



Now, you also mentioned that you were engaged with Mr Maguire for some period of time to develop some projects.---Yes.

10 Do you recall when this was?---I cannot remember exact dates, right, but I can remember what happened.

Well, if you could tell us what happened.---Okay.

20 And we'll start from there.---What happened was Mr Maguire knew that we, we worked with government, Chinese Governments. They own company. We do have interest to seek, to, to develop some projects and we do have some resources so he was the one try very hard to bring those projects related to Wagga Wagga. Personally I don't think Wagga Wagga is ideal place anyway but I think because he can smell the opportunity and then he personally as an MP for the region he did try very hard. He went to China many, many times and just tried to build the personal relationship with the Chinese Government or local officials to influence them or to sort of, you know, to make them think about Wagga Wagga and as a consequence, right, because in China those decision was made, not the commercial decision largely was one person decision and then the project was going to settle in Wagga Wagga and I think that, and I quite respect him in that way to be honest because he did try extremely hard for the people of the region.

30 Now, you said we a lot in that answer.---Yeah.

Who are you talking about when you say we?---I mean me and my company colleagues and the people that I, you know, work with me at the time. We did talk about this.

And what's the company called?---At that time it was called AC Capital Investment.

40 Was it ACA Capital Investments Pty Ltd?---Yes.

And was there anybody else involved in that company with you?---Yes, Humphrey.

And is that Humphrey Xu?---Yes.

X-u?---Yes.

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And what was your role in that company at the time?---I was the general manager at that time.

And what was Humphrey's role?---He's a company director.

And you both worked with Daryl to bring this project to Wagga. Is that right?---Yes, yes.

10 And the particular project was that something that you could describe as the Wuai Trade Centre?---Yes.

And did Mr Maguire have any interest in that project apart from as the Member for Wagga Wagga?---I don't think so.

Now, your earlier answer referred to developing some projects, plural, with Mr Maguire.---Yeah.

20 Were there any other projects that you worked on with Mr Maguire at the time?---No. Because he try to understand what we do and what can we do and what, what we can help, you know, what resources we have. We talk about some small things in the beginning and such as helping the, the local people to build some sort of, sort of electronic something, you know, but but that was something too small for us and I just offer some contacts for him in China to help the local companies to do the deals, you know. I probably personally provide some assistance to, to the company and visit Qingdao and visit Zhejiang Province to the factory. That was it. And there's some bits and pieces, small things that I assist him only in a personal level, not the company level.

30 Okay. Did you refer to another company in your answer just then, was there another company you were talking about or is it just your company you were talking about in your answer?---My company. There is some, some company in the region of Wagga Wagga and for example there is some company, I cannot remember the name, but they produce wine and they want us to help to, to sell the wine in China and there's a, there's a, there's a, there's a beef company or whatever, those small things and I cannot remember, so my company will not be interested as a state-owned Chinese Government company, but I do provide some personal contacts, yeah.

40 So your company, ACA Capital Investments Pty Ltd is registered in Australia. Is that right?---Yes, yes.

But is it connected to a state-owned Chinese company in some way?---We provide service for them.

And what's the Chinese company called?---Oh, no, we, we actually provide service for say like a state-owned company like Wuai and yeah, those companies and also with the consultant for the Chinese Government as well.

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And Mr Maguire was asking for your help with some smaller commercial ventures. Is that right?---Yeah, not, not his, but his friends, you know, people, maybe people in Wagga Wagga and they're, they're, they're neighbours or they're, they're friends in the local region. But Mr Maguire, I think because his background is also commercial background, he also have, he's quite realise the region be disadvantaged because of the location, so you know, there's all the connection as well. So I think we probably we the very first Chinese business people they, they engage with, yeah.

10

And did any of those connections that you tried to put together for him achieve any commercial success for these local people?---Yeah, but I didn't follow, I didn't follow up, you know, I just provide a connection then I just didn't follow that up.

Do you know for example if Mr Maguire was able to help his friend to sell some wine in China?---No, he just bring us to, to the wine factory or whatever in, in, in there and then I was not interested but we just drink couple of wine and then, and I didn't know any details after that.

20

Did you charge anybody any commission for the assistance or any introduction fee?---I didn't.

You didn't.---Yeah, I didn't, because it was, to me it's, it's, it's just, yeah.

And do you know whether Mr Maguire charged any fee for the assistance that he was providing?---I think that was too small for him as well. I didn't, I don't think he's interested in that.

30 What makes you think that?---Honestly, I don't know, and I didn't see anything so I was not interested, I don't think any other people will.

Have you ever heard of a company called G8way International?---Yes.

And how did you hear of that company?---I think Mr Maguire mentioned that to me.

40 What did he tell you about it?---I think he said that he, he, he will form a G8way International. I think, I think he mentioned, I heard about that but I, I, I never involved with that.

So you think Mr Maguire said something to you along the lines of he will form the G8way company. Is that correct?---Yeah. I heard from somewhere, yeah, from one of or two of conversations, but - - -

And were those conversations with Mr Maguire or were they with someone else?---Oh, gee, I cannot remember, but I heard about those companies, you

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know, because sometimes when we have the meeting was not just me, it was somebody else as well.

And who else would attend those meetings with Mr Maguire?---Look, sometimes we just, you know, as you, you may know that during that period of time we did have a huge connections with Mr Maguire and the State Government, so I don't, when I know he's in office sometimes would just, just pop in and say hello and talk for a few minutes and not just me, many other people did the same thing, so, so I just cannot recall those details.

10

So there were a lot of meetings and a lot of people coming in and out of meetings possibly during the time that you were dealing with Mr Maguire? ---Yeah, yeah. You know Mr Maguire's office, just the whip, you know, everybody passed to, you know, to get a lolly and say hello and go, you know.

And is this his office in Parliament House?---Yeah.

20

How many times do you think you went to visit Mr Maguire in Parliament House roughly?---Yeah, at that time was quite often, maybe more than 10. I cannot remember. Quite often at that time because we do already have a very heavy business engagement yeah, at that, only on that period of time only.

And all of these meetings were for this business engagement?---Yeah.

[REDACTED]

30

[REDACTED]

[REDACTED]

40

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

10

[REDACTED]

20

[REDACTED]

And the email I want to take you to is the one that was sent on 21 February, 2011, and it's one from you which says, "Daryl, would we have the big dining room with park view? I think it is much nicer. Regards, Lydia." ---Mmm.

Do you know what you were talking about when you sent that email?---I cannot remember which one, but I did organise some sort of a functions in, in, in, all related to the project at the period of time, but I don't know, cannot remember those details. I did host a few dinners or events in the cooperating with Mr Maguire, yeah.

30

And when you say Phil, are you talking about the Wagga City Council general manager?---No, no.

Or did you say the word few?---No, no. For example, our Premier, I mean the Liaoning Province Premier that came to sign some sort of MOU with the, with the Premier of New South Wales, but I think Barry, I didn't have time, but we didn't think that was polite, you know, to shake hands and sign, you know, let's just push them out of the door, it was my idea to say, look, you need to host a dinner or something, you know, to celebrate, something to make it more polite. Firstly the State Government didn't have the budget or didn't have the time, so then we pay for it. So we paid for it on, on behalf of the New South Wales Government, just make the government look nicer.

40

So just to step through that, are you talking about functions in Parliament House?---Yeah.

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New South Wales?---Yeah.

And so from time to time you hosted functions in Parliament House for the Wuai project. Is that right?---Yeah.

And one of those functions was a visit from the Premier of the Liaoning Province?---Yeah.

10 And that was for the purpose of signing - - -?---Yeah.

- - - a memorandum of understanding?---Yeah, yeah.

And was that memorandum of understanding with the Wagga City Council?
---Yes.

And you also wanted Barry O'Farrell to meet the Premier. Is that right?
---I think it's not because I wanted to meet, yeah, it's, you know, oh, yes,
probably, you know, I actually, yeah, because I, I, I talked to Mr Maguire. I
20 said, "Look, they are dumping 400 million to your state. You didn't even
have time for them? That's, that's ridiculous." That was my, you know, I
tried to, there's a culture differences as well, right, but I'm trying my best
from, you know, from my perspective.

So you had a government that was investing a significant amount of money
in Wagga Wagga.---Yeah.

And you thought it was appropriate for the Premier of New South Wales to
meet them?---Of course, of course.
30

And you asked Mr Maguire to help you organise that?---Not help me, also
help them as well, otherwise, yeah.

You thought it was important for the project that this happened.---Of course,
of course, that's, you've increased about 2,000 jobs in the region and the
Premier didn't have time? I think that's ridiculous, yeah.

It wouldn't have been good for the project if Mr O'Farrell said, no, I'm too
busy to meet this government.---Of course, of course, and, you know, you
40 know, people, they will went off straightaway, you know, because, you
know, China, the decision was not made by a group of professionals, it was
made by one person, so the person doesn't feel right, you know, any time
can turn it off.

You thought it was polite for the Premier to meet the government, the
Liaoning Government.---Yes, yeah, of course, of course, yeah.

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And when you, you said that the State Government didn't have a budget to pay for the function.---Yeah.

How did you know that?---Look, I think that after the signing there was a Premier over dinner, that's very appropriate, right, and also the, the state, I mean the city should pay for as well, but those people, I was trying to push the, I don't know why, but I just say, okay, don't, don't argue, I say I pay for it.

10 Was this a conversation you were having with somebody?---There was always, there was always a disagreement, there was always, we spend more time, there's culture differences, right, we found it very difficult and frustrated that there was always the argument, or not argument, but disagreement, yeah.

And this is a disagreement with Mr Maguire?---Not him, but mostly with the westerners, yeah.

20 And how were you able to use New South Wales Parliament as the venue for the MOU signing, how did that come about?---But if you're signing with the government, government, right, you're not, when the government's there you cannot go and sign in the hotel, right, because you have to sign the office or in the, in the office block. That's very obvious.

So it was the government from Liaoning Province signing the MOU.---Yes.

And who was the other party signing the MOU?---Wagga City Council.

30 And was there a reason why the signing didn't happen in Wagga?---I think, I think the, those people didn't have time to went to Wagga. The Premier did not have time and I think the Liaoning Premier also did not have that much time.

40 Can you talk us through what happened on the day of the MOU signing, what were the events that were held?---That was, I that there was in a meeting room, so, so actually a Premier only has, Barry only got about a few minutes, about 10 minutes to come and shake hand, take some photos and sign or witness the MOU and sign and then he just went off to something else. And then after, gee, I cannot remember all the details, but I can recall there's a, something was not perfect and, and, and, and then the Chinese Government actually, there was something there, yeah, but I cannot remember all those details.

Are you saying something went wrong on the day?---Yeah.

It was a bit, it was a bit awkward?---Yeah, a bit, yeah.

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Do you know what happened?---I think maybe, maybe they're expecting Barry to stay for a dinner, for the lunch or whatever, that was didn't happen and so we end up nobody, everybody just went, nobody actually stayed for lunch, everybody just got up and left. That was memory, not 100 per cent correct.

That's all right.---Yeah.

10 And there was some kind of introduction that took place between the New South Wales Premier who was Barry O'Farrell at the time.---Yeah, yeah.

And the Premier of the Liaoning Government. Is that correct?---Yes, yes.

Who made the introduction between the two?---I think it's Mr Maguire.

And that only took place, there was some handshakes and some photographs for maybe 10 minutes. Is that right?---Yeah, yes.

20 And was Mr O'Farrell there when the MOU was actually signed?---I think was there, yeah.

Now, you said that your company decided to pay for the function. Is that right?---Yeah.

30 And you said that that was on behalf of the State Government?---No, I think the State Government should pay for it because he didn't pay for it and, and that the whole things will be disaster, you know. Then I say okay, don't worry, you know, if you don't have a budget I pay for it. I just want to save the trouble and made things forward.

You thought the New South Wales State Government should have paid for the function?---Of course. Of course. When (not transcribable) visiting your house, right, you should pay for it.

It was a government function being hosted by New South Wales and you thought that they should pay for it?---Of course. I mean, they didn't want to host a function. They don't think it's necessary but I think it's very important but, yeah.

40 And when you say they didn't want to host the function, how did you know that they didn't want to host the function?---Oh, obviously they know. Obviously I know. For example I think Mr Maguire try very hard to get Barry's 10 minutes. You know, he did try very hard for it but other than that I think because Mr Maguire he has his difficulty as well because the Premier has a lot of democratic, I mean, yeah, around him so - - -

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So from your understanding or perspective, did you think that Mr Maguire was doing a lot to help you get the function organised?---Look, it's not help me, okay. Help himself and help the people of Wagga.

I understand.---Yeah.

He was doing some things to get the function organised?---Yeah, he was, he was very, you know, angry and jumping up and down, yeah, that day.

10 He thought that it was also polite for this to happen. Was that right?
---Yeah.

And so he was also trying to organise the function?---Yeah, yeah.

Do you remember how much you ended up paying for the function?
---About 5,000. Around.

And do you know what that cost was for?---For the food and the drink.

20 Was it for anything else?---No, just the bill from the, from the function room. I got a bill about 5,000 or something, yeah.

And did you receive a physical bill?---Yeah, yeah, yeah.

And do you remember what was on it?---What was on it?

What the bill said?---I think I pay 3,000 and something for the food and about 1,000 and something for the drink, yeah, and it was about.

30 And was this a bill from the New South Wales Parliament?---Yeah, from the, from the dining section, yeah. They invoice me.

Do you have a copy of that bill still?---No. Long time ago.

And how did you pay the bill?---By credit card.

Did you go in in person and pay with your credit card?---I think so, yeah.

40 What credit card did you use, do you know?---Is American Express or, or other card or Mastercard but I did went in to pay for it.

And was this associated with an Australian bank account?---Yes.

And which Australian bank account was that?---I cannot remember. I cannot, but, but it was, it will be my name in it.

Was it the company credit card or was it your personal credit card?---No, myself. Myself, yeah.

Sensitive

I just want to show you a document on page 73 of Exhibit 44. Have you seen this document before? Take your time to look at it.---No.

You've never seen this document before?---No.

Can you see that it's addressed to you underneath, on the left-hand side in the bold text it says, "To Lydia Zhang."---Okay.

10 I'll just point out some other details in this document for you. In the description of what's being charged there's a date Friday, November 30, 2012. I suggest to you that that's the date that the MOU was signed in Parliament House. Underneath that it says, "Meeting with the Secretary Liaoning Province, People's Republic of China." And then there's a cost of \$5,000 in this invoice.---Oh, I didn't see that.

And you can also see the text says, "The charged fee is for the introductory service, interpreter service and associated activity in the liaison with the Secretary as a precursor to business opportunities within the region."---
20 Look, I didn't see that.

So you haven't seen this document before?---No, I, I don't think I paid for it, no. They should pay me not me, no.

Did you have any understanding or belief that what you were paying for was for an introduction?---No, no, no, no. What I pay was only for the bill from the parliamentary dining room. No, I didn't pay for something like this.

30 So this invoice in front of us at page 73 - - -?---Yeah, I've never seen this.

And have you ever paid for any of the items described on the invoice?---No, no, no, no.

There's a couple of other documents that I want to show you, Commissioner. I'd like to take the witness to page 292 of Exhibit 27 which will come up on the screen.

THE COMMISSIONER: Thank you.

40 MS ELLIS: This is an invoice in a similar format but it's addressed to somebody called Ting Duan. Can you see, it's the bold text on the left-hand side. We'll wave the cursor over it if we can. Can you see that name?---Oh, I don't know who is - - -

You don't know who that person is?---No.

That's my question is whether you know who that person is?---No.

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I'll take you then to page 298 of Exhibit 27 and this is addressed to the Shenhe District and there's a name underneath that which begins Mr Jin and then it's a name Z-h-a-o-x-i-a-n-g. Can you see that there?---Oh, yeah, yeah, yeah.

Do you know that person?---Oh, yes.

And who is that person?---He, he, he, he's a government official.

10 A government official from where?---In Shenyang.

And which part of the government does he sit in?---In, in, in the district level. He's very, he's very low positioned.

And you can see this is an invoice which also describes itself as being for Friday, November 30, 2012, "Function preparation and room set up, decoration and associated activity." And there's a total due of \$2,265. To your knowledge was there any cost incurred by anyone for the preparation and room set up for the function for the MOU signing?---No, no. I don't, 20 look, this person, Mr Jin, think he's, he should not have any, any money involve Mr Maguire. I don't think he did, yeah.

Do you know whether he was charged by anybody, not just by Mr Maguire, by anybody else for the function that was organised for the MOU signing? ---No, because, because at that time all the money come through me, not any other people.

But do you know that he wasn't charged any money, are you sure about that?---No, I'm positive, because all the bill are paid directly to the canteen, 30 to the restaurant, yeah.

Right. And how do you know that you were the only person paying any money for the function?---Because I didn't want to pay, I mean because the visitors are obviously from the Liaoning Government, they didn't expect they need to pay for it, right.

Mmm.---And, and I think it's necessary, something necessary to happen and nobody, everybody, nobody wants to pay, but I end up the person paying the bill, so that was the, yeah. And Mr Jin was the main contact for, for, for, for 40 this signing as well, he didn't think, he didn't even know that I was the one paying, he thought it was the government, you know, he has the, what do you call it, (not transcribable) the Premier pay for it. It will be huge different if I pay for it or Premier of New South Wales pay for it, you know. It's huge different made them feel, yeah.

So you didn't tell anybody else that you were paying for it in your government.---No, no, no. I'm the one, gee, you know, and I'm sitting here.

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(ELLIS)

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Can I take you to page – we'll take you back to Exhibit 44 and I'll take you to page 90. This is an email dated 1 October, 2013, and it's from you to somebody called Rebecca Cartwright.---Mmm.

Do you know who Rebecca Cartwright is?---Yeah, his staff.

It's Mr Maguire's staff, is that what you mean?---Mmm, yeah.

10 And you can see that in this email you asked Rebecca to, "Forward the receipt to me which we paid for the function while the delegation visited Sydney for the Wuai project."---Yeah, yeah.

Do you remember sending this email?---I cannot remember, to be honest.

Do you have an understanding of why you needed the receipt in 2013?
---Yeah, I think I probably need some, need to for my accounting issue, right, because all the money was paid from my personal credit card.

20 And do you know if Rebecca did send you the receipt?---I cannot remember. I probably went to get the receipt myself or something. I cannot remember.

And would you still have the receipt in your personal accounting records?
---No, no, because I need to, no.

Would you have used it for your tax return?---No, no, because that's not my own personal cost.

30 But you said you paid for it on your personal credit card.---Yeah, yeah, but I have to get it back from my company. It's not my personal, yeah.

So do you think you would have forwarded the receipt to your company at some point?---But still that long, you know. What I, I think that the government dining room should have these record, the government dining room, yeah.

40 I'm just trying to work out whether there might be somewhere within your company or some company books that the receipt might still be sitting somewhere.---No, no, no.

Do you know?---No, no.

Who's responsible for the record of ACA Capital Investments now?
---I think Humphrey, yeah.

Okay. Do you still have contact with Humphrey?---Not very often.

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(ELLIS)

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Are you still in a business relationship with Humphrey?---No, not business, not business anymore, only personal level, yeah.

[REDACTED]

10 [REDACTED]

[REDACTED]

20 [REDACTED]

[REDACTED]

30 [REDACTED]

[REDACTED]

[REDACTED]

40 [REDACTED]

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