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COMPULSORY
EXAMINATION

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC
CHIEF COMMISSIONER

COMPULSORY EXAMINATION

OPERATION KEPPEL

Reference: Operation E17/0144

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY, 5 FEBRUARY 2019

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: You're Mr Gordon Tse?

MR TSE: Yep.

THE COMMISSIONER: Thank you, Mr Gordon, Mr Tse. We'll just deal with some preliminary matters.

Ms Ellis, you appear to assist?

10 MS ELLIS: Yes, Commissioner, I do.

THE COMMISSIONER: Thank you.

I direct that the following persons may be present at this compulsory examination, Commissioner officers, including transcription staff, the witness, Mr Gordon Tse.

20 I propose to make an order under section 112 of the Independent Commission Against Corruption Act which has the effect of restricting the publication of information with respect to this compulsory examination. The direction will prevent those present today, other than Commission officers, from publishing or communicating information relevant to this compulsory examination. It will permit Commission officers to publish or communicate information for statutory purposes or pursuant to further order of the Commission. The direction may be lifted or varied by the Commission without notification if the Commission is satisfied that it is necessary or desirable to do so in the public interest. I note that it is a criminal offence for any person to contravene a section 112 direction.

30 Accordingly I make a direction under section 112 of the Independent Commission Against Corruption Act in the following terms. Being satisfied that it is necessary and desirable in the public interest to do so, I direct pursuant to section 112 of the Independent Commission Against Corruption Act that the evidence to be given by the witness, Mr Gordon Tse, the contents of any exhibits that are tendered, the contents of any documents that may be shown to him, any information that might enable Mr Tse to be identified and the fact that he has given evidence today shall not be published, it shall not be otherwise communicated to anyone except by Commission officers for statutory purposes or pursuant to further order of
40 the Commission.

BEING SATISFIED THAT IT IS NECESSARY AND DESIRABLE IN THE PUBLIC INTEREST TO DO SO, I DIRECT PURSUANT TO SECTION 112 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT THAT THE EVIDENCE TO BE GIVEN BY THE WITNESS, MR GORDON TSE, THE CONTENTS OF ANY EXHIBITS THAT ARE TENDERED, THE CONTENTS OF ANY

DOCUMENTS THAT MAY BE SHOWN TO HIM, ANY INFORMATION THAT MIGHT ENABLE MR TSE TO BE IDENTIFIED AND THE FACT THAT HE HAS GIVEN EVIDENCE TODAY SHALL NOT BE PUBLISHED, IT SHALL NOT BE OTHERWISE COMMUNICATED TO ANYONE EXCEPT BY COMMISSION OFFICERS FOR STATUTORY PURPOSES OR PURSUANT TO FURTHER ORDER OF THE COMMISSION.

10 THE COMMISSIONER: Ms Ellis, does Mr Tse, he's not represented here today?

MS ELLIS: No, Commissioner.

THE COMMISSIONER: And what's the position in terms of section 38 of the Act, the declaration?

MS ELLIS: Commissioner, I took the opportunity to explain briefly to Mr Tse the section 38 declaration and I understand that he may wish to take the
20 section 38 objection. Is that correct, Mr Tse?

MR TSE: Yeah.

THE COMMISSIONER: Very well. Mr Tse it's been, you understand, as I, as I understand, that the effect of making a declaration is that answers given by you to questions in effect can't be used against you in other proceedings, criminal or civil proceedings or disciplinary proceedings. It could of course be, however there is an exception to that, and that is if
30 somebody gives false evidence or otherwise commits an offence under the Act, that's the ICAC Act, then it could be used for that purpose, but otherwise it can't be used in other proceedings. It's my understanding you want to take advantage of that protection which you're entitled to. Is that right?

MR TSE: Yeah.

THE COMMISSIONER: Thank you.

MR TSE: Will, will the question show on the monitor, the screen?
40

THE COMMISSIONER: I'm sorry?

MR TSE: All the question, all the question, it will be show on the screen?

THE COMMISSIONER: No, it won't come up in real time, but we'll proceed in a moment and I'll explain to you how the procedure. Pursuant to section 38 of the Independent Commission Against Corruption Act I declare that all answers given by the witness, Mr Gordon Tse, and all documents

and things that may be produced by him during the course of his evidence at this compulsory examination are to be regarded as having been given or produced on objection and there is accordingly no need for Mr Tse to make objection in respect of any particular answer given or document or thing produced.

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

20 THE COMMISSIONER: Mr Tse, we'll commence the examination. Ms Ellis is assisting me and will be asking you questions. The format is that Ms Ellis will ask you questions, may ask you to look at a particular document, I might ask you questions. You simply are to answer the questions, question-by-question, and I can't emphasise enough that the answers to questions of course must be truthful and accurate answers. You understand that?

MR TSE: (No Audible Reply – nods his head - affirmative)

30 THE COMMISSIONER: Very good. Now, witnesses either give evidence on oath or an affirmation, as they wish, so that the evidence is what is regarded as verified evidence, it's verified by an oath or it's verified by an affirmation to tell the truth. Do you have a preference, do you wish to take an oath on the Bible or do you wish to take an affirmation that you will affirm to tell the truth?

MR TSE: Either way I'm okay.

40 THE COMMISSIONER: You don't have a preference one way or the other?

MR TSE: Yeah, I'll take an oath.

THE COMMISSIONER: Sorry, affirmation or on the oath?

MR TSE: (not transcribable)

THE COMMISSIONER: You don't understand?

MR TSE: Yeah.

THE COMMISSIONER: You do understand, yes.

MR TSE: I understand.

THE COMMISSIONER: All right. Well, do you want to take an oath?

MR TSE: Yeah.

10

THE COMMISSIONER: That is you are administered to tell the truth.

MR TSE: Mmm.

THE COMMISSIONER: All right. On the Bible, is that, is that meaningful to you?

MR TSE: Yeah, yeah.

20

THE COMMISSIONER: Thank you. If you wouldn't mind standing, my associate will administer the oath. Just take the Bible in your right hand. Yes.

<GORDON KAR MING TSE, sworn

[10.09am]

THE COMMISSIONER: Thank you. Take a seat, Mr Gordon. Thank you, Ms Ellis.

MS ELLIS: Thank you, Commissioner. Mr Tse, what is your full name?
---Gordon Kar Ming Tse.

10 And how, and how do you spell Kar Ming?---K-a-r ---?---

---Yes.---M-i-n-g.

Thank you. And Tse, T-s-e?---Yeah, T-s-e.

And your date of birth?---[REDACTED]

And are you an Australian citizen?---Yes.

20 And do you have any other citizenship?---No.

Where is your place of residence?---Place of residence?

I beg your pardon? Residence.

THE COMMISSIONER: Sorry, just before you continue.---Oh, the residence.

30 Mr Tse, if you could keep your voice up a bit. There is a microphone there that will help magnify your voice. See, you've got a similar - - -?---This one. Okay.

You don't have to lean over it but just bear in mind if you lean slightly towards it, it helps your voice being projected. So I'm sorry, we're back to your, your normal place of residence I think you're being asked.

MS ELLIS: Yes.

40 THE COMMISSIONER: Where is that?---I came from Wagga Wagga but I moving to China in 2003.

Right, where do you live in China at the moment?---Guangzhou, Guangzhou city.

What's your address? Do you have an address there?---Yeah. It's quite, quite long.

Bear in mind this evidence is not being distributed. It's given in, under suppression.---[REDACTED]. I can write it down if you like.

MS ELLIS: Yes, thank you, that would be helpful. We might do that over the break, Mr Tse.

THE COMMISSIONER: We'll do that at the morning tea adjournment. ---Okay. Yeah, it's quite long.

10 MS ELLIS: Thank you.

THE COMMISSIONER: And when did you go to China, return to China?--
-I used to be travelling all the time until probably 2005 and I, I stay there and come home to Wagga Wagga probably three or four times a year.

MS ELLIS: And, and do you maintain a home in Wagga Wagga?---Yes, until, until 2015 or 2016, you know.

20 And do you have any family in Wagga?---Yeah, my, my two sister and, and I got divorce in 2009 I think, yeah, so - - -

And does your ex-partner still live in Wagga?---Occasionally.

Occasionally.---(not transcribable) she goes to live in Hong Kong and Wagga occasionally. Her family still there.

THE COMMISSIONER: What's your current occupation?---Chef, restaurateur.

30 Restaurateur.---I'm a chef by trade.

Restaurateur in?---In Wagga Wagga.

In Wagga Wagga.---Oh, all the country town, like original - - -

How many restaurants?--- - - - come from Batlow and, you know - - -

So where were you born?---I born in, born in China.

40 And what age did you come to Australia initially?---When I was 18 I think.

You were 18 when you first came to Australia to take up residence?
---Mmm.

And how many restaurants do you currently have in Australia?---None.

Oh, you don't have any now?---No, but we used to have a few in Wagga and - - -

You used to?---Yeah, used to.

Did you sell them off or close them down or what?---No. Since I moving back to China my partner's relative they, they, so they always the shareholder so they become, get more involved and I just sold the share to them, my, my two sister and some other relative.

All right. Thank you.

10

MS ELLIS: Do you have any current business interests in Australia? Any business interests in Australia. Do you have shares in any businesses, are you directors, do you work in any businesses in Australia currently?---Not now but used to be.

When did you cease, when was the last time you had a business interest in Australia?---We have company call Richland Express.

20

Sorry, how do you spell that?---Richland, R-i-c-h-l-a-n-d, Express. And they're agents to sell some electronic item as well as the German brand called Ashford cigarettes. So we're agent for them for marketing.

THE COMMISSIONER: Cigarettes did you say?---Yeah, cigarette or, cigar or cigarette and I don't get involved because we start the company just selling electronic from oversea and then they got an agent's licence to market the cigarette for a German brand called Ashford so, and then somebody, some overseas company bought the controlling share and then we, we just a silent partner.

30

MS ELLIS: Okay, so when you say we, is it you and somebody else or is it just you?---Yeah, me and Paul Daly. Paul is my friend.

And you say that you were a silent partner. Do, are you still a silent partner in the business?---Sorry?

Are you still a silent partner in the business?---No, no. I sold the remaining share to the Singaporean. I think 2000, is it 2016/2017 (not transcribable)

40

THE COMMISSIONER: Was that, sorry, was that company incorporated in Australia or - - -?---Yeah, they, they - - -

Richland Express?---They operating in Sydney. Is Sydney company and - - -

And when was it established that, that company?---Probably, probably 2010. When it first registered have different name, you know, called Red Line something, Red Line, L-i-n-e, and we selling some import electronic

item and somehow since we won the tender become the agent for Ashford and they changing the name later on.

MS ELLIS: And do you currently have any interests in businesses in China?---Yes. I have a rest aurant called the Great Barrier Reef.

The Great Barrier Reef?---It's no longer operating now.

10 So no longer operating?---Yeah, they finish in 2017.

And when did that start?---They start 2003.

Anything else?---Have a company called Golden Sample from Hong Kong.

That's incorporated in Hong Kong?---They registered in Hong Kong.

They're what, sorry? I beg your pardon.---The company is registered in Hong Kong.

20 Registered. I see. And when was it registered?---Sorry?

When was it registered?---So more than 10 years.

And it's still ongoing?---It's still, Golden Sample. Hang on a minute. Yes.

THE COMMISSIONER: This is the restaurant you're talking about is it?
---No. This is we call a POP business.

30 And what does - - -?---It doing - - -

POP?---Point of purchase.

Point of purchase?---Yeah. To make order, order promotional item for, for customer like some banner. Promotional item. Order umbrella, signage.

MS ELLIS: Does that company do any other work?---Beside for exporting.

40 And where does it export goods to?---To Australia, some little, we got some, a customer from Germany and I think we have a customer from Papua New Guinea. But we, we don't deal direct with the customer. We only selling to the agent and they, they sell to their customer.

So do you have agents in Australia, Germany and Papua New Guinea?
---We, no, we have one in Australia called Retail Logic in Queensland,

THE COMMISSIONER: What's it called?---Retail Logic.

We tell?

MS ELLIS: Retail, R-e-t-a-i-l.---R-e-t-a-i-l, Retail, Logic, L-o-g-i-c.

THE COMMISSIONER: And this export agency or business that you sell to agents, is that a company?---Yeah, they come up to, with a design and we just make it in, in China.

What's the name of the company or operating entity?---Retail Logic.

10 We tell?---Logic, yeah.

MS ELLIS: Sorry, Commissioner, I think it's Retail Logic.---Yes.

THE COMMISSIONER: I see.

THE WITNESS: And, and the company also, a major company, I mean the major customer called POSM, P-O, POSM.

20 MS ELLIS: P-o-s-s-u-m?---Yeah, POSM, yeah.

POSM. Do you have--?---POSM but I think they recently finished or closed, they sold it last year.

And where was POSM located in Australia?---I think from Kiama in the south coast, yeah.

And did you have other clients in Australia?---Yeah, we have a few but that's, can't remember them all.

30 And did you keep or do you keep books or records of accounts for the company, Golden Sample?---Yes, we have every single invoices.

And where are those kept?---In Guangzhou.

And are they kept by you or are they kept by your accountant?---No, yeah, the accountant.

40 And what's the name of your accountant?---The name, oh, they, they, they, they working in the office.

THE COMMISSIONER: Where are they based?---In Guangzhou.

MS ELLIS: Is this somebody you employ within your business as an accountant?---Yeah, yeah.

So the accounts are kept by your business rather than by a separate accounting company?---No. That's the Chinese system. They all have in-house accountant.

I see. And do you have any other business interests in China apart from the Great Barrier Reef restaurant and Golden Sample?---We have Wagga Wagga Café but that's all, all finish from last year now, 2017.

2017?---Ah hmm.

THE COMMISSIONER: Sorry, what restaurant was that?---Wagga Wagga Café.

10

MS ELLIS: When in 2017 did you finish up business with Wagga Wagga Café?---Yeah.

When, what month?---What month, what month. Can't, can't tell you.

Okay, do you recall when it, when you started the Wagga Wagga Café?---The first one we probably start in, Wagga Wagga Café, probably 2011.

THE COMMISSIONER: What was the address of that one?---In, in the, the, we have one, two, in the shopping mall in the Guangzhou.

20

Whereabouts?---Guangzhou.

MS ELLIS: And that's, for the record, G-u-a-n-g-z-h-o-u.---That's it, yeah.

THE COMMISSIONER: The café I thought you said in Wagga closed last year two thousand – sorry you, closed in - - -?---That's the, that's the - - -

Just a minute, let me finish. I think you said, but correct me if I'm wrong, that in 2017 the Wagga Wagga Café ceased business, is that right?---No. That's the Great Barrier Reef, the Great Barrier Reef restaurant, the first one I opened in China, that was finish up, it all finish up similar time.

30

Now was there a Wagga Wagga Café, that's all I'm trying to ascertain at the moment? Was there? Did you run a Wagga Wagga Café?---Yes.

When did that cease business or is it still operating?---No they finish up in a similar time, I think.

What, 2017?---2017, yeah. We have two of them. So, so one probably closed down earlier, maybe 2015 maybe and one 2017.

40

Uh hmm, okay.

MS ELLIS: And Mr Tse, can I clarify when you say Wagga Wagga Café, do you mean a café located in China that was called the Wagga Wagga Café?---Yeah, the name was just called Wagga Wagga Café.

So you didn't have a café in Wagga Wagga in 2017, as in, in the Australian town of Wagga Wagga?---Wagga Wagga in Australia, no, no. That's all in Guangzhou.

Only in Guangzhou?---Ah hmm.

And did you have any other businesses, let's say, between 2012 and 2017 in China other than the ones that you've told us about?---Yeah. We have a garment business, that one's still operating.

10

And what is that called?---They called Oz Design.

Ozzie Design?---Yeah.

And is that O-z?---O-z, yeah.

O-z-z-i-e? so O-z-z-i-e?---O, yeah, O-z, yeah, Design.

O-z Design?---Ah hmm.

20

And is that company registered in Hong Kong?---In Hong Kong.

And how long has that been operating for?---More than 10 years or so.

And so were there any other business between 2012 and 2017 you were running in China?---We got a, we got an online business selling car accessory.

And what is that called?---It called Shop Smart.

30

Shop Smart?---Ah hmm.

And is that registered in Hong Kong as well?---Yep.

And how long was that operating for?---That would be six/seven years.

And is it still operating?---It's still operating.

Anything else?---Not that I know of.

40

All right. So with Golden Sample, are you the sole director of that company?---Yeah, Golden Sample, Golden Sample. Yeah, I think so, yeah, because we, we did try to add some partnership into it and then somehow we using a different company I think for, I think, yeah, I think that's right.

When you say using a different company for the partnership, what company are you using?---No, I think one time Golden Sample – let me think. So we have a few company, they all operating or started by me and then we, I

normally offer some share to the workers and give them some, some percentage, like the Oz Design and Shop Smart and then, so we were planning to issue some shareholding to the staff, whether we, no, I think Golden Sample didn't have any other shareholders.

No other shareholders apart from yourself?---I think so.

And you effectively run Golden Sample, are you in charge of it?---Yes.

10 And what about Oz Design, are you in charge?---No. There two girls in charge of it.

And what are their names?---Jodie and Mandy.

Okay. Do you have shareholding in that company?---Yeah, yeah shareholding, I do, yeah.

Are you a director of that company?---The company have four, four directors.

20

There are four directors?---Yeah.

Yourself and who else?---With Jodie, Mandy and James.

And does James have a surname?---O'Donnell. I've got to check on my phone.

We might ask you to do that in the break if that's okay. And do you recall either Jodie or Mandy's surname?---Mandy, I think Mandy's Lai, L-a-i.

30

Ah hmm.---And Jodie's Lin, L-i-n.

Thank you. And what about Shop Smart, were you the sole - - -?---Shop Smart, Donald Chan.

I beg your pardon?---Donald - - -

Donald?---Donald Chan.

40 Chan.---C-h-a-n.

C-h-a-n. Are you also a director of that company?---Yeah
So is it yourself and Mr Chan, anyone else?---No. He have, he have other partner but they're probably not in the company, mmm.

And what about shareholders, are you a shareholder of that company?
---Yeah, sorry, it's, and Tom.

Tom.---T-o-m, yeah.

And what's Tom's surname?---Tom, I've got to check it.

That's okay, we'll add that to something you might be able to check for us over the break, if that's all right. Now, you would have seen, you were served with a summons to attend today, you would have seen on that summons the name Daryl Maguire. Do you know Mr Maguire?---Yeah, for many years.

10

And how long have you known him?---Since when I first moved to Wagga in 1992 or '93, '93 I believe.

What were the circumstances in which you met him?---They came to my restaurant for, yeah, different function and I also help him in Wagga Wagga and Kunming which is city in China, sister city relationship.

Is that Q-i-n-m-i-n-g?---Yeah, yeah, K-u-n-m-i-n-g.

20

Oh, K-u-n.---Kunming.

Kunming.---Yeah. It's Wagga sister city in China.

So you had a role in helping that happen?---I helping for just a committee, one of the committee of the two city relationship.

And was Mr Maguire also a member of the committee?---No. I think he's working for, for Norman Ross or Harvey Norman.

30

So Mr Maguire wasn't a member of parliament when you met him?
---No.

But he was a local businessman?---Yes, I think he's, maybe he got involved with the chamber of commerce or something.

40

And what's the nature of your relationship with Mr Maguire?---When he comes to China he always comes to visit us and, and every now and then he ask to I think buy some bits and pieces, like some solar light and remember some small machinery, so my staff just taking of that, take care of it. But the solar thing, because normally they go to some South Pacific island so normally I, I pay for it and just donate to all the hospital or school, probably two or three times I can remember.

So when you say two or three times, is that only two or three times that Mr Maguire has visited you and bought bits and pieces?---No, no, to ask my staff to order some stuff from China and send it back to maybe Wagga, maybe some South Pacific island.

And that's only on two or three occasions you think?---All this year I think probably no more than about four, four or five times maybe.

So that's four or five times did you say this year or - - -?---No, no, I mean all this year.

All this year.---Yeah.

10 So when you say all this year, what do you mean by that?---Since we start the, the Golden Sample company.

Right. So over the whole time you've had the Golden Sample company, Mr Maguire's only used your services four or five times. Is that accurate?
---Not 100 per cent, but four or five times, six times maybe, yeah.

You think it's only around - - -?---Number of times (not transcribable)

20 And what sort of good is he looking for when he uses your services?
---I think I remember he, sometimes he doesn't through me, he probably email my staff directly, or maybe not be him, maybe his staff too, some garden solar light and some garden, garden machinery and what else, but we have all in record if you want a whole list what he been buying from us.

So you've got records of all of that?---Yeah, yeah. Every single one of them.

And did you ever visit Mr Maguire when you came back to Australia?
---I beg your pardon?

30 Did you ever visit, you say Mr Maguire used to visit you when he went to China, did you ever visit him when you came back to Australia?---Yeah, yeah, all the time.

And what was the reason for that, why were you visiting him?---Oh, friend, and he normally, one time when my, some of my staff come back with us and we all have barbecue in his house in, probably six years ago.

40 So you would say that your relationship with Mr Maguire is a friendship, is that right?---Yeah, friendship.

What about a business relationship, would you describe it as a business relationship?---Business? No, not at all, not very much.

THE COMMISSIONER: You said not at all, not very much, but did you have, did you have from time to time business interests which Mr Maguire shared with you?---When, a few years ago when someone want to develop so-call wholesale centre in Wagga Wagga they did ask me to give them some opinion what they could do in Wagga Wagga and, and that never,

never gone through and then they tried to come up with a business model and how to opening up the wholesale centre in Wagga Wagga.

Over the years you've made frequent trips between Hong Kong and Australia?---Probably four times a year, four or six times a year, four or five times a year maybe, but last few years become a bit less, maybe two or three times, you know.

10 They were business trips?---Oh, you can say business trips, just visiting, going, normally we go back to Wagga to see my family.

But in the main, principally, these visits, they have some business purpose? ---Business purpose about - - -

20 Business purpose. Is that, most of these trips that you had, you said four or five times a year, were they always associated with business as well as visiting family or friends?---Not much business, probably a little bit of business just about to seeing some customer maybe, you know, one or two, and mainly is family.

Did you speak to Mr Maguire from time to time about matters of business? ---I beg your pardon?

Did you on your trips to Australia from time to time when you met with Mr Maguire discuss business matters with him?---Hmm, I don't, not that I know, not much business I do with him, but we do see each other's, probably every two time when I come back or I may see him, even he invite us to have lunch in parliament and so we have a few lunches there.

30 How many times would you have met him at Parliament House?---Half dozen time, maybe, go to see him.

Were those visits related to business matters at all?---Oh, in, not any in particular business conversation, you know, but probably, I mean one time when we try to organise the, a trip to South Pacific islands and, yeah, we, we have more contact then.

40 What was the trip for?---We have a friend in Shenzhen to start up organisation called Shenzhen Asia Pacific Forum and we tried to helping some Chinese businessmen to, to do some tourism business in South Pacific, South Pacific Island and also to help, you know, the islanders to help them to send people to do some education in China. That's, that's, that's the idea and when the organisation start up and then we, we did for one trip to visit a few island country.

Who's we? Who is we?---Mr Li and myself and then we have a few ladies involved but they never come for the trip. Only Mr Li and I come from China.

MS ELLIS: Just on the topic of the few ladies who were involved, can you tell us who they were?---A woman called Zoe, Z-o-e W-a-n-g, Zoe Wang.

Z-o-e W-o-n-g [sic], yes?---Zoe Wang, yep. She, she been to the meeting I think a couple times.

THE COMMISSIONER: Whereabouts?---In Guangzhou and Shenzhen and then probably one time in, in Sydney.

10

MS ELLIS: And where did you meet when you were in Sydney?---Sorry?

Where did you meet when you were in Sydney?---We, we all met in the Parliament House.

Who organised that?---Daryl.

And who was present on that occasion, who was there on that occasion in Sydney?---Who was there, yeah, me, I think he's only doing the
20 introduction to, to, for us to meet with, there was, consul general from different country.

So when you say he, you mean Mr Maguire was there to make an introduction to a consul general?---Yes.

Was he otherwise involved in the group? Did he ever have any other role in the group apart from just making this introduction?---You mean me?

Mr Maguire.---Oh, no. I mean, he is not in the organisation but he, we need
30 his help to introduce, you know, to, what are the called, those authority from the other country.

And this was because you didn't know those people but Mr Maguire did? So you needed Mr Maguire to make those introductions because he knew those people, is that right?---Yeah, to give us the contact especially with the chamber of commerce.

Because you didn't have those contacts otherwise?---Yeah, sure.

40 And Mr Maguire, did he have any other interest in helping out the group? ---Any other interest? No, no other interest. The first trip we went, he came with us but that's the only trip.

THE COMMISSIONER: Where was that trip to?---We went to Fiji.

Who did you meet in Fiji?---Fiji, Fiji, Fiji, I, I can't remember their name but I've got photos.

What town or city in Fiji?---Oh, Fiji, the international airport, is it Nadi, the international airport. Normally we didn't see anyone in the, in the airport city, we went to the capital, the capital.

The capital?---Suva, Suva, whatever about two, two hours away. I think we met the chairman of the chamber of commerce.

10 Was that in relation to business or tourism or what?---Yeah. Now we want them we will invite them to join the forum, whether they interested, they all interested to develop tourism and education.

MS ELLIS: And Mr Maguire was with you on this trip?---He?

Mr Maguire was with you on this trip?---Yeah. He was, yeah.

And did he come to meetings with you? -- (No Audible Reply)

Did he come to meetings with you?---Come to the meeting?

20 Yes.---Oh, yes, yeah.

Yes. Did he organise the meetings for you?---I think he had the local people organise the meeting.

But do you know how, how you got in touch with the local people to arrange the meetings, was it through Mr Maguire or was it through another source?---Probably through Mr Maguire because we, we don't know anyone there, see.

30 But he did know people there? But he did know people there?---Yeah, he, he have contact.

And when you were at these meetings, was Mr Maguire introduced as a member of New South Wales Parliament?---He doesn't do that, I mean Mr Li would represent the organisation.

What's Mr Li's full name?---Don't know, just call him, big boss.

40 How did you meet Mr Li?---Through some, he's from, he's from Shenzhen.

And just to clarify, the spelling is S-h-e-n-z-h-e-n?---I think it should be L-i.

Sorry, L-I for Mr Li but Shenzhen is spelt - - -?--- Oh, Shenzhen, S-h-e-n-z-h-e-n, yeah.

Thank you. We're just making a transcript of today's examination so it helps if we can get the spelling right, which is why I just checked that with you.

THE COMMISSIONER: Could you tell me, who funded the trip to Fiji?
---Mr Li.

And what was Mr Li's occupation at that time?---He's a businessman. He's a member of the Shenzhen Chamber of Commerce.

10 What sort of business, line of business was he in?---He is some property, big property owner and but he also buying food and meat and stuff from Australia to send back to Shenzhen. I, but I, I don't really sure, you know, what he, what his, his business background.

Sorry, how did you come to meet him, Mr Li?---Just in, from, just some function and, and I just got invited and we know - - -

So when did you first meet him?---First meet him probably three or four years, no more than five years. Only know him the last few years.

20 MS ELLIS: When was this trip to Fiji that was the first trip, what year did that happen in?---2016/17. 2017.

Do you remember which month in 2017?---Probably March or April.

And you said that Mr Li funded the trip. Did he pay for your airfares?---No, I pay for my airfare but he pay for all accommodation and dinner.

30 And that's for everyone who was on the trip?---Sometime Daryl pay for his own hotel room but I'm sure the dinner was paid by Mr Li because the organisation invite everybody to go.

And how do you know that Daryl paid for his hotel room?---Because I sometime see him checking out, you know, and he - - -

And did you see him pay for it?---(No Audible Reply)

THE COMMISSIONER: Do you know or don't you?---Sorry?

40 Do you know or don't you know whether he paid his own way?---Some of them. I'm sure some of them but - - -

Well, do you know? If you don't know just say so.---No, they, when we checking out and they, normally they pay for the bankcard.

When you say normally, do you mean there were a number of trips over the years with you, Daryl and others?---He, Daryl and I went to Solomon Island one time and - - -

What other trips apart from the Solomon Islands?---Only once. Only Solomon Islands.

How often did you go to the Solomon Islands?---Sorry?

How many trips to the Solomon Islands?---Once, only once.

And who went on that trip?---Me and, and, and him.

10 Who?---Daryl.

Anybody else?---No. We did meet some people in the Island but not go together.

Was this, was the purpose of that trip some projects or investment - - -?---A long time, that's in, it's a few years ago now. That's why, that's how we know the hospital and, and send them all the solar light and stuff.

20 So with these trips to the South Pacific Islands, was one of the purposes of them, if not the main purpose, business opportunities, to see what business opportunities or investment opportunities there were there?---No, not at all. It's charity.

Not, not at all?---I mean, you couldn't do much with those islands because they're too small. Probably the reason we go just to try to help them and just more charity than business I believe.

Charity?---Mmm?

30 You were going there for charitable purposes, is that what you're saying? Or some business as well?---To, to myself is.

Pardon?---To me it is, yeah.

But I'm talking about the group of which you were party when you went to Fiji - - -?---We talk about two different things.

Just listen. Just listen.---One - - -

40 Listen to me, please.---There's the, Daryl and I went to Solomon Islands to visit all the school and hospital when they need to do some maintenance and repairing. That's the first time I go to South Pacific Island. Then I was, then during some afterward discussion – now I remember – after the trip I said we should form an organisation to helping these poor country with the tourism and education and, and then probably a year after that that we, we, we, we met Mr Li and, and he's interested. And then he register organisation in Shenzhen and, and then Daryl helping with all the right contact, then we went for the trip.

Why was Mr Li interested?---Why? I don't know. I couldn't say.

Well, from your discussion - - -?---I suppose - - -

From your discussions with him do you think he was there for charitable reasons or business reasons, this is talking about Fiji?---For Mr Li?

10 Yes.---Probably charity reason because he's a big businessman and you don't have much opportunity in those island country because their business so, so small, you know, and they so far away.

MS ELLIS: Who else was part of the organisation?---We just form the organisation, I mean, he did and he invite me to be part of it and we supposed, after the visit we supposed, we have a ceremony to invite all the chamber of commerce that come to Shenzhen but this never happen.

20 My question, Mr Tse, was who else was part of the organisation? It was you, Mr Li, you've said Zoe Wang. Who else was part of it?---She's not officially. She's not part of it. Officially probably only Mr Li and I and as I said, we supposed, we have a ceremony to launching it and, this organisation in Shenzhen but it never happen.

What about unofficially? Was anybody unofficially part of the organisation?---Unofficially. A lady is probably Daryl's friend. A woman called Maggie is, she's the interpreter for Mr Li for the whole trip.

30 Was she only an interpreter or did she have any other role in the organisation?---I think she's only interpreter.

Did you ever meet her in any other context?---No. One time in Guangzhou in a dinner beside, before that.

So she'd come to China before?---Yeah, she came to Guangzhou one time.

And was she with Daryl then?---I can't remember she with Daryl in the dinner or not but I did have, but we did have in the same dinner table one night. That's how I met her.

40 You met her at the same dinner table but you can't remember whether Daryl was there?---So many dinners. Not 100 per cent.

But you understood that she was Daryl's friend?---Maggie, Maggie. I can't remember if she there because so many, so many dinners.

Did she come with you to this trip to Fiji in 2017?---You mean Maggie?

Yes.---Did she come with us?

Did she come with you?---Yes. So one, two, three, four of us went.

You, Mr Li, Daryl and Maggie?---Maggie, yep.

What about on the trip to The Solomons, the first trip?---Only me and Daryl.

Okay. And when did that happen?---I would say 12 months before that or 18 months, something like that.

10

Okay so you had a trip to The Solomons 12 to 18 months before you went to Fiji? ---Mmm.

In the meantime you came up with an idea for an organisation. Is that right? ---Mmm.

And you say this organisation was mainly for charity. Is that correct? ---Mmm.

20

Did it have any business interests, the organisation, did it ever make inquiries about business, did it ever look for business opportunities in any of its dealings?---Not for myself.

When you say not for yourself, the question that I'm asking you is about what you know.---Oh.

So do you know whether the organisation also looked for any other business opportunities?---You can say they tried to do some research or exploration, but, but during the trip, you know, nothing really happened.

30

THE COMMISSIONER: No, but listen. This organisation, if it wasn't set up to explore business opportunities and the like, what was it set up for, what was its purpose, as you understood it?---You mean for myself?

No, not for you, just we're talking about an organisation that you were involved in, Daryl was involved in.---To fair to say - - -

No, no.---?--- - - - he wasn't involved in the organisation.

40

He wasn't involved?---And he provide his service to help us.

Okay. He provided services. What was the purpose of the organisation to be?---To me myself, right?

No, no, no, not talking about you. I'm asking you - - -?---But there's - - -

Just listen to me.---That's why - - -

No, no, no, no, no. Just wait. You were involved from time to time discussing with Daryl and others the establishment of this organisation, and some of those discussions took place at Parliament House. Is that right?
---Yeah.

Right. What was the purpose of establishing the organisation?---I want to bring some islander young kid to, I mean, no - - -

10 I'm not talking about you, I'm talking about all of those involved in setting up, establishing the organisation. What was the purpose of establishing the organisation?---Hmm, I really can't represent what they're thinking.

What were they talking about, sir, the discussions at Parliament House and elsewhere? Based on those discussions, what was the purpose of setting up the organisation?---To develop some tourism and education contract and - - -

Tourism and?---Training, education training which is---

20 Education training?---I supposed to be doing the cooking training in China and I want to, you know (not transcribable) with my other business, I want to bring some island young chef to China to learn some advanced cooking.

This is all part of the organisation, was it, the purpose of the organisation?
---That's what I supposed to be looking after that and - - -

Who suggested you should do that?---I suggest.

30 You did?---Yeah, I want to do it.

Okay. What were the others talking about doing, apart from you doing the cooking.---Tourism.

What were the others going to do?---I think Mr Li had some good contact with the tourism and he want to - - -

Well, he was a big businessman, wasn't he?---Sorry?

40 He was a big businessman, was he not?---He, he should, I can't prove it but what he show us is he have a couple building, you know.

He was a big businessman to your knowledge, wasn't he?---Yeah.

Right. So what was his interest in the organisation, this big businessman, what was he, what was his interest in the organisation, his purpose?
---I think the tourism.

Tourism?---Yeah.

Anything else?---No, after, well, we never been those country before, once we've been there you, you - - -

Yeah, okay, all right. No, just listen to the next question, thank you.

MS ELLIS: All right. You said tourism, education and training. Were these ventures for profit?---No I think we have to offer scholarship and because I've been talking to a few young chef in hotel - - -

10

Well, put aside the training. What about the tourism, was that going to be a for-profit venture?---Possibly, but they have to get the, they have to find some interest company to come to develop the tour, you know, the trip.

But to your knowledge, when you were travelling to these countries, the people you were travelling with and the organisation that Mr Li and yourself were representing, it was also looking for some for-profit opportunities. Is that correct?---Not for this trip.

20 What about ever?---I mean for the future?

Yes, for the future.---Possible but um.

When you say possibly, you must have known at the time that you were travelling that that was what was being looked at for future profit?---No, we, we start with this organisation for, for good cause and we know there's not much opportunity in those, you know, poor country and you can say it is a business opportunity but I was there, we try to help them out because they, they need help.

30

Now, were there any other trips taken with the organisation?---No, that's the only trip.

The only trip was to Fiji in 2017?---Yeah.

Did you go - - -?---And Mr Li supposed to be invite a few organisation, mainly is the chamber of commerce, to come to Shenzhen to launching or ceremony to officially launching this idea, but it never happened and I get, I'm not really happy with it anyway.

40

You've told us that that didn't happen.---Mmm.

But there were no other trips that you know about that were organised for this organisation?---No, only, only one.

Yeah. And did you go anywhere else apart from Fiji on that trip?---We went to Fiji. Vanuatu.

Vanuatu?---Yeah, and then Tonga and the last one is Samoa.

And in any of those places did anyone make inquiries about future business opportunities?---Business opportunity? They probably will come across with the conversation, you know, when we're meeting up with those chamber of commerce people because they're all in business.

THE COMMISSIONER: Who went on the Vanuatu trip?---Four of us.

10 Who?---Me, Daryl, Maggie and Mr Li.

And who went on the Tonga trip?---Four of us.

Same?---Same, same trip all the way.

And the Samoan trip?---Yeah.

The same?---Yeah.

20 When was the Vanuatu trip, what year?---Same time, early 2017 I think, but I can give you a definite date later.

Okay. And the Tonga and Samoan trips were?---Same trip.

Same, 2017?---Yeah. Same trip. With one trip we go to four country.

And who funded those trips?---Mr Li.

30 Mr Li. And when I talk about funding, we're talking about the costs of the airfares, hotels, food, that sort of thing.---Hotel and food, yeah.

Mr Li funded those?---I pay for my own ticket.

But Mr Li you say funded the trip, those trips?---Yeah.

Okay.

40 MS ELLIS: Apart from hotel and food payments, did Mr Li pay for any other expenses on the trip?---No. No, not really.

Did he give you any cash to use on the trip?---No.

Did he give you any other payments in kind? Did he reimburse you for anything?---No, no. Not at all.

And what about Mr Maguire, do you know whether he was given anything else to pay for anything that he did on the trip?---Not that I know of.

Okay. And you said that Mr Maguire - - -?---Why, why pay us? I don't know.

You said that Mr Maguire provided his services to the organisation, he helped you out. What was your understanding of why he was doing that?
---Well, because he working for the government. I mean, he, he had, he always, I think he might have some involvement in the South Pacific thing. I'm not quite sure what, but - - -

- 10 So you understood that Mr Maguire was there as a member of government, helping out as a representative of the New South Wales Government?---For this organisation, we probably, is, it's my idea to want to do this. So I will, think probably asked him to help and they will give us the right contact, you know, in the different country.

Well, you said before that you understood that Mr Maguire agreed to help you because he was a member of the government. Is that correct?---Ah
hmm.

- 20 And how did you, how did you come to that understanding? Was it something he said to you?---No. He, he invited me, as I mentioned earlier, to a trip to Solomon Island the first time and then I realise this South Pacific island, it's quite underdeveloped or behind and that's why I said, look, when, if we have, you know, we should do something to help them out.

- THE COMMISSIONER: Why was Mr Li funding all these trips to the islands?---Just to, when we discuss about this organisation in Shenzhen, he agree because he have some big organisation with chamber of commerce in Shenzhen. He said he have lots of friend would like to get involved and,
30 and be a member and fund that, this organisation.

Now if you answer my - - -?---And he will provide office from his building but still, still nothing happen.

You still haven't answered my question. Why did Mr Li fund all these trips?---Why? He, he asked us to, to go.

- No, no, why, purpose. Why was he, what was motivating him to pay for all these trips for the four of you?---Reputation. He got lots of money, so to do
40 these, get the, you know, the big charity man.

Yes, when people spend money they usually have a purpose in mind. What, why was Mr Li bankrolling these trips to the islands for four people?--Whether he paid for, I mean, from his own pocket or - - -

No, now answer my question.---I don't know.

You don't know?---Oh, you say, you, you ask me why I want to do it and I can tell you.

No, no. I'm asking you why he was. Would you answer that question, please?---Why he was, why he want to do that. He's very keen you know, he, he registered the name, he did everything else.

10 When are you going to get around to answering my question?---They would have much of business opportunity and I reckon it's um – the, the name, that the name.

Are you going to answer my question or not?---Yeah, I am, I am answering, it's the name because he, he, he's the chairman or the president of this organisation, you know, he get lots of face to helping the poor country, I would say.

20 MS ELLIS: Well the Commissioner asked you a while ago whether you had any business interests in common with Mr Maguire and you gave the answer of a trade centre, you gave an example of the trade centre. Was that a business interest you had in common with Mr Maguire?---This a long story. The trade centre actually - - -

Mr, Mr Tse, I'm not asking for a long answer to the question. The question that I asked you was a yes or no answer. Was the trade centre a business interest that you had in common with Mr Maguire?---Is - - -

Did you have a business interest with Mr Maguire in the trade centre?
---Business interest?

30 Yes.---No.

Right. So the Commissioner asked you what business interests, if any, you did have in common with Mr Maguire and you haven't answered that question yet, did you have any business interests in common with Mr Maguire?---No.

At all?---At all.

40 You never entered in to any business ventures with Mr Maguire?---No.

And you're sure about that?---Yeah, I'm sure about that.

In Australia or in China?---Beside, we, we, my staff, we bought a few thing for him.

Sure, let's put that to one side.---Beside that, no, not in my whole life.

Okay. Now, you would have also seen on the summons that was served on you, the name of a, the business or a company called G8way International.--
-Yeah, I remember that.

Do you know that company?---(No Audible Reply)

Sorry, you have to answer - - -?---This a company or this an organisation?

10 It's, it's a, it's both a company and a business, we understand. Have you heard of the name G8way International before?---Yeah.

When did you hear of it?---I might be a member of it. I'm not quite sure.

You may be a member if it?---Yeah, because when they started, they ask me to become a member then I never paid my fee. Whether I'm still a member or not, I don't know.

And who asked you to be a member of it?---Phillip.

20 And what's Phillip's surname?---Oh, Phillip - - -

Could it be Phillip Elliott?---Yeah, yeah, something like that.

And how did you know that person?---He used to be working in the bookmaker, you know, in the, in the horse racing. That's how I know him.

That's the only way that you know him?---Yeah, that's how we first met, I suppose, yeah.

30 And how did it come about that Mr Elliott asked whether you wanted to be a member of the organisation, G8way International?---I think he's working for, for Daryl, you know, in, in the, what's it called, the election and I can't remember, it was long time ago, one time he has said, they have a G8way International, he help, be able to help all the businessmen, they want to do business in China and never, this never take off.

And was it just Mr Elliott having this conversation with you or was it anybody else?---No, only him.

40 Did you ever talk to Daryl about the company G8way International or the business?---Yeah, could be, yeah. Because - - -

Well did you or didn't you, did you or didn't you talk to him?---Talk, to mention about this company or to discuss about a business or company?

Did you have a conversation with Daryl, ever, about the business G8way International?---Yes, I did.

And what was that conversation?---Oh, G8way International. Probably asking what's the, what's the whole thing, you know, all about.

And why would you ask Daryl what the business is about?---To, I think to set up this organisation to helping the businessmen to do business in China, give me some, like, contact, you know, and suppose he have lots of contact.

No. You told us that you said to Daryl what's this all about. Is that right?
---(No Audible Reply)

10

Sorry, Mr Tse, you have to say something out loud in answer to the question so that we can record it on the transcript.---Okay. Okay.

So you said to Mr Maguire, "What's this G8way business all about?" Is that right?---I can't remember exactly what the conversation is but I, I'm sure we did talk about the, the whole things, you know.

20

You don't have to remember exactly what the words were that you used but tell us to the best of your memory what was said in that conversation.---I were, I were, in common sense I were asking what this thing is, you know. What G8way International? How does it operate? Things like that.

And what did he say to you?---My memory he tell me, he say to me, he must explain to me how, what this organisation for.

And why did you have that conversation with Daryl, what caused you to ask that question of Daryl?---Why, why I have this conversation with him?

30

With Daryl rather than Phil.---I can't remember how many people involved with it at that time when, when, you know, to answer your question. It could be three or four, you know. I can't remember.

Was, was Daryl involved in the company or the business?---I'm sure he not allowed to have a private company and - - -

That's not an answer to my question, Mr Tse.---But he, my understanding I mean, he will give the businessman some contact, you know, to, to do what they want to do. That's my understanding.

40

And where did you get that understanding from?---Where?

How did you know that? Someone must have told you.---Honestly no one, I can't remember or no one really tell me specifically, you know, who's supporting this organisation or what because we have lots and lots of business meeting.

When you say you have lots of business meetings, what business meetings are you talking about?---No, what I'm saying is when we're meeting up

with friends or local businessmen, you know, we always talking about buying and selling, right, because I, I do have some other friend ask me to sourcing this and looking for that, and your question is who told me?

Who told you Daryl was making contacts for the business?---Nobody specific told me from my memory and I, and I presume he have lots of contact so he must - - -

10 Did you see him - - -?--- - - - be able to give us lots of, you know, like contact when people want to - - -

Did you see him making contacts or using contacts in your experience? And when I say him, Daryl.---Only, only try to remember some detail when we first, when I first know about this organisation but, but again, just like the other foreign thing and nothing happen ever since. I'm never invited to any other meeting or opening or, officially.

20 What about unofficially?---And, and I, and I think first they ask me would I like to be a member. I said okay, yeah, why not. And, and I, I haven't even paid my membership fee because - - -

Did you do any work for that company?---I didn't.

You've never done any work for the company?---Not officially.

What's the difference between officially and unofficially?---I mean, that G8way International ask me to do any work you said?

30 I beg your pardon?---You said that G8way International - - -

G8way International, yes.--- - - - ask me to do any work or gave me any work or gave me any jobs? No.

Never?---G8way International. G8way. No, not that I know of.

Did you ever do any business with G8way International, you or any of your companies?---Not that I remember.

40 Never?

THE COMMISSIONER: Did you share any business interests with G8way International at any stage?---No.

MS ELLIS: Did you ever pay any money to G8way International?---I can't remember. No, no, because as I said, I haven't even paid my fee and whether they keep operating or not I not even know.

So you personally have never paid any money to G8way International. Is that right?---Yes.

And none of your companies have ever paid any money to G8way International. Is that also right?---Yeah.

And you're sure about both of those answers?---Yeah.

10 THE COMMISSIONER: Has anybody ever paid money on your behalf to G8way International?---I don't think so.

MS ELLIS: And just to be clear, when I say paid money I mean both electronically transferred money and cash payments. So you've never, you, your company, nobody on your behalf has ever paid any money like that to G8way International?---No.

What about to Mr Elliott?---To Phillip?

20 Yes, to Phillip.---I think he did, to Phillip I think he did introduce some customer to Golden Sample and they would have given some small commission.

To Phillip?---(No Audible Reply)

Sorry, you have to answer for the record.---Yeah, Phillip.

What's your understanding of how much that was?---Oh, that should be in the record.

30 Do you have an idea?---I can give you all the, all the, all the paperwork.

THE COMMISSIONER: You're being asked.---But I, I can't, I don't remember exactly, you know, like \$500 or \$1,000.

And what would that money have been - - -?---But the - - -

What would - - -?---But we have full record, every single invoices in my company.

40 If any money was paid what would have been the reason for the payment of money to either - - -?---Well, when he introduce some customer to us.

Introduction fee. Is that what you're saying?---Yeah, commission.

Well, did he ever introduce you to some customers?---Yeah, I think he did for a gentleman called Tony. I think - - -

Tony. Where's Tony?---I don't even know him.

What country?---Australia.

What city?---I can't give you the answer.

What was Tony's business?---I can give you - - -

What was Tony's business?---Tony, what was the business. Furniture.

10 Furniture.---Because we, we helping lots, lots of customer to sourcing furniture.

So let me get that right. You're saying that he introduced, that's Phil, Phillip - - -?---Yeah.

- - - introduced you to a customer or a person who makes furniture or sells furniture?---No. We helped them to do the shipment, to sourcing. So what they normally do, come to Guangzhou and my staff just take them to the market so they bought whatever they like. We set it up for them.

20

By the way, when did you last speak to Daryl Maguire?---(No Audible Reply)

When did you last speak to Daryl Maguire, how recently?---July.

July of this year?---No, hang on. It'll be exactly - - -

I mean, July of last year or when?---Yeah, yeah, 2018.

30 But you've spoken to him this year, have you spoken to him this year?---No.

When did you last see him?---In Wagga?

When?---That's in the trip before last. Maybe September or October. I check. I'm not quite, the trip, my last, before last trip.

It was your last trip?---No, the one before last.

No, the trip before that?---Mmm.

40

You think that might have been September?---September.

And you saw him in Wagga?---Yeah. I call him.

And did you meet with him on that occasion? Did you meet with him? ---Yeah.

Where did you meet?---Wagga.

Whereabouts in Wagga though?---He said come for a drive and then went to his house and he took me on his ute and we go drive around the Bomen area and he show me a few old building and he just said when all the thing clear maybe he should start a wholesale tyre centre in the old building.

Why was he talking to you about that?---Well, something for, I mean, something for the future.

10 Well, we're going to take a morning tea adjournment and we'll resume at about 10 to 12.00. You understand? About 20 minutes' time.---(No Audible Reply)

We are going to have a morning tea break.---Oh, yeah.

Then we're going to resume at about 10 to 12.00. All right?---10 to 12.00.

So we'll see you back here about 10 to 12.00.---Okay.

20 Thank you. I'll adjourn.

SHORT ADJOURNMENT

[11.32am]

THE COMMISSIONER: Yes, yes, thank you, Ms Ellis.

MS ELLIS: Thank you, Commissioner.

30 Mr Tse, over the break you looked up some names for us that we were talking about this morning. Now, you've given us a piece of paper and the first name written down there is Sh Jia Lin, S-h J-i-a L-i-n. Who is that person?---My business partner.

In which business, in which business?---Oz Design.

Oz Design. And the next name is C-u-i Y-i-n-g L-i. And who is that person?---Same, business partner in Oz Design.

40 Business partner in Oz Design.---Mmm.

And the other name you've given us is James O'Donnel, O-d-o-n-n-e-l. And who is that person?---That also business partner in Oz Design.

Okay thank you. Mr Tse, before we move on to other topics, do you have a mobile telephone number in Australia that you use?---Yeah.

What is that number?---

8-8-2. And how long have you used that mobile number for?---Last 12 months.

And what about before the last 12 months?--

THE COMMISSIONER: That's the previous phone you had?---Previous phone number.

10 MS ELLIS: And how long did you have the phone number ending 1-7-7? ---Many years.

And in the last six years have you used any other mobile telephone number in Australia apart from those two?---When I come home I usually buy another SIM card to be able to use internet and international calls (not transcribable) so they only last like three months.

And that would be a different phone number.---Yeah, this, this one you can keep the number for much longer time.

20

So this is the current number you're using ending in 8-8-2?---Yeah.

THE COMMISSIONER: How long have you had that number? ---Six months or so or longer.

MS ELLIS: Now, before the break we were talking about contact you'd had with Phillip when he introduced some customers to you, and you gave the name of Tony. You said that Phillip might have been paid some small commission on that occasion for the introduction and you gave the number of around \$500 to \$1,000. Could the commission payment have been any more than that amount of money?---From time to time.

30

THE COMMISSIONER: Well, how many payments did you make to him? ---A few time, maybe not, not more than five times for all these year.

MS ELLIS: So over all the time that you - - -?---They, they were under the Golden Sample record which I can send you the full detail when I go, when I go back.

40 But your memory is that over all of these years that you've known Phillip, you've paid his four or five commission payments, is that correct?---Yeah, sometime he send some people over to us to helping them and if they didn't buy a large amount of products then he probably didn't, we probably didn't worry about that. If they, like, if their invoice more than \$10,000 Australian and then we, we probably like, 2.5 or 3 per cent commission based on the invoices.

THE COMMISSIONER: You said if he sends people over to you, what people are you talking about?---Most of them buying furniture's.

People from?---From hotel, mainly hotel or some associate with clubs.

So he's sending people from Australia to - - -?---To China.

To China. They being prospective buyers, are they? Are these people prospective buyers of product?---Well, yeah.

10

Are they buyers or sellers?---Yeah, potential buyers but they - - -

Potential buyers.---Yeah, but most of them, we sold them around, you know, take them to the market, the wholesale market and if they come over and then want to put an order in, you know, they send, they will deal with the girls anyway.

So these are people who, in effect, he introduces you to, this is Phillip? ---Phillip, yeah.

20

To see whether they might do business with you, is that right, or your company?---Yeah. Our company, Golden Sample.

Golden Sample. They are potential buyers, is it, of Golden Sample products, is that what you say?---(No Audible Reply)

And have any of those people actually lodged orders to buy products? ---Yeah, a, a few of them. Probably four or five of them I can, I can remember.

30

And what are the names of those people?---They, some, a gentleman, the latest one called Tony. I remember, like, last year, a guy called Tony.

Tony. And he was one that Phillip introduced you to?---Yes, and then some associate, you know, club, maybe (not transcribable) club, you know, the RSL clubs.

Was the introduction with Tony successful, did he buy?---I think so. There was, he bought some chairs.

40

Did he buy some product from Golden Sample?---You could say that but we don't sell them direct, we help them to source it.

Well did you help him, Tony, source material?---Yep.

Good. When was that?---2017 or, yeah, probably More than 12 months ago.

And what product did Tony buy?---I think some chairs.

Chairs. To the value of what?---I don't handle that.

You don't handle that?---Yeah.

Does your company get any financial return?---Oh, yeah. We make some money but - - -

10 Well, what was the deal that Tony made to get these chairs, what sort of value are we talking about, do you know?---Value. Maybe, oh, \$50,000/\$100,000.

Are you guess now or do you know?---Huh?

Do you actually know that or are you just guessing?---I just guessing.

You're guessing. The names of any others apart from Tony who bought product?---I think, one of the netball club.

20

Netball club.---Yeah, from - - -

Well, tell us the story about the netball club.---And maybe the RSL club.

Tell us the story about the netball club, what was the deal there?---The netball club, I think they bought some uniform.

Uniforms. And tell us about the RSL deal.---Some furniture, cutlery, crockery.

30

Which RSL club?---Wagga Wagga.

When was that?---I think going back to two/three years ago or maybe longer.

And did that deal involve, do you know, Phillip?---I beg your pardon?

Did the RSL deal, did that involve Phillip or not?---Yeah, I think so.

40

And was that deal one that involved G8way International or don't you know?---I don't think it, it have anything to do with the G8way.

So what's this, this is a deal that Phillip was doing solo in his own name or something, was it?---Yes, sir.

I see. So what sort of line of business was Phillip involved in when these deals, the RSL club and the netball club and Tony, what sort of line of business was Phillip running if it wasn't through G8way International?

---Maybe, because I don't know how he represent himself. He's an organiser of the G8way, a member.

So do you think that these deals might have involved G8way International?
---Yeah, could be.

10 Could be. Well, just think about it. Do you think it's likely that it did involve G8way International, talking now about Tony's deal, RSL club, netball club?---He never really, since they mentioned to form this G8way International organisation, but we never heard anymore up to date. So it's not much activity or publicity about G8way but I can remember, I think Phillip's the one to, to start this organisation. So could be he use this organisation to represent his business.

MS ELLIS: Sorry, Mr Tse, were you or your businesses involved in any activities or publicity on behalf of G8way?---Myself?

You or your businesses.---No, never.

20 Did you ever pay any money to Mr Maguire, you or your businesses?---No. He paid me.

What did he pay you for?---Sometime he get some little part for his machinery. So when I come back, I normally, you know, for that, it's only one or two occasion.

And did Mr Maguire ever introduce you or your businesses to any customers or clients?---Say that again?

30 Did Mr Maguire ever introduce you or your businesses to any customers or clients?---Daryl, all these year, he did, he did introduce me to a couple of Chinese businessmen called Lydia and Humphrey but I never do any business with them.

What was the purpose of that introduction?---About this helping them, giving them the Wagga Wagga information for the trade centre contract in Wagga.

40 And if you had done any business with them, was the arrangement that you would pay Mr Maguire a commission?---I pay him.

Yes. If you had done any business with Lydia and Humphrey were you going - -?---No, I only, no, they should pay me. I just giving them my opinion and expertise.

So apart from that occasion, did Mr Maguire ever introduce any clients or customers to you or your business?---No.

Never?---(not transcribable) Let me think. Businesses, if you really want a definite answer I can get the girl to go through all the book with every single customer whether Daryl directly introduced to us or in some other way, but, but I can't, I don't have many memory introduce any substantial customer or, or any customer related to purchasing thing. The reason I remember Lydia and that Humphrey couple, because Daryl did brought them to my restaurant one, one year, like.

10 In China?---In China. Probably seven, six, seven years ago or, or five, six years ago, and then that's how I know them.

Did you ever introduce Daryl to any customers or clients?---No.

Did you ever introduce Daryl to any business contacts?---Not that I know of, no.

Was Daryl involved in any of these deals that Phil was doing with you?
---No, not at all.

20 No involvement at all?---No involvement, for sure.

Commissioner, if it's convenient I might take the witness through some documents.

THE COMMISSIONER: Yes, certainly.

MS ELLIS: Thank you. You have a copy available to you, Commissioner?

30 THE COMMISSIONER: Yes, I do.

MS ELLIS: Thank you.

If the witness could be shown the bundle of documents, and, Commissioner, I might take the opportunity now to tender this bundle which is described as Gordon Tse Hearing Brief, Volume 1.

THE COMMISSIONER: Yes, that will be admitted. It will become Exhibit 32. That's the Hearing Brief, Volume 1.

40

#EXH-032 – COMPULSORY EXAMINATION BRIEF – GORDON TSE

MS ELLIS: Mr Tse, before you start looking through the documents, just wait till I take you to the different pages.---Okay.

So if you could focus your attention on the Commissioner and I just for the time being until I've taken you into the documents.

THE COMMISSIONER: Mr Tse, don't look at the documents yet.

MS ELLIS: Thank you, Commissioner.

All right. I'm going to take you to an email chain that starts on page 3 of this bundle.---Page 3.

10

And the way the emails are printed out is that the first email chronologically in time is at the bottom of page 3 and then the email chain goes backwards to page 1. So I'm going to read to you from the email that's on page 3. It's an - - -

THE COMMISSIONER: Have you got page 3 there? Bottom right-hand corner.

MS ELLIS: Yes, thank you, Commissioner.

20

THE WITNESS: Yep.

MS ELLIS: And can you see the email that's on the bottom of that page that was, it says, "Received on Wednesday, 4th of July, 2012 at 6.18am?" ---Yeah.

Can you see that?---6.00am?

6.18am.---Mmm.

30

THE COMMISSIONER: Do you see the date?

MS ELLIS: We're also putting it up on the screen in front of you, Mr Tse, which may make it easier to see the email that we're talking about. So if you have a look at the screen you can see that that's the email that we're going to be focussing on.---Mmm.

You see that this is an email from Daryl Maguire to an email address, chinamitre1[REDACTED]. Is the chinamitre10 email address your email address?---Yeah, that's my email address.

40

So this is an email that Mr Maguire sent to you in July 2012. Can you see that?---Yep, yep, I can remember that one.

And you can see that Daryl said, "G'day, Gordon," in the subject line. ---Mmm.

“I am planning to bring two clients to China re purchasing tiles and kitchens.”---Mmm.

Now, you’ve just given us evidence about five minutes ago that Mr Maguire never introduced any clients or customers to your business. Can you see from this email that it looks as though he did?---Mmm.

Would you accept that?

10 THE COMMISSIONER: Sorry, does that mean yes?---Huh?

Is your answer yes? You just went, “Mmm.” I’m not sure what “Mmm” meant. Put the question again if you would.

MS ELLIS: Thank you. It looks from this email as though Mr Maguire did introduce clients to your business. Is that correct?---With the tiles and kitchens - - -

20 THE COMMISSIONER: Please answer the question, yes or no?---Yes.

Thank you.---And - - -

Just wait for the next question.

MS ELLIS: And who were those clients?---I just have to start thinking. Tile and kitchen, tile and kitchen, hmm, tile and kitchen.

30 THE COMMISSIONER: You’re taking a long time to answer this question. ---Yeah, because so many people come, come to us.

Do you remember the question? Do you remember what the question was? ---Who’s the people come, the client, who’s the client.

What’s the answer?---Tile kitchen, hmm - - -

Well?---Tile and kitchen, tile and kitchen - - -

It’s taking a very long time to answer a simple question.---Yeah, and I - - -

40 MS ELLIS: Can I suggest a name to you, Mr Tse?---Tile and kitchen - - -

Mr Tse?---Could be anyone. Yes?

I’m going to suggest a name to you and see whether you remember that name.---Okay.

Do you know the name Joseph Alha?---Oh, yes.

Yes.---The Lebanese guy.

Yes.---Ah hmm.

And who is Mr Alha?---He's a builder. Could be him.

And he was from Australia?---He's from, yeah, he's from, he's from Canterbury.

10 THE COMMISSIONER: Sorry, where?---Canterbury, a suburb in, not far, Canterbury somewhere.

MS ELLIS: Canterbury in Sydney.---I've been to his house once.

And how did you meet Mr Alha?---He, he came to China, oh, that probably when we all meet in the big group, him and Mr Li and everybody. That's how I know him. And then he asked me to buy some shoes for his three sons, the shoe with the wheel on the bottom, so I sent him three pairs of shoes.

20

Mr Tse - - -?---And he invite me to his house.

THE COMMISSIONER: Just don't, just wait.

MS ELLIS: Mr Tse, who introduced you to Mr Alha? Who introduced you to Mr Alha?---Must be Daryl.

Was it Daryl?---Yeah, I think so, yeah.

30 And was Mr Alha a client that Daryl was introducing to your business?
---But we never, he never done any business with us. He tried to buy some tile - - -

THE COMMISSIONER: Stop, stop, just listen to the question. You're not answering the question. Just put it again.

MS ELLIS: Was Mr Alha a client that Mr Maguire was introducing to your business?---You mean Joe, what's the last name?

40 Alha.---Alha.

We can call him Joe.---Joe, yeah.

Was he a client introduced to you by Mr Maguire?---Yes.

Yes. And was there an arrangement for any commission to be paid from any successful sales involving Joe?---No.

Not at all?---Not at all and all, all these year, I'm not trying to defend anybody but when, when Daryl sent anyone or do anything, he never ask me to, to give him any benefit or money and I never give him any money and he never really give me any business, you know like, beside he bought a few things from me himself.

Did Daryl ask you - - -?---I know what you asking for. Go on.

10 Did Daryl ask you to provide any commission payments to any other companies, not to him directly?---No, because he never, we never do any business with that guy.

With Joe perhaps, what about other clients introduced to you by Mr Maguire?---We don't, no, like, we don't have other, I mean he never really introduce many people to me to do business and of course we, we didn't think is the wrong thing to do at the time.

20 It's best, Mr Tse, if you forget about thinking about what might be right or wrong when you're answering my questions and just listen to the question and just answer the question as it's asked. So don't worry about the reason for the question or anything like that. Maybe just listen to what the question is and answer it, that might make it easier.---Okay.

So you were telling us this morning about Phil and how you have an arrangement with him where he brought some clients and he may have been paid some commission payments if these clients bought things from you. Is that right?---Yep.

30 And now you're saying to us that if Daryl had brought clients to you and they made successful payments and bought things from your company, he wouldn't be paid commission, is that right?---(No Audible Reply)

And why was it different?---Might be because his position. He not allowed to take anything.

What about for you? Was it a choice that you made, did you offer him the commission payment?---No, of course not. Never.

40 How did you know that he wasn't going to accept a commission payment? ---Well, number one, it's, you know, with his, when he start bringing these people to me, gotta to be when he's in Parliament House as an MP.

But how did you know that he wouldn't accept what was an ordinary part of your business, being a commission payment for somebody who brought customers to you?---I try to recall all the, the way we, we get along. Some of the email he might send it to my email address as handling by, my assistant, at that time the lady called Yoko, I think. Yoko. And you ask me have he ever bring any customer, oh, Joe (not transcribable) business.

Sorry, Mr Tse, please keep your voice up.---No, I just try to, to get the memory. What's the question again?

The question was how did you know that Mr Maguire wouldn't accept what was an ordinary part of your business, giving somebody a commission payment for bringing a customer to you?---He never ask.

10 But you would have paid it as a matter of course, wouldn't you?---Oh, no. Because with his position, we were very sensitive with that.

But how would you know?---And he never really bring any customer to me anyway.

But how would you know?---How did I know?

That you had to be sensitive about that?---Because, like, well, number one, he never ask for and, and we know.

20 Mr Maguire never had any discussions with you about commission payments?---No, never.

You're absolutely certain about that?---Yep, absolutely certain because that's about he and I and if we go for dinner, he pay one time and I pay one time, you know.

30 THE COMMISSIONER: Why would Mr Maguire be bringing potential customers to you if he wasn't making any money out of it?---I helping him more than he try to, you know, bring me extra income or extra customer because they always have someone wanting to do something and because I was in China and, and I have lots of knowledge about sourcing product.

Okay. Now you just focus on my question. I'm going to put it a second time to you. Would you just focus on this question. If Mr Maguire was introducing you to potential customers but he wasn't going to get any payment for doing that, why would he go to the trouble of introducing you to potential customers?---We always help each other and - - -

40 Buy why? Why?---Well, we always help some mates.

But why would he do that? He's a member of - - -?---He - - -

No, just listen. He's a member of parliament, he's going to the trouble of making introductions of potential customers to you or your company, why would he go to the trouble of doing that if he wasn't being paid to do it? ---By, well, he, he didn't introduce many of the people to me, number one.

Well, however many he did I'm still asking you the same question. What's the explanation?---I don't know why he, he want to do that but I never, he never ask me for the money or commission, yes, I'm sure. Not even in a conversation.

MS ELLIS: Were they his clients, were they Mr Maguire's clients?---Who?

Were these customers that he was introducing, were they Mr Maguire's clients?---I think his, his mate, Joe.

10

His mate?---Ah hmm.

Did you ever do any business with Joe?---No, not that I know of.

He never bought anything?---We did send him some sample.

He never bought anything from you?---No but I, I said I help him to, bought few pairs of shoes for his children. That's why he invite me to his place one time.

20

And that was the only reason he invited you to his place?---Huh?

The only reason he invited you to his place was because you'd done some shoes for his children?---Oh, yeah, he also invited me to talk about a new concept, a (not transcribable) thing, you know, for email (not transcribable) whatever, but I, I wasn't very interested.

And this was a business idea that he was trying to sell to you?---Some business idea. He show me on, on the, a presentation on his computer.

30

What about Joe's property that he was developing in Sydney. Did he ever ask you whether you were interested in any of those property developments? ---No, I've got no idea about this area.

Did you ever visit any of Joe's property developments?---No.

Never?---I've been one of his workshop, I think, or garage where he pick me up and - - -

40

And did he talk to you about his property developments then?---No.

Now, Mr Maguire also helped you out in other ways including by introducing you to Premier Barry O'Farrell. Is that correct?---Yeah, to, for the opening while they're going to, going to Shanghai to Beijing or, sorry, going to Guangzhou. They stop in Guangzhou and they're going to, to Shanghai or Beijing on the trip.

And Mr Maguire arranged for Mr O'Farrell to attend the opening of your Wagga Wagga Café. Is that right?---Yes, he did.

And that was of value to you, that was a really helpful thing that he did for you?---Something he, he part of because it's Wagga Wagga, you know.

I'd like to show you a photograph on page 12 of this bundle.---Page 12?

10 Yes. Can you see the photograph on page 12?---Yeah.

Now, it's up on the screen in front of you. It may be easier to see there because we've made it a bit bigger. Do you recognise yourself in the photograph on the far right-hand side?---Yeah.

That's you. And perhaps if you could tell us left to right who are the people in this photograph?---The first one it's friend of friends, I think Mr Lin, and second one is James. That's my partner I provide to you, that James O'Donnel.

20 Stop just there for a second. The first one - - -?---The second.

Stop there, please. The first person you said was a friend of a friend? ---Yeah.

And what is his name?---I think the last name is Lin too, L-i-n.

L-i-n?---Yeah, N, N for Nelson.

30 Yes. And first name?---Don't know.

Can I suggest a first name to you?---Yeah.

Is it, could it be Kent?---Ken?

K-e-n-t.---Can't remember. I don't think he have an English name.

So the next person you said is James. Is that James O'Donnel?---Yeah.

40 And does he reside in China?---(No Audible Reply)

Does he live in China?---Not any more. He's living in the Philippines.

Did he live in China before, at this time?---Yes.

And what about next to James, who is that?---Deborah.

What's her - - -?---Is just a friend.

What's her last name?---Deborah, Deborah. I can't remember. Can't remember.

You don't know?--- Yeah, don't know last name.

And next to Deborah?---Kevin Li.

And who is Kevin Li?---He's our president of Chamber of Commerce Guangzhou.

10

And is that Li, L-i, or L-e?---L-i.

And next to that is that Mr O'Farrell?---Yeah.

And then it's Mr Maguire?---Yeah.

And who is next to Mr Maguire?---That's Alfred Wu. W-u last name. Alfred.

20

How do you spell the first name?---A-l, Alfred, A-l-f-r-e-d.

A-l-f - - ?---R-e-d.

R-e-d. Alfred.---Alfred, Alfred Wu.

Yes. And what was Mr Wu, who was Mr Wu?---I think he's also doing a trading company. He's running a trading company.

30

And next to Mr Wu?---Roslyn, Roslyn, Roslyn, Roslyn.

And who is she?---Roslyn and I helping the volunteer, volunteer group in Guangzhou. They called the Guangdong, Guangdong, the, the Foreigner Volunteer Charity Group.

What did that group do?---Sorry?

What was the purpose of that group?---To helping to raise funding to help some charity organisation. Oh, they called GIVE, sorry. I beg your pardon. G-I-V-E.

40

G-I-V-E?---The organisation called GIVE.

Give.---G-I-V-E, Guangdong whatever, whatever.

And what did everyone in the photograph have in common that they were taken together, was there a reason why all of these people were in the same photograph?---No. They were taking lots of photo in the opening.

Why were they at the opening?---Hmm?

Why were they at the opening? So say for example Mr Lin on the left-hand side, what was he doing at your opening?---We just invite a few friend and, you know, they just all come along.

He's wearing the same special corsage or rose that everybody else is wearing. Was there a reason that he was given one of the flowers?---Yeah, I think everybody have a bit of a - - -

10

Everybody was wearing a flower?---Yeah.

And Mr Wu, was there any particular reason that he was there?---Mr?

Wu, Alfred Wu. Why was he there?---Just friend. I think they also committee of the Chamber of Commerce Guangzhou.

THE COMMISSIONER: This was a VIP opening of your restaurant, wasn't it?---Yeah, you could say that VIP (not transcribable)

20

Sorry, is that a yes or a no?---All the, all the staff there too.

I'll try again. With all these people we see in the photograph there, this would be properly categorised as a VIP opening, wouldn't it?---What's that mean VIP opening?

Very important person to celebrate, to mark the occasion of the opening of the restaurant. Is that right?---Yeah, you could say that.

30

Well, would you say that too?---Just some, it's important day, yeah.

Yes, and important people there to mark the opening of the restaurant. Correct?---Yeah.

Sorry, that's a yes is it? Yes?---Yes.

Yes?---Yes.

Say it because we can't record nods on the transcript. Is that yes?---Yes.

40

Thank you.

MS ELLIS: It's not every café in China that's opened by the Premier of New South Wales for example. Is that right?---Oh, yeah, that's true, yeah.

This is something special.---And Wagga Wagga.

And the Member for Wagga Wagga as well.---A café called Wagga Wagga.

And two very important representatives from the New South Wales government at the time there opening your café. Is that right?---What's the question again?

You had two very important representatives of the New South Wales government opening your café there at the same time. That's right?---Yes.

10 That must have been a very important occasion for you.---It's not that important to me.

THE COMMISSIONER: It wasn't? On the day it was though, wasn't it?
---I, I been all these - - -

I'm sorry, I missed the last couple of words. What's your answer?---I know what she try to say this very special or important opening day, you know, with these important people but - - -

20 Do you agree?--- - - - not that important to me though.

Not very important to you. I thought it would be very important to you. It was your restaurant, wasn't it?---I - - -

Wasn't it?---Yes, my, my partner.

Well, having the dignitaries there that would be very special, wouldn't it?
---Is this special?

30 Yes.---Okay. You could say.

MS ELLIS: Did you make any introductions for Mr Maguire to any business people at this event?---(No Audible Reply)

Did you introduce Mr Maguire to any business people at this event?---Not on, I don't think so because so, it's a busy day. They only stop for like 40 minutes I believe.

I'll take you to the next page which is page 13.---Which page?

40 The next page, page 13. Email is in front of you on the screen as well. 1-3.
---1-3, yeah.

So can you see there it's an email from Daryl Maguire on the 7th of August, 2012? Is that what you've got in front of you?---Mmm.

Mr Tse, it might be easier, we're going to put the emails up on the screen at the same time and then we can be sure that we're all talking about the same thing.---Mmm.

You can see this is an email dated the 7th of August, 2012. It - - -

THE COMMISSIONER: Would you just watch the screen, not the – Mr Tse, are you, are you looking at the screen?---Yeah.

Okay. Let's start again.

10 MS ELLIS: This is an email dated the 7th of August, 2012, at 4.48pm, and it's an email from Daryl Maguire to an email address which is a series of numbers @163.com and then it's copied to your email address. Can you see that?---Mmm, yep.

And the subject line of this email is, "Hello, Kent. It was good to meet you last week with Gordon Tse at Wagga restaurant." Can you see that?---Mmm.

20 So this email suggests that Mr Maguire met somebody called Kent at your restaurant.---Mmm.

Is that right?---Yeah.

And you were copied in on this email, which suggests that you either knew something about it or you were told about it. Can you see that?---Mmm.

30 And I'll read to you the contents of the email. Mr Maguire writes, "I've returned to Australia and am preparing for Gordon and you o" I think it's meant to be "to," "visit Wagga Wagga. I have made inquiries with the canola oil factory and the wineries regarding your visit. They're very happy to meet you and have some discussions. I have asked Gordon to inform me of your expected arrival and departure so I can plan some visits and tastings. I have even had a winery develop a special label for the Wagga Wagga wines. Have you tasted the two samples I gave you? What did you think of them? Kind regards, Daryl." Can you see that?---Yep.

Now, this email suggests that there were some business introductions made at your Wagga Wagga restaurant involving Mr Maguire. Can you see that?---Mmm.

40 Is that what happened?---I can remember Kent is, yeah, a wine distributor in Zhuhai. It's about 150K from Guangzhou.

And did you introduce him to Mr Maguire?---Yeah, he was in the opening, Kent was in the opening.

And did you introduce him to Mr Maguire?---Could be.

THE COMMISSIONER: You weren't asked whether it could have been.

---Yeah, just - - -

You were being asked did you introduce the two men to each other.

---Mmm.

Is that a yes or a grunt?---(No Audible Reply)

Do you mean to say yes?---Whether they, they met before I can't remember.

10 Do you believe that they met on this occasion and you introduced them?

---(No Audible Reply)

That is the opening of your restaurant.---Yeah, I think, I think so.

Okay.---They probably know from this special occasion.

Thank you. Let's move on.

MS ELLIS: And did you introduce them so that Kent could do some
20 business with Mr Maguire?---No, I don't think we think that far, there's so
many people.

What was the purpose of introducing them?---Sorry?

Why did you introduce them?---Why? They, I mean just, just normal, I
mean the normal practice would it? I mean everybody introduce to
everybody.

Well, by the time this email was sent on the 7th of August it appears that the
30 next step was already being contemplated, being preparations for your visit
along with Kent to Wagga Wagga.---Mmm.

Is that right?---Yep.

So you were planning to come to Wagga Wagga with Kent. Is that right?
---Yeah.

And what was the reason for that?---Oh, we want him to buy some our local
40 wine.

Yes. As part of his business?---Part of the business, yeah.

And Mr Maguire was going to organise that?---Yeah, he did help, so he took
us to Griffith.

He took you to Griffith?---Yeah.

And did Kent buy some wine?---Not at the end, he was going to buy some but he didn't, he didn't at the end, he didn't buy anything because with the, well, with the quality or whatever reason.

And what were you doing there?---I just, no, just helping.

Were you going to make some money out of it?---Not with this thing.

10 Why would you go?---Because he would deal direct with the winery.

I'm sorry, that's not an explanation of why you would go. Why would you go on the trip with Kent to Wagga Wagga or Griffith to buy wines, what was your role?---What's my role?

Yes.---Just helping, because, oh, one of the, can't remember now, one of the girl was there too, Jodie, I mean the Lin, she was happen in the country in Wagga and we all went.

20 THE COMMISSIONER: At the moment we're not interested in Jodie, we're interested in you. You said you were there to help. Help in what sense?---Well, helping. Kent only have very limited English understanding.

And how were you going to help? You had hopped on an aeroplane, flew all the way to Australia, went down to Griffith to help. Right. Now, you, Kent - - -?---We, we, we - - -

30 No, no, no, no. You, Kent, Mr Maguire all met up at the winery. How were you helping them?---Well, Kent have a daughter living in Sydney and he, he come here all the time anyway and he used to be a wine wholesaler or distributor in China, so must be at that time we want him to look at the Wagga Wagga winery, I mean the region, and that's how he come to, I mean he stay in my house for a couple of days and Daryl pick us up in the morning one day and drive us down to Griffith to look at some winery. He already organised the people for wine-tasting or, you know, something to sell to Kent.

You see it's a long way to travel, isn't it, from Asia to Griffith, it's a pretty substantial trip.---Mmm.

40 Yes?---Yeah, yeah, it is. But - - -

No, no, wait a minute, I haven't finished. So it's an international trip that you're making, Kent's coming, Daryl's coming, you're all meeting up to go to the winery, test the wine, see if we can, if a transaction is going to take place, and you've come all the way to help. Just explain what you mean by how you saw you were helping this international visit.---I, I know what you mean, but that's it, and I - - -

Well, just answer it if you understand.---I do lots of things, you know, it's just for helping friends.

Helping friends?---Yeah, we do lots of charity job and we (not transcribable) Wagga Wagga.

Look, you've spoken a lot about charity but I'm talking about a business occasion. This email that you've been taken through is clearly all about commerce, wasn't it?---No, not with this trip, not with Kent.

10

This meeting and the trip to Griffith was all about commerce, wasn't it, trade?---Yeah, it is.

What sort of trade, commerce?---Well, for, for Daryl maybe you know he's the local MP to helping the businessmen.

What did you understand was the transaction that was being considered at this point in time?---Transaction, you mean the buying stuff?

20

Yes, the wine, what did you contem, what did you understand the likely transaction would be if it was successful?---Well, I'm sure I never got involved, I'm not, he never, I never asked for any, any commission.

But you, I'm talking about - - -?---Even I asked I still able to but I never.

Well, perhaps I'll make it easier for you. You were there with Kent and Daryl at the winery and Griffith. Is that right?---Mmm.

30

And the reason you were there was because there's a possibility that Kent would be buying quite a bit of the wine and have it exported back to China, is that right?---Yeah.

So that was the purpose of the visit, wasn't it?---Yep.

It was about a potential export contract.---Yep.

Yes. And that's why you and Kent and Daryl all met up at Griffith?---Yep. We all met up in Wagga, we drive to Griffith.

40

What was your role in this transaction or potential transactions?---Nothing. Not, not this wine, winery thing.

You'd come all the way, fly all the way from China for nothing?---No we not only doing the visit to the wine. We, we show him lots of other places too and I got other things to do.

But you'd fly all - - -?---We not only come back here to go to the Griffith trip but we probably know he's in Sydney and then, and then we all going to

be in Wagga and going to see this winery place. I think it's been organised for quite some time.

And those who participated in the discussions at the winery about a possible purchase or transaction, those who discussed it included Kent, those to who participated in the discussions about a possible deal at Griffith included Kent?---Kent?

Yes.---Yeah.

10

Daryl?---Daryl, yeah.

And who else was in on these discussions about a potential deal? Kent, Daryl, who else?---We, we never have any discussion for any potential deal, we just want to show him some wine with Daryl already organise with a winery, this is wine tasting and we, of course, we hoping we put an order in and buy some wine.

20

Exactly. And that's what you were talking about, the possibility of a future deal, transaction?---Yeah, sure.

Yes. So those who were chattering, discussing it were Kent, Daryl, yourself, when you were at the winery, is that right?---Well, we just talk about, yeah, the winery stuff, yeah.

Yes. What was Daryl doing there talking about a potential transaction? ---Potential transaction?

30

That's what I said.---What's that mean, what do you mean?

You don't know the meaning of those words, potential transaction?---Yeah.

You do?---Do business deal.

Yeah, a business deal. What was Daryl's interest in this?---You, you want me to guess?

40

No. I want you to tell us what you know.---If the winery will pay him a commission, you think?

What do you think his interest was in this transaction. I'm talking about Daryl's interest.---His interest?

Why was he there participating in - - -?---Am I allowed to say something on his behalf?

No. I just want you to - - -?---My opinion you mean.

I want you to tell us your knowledge. You were there. You travelled, met up with him, had discussions with him at Wagga, at Griffith, you must have known why Daryl was there at the winery. Why was he there?---He always, he always have some ideas. In that same trip, now I recall my memory, we went to some car washing machinery place - - -

Okay, I'm going to stop you there. That's not answering my question. I don't want to hear about that.---No, I can explain how I - - -

10 No, no, no, no, no. I don't want to hear about that. I am going to put the question once more. Why was Daryl there at Griffith on this occasion, what was his role and interest?---No, I, well, if he make any secret deal, Commissioner, how do I know?

What was his role and interest there that day?---The winery. Well, beside he can helping the local businessman or performing this for his job, but if he could have some, you know, secret benefit, deal, he wouldn't tell me, would he? And we, we stop in Orange orchard, you know, same thing, you know, he ask people, anyone interest to buy some orange to send to China.

20

MS ELLIS: Mr Tse, I'm going to take you to the next page. This is an email dated the 9th of September, 2012, sent by a person called William Luong to Daryl Maguire, also copied to you, and the subject line of this email is, "Cotton," and Mr Luong writes, "Dear Daryl, this is William Luong from Shenzhen, China, a friend of Gordon and we are not long ago at Gordon's coffee shop opening ceremony." Who is William Luong?---From Sydney, is a, is a, I introduce him to Daryl.

30 And did you introduce him to Daryl at your coffee shop opening?---Yes.

And what was the purpose of that introduction?---Oh, just was, all the friend, everyone.

Well, you can see that Mr Luong is writing to Daryl about cotton and he said, "Thanks for your executive summary on the cotton market situation of Australia of which I receive via Gordon." Did you give Mr Luong a summary of the cotton market situation in Australia from Mr Maguire? ---No. I, I, not in my knowledge. I don't even know about a cotton thing at all.

40

So what this email suggests, Mr Tse, what this email suggests is that Mr Maguire prepared a summary about the cotton market, gave it to you and then you gave it to William Luong. Would that be right?---Hang on, so, say it again?

What this email suggests is that Mr Maguire put together some material on the cotton market situation in Australia, then gave it to you, Mr Maguire

gave that material to you and then you gave it to William Luong. Is that right?---The cotton market material?

Some pieces of paper or paragraphs or words that he sent to you?---I, I can't remember any, any of this thing and I never fold up or handle or, or discuss about this at all, cotton market.

Well, you can see you've been copied on this email for one.---I know.

10 Which indicates that you were involved at some stage in discussions or communications about cotton.---Not with cotton, not that I remember, no.

And further, this email suggests that - - -?---He said, he said I gave to him but I, I got no, no, I can't remember any of the cotton thing.

And further, like the email with Kent we were looking at before, this also appears to be an email about business matters or commerce. Would you agree? This is another email communication about business matter or commerce involving yourself and Mr Maguire, would you agree?---Yes.

20

And this is, sorry Commissioner.

THE COMMISSIONER: What was William Luong's line of business? ---He's a financial guy, I think. Some years ago he want me to buy some milk powder with my friend, so that's how, how I know him.

MS ELLIS: Some milk powder?---Milk powder, yeah.

When was that?---That back in 2009.

30

What about more recently than that, was Mr Luong involved in any milk powder deals after that?---No, no. Not anymore. I think he buy and selling meat.

Meat?---Yeah, or the meat export to China.

Do you know where he gets his meat from?---No, no idea because I never, it's not my area.

40 So at least from what we've looked at this morning, there were at least two business contacts that you introduced Mr Maguire to at your Wagga Wagga Café. Can you see that?---Ah hmm.

I'm sorry, is that a yes?---Yes.

Yes. And you were copied on the emails being sent between them about those business dealings, can you see that?---Yes.

And you were putting Mr Maguire together with business contacts, is that right?---You could say that but, but, you know, we, we all in business and we, whether introduction in the opening it wasn't mean that it, you know, you're going to do any business in the future, you know. So - - -

What business was Mr Maguire in?---What business?

10 You said we're all in business, what business was Mr Maguire in?---I thought he have a role, a job to helping local business and, you know, to, to deal with other thing in China or, or elsewhere.

You thought that he had a role helping local businessmen dealing in China, what made you think that?---We all want to sell more stuff to overseas.

What made you think that Mr Maguire had a role in relation to that?---I think he had lots of local contact.

20 He had local contacts but why would that mean that he would be helping people sell more things in China?---It's only common sense, yeah.

Commissioner, I note the time.

THE COMMISSIONER: Yes. All right. We're going to take the luncheon adjournment between 1.00 and 2.00. We will resume at 2 o'clock.---2 o'clock?

2 o'clock, Mr Tse. We'll adjourn.

30 **LUNCHEON ADJOURNMENT**

[1.02pm]

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THE HONOURABLE PETER M. HALL QC
COMMISSIONER

COMPULSORY EXAMINATION

OPERATION KEPPEL

Reference: Operation E17/0144

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY, 5 FEBRUARY 2019

AT 2.00PM

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.

<GORDON KAR MING TSE, on former oath

[2.09pm]

THE COMMISSIONER: Yes, Ms Ellis.

MS ELLIS: Thank you, Commissioner.

Mr Tse, did you go to Fiji in 2012? Did you go to Fiji in 2012?---Yes.

10 What for?---Just a trip with a few friends.

Who went on the trip?---Fiji, with Doctor Eli that's pass away.

How do you spell that name?---Eli, Eli, E-l-i.

What was the purpose of – sorry, did anyone else go on the trip?

---A girl called Monica.

20 Did Monica have a surname?---Monica, Monica, would it be Monica (not transcribable) no, I can't remember her last name.

Did Monica do any, have any particular line of work that she was in?---
Yeah, used to, used to work for us in China and then in come and do work
in Sydney later on.

What sort of work did Monica - - -?---Huh?

30 What sort of work did Monica do in Sydney?---Helping, mainly helping for
the milk powder.

Milk powder?---Mmm.

Did you have any business interests in milk powder?---Yeah, for couple of
years.

And did Mr Maguire have any involvement in that milk powder business?

---No, not really.

40 Not really or not at all?---Not at all.

Your first answer was, "Not really." What did you mean by that?

---Well, it's my business partnership, of course he's not involved.

It was your business partnership?---Yeah, with, with a gentleman called (not
transcribable) and Eli.

And so Doctor Eli was also involved in the milk powder business?

---The milk powder.

Was he Australian or Chinese?---Australian. I mean Israel.

From Israel. And what sort of business is Doctor Eli in generally?
---I think he's naturotherapy and then he ran this clinical brand, some health product, and then he, he wanted, also got a formula, a baby formula (not transcribable) make some milk powder and try to sell one or two container to China but then he stop afterward.

10 And was anyone else on the trip to Fiji in 2012?---I can't remember it's three or four of us and I don't know, Jason - - -

Well, you said this was a trip with a few friends and you've nominated Eli, who is involved in business with you, and Monica, who is involved in business with you.---Mmm.

It sounds as though it was a business trip rather than a holiday?---It is a business trip.

20 It was a business trip.---Oh, business trip? Go, we probably never been there before and - - -

Were you looking for business opportunities there?---At that time, let me think. I think we have a connection, one of the consul general or - - -

THE COMMISSIONER: You'll have to keep your voice up I'm afraid.

THE WITNESS: Okay. I think I have a connection a friend (not transcribable), he's, he's working for Fiji Embassy.

30 MS ELLIS: Is this your connection?---Mmm.

Someone that you knew personally?---Yes.

How did you know that person?---For some function in Guangzhou.

Who organised the function in Guangzhou?---Oh the, our Chamber of Commerce South China.

40 And my question to you was, were you looking for business opportunities on the trip to Fiji in 2012?---Yeah, and I was just thinking. Yeah, I think we want to see do they need any milk powder in Fiji.

And I'd suggest to you that this trip happened in February 2012. Does that sound about right?---Can't remember.

I want to show you a document on page 15 of the bundle in front of you.
---Mmm.

It will come up on the screen as well which may be easier. This is an email from Daryl Maguire to you, your email address on the 11th of September, 2012 at 9.36pm, and it's titled, "Fwd: Projects and Investment Opportunities in Fiji." Mr Maguire has written to you, "G'day Gordon. I know you are going to Fiji soon, I think Humphrey is going also. I have asked the Consul General of Fiji to prepaid," I think that may be meant to be "prepare," "a brief of opportunities. This has not been sent to anyone else. Have a loose," possibly "close" "look at the correspondence and identify the opportunities." Do you remember receiving this email?---No, but it is, mmm.

Well, it's been - - -?---But Humphrey never come.

We're just focussing on this email for now. You can see that Mr Maguire sent to you an email, if you look further down the chain, from the Fiji Consulate General. You can see that the email addresses involved had Fiji Consulate General in the email. And contained within the quite long email body is a list of different pieces of information about the labour force market, industry and other types of commercial opportunities available in Fiji.---Mmm.

Can you see that?---Yep.

So you can have a flick through the email content if you want to.---Mmm.

What's your understanding of why Mr Maguire was giving this information to you?---I think he's just trying to help us and give us more contact, but actually the guy we met in China, he's the ambassador, and Mr Teleni, he actually organised the meeting for us, so we, we, we did go to the investment, sorry, a place called Investment Fiji or something, some organisation in Fiji for meeting with those people, but, but nothing happened.

But you're saying that Mr Maguire sent you this information to help you out with your business projects. Is that right?---It's not a project, it's just a visiting. We, want to know whether South Pacific needs some milk powder from Australia.

And Mr Maguire gave you this information to help you with your business interests. Perhaps we can put it like that?---Yeah, he give, obviously he want to give me more contact, but most of the meeting organised by Mr Teleni and his assistant and we met with him in Suva, Suva.

What was Mr Maguire - - -?---So we went straight to his house.

What was Mr Maguire's interest in helping you with your business at this time?---His interest? I don't know, I don't know of any, his interest.

How did he know that you were going to Fiji?---Yeah, we, we met. I introduce Mr Teleni to Daryl for whatever, whatever reason.

So that's the consular, the consular person, is that right?---Yeah, the ambassador.

Right. And how do you spell that person's name?---Teleni?

10 Yes. How do you spell it?---Teleni, I think he may be the Consul General of Papua New Guinea now, so you can check his name, Teleni, Teleni is last name or first name.

That's all right. We can find out, Mr Tse. How did Mr Maguire know that you were going to Fiji to look at business opportunities?---How does he know, we must talk.

20 And you can see in the email, Mr Maguire has said to you, "This has not been sent to anyone else." It appears that he's giving you an advantage that he's not giving to anybody else. Can you see that?---Yep.

And why was he doing that?---Why he doing that?

What was special about your business?---That not sent to anybody else. I don't really know what he try to say.

30 And you can see that he's also said to you, "Have a," I'd suggest, "close look at the correspondence and identify the opportunities." Now that reads like an instruction to you from Mr Maguire. Was it an instruction?---I don't think so. No, not really. He could, not that I know because he got not much to do with the whole trip.

That's why we're trying to work out why he would have been sending you this email, Mr Tse. Can you give us an explanation?---Why he send me the email, I don't know how to answer you. Why he send me the email, he said obviously he will try to give me more contact in, in Fiji, to talk to the people.

40 And there's nothing you can tell us about what was so special about the business that you were going to do that he went to this effort for you?---We don't have any specific idea what we're going to do. We just want to look at the country, you know, have holiday and, and, and Mr Teleni, his offsider, told me they may need some baby formula in to the country which is not quite true.

And was this baby formula a product of Australian dairies, was it Australian milk?---Yep.

And why was a Chinese looking to export Australian powdered milk into Fiji. How did that come about?---Chinese business, no.

Your, your, you were based in China, I understand. Why was the business that you were involved in looking to export Australian products to Fiji? How did that come about?---They are using, they are buying Australian milk powder anyway.

10 But why are they buying it via China?---No. They get from Sydney.

Yes, but your trying to, your, from what I understand, are trying to establish a business opportunity for yourselves whereby you would also be selling Australian milk products?---No. Doctor Eli and Tim, they are the founder of the Pinnacle.

And how did you get involved in that?---Just through some friend and when we, we have partner in, you know, some restaurant business and - - -

20 Which, which restaurant business?---In Wagga Wagga.

What was the restaurant?---And then we just start doing the Pinnacle milk powder.

And did you have a role in the company, Pinnacle?---In Hong Kong.

And what was your role?---I'm a director.

30 You're a director of Pinnacle?---Ah hmm. We're one third, one third shareholders.

What was the name of the restaurant in Wagga Wagga that you first met the Pinnacle people through?---That called Shangri La.

The Shangri La restaurant. And what was the name of the mutual friends, the friends that you had in common. You said you met the Pinnacle people through some friends through the restaurant. What was the friend's name? ---A guy called Sonny. Sonny, Sonny Cheng, C-h-e-n-g.

40 Can I take you to page 36.

THE COMMISSIONER: Just before you - - -

Yes Commissioner.

THE COMMISSIONER: Just before you go on to that. So this email which is written by Mr Maguire to you, it's on the screen now, 11 September, 2012, there's no doubt, is there, that this email was trying to identify and pursue business opportunities, is that right?---I don't know about business

opportunity because we go to a strange country and we want to look around, we really want to sell our milk powder because we believe Mr Teleni's offsider said they need some powder in the country but - - -

10 But it wasn't just milk powder. See, if you look at the heading to that email, Mr Maguire's chosen the words, "Projects and investment opportunities in Fiji." See that? Projects, plural, and investment opportunities, plural, in Fiji. And you can tell from that heading and what he's written in that email to you that he is interested in and is discussing with you future possibilities for business projects and investment opportunities in Fiji, isn't he?---Ah
hmm.

I'm sorry, is that a yes? You said ah hmm but is that meant to be a yes?
---But they thought there going to be investment opportunity, you know, in Fiji but the, we don't find, we don't see very much.

20 What I'm going to do is, I'm going to ask you to listen to the question and I'm going to put it again. It's evident from this email, isn't it, that it wasn't one opportunity of milk. What was obviously being discussed in this email by Mr Maguire with you, is what it says, that is projects, plural, and
investment opportunities, plural, in Fiji, is that right?---Yeah on the subject but - - -

No, no, just - - -?---We only did all the schedule according with Monica's, you know, folder or the itinerary.

30 Yes, that may be so but what I'm putting to you is, before we get to follow up and all the rest of it, the concept, the idea that he's discussing here with you is future possibilities of a business and investment.---In Fiji.

In Fiji, is that right?---Yeah.

So he's talking like a business man to another businessman about business opportunities, investment opportunities in Fiji at this time, wasn't he?
That's how you understood it?---(No Audible Reply)

You keep nodding your head but you won't answer.---Okay.

40 You see nodding won't be recorded through the sound system.---Okay, okay.

So you must say yes if you're nodding in agreement. You're saying yes, are you, to what I just put to you?---Yes.

That that was the concept that he was writing to you about, correct?---Yeah, correct.

Right, okay. Well now, having got that far, we then know from what he's written there, he's proposing that because you're going to Fiji, he says, "I know you are going to Fiji soon." He's interested to discuss and pursue with or through you, while you're in Fiji, projects and investment opportunities, isn't he? That's what he's saying?---Yeah, that's what he's saying.

And that's how you understood it?---Ah hmm.

10 Sorry, what does ah hmm mean? Yes?---Yes.

Thank you. Sorry, I don't mean to be rude I'm just trying to get you used to the system here, that's all.---Okay, okay.

Now, you also said Mr Humphrey was going. Who was Mr Humphrey or who is he?---He's a con man.

He's a what?---A con man.

20 A coal?---Con man.

Corn, sorry.

MS ELLIS: I think he's saying con, Commissioner.

THE COMMISSIONER: Sorry?

MS ELLIS: A con man.

30 THE WITNESS: Con.

THE COMMISSIONER: Con man, oh, you're saying con man. You mean he's – what do you mean by that?---I told Daryl long time ago and he wouldn't believe it. This guy just use him and, and cheat everybody, even the Wagga Wagga Council.

40 All right. Why do you think Mr Maguire is putting forward Mr Humphrey as also somebody who might be useful in relation to this subject of projects and investment opportunities, do you know?---I don't remember and I don't understand why Humphrey is get involved, he never there. He never go.

Okay. And in this email it's clear, isn't it, that Mr Maguire is not just talking about some theoretical opportunities. He's talking about having got from the Consul General of Fiji some information about opportunities, isn't he, and he's telling you about that?---Yes.

Right. So hes, he means business. He's not just talking about airy-fairy stuff. He's got information from the Consul General of Fiji, right?---Yes.

That's what he's saying to you.---Mmm.

And he's, he's obviously asking you to have a look at it, sharing the information that he's got from the consul general, right?---Yeah.

10 So it's clear that he thought that this information he's got from the consul general might be of some material benefit to you and him in pursuing these opportunities that he refers to in his email. Correct?---At that trip I, we don't meet up with the consul general. It's only the chamber of commerce.

Yeah, I, I know that may be the case, but all I'm putting to you is he's sharing with you some, what appears to be confidential information that he's got from the consul general but it hasn't been, he says it's not been seen by anyone else but he's going to show it to you and he did. Correct?---Well, yes, okay (not transcribable)

20 So Daryl Maguire's now getting in, got into a position whereby he's discussing these opportunities. He's got information from the Consul General of Fiji about the opportunities, right?---Potential opportunity.

Yes. Well, he just says brief of - - -?---There's nothing there.

No, no, no, no. He says a brief of opportunity. It's not potential opportunities. It's to talk about opportunities. Correct?---Yes.

And he's sharing that information he got from the consul general with one person at least, you. Correct?---That's what he said.

30 Right. And he did do that, didn't he?---But nothing - - -

No, no, no, no. My question. He did do that, didn't he?---Yes.

Right. Now, what he's asking you to do then is to look at the material and identify the opportunities that you and he would or might be interested in in Fiji. Correct?---Yes.

40 Being projects or investment opportunities in Fiji. Correct?---We're not interested.

Being projects or investment opportunities in Fiji as his letter, as his email in bold type says. Correct?---Yeah, that's what he put down but - - -

So this email was all about business opportunities, investment opportunities that are worth examining, considering in the country of Fiji. Correct?---Yes.

Right. Why was Mr Maguire at this time so interested in working with you, sharing information with you but no one else to pursue these investment and other opportunities in Fiji - - -?---Because - - -

No, no, I haven't finished my question. Why was he sharing this information with you but nobody else in relation to what he calls the opportunities, what was - - -?---Well, because he know - - -

10 What was his purpose and interest?---Because he knows I know the ambassador and, and Mr Eli won't have, not around in Fiji and maybe we can sell some milk powder and that's why we're going to contact the chamber of commerce, or they got another department called, maybe called Investment Fiji. I can't remember exactly what they call it. So we did have one or two meeting with the local official, the business official, and that's all and they tried to sell us some land to build resources but of course we're not interested.

20 So this is an accurate summary, is it not, that as of the 11th of September, 2012 you and Mr Maguire were both interested in pursuing these opportunities for a commercial reason, a commercial gain in other words. Is that right?---How (not transcribable)

Just answer my question. Is that right?---Say your question again.

I said it's clear, isn't it, that as of the 11th of September, 2012 you and Mr Maguire had a shared interest in pursuing opportunities in Fiji that would return a commercial benefit or result. Correct?---Probably wouldn't have gone that far because give us more contact or information all around, you know. A country never been there before.

30 But looking at projects and - - -?---So how - - -

- - - opportunities to - - -?---We don't even know - - -

No, no, no, no, just listen.--- - - - what they are.

40 This email indicates, does it not, that you were interested and he was interested in pursuing projects and putting money or investment opportunities into your portfolio if you like or business interests in order to achieve some - - -?---No, it's nowhere near that.

I haven't finished. Please don't interrupt me. In order to achieve a commercial outcome. Correct?---As a businessman we do visit lots of different places and see opportunities.

Yes, that might be so. Now - - -?---This is just one of them.

No, no, no. Answer my question. It is correct, isn't it? That was what you and he had in mind was to pursue investment and other opportunities in Fiji for a commercial outcome. Correct? That's an accurate summary.---It's not
- - -

That's an accurate summary.---It's not quite right.

Well, you can see that it's partly right.--- But we - - -

10 No, no, will you concede that what I summarised and just put to you now three times is right?---The trip, the trip if we decide to go and then Mr Maguire did offer his courtesy and give us more contact and at that trip I can't recall the consul general did have meeting with us. We only meet the people in the chamber of commerce and - - -

Why are you making this speech? I just asked you a very - - -?---I'm telling the whole truth.

I asked you a very simple question. Let me put it again. I'm trying to - - -?
20 ---Because before we go we don't know what they got there.

No.---We never been there before.

That's why you're going, to find out, isn't it, and you've got information from the consul general to help you. Correct?---No, from the ambassador.

Well, he says the Consul General of Fiji.---No, never meet him.

30 He's wrong is he?---No, I say we invite or discuss with Mr Teleni from China and he invite or ask to look around Fiji and then we, we, and his offsider said we can sell milk powder and that's it.

The whole idea of going to Fiji to pursue projects and investment opportunities was for a commercial reason, wasn't it, obviously?---Yeah, we could say that.

MS ELLIS: Thank you, Commissioner. Can I take you to page 47.---On the screen?

40 It will come up on the screen. Now, this is another email from Mr Maguire and this is now the 15th of October, 2012. So we've been in September previously and we're now in October and Mr Maguire sent the email to yourself. You can see your name and your email address in the "to" and also to another email address [REDACTED]. Now, Mr Maguire's addressed the email in the subject line, "G'day Kent." So from that we would take it that the other email address is Kent who we've previously seen in the evidence this morning was somebody introduced to Mr Maguire at your café and then proceeded to be in contact with Mr Maguire in relation

to wine and you travelled with him to Griffith you said. Do you recall that?--(No Audible Reply)

Mr Tse, do you recall the evidence that you gave this morning about - - -?
---What's your question?

Do you recall the evidence you gave this morning about your dealings with Kent in travelling to Griffith and attending a winery?---Yeah.

10 Now, this email, we're back on the same subject again.---Mmm.

So Mr Maguire has written to Kent to say, "A quick note to thank you for your hospitality. Arrived home safe and well. It was great to meet you again in Zhuhai last week. Thank you for your kind hospitality and the opportunity to see your city and meet your delightful wife." And then Mr Maguire goes on, "To clarify our discussions in China, your company wish to acquire up to 30 Australian wines, 85 per cent red, 15 per cent white, for tasting and sales at two cartons per wine sample. (How many times per year do you require this?) Our company will source the produce and arrange shipping to Hong Kong, address to be supplied. All samples will have English backs." Now, I'll just pause there, Mr Tse. You can see that this email was sent to you.---Mmm.

Do you remember receiving this email?---I think so.

Are you familiar with the subject matter of this email?---Mmm, yeah, with the - - -

Well, this is the wine deal, isn't it?---Yeah, yeah, with the, I can remember the 8 to AU\$30. Mmm.

And you can see Mr Maguire said, "Your company wishes to acquire Australian wines," and that's directed to Kent. Can you see that?---Mmm.

I'm sorry, if you wouldn't mind saying yes or no when answering questions, that will assist us in reading the transcript back again. So can you see where it says, "Your company wishes to acquire 30 Australian wines?"---Our company? It's his company or the wine company?

40 THE COMMISSIONER: No, he's saying, "Our company." Whose company do you understand him to be referring to?---No, I don't understand what our company, as far as I'm concerned we, he and I don't have a company or his own Australian company will handle that.

MS ELLIS: Mr Tse, you were included on this email correspondence at the time.---Mmm.

Were you also included in the discussions in Zhuhai?---Sorry?

Were you also included in the discussions that Mr Maguire refers to that took place in Zhuhai?---Yeah, I was.

Yes, you were there?---Yeah, yeah, I, I took him over there as my, my friend.

Kent was your friend?---Yes.

10 And so you went with Mr Maguire to meet Kent. Is that right?---Yes.

And did - - -?---Because he have lots of contact with the winery.

And you said Kent didn't understand English very well. Is that right? ---Yes.

And did you assist Kent and Mr Maguire to talk to each other in English? ---Normally that girl called Yoko always helping Daryl interpreting.

20 Was Yoko there this time?---Huh?

Was Yoko there this time?---I can't remember whether Yoko or Jodie.

But you were there?---I was there.

And you understand both English and Chinese?---Chinese.

Is that right?---Yes.

30 And so were you there when Kent and Daryl were talking to each other about this wine deal?---(No Audible Reply)

Mr Tse, did you hear my question? Were you there while Daryl and Kent were talking to each other about the wine deal?---Yes.

And so you heard both of them talk about what they were agreeing to. Is that right?---This letter must be after the visiting.

40 Mr Tse, I'm not asking you about the letter at the moment, I'm just asking you whether you were present in the same room listening when Daryl and Kent were talking to each other about the agreement that they were making. ---I can't remember what they talking in the dinner table. Could be some wine business but could be lots other topic, you know, mmm.

How were Kent and Daryl talking to each other, if not with your assistance? ---Kent spoke some English.

This was a business deal though.---Yeah, and - - -

He'd want to be sure what he was agreeing to.---I think he did an IELTS test.

I beg your pardon?---I think he did an English test, you know, when he tried to come to live in Australia.

You just told us this morning that his English wasn't very good, Mr Tse.
---Mmm. Yeah, but I don't know what his score so - - -

10

You've been included on this email correspondence.---Mmm.

I'd suggest because you understood what was going on. Is that right?
---Your question is?

You understood what was going on at the time in relation to this deal?
---Yes.

20

And what was going on at the time in relation to this deal?---Daryl tried to help Kent to buying some wine from Griffith. That's 100 per cent.

And you can see here in the email Daryl said, "Our company will supply wines."---Yeah, that's - - -

What company?---That's (not transcribable) not even know what "our company" means for him.

30

You have no understanding of what "our company" meant for Mr Maguire?
---And I'm not in it. Even I'm in it (not transcribable) but I'm not in it.

Is it your evidence that you had no understanding and you have no understanding - - -?---I don't know why he said "our company" to represent Ken to some wine or supply wine or whatever.

Mr Tse, it's your evidence, is it, that you have no understanding, and you had no understanding at the time - - -?---With our company.

40

- - - of what "our company" meant. Is that correct?---Absolutely. Could be, oh, I shouldn't guess, should I.

And now you can see further - - -?---That could be the wine company, the winery and - - -

THE COMMISSIONER: No, I don't think so, not in the context of this email.

MS ELLIS: I'm going to take you to a part which is five paragraphs down and it's another reference to "our company." And it says, "Our company

will receive an administration fee of 10 per cent of total invoice plus GST for such service.” Can you see that?---(No Audible Reply)

I just hovered the cursor next to the sentence.---Yep, saw that.

You can see that. Now, that’s a reference to a commission payment, isn’t it?---Yes.

10 And that’s a reference to a commission to be paid out of the sale of the wines to the company which Daryl is calling “our company.” Can you see that?---Mmm, yep.

And you would have read this at the time when you received this email and understood that there was going to be a commission payment flowing to a company which Daryl referred to as “our company” out of this deal?---It’s not my company.

That’s not the question that I asked you, Mr Tse.---Mmm.

20 You would have understood at the time you received this email, if not before, that there was to be a commission payment flowing to a company that Daryl referred to as “our company,” out of this wine deal?---Yeah (not transcribable)

And what about you? Was there any commission flowing to you out of this deal?---Not at all.

30 THE COMMISSIONER: But this email is addressed to Kent and the only other person in the world that it’s addressed to or copied to is you. You and he at this time were working together to try and get this deal across the line, weren’t you?---Yeah, yeah, we tried, and just hang on, I, if we, if we organised the shipment that will go through my company, right, it’s not our company.

No, well, whatever the vehicle for the transaction be, up, up to this time and indeed after this time you and Daryl were working together to get this deal across the line with Mr Kent, weren’t you? Well, I’m sorry, not Mr Kent, but Kent, Kent whatever his name is. Is that right?---Yep, you’re right.

40 And if you succeeded in getting it across the line, then this email indicates what commercial outcome would be achievable for you and Daryl. Isn’t that right?---We never really discuss about a commission.

No, no, no, just follow my question. You’ve been given the opportunity of reading - - -?---And I, I just try to - - -

No, no, please let me talk.---Mmm .

You've been given the opportunity to read this email.---Mmm.

If you want to re-read it again I'll give you that opportunity.---Okay.

But it does seem to me that it's clear that at this time you and he, firstly, were working together in relation to a deal with Kent, namely exporting the wine.---Mmm.

10 And that you realised, as this email indicates, if you did get the deal across the line, the commercial outcome would be that you and Daryl would get a - - -?---Share some commission.

Well, commission or administration fee of 10 per cent total invoice plus GST for service, is that right?---(No Audible Reply)

Is that right?---I remember I said I never do anything with him together to share benefit and this never go but they did bought some wine from Wagga, helping by Daryl and I never received one cents from it.

20 Now would you like to answer my question?---Huh?

Would you now like to answer my question? Do you want me to put it again?---I just start thinking - - -

So I'll put it again if you can't remember it, in fairness to you, so that you can answer.---I know, I know your question means if this deal gone ahead - - -

30 Well, is it - - -?---What benefit I'm going to get.

Well, the benefit would be, as stated in this email, is that right? Jointly, it wouldn't just all go to Daryl but you and he, who had worked to get the deal across the line would get a commercial outcome as indicated in this email, is that right?---Yeah, could be but I can't remember.

MS ELLIS: And Mr Tse, this is an example of you doing business with Mr Maguire, isn't it? Is this, this email we're looking at, the wine deal, is an example of you and Mr Maguire doing business together, is that right? ---Yes.

40 You had a business relationship, is that right?---Yes.

Now, you mentioned a person called Yoko earlier. Was Yoko a staff member of yours?---Yes.

And what, what sort of work did she do for you? What sort of work did she do for you?---She is the one to reply all the email, she also handling my personal email because I don't check the email myself all the time.

And did she get her instructions from you when she was dealing with those matters?---She probably would ask and, you know.

And what about a person called Anson, A-n-s-o-n?---Anson's the one before Yoko.

He worked before Yoko in the same sort of job?---They work, well, they work together but Anson left the company.

10

THE COMMISSIONER: How many employees did the company have at this time approximately?---Probably about eight or 10.

MS ELLIS: Now, did you also have a magazine called Horizons?---Yeah, but only voluntary.

I beg your pardon?---It's not a business, it's voluntary, helping the Chamber of Commerce of South China.

20 But you had a magazine called Horizons?---Horizons, yeah.

And did you operate that magazine, did you run it?---Yeah, we, we run it.

And who was responsible for the content of the magazine?---Different people. A gentleman called Garth Richardson.

Who is that?---Garth Richardson from New Zealand.

30 Richardson. Garth, G-a-r-t-h?---Yeah.

And what was your role in relation to the magazine?---Just doing the chamber some favour.

As in what sort of work did you have to do to get the magazine published, you personally?---Well, we have to do some interview, get some advertising sponsorship.

40 Did you go and do the interviews yourself or - - -?---No, normally the, the, between the chamber's workers and, and we have a business manager from the, from the chambers.

But if somebody came to you and Gordon, "I want to advertise something in your Horizons magazine," could you make that happen for them?---Oh, yeah.

All right. And did that happen ever, did somebody ever come to you and say, "I want to advertise in the Horizons magazine"?---Yeah, yeah, all the time.

And did Mr Maguire ever come to you and say, "I want to advertise in the Horizons magazine"?---Oh, yeah, we, we did do some report on the Wagga trade centre.

On the what centre?---The Wagga trade centre.

On the trade centre, anything else?---Oh, just so many years and - - -

- 10 From Mr Maguire specifically, anything else from Mr Maguire?---Oh, Mr Maguire, wine, no, we didn't do any wine thing. Oil. We did some of our own milk powder promotion but not from him.

Can I take you to page 61. This is an email from Cai Yoko, C-a-i Yoko, and that's the Yoko we've been talking about this morning, isn't it?---Yes.

And she sent it to Daryl Maguire and she said, "Please see attached re the G8way International article in the magazine." Can you see that?---Yes.

- 20 Does that assist you to remember whether Mr Maguire asked you to put any advertising in the magazine?---They could put something in there. Which month is that?

This is March 2013.---March?

Yes.---We still have all the copy of the magazine in the office.

- 30 Okay. Did Mr Maguire approach you and ask whether you could advertise the G8way International organisation in your magazine?---I can't remember that.

Well, you see that Yoko's not sending the email to Phil, she's sending it to Daryl and it's about G8way. Can you see that?---Yes, saw that.

It suggests that Mr Maguire may have been the point of contact in relation to this request, would you agree?---Yes, agree, yeah.

- 40 And Yoko wouldn't have been dealing with Mr Maguire without your say-so, isn't that right?---No, they do have some simple matters, they don't need to ask me.

Was this a simple matter?---Yeah, I think so because some G8way article in magazine.

Are you saying that you had no idea that Mr Maguire was seeking to advertise the G8way International organisation in your Horizons magazine? ---Well, I can't remember but I can check it, in March 2013.

I'm going to take you to the article which is attached to this email and starts on page 63. Does that look familiar to you?---Yes.

Have you seen this before?---Yep.

You've seen the G8way International advertisement before?---Yeah, I think I saw that before.

10 Right. And you can see it says Horizons up in the top left-hand corner and it's laid out in a magazine format, can you see that?---Yes.

And this is how you would prepare, this is how material would be prepared for publication in Horizons magazine, is that right?---Yes, I think so.

20 And I want to take you to the next page, which is page 64. Sorry, next page. And you can see if we scroll down and look at the darker blue text, it says, "For more information, contact our team," and then it's listed contact details in different locations, the first in Australia, the second in Beijing and a third in Guangzhou. Can you see that?---Yep.

And can you see that your name has been listed as the contact for the, for the organisation G8way International in Guangzhou?---Yeah, I saw that.

Did you know about that at the time?---Not very clear memory but - - -

Well you must have known if your contact details were going to be published in your magazine as a contact for an organisation that you were being nominated as that contact, isn't that right?---Yeah, you're right.

30 So you were a representative of the G8way International organisation in 2013, were you not?---In 2013?

In 2013 you were a representative of the G8way International organisation, is that right?---No, they, looks like they tried to promote it in China, yeah.

And you were a representative of that organisation in 2013?---Yeah. And I - - -

40 And then you - - -?---Maybe I'm the, one of the contact.

Well, you can see that. But I'm saying you also knew that at the time.---At that time, yeah.

Do you agree with me?---(No Audible Reply)

Mr Tse, are you still answering my question? Do you agree with me that you knew as at 2013 that you were a representative of the G8way International organisation in China?---Yes.

And you knew that Mr Maguire was involved in that organisation as well.
---Yeah.

Yes. You knew that he was involved in it because he was contacting your staff to get material published about that organisation, which had your name on it.---Mmm.

10 So the evidence you've given us this morning about your knowledge about Mr Maguire's involvement in G8way can't be true.---No, I didn't say that. I said, well, we, he giving all the business contact to whoever wants it to do business in China.

What does that mean in that context? Mr Maguire had an involvement in the company itself, G8way International. He was making representations on behalf of the company to your company when he sought for advertising. You can see that.---Mmm. G8way International to form the, to help businessmen to do business in China, and they need a both side market.

20 And was Mr Maguire one of those people who was helping out?---Yes.

And so was his role to connect people through the G8way organisation for the purposes of business?---Mmm.

Sorry, can you answer out loud? A yes or a no.---Yes.

And your role was also as a representative in China to help people do business in China.---Yes (not transcribable)

30 And the purpose of the organisation was for profit.---Yes.

And was it for profit for yourself? Were you going to make money out of contacts that were made through this organisation?---We supposed, I'm supposed to be just one of the member, but they probably need me as the contact, you know, in China.

But if people came through this - - -?---But they never, no one ever tell me where the profit come from, how we share with it.

40 You never had any understanding how profit would be shared in this organisation?---We, we never have any discussion about how we make money from this thing. We sure we would do some business if this keep going.

So the intention was always to do some business through the organisation?
---Mmm.

And that was an intention agreed with Mr Maguire as well?---To be careful to say that he's the one who supply his connection or introduce, do the introduction with the, from, from different resources.

But the intention was that if profit was made it would also be shared with Mr Maguire? Is that your understanding?---The intention of - - -

10 The intention in relation to the organisation G8way International, as far as you understood it at the time, was that if money was made out of it, it'd be shared with Mr Maguire?---No, he never, he never said that.

What was your understanding? Whether or not he said anything to you, what did you understand you were getting involved in here?---I think the G8way idea is to connect the two countries' business people to do business.

For profit? There's no point otherwise.---Well (not transcribable) I mean to, to do business of course for profit, but - - -

20 And introductions are also made for profit in that context quite often.---Not, not in lots of cases, not this case, but introduction, introduction it's no profit. How can introduction be profit?

I'm going to take you to page 72.---Until the business (not transcribable)

It'll come up in front of you on the screen.---Mmm.

30 Now, I appreciate you're not on these emails but your name is, and so I want to ask you something about what's mentioned in the email subject line here. This is an email exchange between Daryl Maguire and Phil Elliott, and the subject line – and I'd suggest to you that it's a subject line chosen by Mr Maguire at some point in the chain – says, “Re: Btw Gordon did the milk deal, margin very slim. 10 to 20 containers per annum works out about 10 cents per can.” What was the milk deal being referred to in that email in April 2013?---2013. Milk deal.

Did you do a milk deal in 2013?---No, not for me.

40 For anybody else?---Milk deal. “Gordon did the milk deal”? What milk deal? I never done any milk deal.

I'm going to take you to page 74.---Mmm.

Again, this is an email exchange between Mr Maguire and Mr Elliott, and I just want to take you to some key parts of this email exchange. The first, the initial email is from Phil Elliott to Mr Maguire on the 12th of April, at 10.31am, and after some pleasantries, Mr Elliott says to Mr Maguire, “Gordon's milk sounds okay. Was that 10 cents a can for us or Gordon?” Can you see that question? Can you see that?---Yeah, I see that, mmm.

And you can see that Mr Maguire has replied in the email at the top, after some other material, "10 cents is for G8way." Can you see that?---Yes.

So this suggests that arising out of the milk deal there'd be a payment of 10 cents per can going to the G8way International company. Can you see that?---Mmm.

I'm sorry, is that a yes or a no.---Yes.

10

And was that what happened?---"10 cents a can for us or Gordon."

And the response is it's for G8way.---It's a, milk deal means the milk powder or just the milk?

Well, that's what I'm asking you, Mr Tse, as the person who was there at the time.---I don't have any memory at all about doing anything with them like this.

20

Well, you can see we have these emails that were happening around the time.---Mmm.

And it's hard to believe that they would just be talking about something that didn't exist, so there must have been something in the background at the time that these emails are about, and we're hoping that you might be able to tell us what that is.---Mmm. They may try to do some selling or buying milk or milk powder.

30

Well, the previous email we looked at said that you'd already done the deal.---Well, they never do any business with us. They never introduce or helping or buying or selling.

Who is they?---You mean Daryl or Phillip?

Well, you said, "They never do any business with us." Who is "they" in that sentence?---It's for the milk. Phillip and Daryl.

So Phillip and Daryl never did any business with you. Is that right?---They
- - -

40

You said that you, are you telling us that Phillip and Daryl never did any business with you?---Not commercially. I never receive any real business deal. They may, they may, email they may talking about this and that but, I try to thinking about what 10 cents a can. 10 cents a can.

Well the milk, the powdered milk comes in cans and one reading of that is that for every can that's sold there would be a 10 cent payment to the G8way International company. Can you, can you see that?---Yeah, 10 cents a can

for us or Gordon, us or Gordon. I don't why they pay me? I should pay them if I, if - - -

You are paying them according to these emails.---Mmm?

According to these emails the arrangement is that you would pay them, you'd pay G8way 10 cents a can for every can of powdered milk sold.---For me?

10 Yes.---Why they pay me? I don't understand.

No, they're not paying you, Mr Tse.---No, they said 10 cents a can for us or Gordon.

Yes, and that's the question and then the answer from Mr Maguire in the next email is 10 cents is for G8way.---10 cents they pay to G8way. From who?

20 Phil and Daryl are trying to work out where the commission is going. Is it going to you? Is it going to G8way? And Daryl says, "No, it's going to G8way." Out of this deal that Gordon's arranged, the milk deal, the arrangement is 10 cents for every can that's sold is going to go to G8way and you're saying you know nothing about that.---No, I, I, honestly they never sell anything for me.

Right well, I'll take you, I'm going to skip to page 108. Now, this is an email directly to you. This is an email addressed chinamitre10 [REDACTED] Did you also use that email address?---(No Audible Reply)

30 Can you see that, Mr Tse?---No, it's gone.

It's gone. Sorry. Just one second. It'll come back on. It drops off sometimes but it'll come back up. So the email address I'm talking about is the one that it's sent to which is chinamitre10 [REDACTED]. Is that your email address?---Yeah.

40 Right so this is an email that Mr Elliott sent to you on the 25th of July, 2013 at 12.53pm. Can you see that?---Yeah.

Now, the specific part of the email that I want to take you to starts with "note" and the cursor is hovering next to it on the screen there. It says, "Note, Daryl indicated you were going to set up an account in Hong Kong for commission from milk sales. Great. Will get you to organise a couple of credit/debit cards and then we will all have a bit of walking around money every, each time we travel plus funds for accommodation when coming to visit you." Can you see that?---Yeah.

So Mr Elliott is writing to you directly now about commission arising out of the milk deal.---Yeah. I still can't remember the milk deal.

You must have had an understanding at the time of what that was about. Do you agree?---Yeah, but I still can't, don't understand the milk deal is. They're buying from us or they're selling to us.

10 And that you would send, you would set up an account in Hong Kong for commission from the milk sales. Was that something you - - -?---They do say that but I never, that, never did anything.

Daryl indicated you were going to set up an account in Hong Kong for commission from milk sales. Can you see where it says that?---Yeah, I saw that.

Is that right?---I haven't, I haven't set up any account for them.

20 Is that something you talked to Daryl about doing?---Phillip did ask me I think to help him set up account in Hong Kong but he never, never gone ahead.

What about a specific account for commission? Did you do anything like that?---No, we send the money direct to, to him.

Direct to whom?---To Phillip.

And that's, that's the money you were telling us about this morning?---Yeah.

30 What about with Daryl? Did you have any conversations with Daryl about setting up an account for commission?---We know from day one we not allowed to give them any, any money.

That's not my question. Did you have a conversation with Daryl about setting up an account for commission payments?---I can't remember that.

You can see that this email suggests that you did. Would you agree?---(No Audible Reply)

40 Sorry, Mr Tse, I'm going to need an answer on the record to that question. ---About?

Would you agree with me that this email suggests that you did have a conversation with Daryl about setting up an account for commission payments?---Daryl. I remember I did talk to Phillip about if, if they want some, you know, he asked me to set up a new account for him.

What about Daryl?---And I told him you can't. They got to open personally.

Mr Tse, I'm asking you specifically about whether you had a conversation with Daryl about setting up an account for commission.---I, no, I don't think so.

10 And now I'm suggesting to you that this email suggests that you did. Do you agree that this email suggests that you did have a conversation with Daryl about setting up an account for commission?---No.

You don't agree that the email suggests that you did?---Because I, I would never suggest this personally.

20 Can I take you to page 81. This is an email from Mr Elliott to yourself on the 16th of May, 2013 and Mr Elliott writes, "Having a few issues with the RSL and have had a bit of a battle with possible interest conflicts in relation to some immigration work. Made me very angry but will not affect our plans. Also if it continues I am happy to resign from the board plus it frees me up to explore other possible providers if necessary." You've read that?--
-Yeah.

What did Mr Elliott mean by "our plans"?---2013. Phillip and I mainly just doing the, we call project management or the QC and shipment for, for the businessmen he, he send over to China so I can, I think that's the plan maybe, you know, the business we've been doing.

30 I don't understand. What business were you doing that he was referring to?
---He introduce all the hotel and club purchaser or operator to come to China to look for accessory or furniture and we help them to sourcing it and shipment.

And Mr Elliott - - -?---And then the, whatever percentage we make, so we, we never really asked, we just pay him something.

You pay Mr Elliott something?---Yeah.

40 Right.---We, we send him, the girl will send to him in the banking transaction.

And you were very sure this morning when we were talking about it that that didn't involve the G8way company. Is that right?---This confused, right, they start this G8way thing.

Who is they?---Oh, Phillip and a few other friend in Wagga, and they, they never really officially launching it and they just show me some advertising they did in the magazine and stuff and - - -

So Phillip and some friends in Wagga. Who were the friends in Wagga who were involved in it?---G8way, there were a few other people, sorry, I just can't remember.

Who were they?---And when I went back home and, you know, we always meet together and a cup of coffee and talk, so I can't remember specifically. Could be some of my business partner in Mitre 10 store, some, and I can't tell you really exactly who they are. But not, there's a few people, it's not only Phillip and I for sure.

10

And you can see that Mr Elliott's written in this email on page 81, "Having a few issues with the RSL and have had a bit of a battle with possible interest conflicts in relation to some immigration work." What was your understanding of the immigration work that was happening at the time? ---No idea. I didn't know that he, he would get involved with immigration work.

20

And Mr Elliott tells you that it's not going to affect your plans. What was it about the problem with the RSL and the immigration work that could have affected your plans?---Our plan probably (not transcribable) he, he would, he told me, oh, I've got such-and-such, want to come over, and only looking for deal, looking for that.

That doesn't quite answer the question about what was it about the problem with the RSL and the immigration.---That depend what I understanding (not transcribable)

30

Did that have something to do with immigration?---Oh, no, no, of course not.

Why would you understand that he would be talking about that when he seems to be connecting his sentence to his previous sentence, the issues with the RSL have made him very angry, you can see that, and he says, "But don't worry about it, it won't affect our plans to that effect."---I don't know who, who he also working for, for immigration work, but I believe will not affect our plan is the plan he always sending people over.

40

And when you say sending people over, do you mean clients that Mr Elliott was referring to you?---Yeah.

I'm going to take you to page 119. This is an email from you to Mr Elliott and Mr Maguire on the 24th of December, 2013 at 1.52pm. "Merry Christmas. Dear all, wishing you all the blessings of a beautiful Christmas season. Have a successful business in the horse year." Now, why did you send that to Mr Elliot and Mr Maguire together?---Why he sent it?

Why did you send a Christmas email to Mr Elliott and Mr Maguire together rather than separately, rather than just to Mr Elliott if you were dealing with

him in relation to business? What was it about the two of them that meant they ended up on your Christmas greeting together?---They always were close and friend and, and I believe Phillip did lots of work for Daryl for election campaign.

Did they have a business relationship with each other?---They never tell me, not that I know of.

10 Well, you've wished them both the successful business in the horse year. You can see that. Why did you do that if they didn't have any business relationship?---Just - - -

Could you answer the question, please, Mr Tse?---Your question is?

My question was, why did you wish them a successful business year if they didn't have a business relationship?---Well, there's no other intention, just saying it, you know.

20 THE COMMISSIONER: Sorry, I can't hear.---Just everybody.

Sorry what did you, I couldn't hear what you said.---Just said why I wishing them blessing with both on same email, because - - -

But you're being asked question.---Yeah.

Do you remember what the question was?---How can I answer that? I mean just say that.

30 MS ELLIS: And you can see that Mr Maguire has then replied to you, "G'day, Gordon. Happy Xmas. Will you be in Wagga? Got another good customer for us. Regards, Daryl." Can you see that?---Mmm.

Was that Mr Maguire telling you that he was going to introduce another customer to the business that you two were doing together?---"In the horse year." Probably because I know they always see each others and sending them together in one email.

No, you're, Mr Tse, you're answering the question I asked earlier.---Mmm.

40 We've now moved on from that question. And the question that I asked you was, when Mr Maguire said to you, "Got another good customer for us, regards, Daryl," he's saying to you, I've got another customer for the business that we're doing together, you and Mr Maguire. Is that right? ---Honestly we don't do business. I mean he introduce customer to me as the purpose of helping them or helping me and I don't know, but - - -

Well, he said, "Us."---But I don't, I don't treat this as a business relationship between Daryl, Mr Daryl Maguire and I because I never pay him, never intention to pay him anything.

Well, Mr Maguire said, "I've got another good customer for us." And he sent the email only to you.---Mmm.

10 And so the only reading of that I'd suggest to you is that the customer is for you and him. What do you say to that?---Well, that means he's did another favour for me, or something like that.

THE COMMISSIONER: No, not for you, but for both of you. That's what he's saying, isn't it?---Mmm.

Isn't he? That's what he's saying in those few words, he's got another - - -? ---Oh, another good customer for, for us, regard, mmm.

20 And that is for us, and you understood he was saying, he's delivering you news that he'd come across somebody who he describes as a good, another good customer for both of you. That's what he's saying, isn't it?---Yeah.

And the word "customer" - - -?---We've got the next, the next email, see who the customer is.

Yeah, well, we don't know. We ask the questions. No, listen.---Yeah, yeah. You're right. He sounds like customer for us.

30 Yes, he's not saying, "I've found another good friend for us," he's saying he's got another good customer for us. That means talking in commercial terms here, isn't he?---Yeah. Mmm. Yeah. Looks like it.

40 And you understand what he was referring to, don't you? You understand what he's referring to.---Yeah, I, understand. But what you think is different to what the truth is. I say it one more time. We, whatever he help me or introduce people, or I help them, and we know we can't return any favour to Daryl, especially with money. But we know that from day one, but, but we didn't realise to do the introduction, all these things, and I never tried to pay him through anybody else (not transcribable) never, ever in my life even apart from Phillip or anybody. No. And what Phillip brought over, yeah, we pay him the, the right share. That's the truth. But as you said, yeah, it look like another good customer for us.

It doesn't say how many good customers he's found for you before, but he's saying it's another good customer.---Yeah.

Do you mean to say he's doing all this, finding customers, letting you know, going down to - - -?---Usually all - - -

No, no. No, no. Please don't interrupt me. Do not interrupt me. Do you understand that?---Okay.

You mean to say that Daryl is finding good customers for both of you and he's doing that out of the goodness of his own heart and there's no commercial aspect, no commercial outcome, for either of you? Is that what you're seriously saying or implying? He's not doing it out of the goodness of his heart, is he?---He would not get any benefit from me to start with. He may get something else from me (not transcribable)

10

Yes, well, it doesn't matter where the money's coming from at the moment. We're just discussing the nature of your relationship with Daryl at this time. It is plain, isn't it, from this and other material you've been taken to, that he was working hand in glove with you from time to time in order to obtain commercial outcomes for the mutual benefit of you and him, correct?---(No Audible Reply)

It's obvious, isn't it, from the - - -?---Not true because - - -

20 Not true? Well, why is he doing this? Why is he going to the trouble of finding customers, coming to you, telling you about it, sharing it with you? ---We - - -

No, no. Haven't finished.---Okay.

Getting on planes to come to Australia to meet these people. Is he doing this out of his love for you or friendship for you, or is he doing it for some commercial reason? What's the answer?---Well, if you go, if you go through all the business record - - -

30

Just answer my question.---Mmm. Because you - - -

What is he doing, what was he doing this for? Was he doing it for the love he held for you or friendship with you? Was he doing it as a charitable act? Or is he doing it as a matter of business?---I think it's a friendship and business.

Friendship and business? Okay.---Because we do helping lots of people - - -

40 Well, you were friends, weren't you? You were friends.---No I don't (not transcribable)

But you were friends with Daryl, weren't you?---Yeah.

Yes. And you're also in business.---I never - - -

No, no. Please listen to my questions and don't keep talking over me. ---Okay, okay.

Do you understand? Do not talk over me.---Mmm.

I don't want to keep pulling you up and reprimanding you, so if I tell you and make it very clear, then if you just do not interrupt.---Okay.

Okay. You were both friends, weren't you, at the time of this email.---Mmm.

10 Exchanging Christmas greetings, correct?---Yeah.

You were also business associates together, weren't you, at this time? ---Yeah.

Right. As you say, it was friendship and business that brought you two together and that you continued to pursue, correct?---Yeah.

20 Right. And what sort of businesses were the – at this time in December 2013 – were you both interested in and sharing together?---In, in this email, what business? I don't even know.

At this time. At this time. What business interests had you been pursuing with Daryl.---Number one, I can't remember. Second - - -

Is that a truthful answer?---He, he - - -

Is that a truthful answer? You can't remember?---I can't remember. For, for a good customer.

30 But you admit that you had a business relationship with him. But are you saying seriously you can't remember what that business relationship was about?---No, because not even who, who the, who the guy is.

40 I'm not talking about this guy I referred to in the email. I'm talking about you have admitted that you and he were business associates. Do you seriously say you can't now remember what business you two were engaged in as at the time of this email, late December or, sorry, late 2013? You say you don't even remember now what business you were engaged in with him? Is that a serious answer?---We never have a business relationship but he did sending people to me to, to help to do business.

But you just admitted a moment ago that, you admitted a moment ago you did have a business relationship with him. You said you were friends and business associates.---Well, you, when you ask me so many questions, I've got to give you the answer, then I - - -

Let's go back. Let's go back.--- - - - I'm not allowed to explain that.

As at December 2003, you shared both a friendship and a business interest with him, him being Daryl, correct?---When he sending customer to me, must mean business, right?

Yes. So the answer to my question is yes, is that right? You were both friends and business associates together.---Yeah.

Now, the next question was, what sort of business were you and he engaged in or interested in as at December 2013?---Our business relationship?

10

What did it involve at that time, late 2013?---We don't have official business relationship.

Don't worry about the word "official". Just tell me. What was the relationship, the business relationship?---Business relationship. What do you mean? Can you tell me?

20

What was it?---All this year, he keep sending contact to us, whether they do business or they just come for visit, and, and Daryl and I never have a formal business relationship. Not that I know of.

But you did have a business relationship.---Looks like it but no true (not transcribable)

MS ELLIS: Mr Tse, I want to jump ahead to 2016 and return to the subject of the Shenzhen Asia Pacific Commercial Development Association, which I believe is the organisation you were telling us about this morning. I'm going to take you to page 161. It'll come up before you on the screen. Have you seen this document before?---Mmm.

30

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

And in what circumstances have you seen this document before?---I think the, Ms Wang I think send me a copy.

And what is this document?---It's a minute of the meeting.

And is this the meeting that you were telling us about that took place in Parliament House in Sydney?---Yes.

40

And this is on the 20th of July, 2016, is that right?---Yeah.

And you attended this meeting, is that correct?---Yeah.

Along with Mr Maguire?---Yeah.

And somebody called Sumassy Singin, who is a consular official for PNG, is that right?---Yeah.

Two business representatives known by Mr Geoff Black and Mr Mark Hoskings. And did Mr Li also attend this meeting?---Yes.

Right I want to take you to a translation that's been prepared by the Commission of this document on page 1658. It's been prepared by a translator. So this is a translation and can I ask you firstly, although the minutes we were just looking at are in Chinese script, was the meeting conducted in English?---Mostly English.

10

Well, Mr Maguire was there and he doesn't speak Chinese so it must have been, in large part at least, conducted in English, is that right?---Yep.

And you can see that the location of the meeting is shown as the meeting room of Parliament of New South Wales, Sydney. And then there are some titles listed next to the people who are present and you can see that Mr Daryl Maguire has been identified as the Secretary General of the New South Wales Government. Can you see that?---Yep.

20

Do you know where that information came from?---Sorry?

Do you know where that information came from?---I don't know.

And there are some other titles listed there for Mr Maguire, including honorary chairman of SAPCDA. Can you see that?---SAPCDA. That's the organisation we set up.

30

Yes. And was Mr Maguire the honorary chairman of that organisation?---Yeah, offer him.

You offered that to him?---Huh?

Did you just say you offered that to him?---That must be Mr Li.

So Mr Li.---Nominate him, yes.

Did you know that Mr Maguire was the honorary chairman of the organisation?---Did he know?

40

Did you know that Mr Maguire was the honorary chairman of this organisation?---Honorary Chairman, yeah.

You knew?---I can remember.

What did that title mean?---Mr Maguire helping to contact all the consul general and chamber of commerce organisation and be, try to dealing with us and we thought we would have his name in the organisation, look more official.

To make it appear as though he had some ability to represent the organisation, is that right?---Yep.

And was he, in fact, part of the organisation, Mr Maguire?---Yeah, he did help a lot with the contacting people, you know, supplying all the information.

And was Mr Maguire there for the whole meeting?---Yes.

10

And the meeting took place from 12.00pm to 4.30pm, is that right?---I can't remember.

That's what's recorded on these minutes here.---Yeah, it's long meeting.

It is a long meeting. So were a number of things discussed at that meeting?---Yes.

20

Which are recorded here in these minutes, I'd suggest. And at some point in time, Mr Sumassy Singin, who is the Consul General of Papua New Guinea, came to the meeting and gave a presentation, do you remember that?---Yep.

And what was the purpose of Mr Singin attending that meeting?---What's the - - -

30

What was the purpose? Why did he come?---I think first of all, we've got to know did, did he have any interest to support this organisation to helping develop tourism and education and then they, if they are, they need to, I think they sign MOU or something and then they got to organise their committee of the, their local chamber of commerce to meet with us.

And, Mr Tse, I want to take you to the paragraph which is the second paragraph under the heading Background of Meeting. And it says, "SAPCDA is a non-government organisation and has rich enterprise and business resources in China." Was that an accurate statement?---Yep.

40

And the purpose of establishing SAPCDA is to open up extensive business cooperation, information sharing and mutual development within the South Pacific island countries in areas such as tourism, marine resources, agricultural resources, mineral resources and real estate and at the same time, to actively participate in charity events that assist with the development of the backward areas in the island countries." Was that an accurate statement?---Yeah.

And so there were two purposes to the organisation, the first being a business purpose, is that correct?---Yep.

And the second being charitable purposes, is that right?---The - - -

The second being charity, there was a possibly of some charity being done along the way?---Yep.

But really, substantively, this document suggests to us that the primary purpose of the organisation was business purposes.---Yep.

Can you see that or would you agree with that?---Yep.

10 So on page 165C, we'll just get I told you up in front of you, we'll scroll down a little further where it says DM in the minutes, which the minutes indicate is a reference to Daryl Maguire speaking, and he thanks Mr Singin for attending the meeting and says, "In my opinion, when SAPCDA is up and running, the first thing to do is to arrange a team to Papua New Guinea to look for local business opportunities and invigorate the economic interactions between the two countries." Do you remember Mr Maguire saying that at the meeting?---Which paragraph again, sorry?

20 Yes, so the one that starts with DM.---Okay, DM, okay.

And it's the third sentence in that paragraph. "In my opinion when SAPCDA is up and running." So there was, there was discussion at the meeting about the idea that the first thing that should be done with this organisation is looking for investment opportunities in Papua New Guinea, is that right?---Yes, Papua New Guinea, we never been there.

30 But at this point in time, the intention was that this organisation would Start looking for investment opportunities in Papua New Guinea, is that right?---Yep.

And these were business opportunities?---So he said.

So he said but that's what was reflected in the minutes at the time and I'd suggest to you is what the organisation was intending to do at the time, is that right?---Yep.

40 Can I take you to page 165F. This is Mr Li speaking. I want to take you to the third paragraph of the information that's recorded for Mr Li, Mr Li says, "South Pacific Island countries are very rich in tourism, mineral and agricultural resources and have many undeveloped areas which create great potential for the business and trade with China. What SAPCDA should be able to do is to utilise our rich enterprise and business resources in China to build high level connections and to establish communications with the target regions in the South Pacific countries to look for projects with the development potential and to connect projects to funds." So Mr Li wanted to use the organisation to connect projects to funds, to make money out of projects in the South Pacific islands. Is that right?---What's the, what's your - - -

Mr Li wanted to use the organisation to make money out of projects in the South Pacific region. Is that correct?---Make money? Yeah, business, yeah.

It was for business. Is that right?---Mmm.

And you were there for business as well?---I'm part of the group.

10 You're part of the group which was there for business. Is that right?
---Mmm.

Sorry, is that correct? Could you answer that on the record, you were part of the group that was there for business. Is that right?---Yeah.

And Mr Maguire was part of the group that was there for business as well?
---But the group have so many different - - -

20 Well, we've looked at minutes which show us that the group was primarily
there for business. That was the first thing Mr Maguire said the group
should go and do, is look for business opportunities. Mr Li says, look at
these opportunities that are available to us, the first thing we should do is to
go out and connect projects to funds. We should all be going out and doing
projects. Mr Maguire was part of the group, was he not, and he was there
because he was also interested in the business opportunities the group was
going to be generating?---Mmm.

Is that correct?---Yes.

30 And then in April 2017 - - -

THE COMMISSIONER: Can I just ask a couple of things on that?

MS ELLIS: Yes, Commissioner.

THE COMMISSIONER: According to the minutes of this meeting, 20 July, 2016, the meeting was actually held in the Parliament House building. Correct?---Yep.

40 The only parliamentarian who was present at this meeting was Daryl
Maguire. Is that right, is that correct?---Yeah.

There was no other representative of government present at this meeting at any stage. Correct?---Yep.

Is that right?---Yep.

There was no other member of parliament present at this meeting in Parliament House other than Daryl Maguire. Is that right?---Yep.

The minutes were taken, the minute-taker was Zoe Wang. Who again was Zoe Wang? Who was Zoe Wang?---She's from Perth.

What's her business or profession or what was it at that time?---A marketing person.

A marketing person. Did she, who did she work for, do you know?
---She work for herself.

10

I see. So there was no one present in this room at Parliament House who was a member of the staff of Parliament House?---At the meeting?

At the meeting. Is that right?---It's one assistant from Daryl's office.

An assistant from Daryl's office was there.---Yeah.

20

Do you remember who that was?---Nicole I think, but she only helping to set up everything. I don't think she was there, you know, just, I'm not 100 per cent sure.

So - - -?---But she's not in the meeting.

She was not at the meeting?---Yeah.

And there was no other staff member of Parliament House present during the course of the meeting?---No. Beside us.

30

So although this meeting was held in Parliament House, it was really a private meeting of this association, call it an association or organisation, that Mr Daryl Maguire was establishing. Is that right?---Yep.

So it was in no way a meeting that had anything to do with the New South Wales Government, so far as you could see anyway. Is that right?---Not directly.

40

No. Did you wonder why this meeting was being held and conducted in Parliament House when it had nothing to do with parliament, had nothing to do with the government or the opposition or any other party in parliament?
---Only one thing I can think of, he's always in the, what do you call it, hearing or, and is in and out.

You mean in and out of the chamber, parliament chamber?---Yeah, in the chamber, yeah.

So he had business, perhaps a bell would ring and he would leave the meeting and go into the chamber and then come back again?---Come back when the, when the break.

MS ELLIS: I want to take you to April 2017. We're going to go to page 170. And this is when you travelled to Vanuatu, Fiji, Tonga and Samoa with Mr Maguire and Maggie Wang, I'd suggest to you. Do you recall that trip?---(not transcribable)

Coming up in front of you on the screen in a moment.---Yeah.

Who organised that trip?---I think Maggie.

10

You think Maggie organised it.---Because she's a travel agency as well, yeah, something like that.

Sorry, what did you just say?---She, she might have a travel agency business. I'm not quite sure.

You think Maggie has a travel agent business.---I think so. But anyway, she organised the trip and the hotel and everything else.

20

You think Maggie organised all of it?---Yep.

Can I show you on page 170, this is an email from a member of staff of Mr Maguire called Adriana Lions.---Mmm.

And she sent an email to your email address, to Maggie Wang, and to an email address for somebody called [REDACTED], and she's copied it to Mr Maguire.---Mmm.

30

And she's attached something called, "Daryl Maguire Itinerary." But she's said to the recipients of the email, "Please find attached itinerary for the islands trip, 7-16th of April, 2017."---Mmm.

Did Ms Lions have any role in organising the trip for you?---I don't know her.

You don't know her. She didn't do anything to organise the trip for you? ---Adriana, I, I don't know this lady.

40

She's at least sent you the itinerary that Mr Maguire will be following, we can see that over on page 171 and 172.---Mmm.

And was this the trip that you went on with Mr Maguire in 2017?---Yes.

And was Ms Wang also there, Maggie Wang? Maggie Wang, was she also there?---Maggie Wang, is it?

Yes. Was she also there?---Yeah, yeah, she there, four of us.

And did Mr Li also travel?---Yep.

And did you look for any business opportunities on this trip?---(No Audible Reply)

Did you look for any business opportunities on this trip?---(not transcribable) me myself?

10 As a group, did any member of the group, either collectively or individually, look for business opportunities on this trip?---This trip is to lobby, lobby them, all the chamber of commerce organisation in the whole Pacific region to join us with the firm.

And this is the SAPCDA organisation?---Yeah, yeah.

And you're trying to - - -?---So without them there's no such thing.

20 And that was the main purpose of this trip, was to encourage these - - -?
---Yeah, without they come along you don't have this organisation, see, it's only Mr Li, his organisation from Shenzhen and need all this island countries chamber of commerce to join to become this forum.

Well, when you say "his organisation", it was your organisation as well, wasn't it?---Not quite.

30 You told us that this morning. You said it was me and Mr Li.---Yeah, to form this new one, but this, whatever they say, the, the organisation (not transcribable) to need other chamber of commerce to get involved with the Shenzhen Chamber, otherwise they only got Shenzhen, no Pacific. And then they also want to get a few Asian country.

Correct me if I'm wrong, Mr Tse, that was for your organisation, SAPCDA. You needed both the Shenzhen Chamber of Commerce and the Pacific Island Chambers of Commerce to join your organisation. Is that correct?
---No, it's not the way. The, whatever it called, the SP, SAP, right, whatever they - - -

40 Yes. SAPCDA.---They registered in Shenzhen by Mr Li's organisation. So in China to, to get a registration for a, a private organisation is very difficult. Here, anyone can register a so-called organisation, right? But not in China. But he managed to get that registered and be able to invite a few other organisation to join their so-called forum. So we've been talking about it for a long time (not transcribable) so you've got to have all other sign the MOU they're willing to join, then - - -

Then the organisation's formed.--- - - they will all go to China in 2018, which last year, to officially launch this in a ceremony, right? But it never happened.

So, Mr Tse, at this time things were still unofficial but the organisation was in the process of being created. That's what you were trying to do.---Yes.

And it was your organisation and Mr Li's. It was your idea that you were trying to - - -?---My idea.

10

- - - trying to make come to fruition. You were trying to create a company and that's why you were travelling on this trip. You were trying to create an organisation and that's why you were travelling on this trip with Mr Maguire in 2017, to encourage the other Pacific Island nations to join. ---Yeah. Then we need Daryl to introduce all the contacts to us.

I understand.---To join the forum.

20

Commissioner, I note the time, but if I had 15 more minutes, I could finish Mr Tse's examination this afternoon.

THE COMMISSIONER: Well, I think we should if we (not transcribable)

30

MS ELLIS: Thank you. And were there any business opportunities on this trip being investigated by any of the members of the trip, whether it's for that organisation in the future, whether it's for future profit? Was there a business element of the trip apart from just meeting with the chambers of commerce to encourage them to join an organisation?---Not with this trip. No. The main topic, I mean, the mission is to lobby them to join, to join with the SPA forum.

Can I take you to page 178.---Mmm.

40

On the 20th of April, 2017, from an email address ceosamoachamber, somebody called Hobart Va'ai, V-a, apostrophe, a-i, who is the chief executive officer of the Samoa Chamber of Commerce, sent to Maggie Wang, yourself and Mr Maguire an email which reads as follows, "Hello, Mr Li and members of the SCPACT delegation. Thank you again for visiting the Samoa Chamber of Commerce and our country. As requested, please find attached to the information you requested in regards to, one, tax charges in Samoa, two, the casino licence. And, yes, we are very interested in CCIC coming to Samoa." Can you see that email?---Mmm. Yeah.

So Mr Va'ai has sent to you information about tax charges and the casino licence. What was the purpose of that information?---The casino licence, yeah, I remember some conversation in a meeting. They try to develop a coast, a waterfront, sorry, a waterfront development in the Samoa, and they were looking for a large funding or big company to do the development, and

they whoever have the funding, they will possibly can apply for casino licence in that development.

So who is “they” in that sentence? You said they were looking for it.---(not transcribable) in the chambers meeting.

And who wanted the information about the casino licence?---Oh, Mr Li.

10 And so he was looking for a business opportunity in Samoa at the time?
---Yeah.

Yes. Is that correct?---(not transcribable)

Why didn't you tell us that before when I asked you about business opportunities?---I can't, so many meeting and they talking so many thing.

And so many business opportunities being discussed?---Not that much because they too small.

20 I mean, a casino licence is a fairly big business opportunity, though. It's not, you know, a fruit stand or, you know, it's, it's a large business opportunity that surely you would have remembered being on the table for discussions, would you agree?---Yes (not transcribable) but they have, they have some big beaches, you know, lots of potential project (not transcribable) they talking in every, every other city.

30 So there were a number of discussions involving Mr Li about business opportunities?---Yeah, yes, a few but there's not, not something, you know, really substantial.

THE COMMISSIONER: So am I to understand that Mr Li and the other members at the meetings had expressed interest in examining the possibility of development which would include a licensed casino? Was that a matter of discussion when the Samoan meeting took place? Or meetings?---During our, during our trip?

Mmm.---You mean there have been serious discussion?

40 No, any, any. I'm looking at this email, which is sending information, and it commences, “Hello, Mr Li and members of the SCPACT delegation.” And it goes on to say that it's attaching information regarding the tax charges in Samoa and the casino licence. And do I take it that you have to understand that behind that there had been meetings at which there had been some discussions involving Mr Li and other members of the group in Samoa as to the possibility of a development which would include a casino or which had a licence, a licensed casino.---What's the question?

Were there discussions along those lines when you were there in Samoa?

---During our meeting, not that much, because I can't remember exactly but I think they will try to get them to follow up a few more details to supply to Mr Li.

Why do you understand this email is in part at least addressed to Mr Li by name? Did he express an interest in a possible development in Samoa, which would include a licensed casino at some stage, when you're in Samoa?---Let me think. They were interested with this city because something else. Mr Li, Mr Li aware this city have another relationship to do with Shenzhen some years ago.

You go on, Ms Ellis.

MS ELLIS: Thank you.---Yeah.

I want to move to one last topic, Mr Tse, before we finish for the afternoon. Page 189 of the bundle. What I'm going to show you is a document that's been put together by a financial person within the Commission. It's a document which reflects records that have been obtained by the Commission, which are bank accounts, and then traces of those, of particular deposits within a bank account to show where money's come from. So the table I'm going to show you is a summary table, but we can go to the records and sit behind it if we need to.---Mmm.

And the table shows deposits that have been made into an account in the name of G8way International Pty Ltd, which is the business or the company we've been talking about this morning, G8way International.---Mmm.

Now, the particular entries I want to take you to are items 1 to 6 in this table, and what they show is that on the 23rd of December, 2013, an account in your name, Gordon Kar Ming Tse, transferred \$3,985 into the G8way International account. The second, on the 17th of January, 2017, again in your name, and the transfer was \$3,985. Then on the 28th of May, 2014, another transfer in your name of \$4,985 and then we move to the 7th of August, 2014, and now we have the Golden Sample International Ltd company name appearing and the amount of \$4,985 was transferred into the G8way International account. Then on the 15th of July, 2016, again, Golden Sample International transferred \$18,191.06 into the G8way International account. And finally, on the 28th of December, 2017, Golden Sample International Ltd (From Gordon, Hong Kong), \$3,985 in to the G8way International account. Now, can you tell us what those amounts of money related to?---It's all the commission to pay Phillip.

These are Phillip's commissions?---Yeah.

One of those commissions is for \$18,000. Can you see that?---He must have a few big shipment of furnitures.

What did, what did the \$18,000 payment relate to?---Commission.

Yes, but what specific deal did you pay Phillip \$18,000 for?---He must be, like, a certain percentage of the total invoice.

Now, again you said to us this morning that you're sure these were commission payments to Phillip and not to the G8way company but what I am showing you is that that money's gone - - -?---I, is that account is the G8way, G8way?

10

This money's gone to the G8way International Pty Ltd account.---Well, I, I didn't know that because the girl did all the transaction, so - - -

Where did the information come from for the transactions?---Huh?

Where did the information come from for the girl to know where to send the money to?---Where did the information - - -

20

How did she know where to send the money?---The, the, the girl just did it.

Well, she must have got the information from somewhere. Where did that come from?---Phillip must be supply her account to them.

And you would have had to authorise those payments, is that right?---Yes.

What system within your company do you use to authorise payments? Do you have to sign off on something?---Not with this because it's in a contract.

30

It's in a contract?---Yeah. On the invoice, they've got to have invoice.

But are your invoices ever subject to approval by you? Do you have to look at the invoice and say, yes, that's not a fraudulent invoice, those services were definitely provided, therefore the commission can be paid, I approve paying \$18,000?---Until now, I didn't know this G8way account, right and then, I will authorise them to pay the commission when we receive the money, we pay Phillip in Wagga Wagga.

40

And what form does that authorisation take? Do you send an email, do you stamp a document, do you sign a form?---No, we were in the same office. We just - - -

So it's verbal?---Could be.

There's no record kept, you don't keep a record in your company?---They may, they may sometimes they may need me to sign some signature.

And where would those records be held?---All in Guangzhou.

Right, and you see where some of the traces have identified the account in your person name rather than the business name?---On, the last one? Oh, the first one.

The first, 1, 2 and 3. The trace reference indicates that it's come from an account registered in your name to an address, Flat B, 19/F Block 2, Greenfields. Is that a familiar address?---Yeah, that's my ex-wife's address, yeah.

10

Okay so would that indicate that that would be a personal bank account that was being used for those payments rather than a business account? Was that a personal account?---Oh, the - - -

The one in your personal name?---Yeah, it is.

And why did the money come from a personal rather than a business account?---When we receiving money, when people doing transaction and sometime they put in a personal account, we've got send that money again from Hong Kong to China, so it's a couple, a few different ways you send the money from Hong Kong to China.

20

And you sometimes use your personal account for business transactions, I guess?---Yeah, all, all the time but both of them we, we handed to the accountant anyway.

And you say again you had absolutely no idea that the money was going to G8way International?---Yeah, I didn't know, I didn't know the accounts are owned by G8way and, but that doesn't matter. I mean, we just send the money to him, whatever account he use.

30

Commissioner, I don't propose to ask Mr Tse any further questions unless you have anything further.

THE COMMISSIONER: There was one matter. Are there any particular documents you require Mr Tse to produce to the Commission?

MS ELLIS: Well, Commissioner, it's crossed my mind whether we should ask Mr Tse to produce all records relating to payments made to Phillip Elliott for the period 2012 to the end of 2017 and that would include, but not be limited to, records of commission payments, authorities, invoices, purchase orders and email correspondence.

40

THE COMMISSIONER: Yes. Well, then I think what we might do before we – we'll complete this hearing shortly, but we might have you type up or have typed up a single page statement which specifies so that Mr Tse will know what his obligations are as to the class of documents you've just mentioned or anything else.

MS ELLIS: Thank you, Commissioner. May we seek a five minute adjournment?

THE COMMISSIONER: Yes. I think we'll do that. So Mr Tse, we're going to adjourn just for five minutes or so, maybe 10 minutes. I'll resume and then you'll be told what documents are required and then you'll be released for the day. So we should finish around about 4.30, between 4.30 and quarter to 5.00 anyway and that'll complete your examination. So if you wouldn't mind, you can take a seat in the back of the room or just wait outside if you like and Commission officers will speak to you shortly and then I'll resume in about five or 10 minutes. So I'll adjourn for a short while.

SHORT ADJOURNMENT

[4.17pm]

THE COMMISSIONER: Yes, Ms Ellis.

MS ELLIS: Commissioner, may I hand up a document that was signed by you earlier this afternoon and directed to Mr Gordon Tse and it's a requirement for production under section 35(2) of the ICAC Act.

THE COMMISSIONER: Yes, thank you very much.

MS ELLIS: There's a copy for the witness as well.

THE COMMISSIONER: Thank you. Is that the original or - - -

MS ELLIS: I have the original here, Commissioner, which I can provide to the witness if you would like.

THE COMMISSIONER: Now, Mr Tse, you'll see that this document requires you to produce documents which are set out in paragraph numbered 1 and the time for producing the records specified is 10.00am on the 22nd of February, 2019. Those documents can be posted, couriered or emailed to the Commission and the necessary address details are set out on that document. If you have any questions the document indicates you may contact Mr Grainger on the number set out in the document. Can you see that there?---Original, I've got original - - -

No, they don't have to be originals, they would be true copies of records you hold.---Can we scan them and send them in?

Yes, you can scan them. Now, do you understand? So this doc, the, I make an order under section 35(2) of the Independent Commission Against Corruption Act 1988 requiring you to produce the documents set out in this

document entitled Requirement to Produce Documents dated today, 5th of February, 2019. You understand, Mr Tse, that's in the nature of a summons or subpoena to produce documents and you are legally obliged to produce the documents. You understand? If you have any queries you can phone Mr Grainger on the number on this document.---Okay.

10 But I just want to, so that you understand your legal obligations, just to emphasise the order I've made is a legal, legally binding order on you and you must comply with it, otherwise you'd be in contempt of the Commission and of course we don't want that situation to come about, that's why I'm taking the time to explain this document to you. Do you understand what I'm saying?---Yep.

Very good.---I, I send them to Paul?

20 Well, you send, send them through, if you're going to email them, at the address set, set, set out in this document and then they'll be received by us in the ordinary course of transmission, alternatively you can send copies, photocopies in but they have to be here by 10 o'clock on the 22nd of February. Okay.---Yep.

Now, Mr Tse, one other matter. You will recall at the outset of today's examination that I made an order which is called a non-publication or suppression order. It means that you are not permitted to divulge to anyone the fact that you have been here today and given evidence, you are not to convey or communicate to anyone the evidence that you have given or the nature of the evidence you've given or the questions you've been asked. Do you understand that?---(No Audible Reply)

30 You do?---Yep.

The reason again that I am spelling this out to you is, as you may recall me saying when I made that order suppressing publication and communication, that if somebody was to breach that suppression order, that would be a criminal offence. We wouldn't want to see you commit a criminal offence, that's why I'm spelling it out so you know what your legal obligations are. Do you understand?---Yes, sir.

40 So you must not communicate what's happened here today with anyone. ---Yep.

Having said that, Mr Tse, you are under summons to give evidence. I don't at this stage excuse you from that summons, in other words, it continues to bind you, but any further requirements the Commission has of you, you'd be contacted and given due notice. Do you understand?---Yeah, sure.

Thank you. Mr Tse, thank you for your attendance here today. You are now excused to go home, but the summons is still binding on you, but

should you ever be required to appear again you would be given due notice, as I've said. So you understand the summons continues to bind you but you're at liberty to leave today.---Yep.

Thank you.

MS ELLIS: Commissioner, before you rise, may I ask that we mark the requirement to produce as an MFI in this proceeding?

10 THE COMMISSIONER: I'm sorry, the order?

MS ELLIS: Yes, could I ask that we mark the requirement to produce as an MFI?

THE COMMISSIONER: Yes, indeed.

MS ELLIS: Thank you.

20 THE COMMISSIONER: The document entitled Requirement to Produce Documents dated 5 February, 2009 and addressed to Mr Gordon Tse will be marked for identification and that will be given an MFI number, number 1. Thank you. MFI1.

#MFI-001 – REQUIREMENT TO PRODUCE ADDRESSED TO GORDON TSE DATED 5 FEBRUARY 2019

MS ELLIS: Thank you, Commissioner.

30 THE COMMISSIONER: Nothing else?

MS ELLIS: Nothing else.

THE COMMISSIONER: Then I'll adjourn.

MS ELLIS: Thank you.

THE WITNESS WITHDREW [4.50pm]

40 **AT 4.50PM THE MATTER WAS ADJOURNED ACCORDINGLY [4.50pm]**