. Is that right or not?---As I said, if he sold the land to someone else, that got nothing to do with me. I don't get paid a cent. I won't ask for a cent.

So I'm going to take it that you don't accept the proposition that I've now put to you I think about nine or ten times. Is that right? Is that how I should proceed?---(No Audible Reply)

20 Or do you want me to put it another time?---(No Audible Reply)

Why is this so difficult, Mr Luong?---I cannot be (not transcribable) okay, I can - - -

You know what you did in this period of time.---I, I know, I know what I have done.

30 And you knew what Mr Maguire did. Why is it so difficult to provide a straight answer to this question?---Because I don't think the question is fair, in such a way, because if he did something himself with land himself, which mean he's not working with me, you know what I'm saying? That's what I'm - I know he introduced her to someone else. And I didn't enter into any of this discussion when he - - -

A common goal that you both had was to seek to broker a sale or a purchase of the land by Country Garden Australia Property Ltd. Is that right?---Yes.

So Country Garden Australia being the purchaser of the land?---Yes.

40 From the Waterhouse family, correct?---Yes.

And I think a Mr Tim Lakos from Country Garden was associated with the possibility of Country Garden being a purchaser. Is that right?---Yes.

Did you know Mr Lakos, or were you introduced to Mr Lakos by someone else?---By Maguire.

And do you recall when that occurred?---I can't recall when it was occurred. I think it was before this.

When you say "before this," you mean before Mr Maguire gave you the introduction to Ms Waterhouse, is that what you're saying?---Yes.

So you already knew Mr Lakos before, for example, you saw the email that I showed you a little bit earlier?---Yes.

- 10 And that reminds me, I should tender that email from Mr Maguire to Mr Luong, L-u-o-n-g, 27 April, 2017, 7.21pm, pages 21 through to 23, volume 16, public inquiry brief.

THE COMMISSIONER: Will be Exhibit 218.

#EXH-218 – EMAIL MAGUIRE TO LUONG RE SMARTWEST SYDNEY DATED 27 APRIL 2017

20

MR ROBERTSON: Now, Mr Luong, before you were introduced to Mr Lakos by Mr Maguire, did you have any relationship with either Country Garden Australia Pty Ltd or the holding company of Country Garden in China?---No.

So you'd never had any business or other dealings with Country Garden at all, is that right?---No. No, okay, I might get all this day wrong, but I know he introduces to me, yes.

- 30 But to be clear, you had no dealings with, be it Mr Lakos or anyone else within Country Garden?---No. No. Before introduction of - - -

In Australia, in China or anywhere else before Mr Maguire had brokered that introduction, is that right?---Yes. That's correct. That's correct. Yes.

And what you were seeking to achieve, or at least one of the things that you were seeking to achieve, is to get Country Garden Australia Pty Ltd to agree to pay and purchase the SmartWest Sydney land. Is that right?---Yes.

- 40 And Mr Maguire assisted you in relation to that goal, is that right? ---Whether he assisted me or not, I spoke directly with Tim. I think at the end of the day they did a feasibility study or something. The study, it said it's not suitable. And whether they were – because I spoke with Tim on a number of deals, all right. I don't know which one is which first, to be honest. And I think there was a land, let me see, there was Ron Medich, the murderer, I spent a few months with him, I was introduced to him by Richard Thomas and I was, because I know Country Garden was trying to buy a big block of land. So I was sourcing the land, so one of my friends,

Richard Thomas, introduced me to that land and then I introduced that land to Tim. I don't know which one is first, which one is second.

So just to unpack what you said. You're aware that there is land in the vicinity of what will become Western Sydney Airport that's owned by interests associated with Mr Ron Medich. Is that right?---Yes.

10 And you sought to assist Country Garden in potentially purchasing some or perhaps all of that land, is that right?---Yes.

And you're aware that Country Garden was contemplating or was interested in buying land near the near airport. Is that right?---Tim told me.

Mr Lakos told you about that?---Yes. They said they want to buy a plot of land, they got a budget of, I think, I think at that time, was around \$2 billion to send or something like that.

20 And so that must have happened - - -?---Don't quote me on the numbers, I might be wrong. But they were big numbers.

And so in terms of the timeline, by the sounds of it, Mr Maguire introduced you to Mr Lakos, you had some sort of a discussion with Mr Lakos, and you find out about Country Garden's interest in land in that general area of Western Sydney, is that right?---They actually interested in it in any way. Anywhere for a land and house package, or even units.

30 But is it right that Country Garden Australia Pty Ltd engaged you with a view to purchasing, or at last negotiating a potential purchase, of the land associated with Mr Medich?---Yes.

And so there you were effectively a buyer's agent for Country Garden Australia Pty Ltd, is that right?---Yeah, yes. That is correct.

But in relation to Ms Waterhouse, you were effectively a seller's agent? ---Yes.

40 But both of those two potential transactions involved Country Garden Australia Pty Ltd as a potential purchaser, is that right?---Yes. I also introduced Country Garden to another block of land owned by Peter Higgins, you know, the, the home loan, what do they call themselves? The listed company, Peter Higgins at Richmond.. And then obviously Country Garden will do their own research and then it's at the end of the day it's not suitable.

And so I take it that you had some sort of an agency agreement with Country Garden Australia Pty Ltd to effectively act as their buyer's agent? ---Yes.

And I take it that that agreement had something like a no circumvention clause that basically said, "You're going to be out agent in relation to this piece of land and you can't get around me and keep me out of the commission"?---I can't remember – yes, yes, yes, yes. I think it was something along that line.

And you would agree that's essential to these kinds of agency agreements?
---Yes.

10 Be it for the purchaser or for the vendor, because otherwise you might put in all the work and a sale is almost there and the purchaser or the vendor says, "Well, let's not worry about Mr Luong, we'll do the deal directly and we don't have to pay Mr Luong X millions of dollars in order to broker the sale to the purchase." Is that right?---Yep. I mean, even though we have that, I think sometimes you get circumvent on some of the trading deals, not properties.

Sorry, can you just say that again?---Say for instance, I mean like beef, I believe I may have been circumvent.

20

THE COMMISSIONER: In relation to beef sales?---Yeah. I may have been circumvented because I got told, and I think, I heard that they bought the beef. So - - -

MR ROBERTSON: But the risk of circumvention is something that you're very concerned about as someone performing that sort of agency-type role, because there is always a risk that you put in all of the work, you get the deal almost done - - -?---Yep.

30 - - - and the client circumvents you, gets around you, so as to not have to pay your fee.---I mean, that is a general practice for everybody. Have the (not transcribable) clause in it. But even though then they might use another company to circumvent, yeah.

That's a standard practice and a matter that you're concerned about as an agent in that type of role.---Yeah, yeah.

40 And so that's one essential aspect of the agency-type arrangement. Another essential part is that if you're someone that assists in the sale or purchase by way of an introducer or assisting the sale happen, at least as a matter of practice there will be a fee to be paid. Is that right?---Yes.

And so the fee would be paid to you, for example, you've got a formal agency agreement. If someone like Mr Maguire assists, you, at least as a matter of practice, would make sure that a fee is paid - - -?---We will pay what we call introductory fees, introduction fees, whatever you call.

Introductory fee, but it might be more than that because the introducer might do more than merely introducing, they might do other things that might assist.---Yes, yes.

Is that right?---It depends on, yes. Depends on the work they do. I mean it may not be Mr Maguire, maybe another, say Richard Thomas, he did a lot of thing, on that deal he'll get a lot.

10 And if it's only introducing and doing nothing more, it will be a relatively low fee.---Yes, yes.

If it's introducing and doing other things to grease the wheels to make it happen - - -?---But if - - -

- - - you pay a higher fee.---But that is I request them to do. You know what I'm saying? If I haven't request them to do, I won't acknowledge that.

20 But in the case of Mr Maguire and the SmartWest Sydney project, you knew Mr Maguire was doing a whole lot of things to assist that sale going over. Is that right?---Yes, yes, but it wasn't asked by me. I was, I was, because I was briefed by Louise sometime. Louise, when I talk to her, she said, "Oh, this is done," sometime Daryl brief me, so I stay out of those things.

But you knew that Mr Maguire was doing these things.---Yes, I knew because Louise told me and - - -

You had regular communications - - -?--- - - - Maguire told me as well, Louise told me as well.

30 Regular communication with Mr Maguire?---Yes.

Regular meetings with both Mr Maguire and Ms Waterhouse?---Yes.

May have been over dinner.---For that, for that time there on that deal I think it's only - - -

On that particular deal.---I think that's only one dinner, I think, if my memory's correct, with Louise.

40 But in terms of meeting – I think you've agreed that you kept Mr Maguire informed as to what you were doing. Correct?---Yes.

Mr Maguire kept you informed as to what he was doing. Correct?---I think he doesn't need to keep me informed but he kept me informed.

But he actually kept you informed.---I have to keep him informed because, as a matter of courtesy, if he introduce someone to me, I always cc to him. If you notice my email, I always cc, unless they told me not to cc.

But you're agreeing with me I think that Mr Maguire also kept you informed - - -?---Yes.

- - - as to what he was doing to assist the sale.---Yes.

And so you agree I think - - -?---Not to assist the sale, because Louise want to develop all the time, Louise want to develop. I convince Louise to sell.

10 Just to be clear, you're agreeing, aren't you, that Mr Maguire is more than just an introducer. He was involved in taking a series of steps to try and help the sale take place. Do you agree?---I think I do not agree to help the sales take place because I never put, when I put a sale, propose a sale to someone, I never say that is going to be road and all that. It's not my concern.

So you're saying Mr Maguire - - -?---But Maguire was - - -

- - - did other things on the request of - - -?---Yes.

20

- - - Ms Waterhouse - - -?---Yes. I was - - -

- - - that didn't have anything to do - - -?---Yes.

- - - that didn't have anything to do with the sale.---I think so.

Is that what you're saying?---Yeah, I think so. But it could obviously increase the value of the sale, right, but it's not my asking him to do. And - - -

30

But you would at least - - -?--- - - - Waterhouse, I think at the time Waterhouse look at a number of options, whether develop the land, sell half of the land or sell the whole land, I think.

But if Mr Maguire assisted with the road, for example, or with the zoning, that would increase the value of the land. Correct?---Yes, of course.

That would therefore increase your fee in the event of a successful sale. Correct?---It's just that when I propose the sale to Country Garden, when they were talk about those land - - -

40

Are you agreeing with me or not? You've been involved in lots of property deals in your past. Correct?---I have been, yes, but they all - - -

Just pause, just pause. Do you agree that a piece of land that has better access to roads is more likely to be more valuable than one that doesn't? ---Yes.

Do you agree that a piece of land that has favourable zoning is more likely to fetch a higher price than a piece of land that has an unfavourable form of zoning?---Yes.

Do you accept that if a higher price is achieved because of access to road or because of better zoning, that you as the agent will get more money if it's on a commission basis?---As I said, I never asked him - - -

10 Surely you agree with that, that's simple mathematics, Mr Luong.---You put in a way that I asked him to increase the value of the land. That's not the, that's not what I've done.

20 So just to be clear on your evidence, Mr Maguire may have done other things that may have increased the value of the land, but that's really got nothing to do with you. Is that a fair summary of what you're explaining? ---Because I've been asking him to do so. I don't think I did. I think Ms Louise asked him to do so. And I, obviously I listened to all those things because Louise told me. 'Cause I remember one day Louise said to me, "Oh, I just been a planning meeting," or something, whatever. Just came back. 'Cause we were, she was late wherever it it was when I got there.

So let me try and ask it this way. I think you agree that if this piece of land has better access to a main road, it's more likely to fetch a higher price than if it doesn't. Do you agree with that?---Yes. In - - -

And do you agree - - -?---In reality it will as well.

30 In reality it will. And do you agree that for this particular piece of land, having favourable zoning and favourable access to a road was or would increase the chance of the land being purchased?---Yes.

But I think you're saying those kind of matters weren't things that you did, they were things that Mr Maguire did. Is that right?---And it also wasn't my, my request. To my best collection.

There were things that Mr - - -?---I don't, I wasn't involved in those things.

40 There were things that Mr Maguire did, to your knowledge, correct?---I was told by, I think subsequently it was by Maguire helping Louise to do the land, road or whatever, and I was initially told by Louise, I think, if my memory is correct.

So there were things that Mr Maguire did, to your knowledge, because you were told about it, correct?---Yes.

But you were saying you didn't request those things to happen?---I don't think so.

But I take it, though, that in the event that they did, those things that Mr Maguire did, roads and zoning, increased the purchase price?---The selling price.

You would have paid Mr Maguire a higher fee than he otherwise would have got. Because you're getting a bigger fee and you're going to share a proportion of that fee with Mr Maguire, do you agree with that?---See, when we selling the land, the land will be (not transcribable) if someone (not transcribable) buy it - - -

10

I'll let you give that explanation in a moment.---Yep.

But can you just focus on my question first?---I, let me explain. I know what you're trying to get at, all right, and I, I want to explain in a way that I understand how it worked. When we are sell the land, we sell the land as it is right now. We buy or not to buy it. When they're going to do a rezoning and all that, it going to take years. All right? And when they're going to change the road and all, that going to take years. My interest is you either buy it now or you don't buy it. You know what I'm saying?

20

You wanted the sale to happen promptly so that you get your money.---Of course. Of course. You know, to me, cause that's why, yeah, that's why - - -

You wanted your money today in not in five years' time.---We, we, we are selling the land as it is. And for Louise, obviously, she can sit on the land if she want because she own the land, never have to pay anything on it. And she can increase the value of the land, and for future (not transcribable) that's her problem. For me, right, just, whoever want to buy, you buy as it is. You cannot promise (not transcribable)

30

Thank you for that explanation, but what's the answer to my question?

THE COMMISSIONER: Can you repeat the question, please, Mr Robertson?

MR ROBERTSON: I will.

THE WITNESS: Yes.

40

MR ROBERTSON: Do you agree that if Mr Maguire did things – roads, zoning, anything else – that assisted the sale to take place or increase the value of that sale, you would pay Mr Maguire a higher fee? Surely you would. You're getting a bigger fee and you're sharing your fee with Mr Maguire. Why is that so difficult to answer?---The answer is, when we sell the land, we never sell the land with a road or with rezoning. And it's really up to the people who buy the land to do the rezoning.

Don't worry about whether it's zoning. Put that out of your mind for a moment. Don't worry about zoning - - -?---And we, I tell you how we arrived at value, if my memory's correct. I think it was arrived on a value paid by Boyuan on the Medich land.

10 THE COMMISSIONER: Sorry, paid by - - -?---There's a company listed called Boyuan. I think B-o-y-u-a-n or e-u-e-n. It's a Chinese company who bought Ron Medich property. And I think that it was, the value they pay was, at the time, just this really high value. And Country Garden also is out
20 bid but lost, right because (not transcribable) fighting for same land. And I think that, at the time, Louise was trying to arrive a value based on that sales, 'cause it's not in the market. All right? So we were trying to sell based on that sale but, based on that value, but I've been telling Louise you cannot get that because that land is much more better land than your land because that land is on Elizabeth Drive, it's not under the flight path. Your land's under the flight path. There's no way you're getting zoning. And Tim said the same thing, so that's why they didn't buy it again. Your land doesn't worth that much. There's no point in giving me like 10 million, you said, 30 million, whatever that number. It's all fake to me, you know what
I'm saying? You never get there. I don't think that land has been sold now. I think no one interested. They have a dream. The seller always have a dream, all right? Oh, that guy achieve that much. I want to get that much.

I think you should just - - -?---So that's why, that's why I don't, I don't - - -

Mr Luong?--- - - - want to answer the question.

30 Mr Luong, could you please listen to the question.---Yeah, sorry, sorry. Sorry.

Answer the question. You're not here to make speeches. You're here to respond to Mr Robertson's questions.---Yeah.

40 MR ROBERTSON: Do you agree that if Mr Maguire did anything – be it zoning, be it roads, be it getting out a shovel himself – that assists in the sale, the proposed sale of the property or increases the value, you would pay him more money than if he was an introducer and nothing more? Surely you agree with that.---If we achieve a high value, obviously we'll pay him more.

Thank you.---Okay. But we didn't ask him to do that.

Let's move on. Let's move on, please. In terms of the proposed fees I just want to show – in fact I withdraw that. You provided Ms Waterhouse with a proposed consultancy fee agreement in order to assist her in relation to the proposed sale. Is that right?---Yeah.

And - - -?---Yes, after numerous discussions with her office, with Rob and Louise.

And that consultancy fee agreement had, I think you agreed, a sliding scale as to the fee to which you would be entitled. Is that right?---Yes. And actually those numbers was given by her, some of her numbers.

10 Well, there was some negotiation as to what those figures were?---Yeah, yeah, because actually she dictated in a sense, because they, they are the seller, they own the land, you want it to work or not.

But they were a sliding scale that you were happy with.---Yes.

Because otherwise you wouldn't have got involved in the project. Is that right?---I'm happy with it because I know we're going to mostly get the end, end value anyway.

Well, you did a lot of work - - -?---I told her already.

20 You did a lot of work to try and get this sale over the line. Correct?---I did.

And you were happy with the proposed fee structure. Correct?---Yes.

If we can go to volume 16, page 28. Does this look like the first page of the consultancy fee agreement to which I just referred?---Yeah, I think so.

30 And do you agree that the three entities – two companies and one individual, referred to as the vendors – were, as you understood it, the vendors of what we called the SmartWest Sydney land?---I think so.

And then it's your company at the bottom - - -?---I didn't check the - - -

- - - Swamer Investments?---I didn't check the title deed but - - -

But that was at least your understanding of the position?---Yeah, because they, they gave me the names, they are the vendors and, yeah, I trust their word.

40 That was your understanding of the position?---Yes.

And then just turn the page, please. Look at the background. It says that your company, SIPL, has a business relationship with the vendors and CGA. Do you see that there?---Yeah, CGA, yeah.

That's Country Garden Australia - - -?---Yeah.

- - - Pty Ltd. Correct?---(No Audible Reply)

That's what CGA stands for, as you understand it?---Yeah.

And so you were agreeing with the vendors to attempt to sell their land to Country Garden Australia Pty Ltd. Correct?---Yes.

And if we then just turn over to the next page. You see there a fee service table. Do you see that there?---Yeah.

10 And so that was the fee that you would earn in the event that there was a sale of the property. Is that right?---Yeah.

So if it was sold for \$200 million bucks or less you get \$1 million. Correct?---Yeah.

If it's between 200 and 250 you get a couple of million?---Yeah.

250 to 280 is 2.9?---Yeah.

20 Then over the page a sliding scale going up to 13.9 if there's a very good sale price?---Yeah.

Now, realistically you expected that you may be able to sell this property for somewhere in the second to top range of 330 to \$360 million. Do you agree?---I can't remember the numbers. That may be the case.

30 Well, something like that was the kind of price that you thought was a reasonable possibility to sell this land. Do you agree?---I think it's based on, I think, was the, I can't do the sum now. If I do the sum, I know, because, because I know the Medich property, I think it's 854 acres and then I know this was bought for 500 million or something like that, so we were using that sum at the time, because they (not transcribable) use that sum.

40 But does that mean that you're agreeing with me that you contemplated that a reasonable expectation or a reasonable possibility of a sale price might be somewhere in the 330 to \$360 million range?---I can't recall, because I need to, to be fair, I need to look – I can't even, what is this, how many acres is this, I can't recall, to be honest. But based on the acres I now know, because I know the rough, the sale price of Ron Medich, even though they demanded, I think they demanded higher than that.

So are you saying sitting there now, you're not quite sure what you expected the sale price might be?---I can't recall, to be honest.

But do you at least agree that there was at least a possibility, at least a reasonable possibility that your fee out of this transaction, if it took place, might be \$9.9 million or perhaps might be \$6.9 million?---It could be.

And out of that money, you were going to share at least some of that money with Mr Maguire, do you agree?---Yes.

And do you agree that in the event that a purchase price between the 330 million and 360 million was achieved, and that therefore you would receive a payment of \$9.9 million, you may well have paid Mr Maguire some figure exceeding \$1 million?---Oh, could be.

That's a reasonable expectation?---Yeah, could be.

10

A good sale price like 330 million plus, Mr Maguire ends up with at least a million dollars, if not more. Is that fair?---Yeah, could be, I think it's most likely he'll get around 300, 330, I think. I can't remember the acres. If you can tell me the acres, I can quickly work out how much he's supposed to be getting.

Well, let's run off 300 to 330, just for present purposes.---Yeah.

20

If you ended up with a fee of \$6.9 million, you may well have paid Mr Maguire an amount exceeding \$1 million out of that \$6.9 million, do you agree?---Yeah, probably close to that.

Somewhere around that figure.---Because we normally, we, we normally will pay introductory fees of 10 per cent. That's our practice.

Mr Maguire did more than merely introducing, so you would pay him more than 10 per cent, do you agree?---I didn't ask him to do all the other work.

30

So are you saying that even though he did the other things, that - - -?---No, I didn't ask him to do it.

Even though he might have done other things that you didn't ask him to do, and even though that they may have increased the price, you'd give him 10 per cent and no more?---I mean, if, normally we'll do that, but if (not transcribable) if Louise asked me to pay a bit more, I will, because Louise is my, is the one who pay the money.

40

So is it fair to say then - - -?---I will, I will, I will, I will consider sort of thing.

Is it fair to say, then, that if this deal came off, you would have given Mr Maguire at least 10 per cent of your fee, and possibly more?---Yes.

I tender the document entitled Consultancy Fee Agreement between Swamer, S-w-a-m-e-r, Investments Pty Ltd and others, pages 28 through to 37 of volume 16, public inquiry brief.

THE COMMISSIONER: That will be Exhibit 219.

**#EXH-219 – CONSULTANCY FEE AGREEMENT DATED 30
AUGUST 20**

THE COMMISSIONER: Is that a convenient time, Mr Robertson?

10 MR ROBERTSON: Can I deal with one other matter very quickly?

THE COMMISSIONER: By all means.

MR ROBERTSON: Do you agree, Mr Luong, that you had a number of meetings with both Louise Waterhouse and Rob Waterhouse regarding the sale of this land?---Yes. As I said earlier, I met them, and I think they were the one who actually helped me to structure this, this – initially I think I gave them a very simple commission base, and then they come back with a see-saw thing. And then they ask me to put it in writing, and send it back to them.

20 And I take it you visited the property with those individuals as well?---(No Audible Reply)

You had a look around?---Yes, yes.

And I think you may have gone to the property with some representatives of Country Garden as well, is that right?---Yes.

30 I'm just going to play you a recording. It's number 1-0-0-9.---I think it was, not Tim, it was his offsider. Or something like that.

1-0-0-9. This is of 28 August, 2017.---Yep.

THE COMMISSIONER: Just listen to what's about to be played, Mr Luong, and a transcript of it will also appear on the screen in front of you. --- Yes. Yep, yep. Yep. Thanks.

40 MR ROBERTSON: So what I'm going to play to you is a thing called a telephone intercept where there's a telephone call between two individuals, and it's a recording of that telephone conversation.---Yep.

You will hear the telephone conversation and someone's written out a transcript of that occasion, 1009 of 28 August, 2017.---28 August, '17. Yep.

Just in fairness to you, Mr Luong, I'm playing an excerpt from the telephone conversation so that you don't have to listen to the whole thing.

MR ROBERTSON: Now, do you agree that one of the voices you could hear was your voice?---Yes.

And the other voice was Mr Maguire's voice?---Yes.

10 Now, that was in respect of a telephone conversation on 28 August, 2017. Is it consistent with your recollection that you met with both Louise and Rob Waterhouse on that date?---Yes, yes.

And also that you met a person by the name of Martin?---Yes.

And he was a offsider to or someone who assisted Tim Lakos in relation to the property?---Yes.

20 And is it consistent with your recollection that, at least at this point in time, August of 2017, the plan to attempt to sell the whole of the SmartWest property?---Yes. Because I convinced Louise to sell because Louise at the time was, initially want to develop it. I said, "You develop it, it will cost you a lot of money." And then I said, "Another thing is, you've got to develop half, keep half and then sell half. At least now the money you get from you already sell maybe pay for the development." All right, "Or alternatively you can sell the whole lot." She would have a number of days and then at the end of the day, they decided, yes, to sell the whole lot.

30 So one of the things that she was - - -?---And then that's why, and then I took them to have a look. It was before the, before we went there, they wouldn't agree to sell the whole lot.

So once of the things that was originally contemplated was developing rather than selling, correct?---Yeah. I think Louise want to develop.

40 But you had discussions before this point in time where the agreement was the plan at least would be to sell the whole site, is that right?---Yes. I convince them to sell the whole site because I said, "It cost you a lot of money to develop. It's not worthwhile."

Is that a convenient time, Commissioner?

THE COMMISSIONER: Yes. Mr Luong, we're going to take a 15 minute adjournment now so you can have a cup of tea or coffee. So please return just before a quarter to 12.00.---Yep. Thanks.

Very well, we'll adjourn.

SHORT ADJOURNMENT

[11.28pm]

THE COMMISSIONER: Mr Luong, you continue to be bound by your affirmation.---Yes.

MR ROBERTSON: So, Mr Luong, can I just confirm some matters of timing arising out of this morning. You meet Mr Maguire, opening of
10 Wagga Wagga café, on the invitation of Mr Tse. Is that right?---Yes.

After that point in time you have some business dealings with Mr Maguire where Mr Maguire introduces you to potential export products like olive oil and things of that kind. Is that right?---Yes. I think it started with beef or cotton first I think.

And for those successful exports I take it you paid Mr Maguire the usual 10 per cent introduction fee?---No. I don't think at that time we discuss anything about that, I don't think so. I think what happened was, when I – I
20 think at that time I don't know Maguire very well and I think when, when we talk about the beef he introduced Phil to me, he said, "You talk to Phil." And then - - -

Phil who?---Phil Elliott. And then since then I've been talking to Phil for a while and sometimes Phil, Phil is not responding in time, took a while, so I spoke to Maguire. That's what I normally do if he introduce someone to me and all I will speak to him, and so I think after I while I didn't speak to Phil at all because there was a number of thing he tried to get and Phil was trying to get me to pay advance fees or something like that because there was
30 nothing come out because to me the Chinese guy is saying that the price too high basically, all right, and then after a while I think we asked him for a number of things, I think Phil was getting a little bit fed up and asked me to pay out some sort of fees in advance and then if the thing is successful he deduct it from there. I disagree. I said, "No, I work for nothing, you know, if I success I get money, if I don't success I don't get money. Why should I pay you first?"

So Mr Maguire introduced you to Mr Phil Elliott. Is that right?---Yes, yes.

40 What organisation was Phil Elliott associated with, can you remember?
---I remember it was G8 International or G8way International or whatever they're called.

Could it be G8way International?---Or G8way whatever, yeah, something.

It's spelt with a G and the number 8?---Yeah, something like that, yeah.

You've got a recollection of that organisation?---Yeah, yes, yes, because I have a lot of email with Phil under that thing and then he signed there at the bottom, I think it's managing director or something.

And so Mr Elliott was trying to, through you, sell some Australian products into China. Is that right?---No, was not he was trying to, I was asking him to help me just source.

10 And did any of those requests end up in successful deals?---None of them. And that's why after a while he was fed up, he asked me to pay him something in advance, some consultancy fees, and I disagree.

So before the SmartWest matter that you and I have been discussing, were there any successful export projects that you did, either through Mr Maguire, Mr Elliott or G8way International?---No.

There was a number of attempts in olive oil and meats and other areas.
---Had a lot of, a lot of attempts. A lot of attempts.

20 And so - - ?---Water and all sort of thing.

And so do I take it that out of those exercises, you made nothing?---No. Loss. (not transcribable) China and all that loss.

30 You did some efforts to try and do some business deals with Mr Maguire and Mr Elliott or G8way International?---No, I was, to be honest, at the time, 'cause I was in China for a number of years, so, so when I came back here I thought, okay, cause Gordon, Maguire I met, Maguire's a good friend of Gordon. At the time they introduce. So I was sort of like, I don't know who contact who first, all right, and somehow we contact, and then I remember the first thing I asked, it could have been cotton or meat. And, but we have a lot of attempts (not transcribable) also different meat, different cuts. And we found, at the end of the day, I think the price is too high. He was asking like,(not transcribable) beef, now I don't know whether you know (not transcribable) 27 cuts, another 12 cuts, whatever. (not transcribable)

40 So there were a number of attempts but none of them successful, is that right?---None.

And then we got to, I showed you an email of 27 April, 2017, when Mr Maguire was forwarding you information about the SmartWest project.
---Yes.

Remember, that was the first one that I showed you. And it was around about that point in time that Mr Maguire introduced you to Ms Waterhouse, is that right?---Yes.

And I think you said you were introduced to her at a dinner, is that right?
---Yes. And I pay for the dinner.

Is it possible that, prior to the dinner, you'd actually met Ms Waterhouse at Parliament House, on Mr Maguire's invitation?---I don't, I don't think so. I can't recall.

10 You've at least met Ms Waterhouse and Mr Maguire in Parliament House before. That's happened, but it may have been after the first dinner meeting.---Maybe, I don't know. I can't recall, to be honest.

You can't remember when - - -?---I recall on the dinner because I pay for it.

And then after - - -?---I remember, yeah.

20 And then after receiving that email in April of 2017, what happens next in relation to the SmartWest Sydney site?---Obviously I think there was a big discussion at the time, at the table, when we having dinner I think, and then it was subsequently obviously, 'cause I think I promised to contact her, whatever. 'Cause I was asking for advice at the time. All right? So I think there was like I contact her and then I went to her office and all that. You know, there was a number of meeting in her office.

And so I take it that that - - -?---And at the end it was when we agree to sale and then Rob come involved, get involved, yeah.

30 So we have the email from April. I take it you're doing those sort of communications in, you know, maybe May, June, July, something like that. ---I can't recall exactly. But I think, a lot of, lot of, I think there was a period, I been at her office quite a number of times.

40 And the telephone call that I played you a little while ago, that was from 28 August, 2017. Just so you've got the bookends. I take it that between April of 2017 and when you looked at the site in August of 2017, lots of things were being done to try and look at potential purchases, investigate things of that kind, is that right?---I think first of all it's looked at, I think first of all I didn't, there's no way I can just go back to them straight away. I got to study the documents. And then, of course, you look at, study the area, all right? 'Cause I used to was working on that Ron Medich land, so I know the area fairly well in a sense, all right, that area. So even though (not transcribable) know where this is exactly, all right. So I was then starting to look at what's the potential can be done, because you cannot just give advice to someone without studying it. So then I arrived at, look, it's no good for you guys to develop it. And it took them a while. They consider, they ask me, and sometimes they ask me to go there and just explain again. So I explain to Rob. Initially it was, I think it was only just Louise. I have lot of things with Louise. Rob was very little.

And so that process is happening over a few-month period?---Yes, over, over few months, yeah, yeah.

Probably from about April.---Yeah.

And going for a number of months, is that right?---Yeah.

10 I'll just show you one document, volume 16, page 24. And during that process you were in communications with Mr Maguire, updating each other as to what was going on, is that right?---Yes, yes. Yes, yes.

And I'll just give you - - -?---I normally do that.

20 I'll just give you an example of that, which is page 24, volume 16. It'll come up on the screen in a minute. Do you see there that Mr Maguire, if you look about three-tenths of the way down the page, Mr Maguire looks like he's forwarding an email to you from his Parliament House email address, and he's forwarding a media release from the government.---Yes.

Delivering on Western Sydney Airport.---Yes.

Do you see that there?---Yes, yes.

And you respond saying, "G'day, mate. Thank you for the update." Do you see that there?---Yes.

30 And that's consistent with what you did during the course of this process, you and he were keeping each other updated?---No. He, he, he is actually phoning not just that. From time to time he phone also with different media release, on, on food and all that sort of thing.

So you're updating each other on the Sydney West project but also other things that you might be interested in, is that right?---It was not what I am interested in, he is saying I will read. It is really up to him, I never ask him.

No, no. But Mr Maguire would, from time to time, send you possibilities of business deals?---Yeah, yeah. Updating me sort of thing.

40 The attempts in relation to olive oil and things like that, those kinds of attempts continued over the months and over the years. Is that right?--- Yes.

Mr Maguire would send you potential opportunities from time to time? ---Yes, yes. Sometimes he send me this to look at and I look at it and then sometimes there's no deal, forget it.

But for southwest Sydney - - -?---Or, or I am not in the area, I don't know. I am not in that field, forget it.

So some of them you would reject out of hand?---Yeah.

Others you might consider a little bit closer?---Yes.

SmartWest Sydney was an example of something that you did consider a bit closer?---Yes. Because we found that they were in the Ron Medich deal, so this is close to the area so that's why we looked at it.

10 And so that was part of the context behind considering the Waterhouse land,
was the fact that there was an attempt or considering in relation to the
Medich land. That didn't end up happening and so this was another
possibility near the Western Sydney Airport site, is that roughly right?---No,
no. There was, like, this was referred to me. I, what we normally do, I
think you probably know my background, we normally do due diligence
whether it's okay or not first. Whether it sounds okay, whether it's, the
price has been arranged, that sort of thing. And this was give to me to give
advice to Louise as to what to do with this land. Initially when I met,
20 Louise want to develop the land and was trying to put a theme park or some
sort of thing in there as well, and I said that is not the way, it doesn't work.
And so Louise was having a lot of plan on that land and finally I convince
her to sell the whole lot. But she was asking for a very high price. Anyway,
doesn't matter.

Commissioner, I tender the email from Mr Luong to Mr Maguire, 2 May,
2017, pages 24 and 25, volume 16, public inquiry brief.

THE COMMISSIONER: Exhibit 220.

30 **#EXH-220 – EMAIL LUONG TO MAGUIRE RE WESTERN
SYDNEY AIRPORT DATED 2 MAY 2017**

MR ROBERTSON: Mr Luong, I'm not going to play you a recording from
18 August, 2017.---18 August, '17. Yep.

So the first one that I played you just before morning tea was the 28 August,
2017.---Yep.

40 I'm going back about 10 days and I promise after that I'll try and keep it in
chronological order. But this is 18 August, 2017, telephone intercept 623, if
we can play the excerpt of that, please.

AUDIO RECORDING PLAYED

[12.03pm]

MR ROBERTSON: So do you agree that that's an example of the kinds of communications you had in connection with the SmartWest Sydney project?---Yes. Yes.

You would contact Mr Maguire and keep him updated as to what was going on.---Yes. Yes.

And then you would have heard towards the very end, it looks like you arranged a meeting with Mr Maguire at Parliament House?---Yes.

10

And you did that from time to time during that process as well, you would meet with Mr Maguire to discuss the progress (not transcribable)?---Yes. I think, think he was suggesting Parliament House, isn't it?

I think he suggested Parliament House.---Yeah.

And by the looks of it, you agreed that you'd meet there at half past 3.00. ---Yeah, I agree, I mean, if he can't meet anywhere, what can I do?

20 But you've got a recollection of attending on Mr Maguire in Parliament House on multiple occasions.---Yes, yes, yes, yes.

Including to discuss matters of business, such as the potential sale of the SmartWest Sydney site.---Could be, yes, yes.

Is that right?---Yeah, could be, yeah.

You did that on lots of occasions.---Yes. Yes.

30 Can we then please, we're now going to go to the - - -

THE COMMISSIONER: Do you need to tender that?

MR ROBERTSON: Oh, sorry, I will tender that. I tender telephone intercept 623 of 18 August, 2017, and the accompanying transcript.

THE COMMISSIONER: Will be Exhibit 221.

40 **#EXH-221 – TRANSCRIPT AND AUDIO OF INTERCEPTED TELECOMMUNICATION 00623 DATED 18 AUGUST 2017**

THE WITNESS: 18 of August, oh, so, so, so this is the one, sorry.

MR ROBERTSON: And next I tender the telephone intercept recording I played briefly before the morning tea adjournment, 28 August, 2017, and the accompanying transcript.

THE COMMISSIONER: Exhibit 222.

**#EXH-222 – TRANSCRIPT AND AUDIO OF INTERCEPTED
TELECOMMUNICATION 01009 DATED 28 AUGUST 2017**

10 MR ROBERTSON: And, Mr Luong, we're now going to move to 2
September, 2017.---Yep.

So a couple of weeks after the recording that I've shown, just played, and a few days after the one that I played you just before morning tea. This is telephone intercept 1207, 2 September, 2017, and I'll be playing an extract of that call so you don't have to sit through the whole lot.

AUDIO RECORDING PLAYED

[12.06pm]

20

MR ROBERTSON: There was a reference towards the end of that call to Tim. I take it was that a reference to Tim Lakos?---Tim Lakos, Tim Lakos.

You didn't want to put Ms Waterhouse directly in front of Tim Lakos because you had a little bit of a concern about that circumvention issue that you and I discussed this morning. Is that right?---Yes, I think so.

Sorry, do you agree?---I think so, yeah.

30 Early in the call there was a reference to the consultancy agreement, so I take it that you agree that by 2 September, 2017 that you provided the consultancy agreement, at least in draft, to Ms Waterhouse. Is that right? ---Yes.

But there were some aspects of the consultancy agreement that she didn't like and you were reporting that to Mr Maguire.---Yes.

40 Is that right?---No, what happened was, so I was asked to help Louise Waterhouse, and to me, I'm appointed buyer agent for Country Garden, that's what I told Louise Waterhouse. Now I remember now, when I look at this.

Well, I think you explained this morning that you were the buyer's agent for Country Garden in relation to the Medich land. Is that right?---No, no. I am a buyer agent for any land where I could, so I only take one side commission. I cannot take both side. So I told Waterhouse, all right, if you don't agree to pay, Country Garden pay 1 per cent, that's why when you come up with 20 million, I couldn't work it out. Okay, 1 per cent of 20

million is 2 million, and Country Garden pay 1 per cent. So I told Louise, okay, Louise was offering, now I remember, offering 200,000. That's a little bit, of the whack, right, it's not the normal norm, all right, on a deal like this, 1 per cent. Look a smaller deal with probably 1.5 per cent or 2 per cent. But bigger deal, the maximum you can get is 1 per cent most of the time. So I was offering so, I want to, I want, I said I can represent Country Garden, I have to be, I think I now remember, I told Louise, I said, "I don't want to take both side commission, it's not the way I do business, all right, that's not right," I said, "I can represent Country Garden, you don't need to
10 pay me, Country Garden pay me, it's fine. (not transcribable) declare to you." But Louise say, "Look, I want you to work for me and get a higher price" and then come up with that scale, all right? And that scale's unreasonable. Cannot be achieved, I can tell you now. Now I remember now.

But you ultimately reached an agreement with Ms Waterhouse regarding a consultancy agreement. Is that right?---Yes, because they insisted I work for them because they want better price.

20 And you agreed on the scale that I showed you before morning tea?---I agree, and actually the scale was proposed by them or I need to type and send it back to them because they don't want to do any paperwork.

But the scale that was agreed is the one that I showed you up on the screen earlier.---Yes, yes, I think so.

So although Ms Waterhouse wasn't happy with that document as at the time of the call that I've just played, because she was raising issues about the payment of commission on exchange and things like that, you ultimately
30 reached an agreement consistent with your document, is that right?---No. I think I sent a different document initially, I think. The scale, that sort of thing, is coming up, the scale actually come up by Rob. By Rob.

But it was an agreed scale. They might have proposed it. You agreed to that scale (not transcribable).---I, I, I have agreed because they say, you know, you either work, you don't work, in a sense.

There was ultimately, just to be clear, I think this is what you're saying.
---Yeah.
40

There was a consultancy agreement that was ultimately signed up.---Yes.

And it had the scale that we can see in the document I showed you before morning tea. Is that right?---Yes. Yes. Yes.

Commissioner, I tender telephone intercept 1207, 2 December, 2017, and accompanying transcript.

**#EXH-223 – TRANSCRIPT AND AUDIO OF INTERCEPTED
TELECOMMUNICATION 01207 – EXTRACT**

MR ROBERTSON: Mr Luong, I'm now going to move forward a couple of days. That last one was 2 September, 2017.---Mmm.

I'm now going to go to 5 September, 2017.---Yep.

10

This is telephone intercept 1344. Commissioner, can I note that on the call I'm about to play, there's some discussion regarding potential sale and purchase prices. For abundant caution, I've had a discussion with Mr Beazley, who represents Ms Waterhouse, and I've indicated that information of that kind would be indicated publicly so that, if there was any application for a suppression order or anything of that kind, an application could be made, and I understand from Mr Beazley that there's no such application. So I propose to play it unredacted, as it were.

20 THE COMMISSIONER: Thanks, Mr Robertson.

MR ROBERTSON: Telephone intercept 1344, 5 September, 2017.

AUDIO RECORDING PLAYED

[12.16pm]

MR ROBERTSON: Mr Luong, I take it that you accept that one of the voices on that recording was yours and one was Mr Maguire's.---Yes.

30

And during the course of that call you said that you would look at Daryl. I take it by that you meant that you would make sure you paid a fee to Daryl I the event that the sale went through.---Yeah. Before that (not transcribable) I also said to Paul at the time of the interview, I said Louise was asking me, all right, to take care of Daryl remember?

So you've got a recollection of Ms Waterhouse - - -?---I remember I told her.

40 - - - Ms Waterhouse saying to you Daryl one - - -?---Yes, is this (not transcribable) yeah.

- - - Daryl one way or another needs to be looked after. Is that right?---Yes. And then I promised, yes.

And you took "looking after" to mean Mr Maguire needs to be compensated for his time and effort associated with this deal. Is that right?---No numbers

are mentioned, all right, but that's what she proposed to me and I said to Paul at the time, I said, now that (not transcribable)

Now, at this point in time a potential sale price of about \$330 million was in consideration. Is that right?---Yes. Now, now I can't remember. (not transcribable)

But you heard the \$330 million figure referred to?---Yes.

10 Can we just go back please to the consultancy fee agreement volume 16, page 28 which is now Exhibit 219.---It could be 320 or 330 (not transcribable)

I'll show it to you in a moment. While it's coming up I tender telephone intercept 1344, 5 September, 2017 and accompanying transcript.

THE COMMISSIONER: That will be Exhibit 224.

20 **#EXH-224 – TRANSCRIPT AND AUDIO OF INTERCEPTED TELECOMMUNICATION SESSION 01344 DATED 5 SEPTEMBER 2017**

MR ROBERTSON: If you just have a look at the end of the fee schedule there, we're talking about 330 million.---Yeah.

I take it that means you would get a fee of 9.9 million.---No.

30 Is it 6.9 is it?---6.9.

And so therefore Mr Maguire would get a fee of at least \$690,000 because you've said you'd give him at least 10 per cent?---Yes, yes.

But in fact you were probably going to give him a bit more than 10 per cent because he was more closely involved than just putting an introduction in place?---It really depends on, at the end of the day, what I was instructed to do.

40 Well, are you saying if Ms Waterhouse said, "Look, give him a little bit more," you would have agreed with that request?---Yeah, I would.

But at the very least, Mr Maguire gets \$690,000 in the \$330 million deal comes off, is that right?---As a general thing, yeah.

And then there was a reference in that call to GT. Who is GT?---GT is the, I think CEO or general manager of Country Garden, GT Hu, H-u, I think is the surname.

And I think the first name is Guotao, G-u-o-t-a-o. Does that ring a bell?
---Yeah. We always him GT, only like people call him GT.

And there was a reference in the call to dinner with the Premier. What was the reference to dinner with the Premier?---I can't recall. I think I attend a dinner there. There was the Premier there, and I think that dinner was held by Maguire to raise funds, and I think, I think if – you probably have intercept one of the call. I think, I think I have told him that, I might (not transcribable) developer, was to do with the development. I'm not coming.
10 I cannot pay the fees. And then he said to me, he said, "Oh, yes, come." So I come but didn't pay the fee. I think that was that dinner.

So there was a function that you attended on Mr Maguire's - - -?---There was a function - - -

Just let me finish, I'm sorry.---Yeah, sorry.

There was a function that you attended at which Mr Maguire invited you and that the Premier was in attendance?---Yes.
20

And where did that function take place, do you remember?---In, in the parliament. I think in the President Dining - - -

Perhaps the President's Dining Room, possibly there?---Yeah, I think so.

And did you meet the Premier during the course of that meeting?---Yes, yes.

Did anyone introduce you or did you just go up to her or did someone introduce you?---I can't recall to be honest.
30

And at least the introduction or at least meeting her, did that happen in the dining room itself or did it happen somewhere else in Parliament House, can you remember?---Yes, in the dining room.

So it's a big function with lots of people?---It's a, yeah.

And during the course of that function you introduced yourself or you speak to the Premier, is that right?---I think it was a rotation of seats after one course or two course, something like that. And then, so I happen to rotate to, to her, so rotating, rotating. I think I stopped in a few seats, yes.
40

So you were sitting at a table with the Premier for at least part of the - - -?
---Yes. It was a long table. There was around 20 or 30 people or something like that.

And so at least for part of the dinner, but not for all of it, you were in close confines with the Premier, is that right?---Yes, yes.

And you presumably had a discussion with her and introduced yourself, that sort of thing?---Yes, yes, yes.

Did you - - -?---And I took a photo with her and I think with the Treasurer as well.

With the Treasurer as well?---Yes.

10 And was it just general sort of conversational chat?---Just general conversation.

There was no talk about business or whatever you were involved in or anything of that kind?---No, no, no, no.

And I think you said you were a little bit concerned about whether you should come at all because you might be considered a property developer. Is that right?---Yes.

20 But Mr Maguire said, “No, don’t worry about that. Come and” - - -?---“Oh, come, don’t, don’t worry about it.” I think he was, because I think the invitation was like raising funds. You’ve got to pay and then I said, “No, I can’t pay this sort of thing.”

And were you representing any particular organisation when you were attending? Was it your own personal company that you were representing or did you represent some other company?---I can’t recall. I can’t recall what’s the name tag say.

30 You didn’t refer to yourself as someone on behalf of Country Garden, for example, did you?---No, no.

So it was either just you or it might have been you and your personal company’s name, is that right?---Yes, yes, yes. I mean, I have met the Premier somewhere anyway because I’m involved in a number of community organisations.

So you’re saying you’d met her before that particular meeting?---Yes, yes, yes.

40

Or that particular dinner.---Yeah.

But on this occasion you got to sit down and have a meal, at least partially, with her?---Yep, yep, yep.

But there was some changing of seats during the course of the - - -?---Even before she was the Premier because she usually came to ECC, the Ethnic Communities’ Council, when I was the treasurer, when she just came out.

And you met her in that context?---As an MP, yeah, yeah.

When she was just a, what, just when she was a local member of parliament, before she was a minister?---Yes, yes, yes, yes.

10 THE COMMISSIONER: Mr Luong, there was also a reference on that TI that was just played to somebody called Judy. Who was Judy?---I don't know who is Judy. I think should be Louise. I think my pronunciation. I don't know who is Judy.

MR ROBERTSON: And there was a reference to a Tim. I take it again that that was a reference to Tim Lakos?---Yeah, Tim Lakos, I think, yeah, Tim Lakos.

I'm now going to move forward a few further days in the same month. I'm going to go to 11 September, 2017, and I'll play you a recording from that date. It's telephone intercept 1566.

20 THE COMMISSIONER: What was the date again please, Mr Robertson?

MR ROBERTSON: 11 September, 2017, I apologise.

THE COMMISSIONER: Thank you.---The 11 of September (not transcribable)

AUDIO RECORDING PLAYED [12.30pm]

30 MR ROBERTSON: So Mr Luong, you agree of the two voices, one is yours, one is Mr Maguire's?---Yep. Yep.

At this point in time, it looks like the sale of the SmartWest Sydney site is likely to go ahead, is that right?---Yes.

And the kind of price somewhere in the vicinity of 330 million?---Yes.

40 And so you would have got a \$6.6 million fee in relation to that?---Six, yeah, 6.9, isn't it, or something like that.

It might be 6.9, sorry, 6.9 million.---Based, based on the scale.

Based on the scale. And Mr Maguire from that would get at least \$690,000, is that right?---Yep.

There was also a discussion towards the end about a dinner happening the next night.---Yes.

What was that dinner?---I think that was the Premier dinner, isn't it?

Which one, I'm sorry?---I think that is the Premier dinner.

And there was reference to you sitting next to Peter Fitzpatrick? Who's Peter Fitzpatrick?---Yeah, I think I would have sit with, I would have sat with a guy.

10 But who's Peter Fitzpatrick?---To be honest, I don't know.

Well, you heard that Mr Maguire said, "Sit next to him."---Yes. Yes.

"I want you to meet him," as it were.---Yes.

Can you remember who Mr Fitzpatrick was or why Daryl wanted you to meet him?---I don't know, to be honest.

20 There was also reference during the course of those calls to a few other developers, like Mr Demian, Mr Hawatt, and others.---Charlie, Charlie.

Charlie, for example.---Yeah.

I take it that's Mr Maguire introducing you to other developers, where you might be able to do business, is that right?---Yes.

And so that might lead to some projects that you can assist with. Is that right?---Yes.

30 And I take it that for projects of that kind as well you would have given Mr Maguire a 10 per cent introduction fee?---Introduction fee, yes.

40 So if the arrangement with Mr Demian worked, for example, you would keep most of the fee, 10 per cent to Mr Maguire. Is that right?---I haven't met Demian at all. I think there was something. I can't recall. I look at this thing, it doesn't gel. I met Michael. Michael asked me to his house to talk about oranges from (not transcribable) somewhere like that. I think that's where he came from, that area, and he want to sell oranges and water and some sort of other thing to China. And then at that time he suggested to me about Demian or he may have spoken with Daryl before. But I, I said, as I said, I know Michael well before, when I was (not transcribable) I was the president there at one stage.

But at least in relation to Charlie, if that resulted in a business deal, you would give an introduction fee in the usual way of 10 per cent to Mr Maguire. Is that right?---Yes, I think so.

And that didn't ultimately end up in a business deal. Is that right?---I didn't, I don't think I actually spoke to the guy, speak to the guy. I can't recall. I think I was given the number and I don't think I speak to the guy.

And then you remember towards the end of the call you asked to use Mr Maguire's office to have a meeting with Ms Waterhouse.---I think so now, I recall now.

10 And so you recall having a meeting in Mr Maguire's office with Ms Waterhouse where you were discussing the Sydney West deal?---Yes, I think so, because Waterhouse was at the function because I think, I think I might have spoken to Waterhouse, I think where, she might think it's good to meet there, whatever, we go there a little bit early, yes.

And you took - - -?---But that is after all the thing was almost done basically.

20 And you took the opportunity, because everyone was going to the dinner, you used Mr Maguire's office as a place to conduct business for Ms Waterhouse. Is that right?---Yes.

Is that the only time you ever conducted that sort of business in Parliament House?---Now, when you say conduct the business, yeah, that was like meeting Waterhouse because we're all going to attend dinner and I have, Maguire introduce some other people to me at his office.

So from time to time you've had meetings concerning matters of business in Parliament House on Mr Maguire's invitation. Is that right?---Yes.

30 I tender telephone intercept 1566, 11 September, 2017 and accompanying transcript.

THE COMMISSIONER: Exhibit 225.

#EXHIBIT 225 – TRANSCRIPT AND AUDIO OF INTERCEPTED TELECOMMUNICATION SESSION 01566 DATED 11 SEPTEMBER 2017

40

MR ROBERTSON: Just pardon me for a moment, Commissioner. And there's a part of the call where Mr Maguire was talking about Charlie and others and saying "Well, let's get the SmartWest deal over the line first before we muddy the water." Do you remember hearing that?---I don't recall. Obviously I remember Demian mentioned for sure, right. Michael Hawatt was mentioned because I told him I went to Michael place and Maguire asked me to do all sort of thing, but I was asking him whether those oranges get the Chinese approval, because he's sending fruit to

another country and you got to get, pass the inspection test and all that, get the approval and all that. We also we're discussing some, a little bit of everything.

But the idea was to try and get this deal over the line. You would get your \$6.9 million fee, Mr Maguire would get \$690,000 or perhaps more, but then you try and do some other deals, be it through Charlie or be it through someone else. Was that the idea as you understood it?---I think Maguire asked me to look into Charlie's thing or Michael mentioned to look into
10 Charlie's thing, and I think subsequently, for whatever reason, I never talk to Charlie I think. Never (not transcribable)

But all I'm saying is the idea, at least as at the time of that call, was let's get the SmartWest Sydney deal out of the way.---Yes.

Collect our money and let's then try and do some further deals where we can make some more money together. Is that fair?---Yes.

I'm now going to move forward a few further days. We're still in
20 September of 2017. Do you recall that around about September 2017 an issue arose regarding the access between the SmartWest land from that land to The Northern Road. Do you remember that as being an issue that was potentially standing in the way of a deal being done?---I can't recall that but I know that Louise always wanted to get access, and I think that access was from the Planning Department or whatever it was, because she showed it to me because she actually spend a lot of money doing all these sort of things. She have a town planner, engage a company doing it, 'cause she (not transcribable) and then - - -

30 Just pausing there, you've got a recollection of Ms Waterhouse spending some money on a town planner to say this is the current plan as to where the road is going to go, here's an alternative way of having the road in a way that gives better access to the SmartWest Sydney site?---Yeah, yeah, yes. And then we also discuss, I said, "Well, you may as well just buy the land next to it." There was a little block of land very close to the access. If you buy it, you've got access.

But do you agree that this question of access was relevant not just to Ms Waterhouse, it was relevant to the potential purchaser, Country Garden?
40 ---I can't recall that. It may have been.

But surely the question of access, I think you accepted before, obviously a property that has better access to main roads - - -?---Yes.

- - - is going to be worth more than properties that don't have access to main roads?---Yes, yes.

And so that was one of the matters that would have assisted in maximising the sale price in relation to this land. Is that right?---Yes. Cause (not transcribable) Country Garden then you buy next door. Louise can buy next door, or they can do something about it.

There may be a few different ways to achieve the issue.---Yeah (not transcribable) yes.

10 Or to fix the issue. One might be moving the road, one might be buying a little bit more land in order to get access.---Yeah, I think there was, I think Louise was talking about moving the road. I think it was (not transcribable) was, have access to the road and they haven't. I think there was something Louise mentioned to me.

20 But you do recall it as an issue that was relevant to the proposed sale to Country Garden. Is that right?---I don't think that was an issue. I can't recall. And I think the main thing at the end of the day, Country Garden didn't buy it because they did a lot of due diligence themselves, they engaged town planner I think. They come up and they say that it's not residential land, only interest in residential land or something like that, and then I think fall apart.

But you're at least agreeing, aren't you, that one of the issues that was at least live and being discussed is that question of access to The Northern Road?---Yeah, yeah, Louise mentioned a lot of time.

30 And do you remember whether Mr Maguire provided any assistance in relation to that matter, as in access to The Northern Road?---I think he was helping her. I think there were some discussions. As I said, Louise mentioned to me Daryl was, was helping.

Helping trying to get the road moved so as to have better access to that road. ---I don't know about get help with get the road moved but he is helping her.

And there was also a concern about the zoning of the land. Is that right? ---Zoning always is concern because rural land isn't worth that much. We were buying for potential zoning.

40 Because you've got a large block of land pretty close to what will soon be an airport and you want to ensure that the zoning is right so you can maximise your profits out of that land. Is that right?---I mean as far as, obviously as far as any potential buyer, that's what the look for. I mean obviously they have to do a calculated risk. I think at the end Country Garden walked out because the calculated risk is too high.

And do you recall whether Mr Maguire provided any assistance in relation to that zoning issue that you and I have just discussed?---I can't recall, but he may have, I can't recall.

I'm just going to play you another recording. We're now 13 September, 2017, so a few days after the last one that I played to you.---Yeah.

10 This is telephone intercept 1693. 1693, 13 September, 2017. And so that we don't have to listen to the lot, we've prepared two extracts. Let's play the first extract first and then I'll ultimately play the second extract.

AUDIO RECORDING PLAYED [12.55pm]

MR ROBERTSON: And I'll play the second extract now as well.

20 **AUDIO RECORDING PLAYED** [12.56pm]

MR ROBERTSON: So Mr Luong, do you agree that as at the time of this call, 12 September, 2017, there was a real concern as to whether Country Garden would go through with the deal, in the absence of there being rezoning to the land?---Country Garden was concerned that land is not going to be a residential land, will be industrial land. They're not interested in buying industrial site.

30 But part of that, isn't it, that Country Garden wanted a favourable zoning, and a different form of zoning than it had as at 13 September, 2017?---I don't think they had demand available with zoning, but they prefer to be a, a little more certain I think as to what, whether they can get residential. I think at the end they done their research, they said there's, cannot be residential. Tim was telling me.

40 This is what you said on the call, "I think I can see he is more risk averse, so he's not going to pay anything un, and they'll pay up the whole lot until get rezoning." Do you remember hearing that on the telephone call?---Yes. I think that's what Tim was saying. I was just conveying the message back.

But that's you saying to Mr Maguire that Mr Howe is saying they're concerned about this rezoning issue. They'll pay up if it's rezoned, but you're concerned that Mr Howe is risk averse and might not pay up if there's no rezoning.---Yes.

Is that right?---Yes. That's what I've been saying, yeah, right from the beginning to Louise, "Your land doesn't worth that much."

Is that a convenient time, Commissioner?

THE COMMISSIONER: Yes. Did you want to tender that just before we adjourn?

MR ROBERTSON: I should, I tender the two extracts of session number 1693, 13 September, 2017, and accompanying transcripts.

10 THE COMMISSIONER: Both of those extracts will be Exhibit 226.

**#EXH-226 – TRANSCRIPT AND AUDIO OF INTERCEPTED
TELECOMMUNICATION SESSION 01693 DATED 13 SEPTEMBER
2017 - EXTRACT 1 AND EXTRACT 2**

THE COMMISSIONER: We're going to take an hour's adjournment now for lunch, Mr Luong.---Yep.

20 So please return just before 2.00pm.---2.00pm? Yep.

MR ROBERTSON: Can I also indicate, Commissioner, by way of timing, I don't propose to call Mr Lakos today, so that he's not hanging around this afternoon. I'll call him tomorrow. But I still expect to get through all three witnesses during the course of tomorrow.

THE COMMISSIONER: Thank you, Mr Robertson. We'll now adjourn.

30 **LUNCHEON ADJOURNMENT** **[1.02pm]**