



INDEPENDENT LIQUOR AND GAMING AUTHORITY OF NSW

INQUIRY UNDER SECTION 143 OF THE CASINO CONTROL ACT 1992 (NSW)

**THE HONOURABLE PA BERGIN SC
COMMISSIONER**

**PUBLIC HEARING
SYDNEY**

**WEDNESDAY, 9 SEPTEMBER 2020
AT 10.00 AM**

Continued from 4.9.20

DAY 24

Any person who publishes any part of this transcript in any way and to any person contrary to an Inquiry direction against publication commits an offence against section 143B of the *Casino Control Act 1992 (NSW)*

MR A. BELL SC appears with MR S. ASPINALL as counsel assisting the Inquiry

MR N. YOUNG QC appears with MS F. SHAND for Crown Resorts Limited & Crown Sydney Gaming Proprietary Limited

5 **MR D. BARNETT appears for CPH Crown Holdings Pty Ltd**

MS N. CASE appears for Melco Resorts & Entertainment Limited

10 COMMISSIONER: Yes. Thank you. Yes, Mr Bell.

MR BELL: I appear with Mr Aspinall as counsel assisting.

COMMISSIONER: Yes. Thank you, Mr Bell. Yes, Mr Bell.

15 MR BELL: Before I commence, could I tender, as additional components of exhibit R, exhibit R tab 36 to 49.

COMMISSIONER: Yes.

20 MR BELL: We're assuming that Crown reports is reserving its position on the confidentiality of those documents.

COMMISSIONER: Yes. I'll mark those exhibits R36 to 49.

25

EXHIBIT #R TABS 36 TO 49

MR BELL: I call Jan Williamson.

30

COMMISSIONER: Ms Williamson, are you there? Yes. Good morning. I think, if I could have Ms Williamson's audio. Good morning, again, Ms Williamson.

MS WILLIAMSON: Good morning, Commissioner.

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COMMISSIONER: Would you prefer to take an oath or make an affirmation to give your evidence?

MS WILLIAMSON: Oath, Commissioner.

40

COMMISSIONER: Do you have a Bible?

MS WILLIAMSON: Yes, I do, Commissioner.

45

<JAN WILLIAMSON, SWORN

[10.01 am]

<EXAMINATION BY MR BELL

COMMISSIONER: Yes. Mr Bell.

5

MR BELL: Could you please state your full name for the record.

MS WILLIAMSON: Jan Williamson.

10 MR BELL: Your business address is known to those assisting this inquiry. What is your occupation?

MS WILLIAMSON: Legal practitioner.

15 MR BELL: Are you an employee of Crown?

MS WILLIAMSON: Yes, I am, Mr Bell.

MR BELL: How long have you been an employee of Crown Melbourne?

20

MS WILLIAMSON: Nearly 19 years, Mr Bell.

MR BELL: And what roles have you held at Crown Melbourne over that period?

25 MS WILLIAMSON: Senior corporate solicitor, senior corporate counsel.

MR BELL: So you've had the same role for 19 years?

MS WILLIAMSON: Yes, Mr Bell. Just a name change.

30

MR BELL: And to whom do you currently report?

MS WILLIAMSON: Joshua Preston.

35 MR BELL: To whom did you report in the period from 2010 to 2016?

MS WILLIAMSON: Debra Tegoni.

MR BELL: And what were your responsibilities in 2013?

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MS WILLIAMSON: I had responsibility in relation to HR, local and international; liquor licensing; major litigation; major incidents and various other roles; and VIP international. So quite a varied role, Mr Bell.

45 MR BELL: And were you the person with primary responsibility, within the Crown Melbourne limited legal team, for dealing with inquiries from VIP international from the period 2010 to 2016?

MS WILLIAMSON: No, Mr Bell; that would be Debra Tegoni.

MR BELL: Did you assist her - - -

5 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: - - - with dealing with inquiries from VIP international in that period?

MS WILLIAMSON: Yes, Mr Bell.

10

MR BELL: Were you aware, in the period up to October 2016, that Crown Resorts was conducting its activities in China without any authority from the Chinese authorities?

15 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Are you aware Mr Craigie has given evidence to this inquiry that he understood Crown Resorts had legal advice to the effect that an overseas company could engage Chinese nationals to recruit premium gamblers to Australia without any business licence from the Chinese Government?

20

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Are you aware that both Mr Craigie and Mr O'Connor have given evidence to this Inquiry to the effect that they understood, in the period up to October 2016, that it was legal for Crown Resorts to employ staff in China to promote gambling without any business licence as long as Crown Resorts was not conducting an office in China?

25

30 MS WILLIAMSON: Yes, Mr Bell.

MR YOUNG: Just a moment. I object to the question. That was not an accurate statement of the evidence.

35 COMMISSIONER: Yes. If you take, Ms Williamson, even though there's an admission, the clarity around it is I think you've said without an office; as long as it "was not conducting an office". Did you mean an office or a business, Mr Bell?

MR BELL: An office. And I'll take Ms Williamson to the transcript. Did you hear the evidence of Mr O'Connor?

40

MS WILLIAMSON: Some of it, Mr Bell.

MR BELL: Now, let me read you this question and - - -

45

COMMISSIONER: That's all right. You go ahead, Mr Bell.

MR BELL: Are you there, Ms Williamson?

COMMISSIONER: Yes, she is.

5 MS WILLIAMSON: Yes, I am.

MR BELL: Let me read you this question and answer, Ms Williamson, at page 1991 of the transcript, lines 20 to 27. I asked this question of Mr O'Connor:

10 *So do you say that you understood that, in the period up to October 2016, that it was legal for Crown Resorts to employ staff in China to promote gambling without any business licence as long as Crown Resorts was not conducting an office in China?*

15 Answer, Mr O'Connor:

That was my understanding, Mr Bell. Yes.

20 My question to you is this, Ms Williamson: are you aware of any legal advice to the effect of that described by Mr Craigie and Mr O'Connor?

MS WILLIAMSON: Mr Bell, could you repeat the transcript reference to me, please?

25 MR BELL: Page 1991.

MS WILLIAMSON: Could you repeat Mr O'Connor's – I don't have the transcript. Could you repeat the evidence?

30 COMMISSIONER: The question and the answer will be read again, Ms Williamson.

MR BELL: Well, so just to be - - -

35 COMMISSIONER: The question and the answer will be reread. And, Mr Young, I presume that you accept that Mr Bell put it accurately?

MR YOUNG: Yes. He read the question accurately.

40 COMMISSIONER: Thank you.

MR BELL: So - - -

45 COMMISSIONER: And I think you said that it wasn't the evidence, but the question that was raised was, in fact, consistent with what he said, and you agree with that?

MR YOUNG: To that question, yes. But there was other evidence, as well, that didn't add the last phrase.

COMMISSIONER: Well, that's a different matter. Yes.

5

MR YOUNG: Yes.

COMMISSIONER: Mr Bell, you may proceed.

10 MR BELL: Ms Williamson, do you want me to read the transcript again?

COMMISSIONER: Yes, please.

MS WILLIAMSON: Yes, please.

15

MR BELL: This is in relation to the evidence of Mr O'Connor. You told the Commissioner that you were aware of the evidence given by Mr Craigie. The question I asked of Mr O'Connor was:

20 *So do you say that you understood that, in the period up to October 2016, that it was legal for Crown Resorts to employ staff in China to promote gambling without any business licence as long as Crown Resorts was not conducting an office in China.*

25 Answer:

That was my understanding, Mr Bell. Yes.

30 My question to you, Ms Williamson, is this: are you aware of any legal advice to the effect of that described by Mr Craigie and Mr O'Connor?

MS WILLIAMSON: Not as described by Mr O'Connor.

35 MR BELL: Are you aware of any legal advice to the effect of that described by Mr Craigie?

MS WILLIAMSON: Possibly, the 2012 – '11 legal advice.

40 MR BELL: Well, let's review that. If we look at INQ.110.002.1158. Confidentiality is reserved, operator. It is exhibit R40, which is tab 12 in your bundle, I believe, Ms Williamson.

MS WILLIAMSON: Thank you. Tab 12?

45 MR BELL: Exhibit R40. I believe in your bundle – I'm told it's exhibit – I withdraw that. I believe in your bundle it's tab 12, Ms Williamson.

MS WILLIAMSON: I don't have any advices at tab 12, Mr Bell.

MR BELL: Do you have a document, the first page of which is a summons to produce?

5

MS WILLIAMSON: That's in an earlier tab, Mr Bell.

MR BELL: What tab is that in your book?

10 MS WILLIAMSON: I'm trying to find it. Tab 4, Mr Bell. Sorry, tab 3.

COMMISSIONER: It is R40, I apologise.

15 MR BELL: Now, could I ask you to turn within exhibit R40 to the page ending in the numbers .1161 in the top right-hand corner?

MS WILLIAMSON: Sorry, R40? Can that be brought up on the screen, Mr Bell, please?

20 MR BELL: Yes. It should be hopefully on the screen in front of you now.

MS WILLIAMSON: Not as yet.

COMMISSIONER: That's 1143. Is that what you wanted?

25

MR BELL: Ms Williamson, do you have a document on the screen in front of you?

MS WILLIAMSON: Yes, I do, Mr Bell.

30 MR BELL: And does it bear the numbers in the top right-hand corner INQ.110.002.1161?

MS WILLIAMSON: I think so, Mr Bell, it's very small. Thank you, yes.

35 MR BELL: Now, do you see that this document continues on to the next page, .1162?

MS WILLIAMSON: Yes.

40 MR BELL: Now, this is a document which has been produced for this inquiry by Crown Resorts. Did you prepare this document?

MS WILLIAMSON: No, I did not, Mr Bell.

45 MR BELL: Do you know who did?

MS WILLIAMSON: Ms Tegoni.

MR BELL: Do you know when it was prepared?

MS WILLIAMSON: I don't know, Mr Bell.

5 MR BELL: Is it a document that you reviewed in the period up to October 2016?

MS WILLIAMSON: No, Mr Bell. It was prepared - - -

MR BELL: When did you first look at it?

10

MS WILLIAMSON: Within the last few months, Mr Bell, 2020.

MR BELL: So you say it's a document prepared by Ms Tegoni; is that right?

15 MS WILLIAMSON: Correct, Mr Bell. But I prepared page 1. That's – that's a document I did prepare but not in this context.

COMMISSIONER: You mean the chart?

20 MS WILLIAMSON: The chart, yes, Commissioner.

COMMISSIONER: Thank you.

MR BELL: Now, just look at the third bullet point on page .1162.

25

MS WILLIAMSON: Could you enlarge that please. Yes.

MR BELL: Could you highlight it for Ms Williamson, please.

30 MS WILLIAMSON: Yes.

MR BELL: Were you aware of legal advice provided to Crown Resorts in the period up to October 2016 that it should not have a representative or registered office or conduct business in China as the business activity was probably not one that would receive a business approval and would create risk for the staff.

35

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And the document refers to advice in 2010 and it says that "Jan", which I assume is you, "is retrieving our old advice". Are you aware of any legal advice to this effect in 2010 or earlier?

40

MS WILLIAMSON: No, Mr Bell.

45 MR BELL: And are you aware of legal advice to this effect in 2011?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And are you referring to communications that you had with external lawyers in 2011 which were verbal communication?

5 MS WILLIAMSON: Yes, Mr Bell. Ms Tegoni and I had those communications together.

MR BELL: And could I ask you to look at – confidentiality is reserved operator – exhibit R43, CRL.680.001.006 and on your list it's tab 2 on the prospective tender list which was provided to the solicitors for Crown Resorts. I'm not sure if that will
10 help you.

MS WILLIAMSON: If it's 006, Mr Bell?

MR BELL: Yes.
15

MS WILLIAMSON: I believe that's in my folder behind tab 7.

MR BELL: Right. Now, is a typed copy - - -

20 MR YOUNG: Commissioner; excuse me, Commissioner. I want to raise something.

COMMISSIONER: Yes.

25 MR YOUNG: These legal advices are the subject of extant privilege so if there is to be questioning about them it needs to proceed in private session in accordance with the ruling you made on an earlier date when we raised this question of continuing privilege.

30 COMMISSIONER: I think if you look at the reasons that were delivered on 6 August it was an indication to you that whatever claims of privilege that were extant in the Federal Court would be very carefully dealt with and not compromised, Mr Young. You are quite right.

35 MR YOUNG: Yes.

COMMISSIONER: I'm just not sure how Mr Bell is going to handle it but I anticipate that whatever he does in the open hearing will not compromise your claim. So if you feel that any question is objectionable, please let me know.
40

MR BELL: Could I just say it this in response, Commissioner - - -

MR YOUNG: Well, Commissioner - - -

45 COMMISSIONER: Just pardon me for one moment. Yes, Mr Bell.

MR BELL: Could I just say this in response to Mr Young, Commissioner, that this evidence as to Mr Craigie's understanding of the legal advice and Mr O'Connor's understanding of the legal advice was not objected to by Mr Young when the evidence fell from them, and we would submit that it's important that we inquire into
5 the true nature of the legal advice which they described in open hearing.

MR YOUNG: Commissioner - - -

10 COMMISSIONER: Yes, Mr Young.

MR YOUNG: - - - I'm not objecting to the Inquiry conducting inquiry. I'm objecting to are proceeding in a manner which will prejudice Crown by causing a loss of privilege in the context of a class action where we have preserved claims of privilege and obtained a court ruling to that effect.

15 COMMISSIONER: Yes, I understand.

MR YOUNG: The last question went directly to what was the advice given by Baker and McKenzie. That's why I interjected and objected. It's impossible for
20 these questions to be posed without compromising our legal professional privilege as against other parties. The correct way to proceed is to continue these questions in private session.

COMMISSIONER: Yes, just let me look at the last question. The question that you
25 have objected to – just pardon me for a minute – so, Ms Williamson has said that she was aware of the legal advice provided to Crown up to October 2016, and then was she aware of any legal advice in 2011. And then she has been asked to look at the document which is ending in 006 and Ms Williamson has identified it as tab 7. And then that's all that has happened.

30 MR YOUNG: Yes.

COMMISSIONER: There's no question that - - -

35 MR YOUNG: Well, I thought the question I cut off - - -

COMMISSIONER: The only word that is on the transcript is "Now". And so I anticipate – but I'm not sure, but I will just explore with Mr Bell – any questions that
40 delve into the document, obviously, if you are maintaining a privilege claim which has been endorsed by the Federal Court in respect of this one, which is confidential exhibit R43, Mr Young - - -

MR YOUNG: Yes.

45 COMMISSIONER: - - - which is the one ending in 006, the Baker and McKenzie advice, the content of that advice - - -

MR YOUNG: Which we do.

COMMISSIONER: Yes, I see. Yes, Mr Bell.

5 MR YOUNG: Yes.

MR BELL: Could I just recap on where we are.

COMMISSIONER: Yes.

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MR BELL: I started off by asking Ms Williamson whether she was aware of any advice to the effect of that asserted by Mr O'Connor.

COMMISSIONER: Yes.

15

MR BELL: And she said she was not.

COMMISSIONER: Yes.

20 MR BELL: Then I asked her whether she was aware of any advice to the effect of that asserted in public hearing by Mr Craigie.

COMMISSIONER: Yes.

25 MR BELL: And she said, "Possibly in 2011." Now, all of those questions were listed without any objection. And I submit that it's appropriate that this matter continue to be explored in public hearing.

30 COMMISSIONER: Mr Young, the question hasn't been asked yet, but it would appear that Ms Williamson could be asked, without exposing anything other than what's already been given, whether the document R43 was the one that she had in mind.

35 MR YOUNG: Yes. She can be asked that, Commissioner. But I apprehended that Mr Bell wanted to proceed further to ask questions about the content of the legal advice.

40 COMMISSIONER: Well, perhaps we should wait and see. If we can just establish whether that is, in fact, the one that Ms Williamson had in mind. Thank you, Mr Bell.

45 MR BELL: Ms Williamson, you gave evidence earlier, when I asked you whether you were aware of any legal advice to the effect of that stated by Mr Craigie, and you said, "Possibly in 2011." And I've now taken you to a file note which appears to be prepared in 2011; is that correct?

MS WILLIAMSON: No. T, the handwritten notes were written in 2011. The typed notes were written recently.

5 MR BELL: But did you prepare the typed version - - -

MS WILLIAMSON: Yes.

MR BELL: - - - of the handwritten notes of yours from 2011 in recent times?

10 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And do you believe that this typed version is an accurate transcription of the handwritten notes of the conversation that you had with external lawyers with Ms Tegoni in 2011?

15

MS WILLIAMSON: It's an accurate transcription of my handwritten notes. However, my hand writing is – leaves a lot to be desired.

MR BELL: Well, just so we can be precise.

20

MS WILLIAMSON: It's my best transcription, Mr Bell.

COMMISSIONER: I'm sorry. I missed that, Ms Williamson?

25 MS WILLIAMSON: It's my best transcription of my terrible handwritten notes, Commissioner.

COMMISSIONER: Thank you.

30 MR BELL: And is this the record of the advice to which you referred in your earlier answer, when you said that there was possibly advice to that effect in 2011?

MS WILLIAMSON: No, Mr Bell. There are three advices, Mr Bell. The other two advices were the ones that I was referring to.

35

MR BELL: Just look at the heading towards the bottom of the page, point 0006, and what appears under it, and read that to yourself.

MS WILLIAMSON: Yes, Mr Bell.

40

MR BELL: Just look at paragraph numbered 1 on page point 0008, where it's first appearing.

MR YOUNG: Commissioner - - -

45

COMMISSIONER: Yes.

MR YOUNG: I object to this course. If this is to proceed, we would seek an adjournment.

5 COMMISSIONER: Well, at the moment, all the witness is being asked to do is to look at a document. There's no disclosure of the content. That particular question is not objectionable.

10 MR YOUNG: Well, but, Commissioner, it's very clear that Mr Bell proposes to ask questions about the contents of these legally privileged advices.

COMMISSIONER: It's not clear to me yet.

MR YOUNG: If that is to proceed - - -

15 COMMISSIONER: It's not clear to me yet.

MR YOUNG: Well, Mr Bell could clarify that in an instant.

20 COMMISSIONER: Well, the question that has just been posed is, "Could you please look at paragraph 1 on point 008." That is not objectionable. That has been done. I presume it's the next question. Yes, Mr Bell.

25 MR BELL: Was this one of the advices, in 2011, to which you referred when you said, "Possibly in 2011," in answer to my question about Mr Craigie's understanding of the legal advice?

MS WILLIAMSON: Yes, Mr Bell.

30 MR BELL: And you referred to three advices. Look at exhibit R45, which is confidentiality reserved, CRL.680.001.0002.

MS WILLIAMSON: Yes, Mr Bell.

35 MR BELL: Which we can bring it up on the screen so you can see it on the screen.

MS WILLIAMSON: I have it in front of me, it's behind tab 6.

40 COMMISSIONER: Do not share this, please. Take it off the screen – thank you – immediately.

MS WILLIAMSON: Mr Bell, I have it in my – it is tab 6 in my material.

45 MR BELL: All right. Was that the second of the three legal advices to which you referred in your earlier answer?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And look at exhibit R47, CRL.680.001.0001. Confidentiality is reserved.

5 MS WILLIAMSON: Yes, Mr Bell; that's tab 5 in my folder.

MR BELL: Is that the third of the three legal advices to which you referred in your earlier answer?

10 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: If we could go back to exhibit R40 – confidentiality is reserved – INQ.110.002.1158. We're going to hazard a guess that it might be tab 4 in your bundle.

15 COMMISSIONER: It's the one with the table that Ms Williamson – it's a summons. It is the summons with the table that you prepared.

MS WILLIAMSON: It's the summons, Commissioner?

20 COMMISSIONER: Yes. Yes, it is, Ms Williamson.

MS WILLIAMSON: That's – I'm sorry, that's tab 3.

25 COMMISSIONER: Tab 3. Thank you.

MS WILLIAMSON: And mine doesn't have any reference number on the top either.

30 COMMISSIONER: I see. Thank you.

MR BELL: Well, I've taken you to it before. If you would go to the last page of that document, which is point 1162.

35 MS WILLIAMSON: Point 1162? That's at the last page.

COMMISSIONER: It's headed Legally Privileged Additional Information.

MS WILLIAMSON: I'm sorry, it ends on my 0144.

40 COMMISSIONER: Yes, that's the CRL dot reference. Thank you.

MS WILLIAMSON: All right.

45 COMMISSIONER: You're on the right page, Ms Williamson.

MS WILLIAMSON: So that's the only reference that I have in my folder.

COMMISSIONER: That's all right.

MS WILLIAMSON: Yes, Mr Bell.

5 COMMISSIONER: Yes, Mr Bell.

MR BELL: Ms Williamson, we looked at this a little earlier. If you could zero in on the third bullet point. The three advices that you have just identified, were they three advices which constituted the advice that Crown should not have a representative or registered office or conduct business in China - - -

MR YOUNG: I object.

MR BELL: - - - as you understand it?

MR YOUNG: I object to the question.

COMMISSIONER: Yes, that is rejected for the moment, Mr Young.

20 MR YOUNG: Thank you.

MR BELL: You did tell us a little earlier without objection, did you not, Ms Williamson, that you understood that there was legal advice to the effect that Crown should not have a representative or registered office or conduct business in China as the business activity was probably not one that would receive a business approval and would also create risk for staff and so was considered unsafe. Do you recall giving that evidence?

MS WILLIAMSON: Sorry, I'm not sure if Mr Young was going to say something.

COMMISSIONER: No, Mr Young is content. You are just being asked about evidence that you gave to me a little earlier and Mr Bell is referring to that evidence, do you recall giving me that evidence?

35 MS WILLIAMSON: Yes, Commissioner.

MR YOUNG: Well, Commissioner – Commissioner - - -

COMMISSIONER: Yes, Mr Young.

MR YOUNG: I withdraw what I was about to say. I will wait for the next question.

COMMISSIONER: All right. Yes, thank you. Yes, Mr Bell.

45 MR BELL: Now, this document also refers to advice from WilmerHale in 2012 on this topic. Are you aware of any advice from WilmerHale in 2012 on this topic?

MS WILLIAMSON: I'm aware of the advice post the detentions but not prior.

MR BELL: You're not aware of any advice prior to October 2016 on this topic from WilmerHale?

5

MS WILLIAMSON: I do not recall seeing the WilmerHale advice. I am aware of it now.

MR BELL: I see. Well let's have a look - - -

10

MS WILLIAMSON: Is my evidence.

MR BELL: I'm sorry?

15 COMMISSIONER: What did you say then, Ms Williamson?

MS WILLIAMSON: I apologise, is my evidence. Prior to the detentions I do not recall seeing the WilmerHale advice on this topic.

20 COMMISSIONER: Of 2012.

MS WILLIAMSON: '12, yes.

25 COMMISSIONER: Thank you. And you didn't see it until after the detentions; is that right?

MS WILLIAMSON: I'm sorry. That's right, Commissioner. Sorry.

30 COMMISSIONER: That's all right. Yes.

MR BELL: Ms Williamson, can you look at exhibit R41, it's a letter from MinterEllison to those assisting this Inquiry dated 8 September 2020. INQ.110.002.1155. Do you have that?

35 MS WILLIAMSON: It's tab 4 in my folder but it doesn't have any reference on it.

COMMISSIONER: Thank you.

40 MR BELL: Now, did you provide instructions to MinterEllison to assist it in providing information to the Inquiry that is contained in this letter?

MS WILLIAMSON: Yes, I did, Mr Bell.

45 MR BELL: All right. So is it the case that you've conducted searches and have not located any written advice from WilmerHale received in 2012 which relates to this topic?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And is it also the case that you provided the information which is recorded earlier in this letter that Crown has not located any records of advice
5 received by Crown in 2010, which relates to that subject matter but it has located the three notes from 2011 to which I've taken you; is that right?

MS WILLIAMSON: Yes, Mr Bell.

10 MR BELL: Now, can I ask you to look at CRL.545.001.0615 which is exhibit M at tab 27.

MS WILLIAMSON: I'm sorry, what tab is it in my folder, Mr Bell?

15 MR BELL: I have no idea, Ms Williamson.

COMMISSIONER: Let's see if we can help you, Ms Williamson. It's already an exhibit in the proceedings. Is it confidential, Mr Bell?

20 MR BELL: No.

COMMISSIONER: No. All right then. It's brought up on the live stream, I think, Ms Williamson, so you will be able to see it on your screen in a short while, I hope.

25 MS WILLIAMSON: Thank you, Commissioner. Yes, I can see it.

COMMISSIONER: Yes, thank you.

30 MS WILLIAMSON: It's a bit small.

COMMISSIONER: Yes, it is very small, I agree with that. Mr Bell will have it enlarged as we – as he asks you any questions about aspects of it.

35 MS WILLIAMSON: Thank you. Thank you, Commissioner.

MR BELL: So, Ms Williamson, this advice continues on to the next page, .0616.

COMMISSIONER: There's no need to go to it.

40 MR BELL: Did you see this advice from WilmerHale at any time up to October 2016.

COMMISSIONER: So could you enlarge it please, Mr Bell. Ms Williamson has said she has difficulty in reading it, so if you could enlarge the bottom half of the
45 first page, firstly.

MS WILLIAMSON: No, I do not recollect seeing this advice, Mr Bell, prior to the detentions.

5 MR BELL: I just ask you to look at the second last paragraph on page .0616, if we could enlarge that please, operator.

COMMISSIONER: Commencing "With respect to potential liability?"

10 MR BELL: Yes.

COMMISSIONER: Yes, if you could enlarge that please for Ms Williamson. Thank you.

15 MR BELL: Do you see that?

MS WILLIAMSON: Yes, Mr Bell, I see that. I can read that.

20 MR BELL: You are aware now that this is an advice from WilmerHale, the lawyers in Beijing?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And do you see that WilmerHale is saying here that:

25 *With respect to potential liability on institutions, we would note that conducting business in China requires a business licence or otherwise government approval, and casino business is not allowed in mainland China and thus no licence will be issued.*

30 Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

35 MR BELL: Were you aware up to October 2016 that advice to that effect had been provided to the VIP international business unit?

MS WILLIAMSON: I was not aware of this advice, Mr Bell.

40 MR BELL: Were you aware that advice to this effect had been provided to the VIP international business unit?

MS WILLIAMSON: Regarding a business licence, no, Mr Bell.

45 MR BELL: Is this advice consistent with your own understanding of the position in the period up to October 2016?

MR YOUNG: Just a moment. I object to the question.

COMMISSIONER: Yes, Mr Young.

MR YOUNG: This is asking the witness, who wasn't aware of the document prior to October 2016, to simply provide an after the event commentary, comparing this
5 document she didn't see to what her understanding was. And she has already given evidence of what her understanding was.

COMMISSIONER: I wasn't sure that – the question really is, did Ms Williamson have an understanding prior to the detentions that the business licence was required.
10 So that's the effect of it. And I'm not sure that that's offensive, Mr Young. It's not.

MR YOUNG: Well, Commissioner - - -

COMMISSIONER: It's not a comparison to the document that she hasn't seen.
15

MR YOUNG: Well, Commissioner, the question you just phrased depends on an interpretation of the document which we will say is completely wrong.

COMMISSIONER: That's all right.
20

MR YOUNG: So – but leaving that aside, she has given evidence of what her understanding was, quite apart from any – from this document. She didn't see this document, is her evidence. She is now asked to compare this document premised on a particular assertion about its interpretation and compare that to her understanding.
25 Now, that is - - -

COMMISSIONER: Yes.

MR YOUNG: - - - simply commentary by someone who was not aware of this
30 communication at the time it was considered by others.

COMMISSIONER: Yes, but not linked to the communication. Ms Williamson, as the senior lawyer, can be asked whether she had an understanding, prior to October 2016, in respect of the necessity for a business licence. And that line of questioning is permissible. And, so, in those circumstances, I will allow that line of questioning, Mr Young.
35

MR YOUNG: Yes.

COMMISSIONER: Yes, Mr Bell. And, Mr Young, I'm sorry. Did I understand you to say that your position is that this piece of advice is completely wrong?
40

MR YOUNG: No. But Mr Bell has completely misunderstood the advice.

COMMISSIONER: I'm sorry.
45

MR YOUNG: And has failed to take into account other relevant advices.

COMMISSIONER: Yes. I'm sorry. I misunderstood you. Yes, Mr Bell.

MR BELL: Ms Williamson, the question which I asked you, which the
Commissioner has asked you to answer is this: is this advice consistent with - - -

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COMMISSIONER: No. I didn't say that, Mr Bell. I'm terribly sorry. There has
been a little bit of debate, which may be the cause of my miscommunication. Ms
Williamson, did you have an understanding, prior to October 2016, as to whether a
business licence was required to conduct business in China?

10

MS WILLIAMSON: No, I did not, Commissioner.

COMMISSIONER: Yes. Thank you. Yes, Mr Bell.

15 MR BELL: In the period up to October 2016, did you communicate advice to the
management of VIP international about whether the activities of the staff in China
complied with the criminal laws of China in relation to gambling?

MS WILLIAMSON: No, I did not, Mr Bell.

20

MR BELL: Did you have any understanding of whether the activities of the staff in
China, in the period up to October 2016, complied with the criminal laws of China in
relation to gambling?

25 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: What was your understanding?

30 MS WILLIAMSON: My understanding is that the staff complied with the criminal
laws in China.

MR BELL: And was that the extent of what you knew? Or did you have any
understanding of what was required in order to comply with those laws?

35 MS WILLIAMSON: I'm not sure I understand the question, Mr Bell.

MR BELL: Well, you've said that you understood it complied with the laws. What
was the source of your understanding of that?

40 MS WILLIAMSON: Legal advice. External legal advice, Mr Bell.

MR BELL: Which advices are you referring to now?

MS WILLIAMSON: The 2011 advices, Mr Bell.

45

MR BELL: The three that we've looked at?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And you had no component of your understanding, in the period up to
5 October 2016, which came from information provided by WilmerHale; is that the
case?

MS WILLIAMSON: Yes, Mr Bell.

COMMISSIONER: Did you know that WilmerHale were giving advice, Ms
10 Williamson, up to October '16?

MS WILLIAMSON: Yes, Commissioner, I did.

COMMISSIONER: And did you get that understanding from the VIP team or
15 somebody else?

MS WILLIAMSON: Commissioner, from Ms Tegoni.

COMMISSIONER: I see. Yes, thank you. Yes, Mr Bell.
20

MR BELL: Did your understanding of whether or not the employees in China were
in breach of the criminal law in organising gambling tours depend on two things:
first, whether they were organising more than 10 people to participate in a gambling
tour; and, secondly, whether they were receiving a commission for doing so?
25

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And in the period up to October 2016, did you consider that the legal
system in China was different to the legal system in Australia?
30

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Did you believe, in the period up to October 2016, that, in China, there
was a potential for arbitrary action by the Chinese authorities?
35

MS WILLIAMSON: Yes, action by the authorities. Yes.

MR BELL: Did you believe, in the period up to October 2016, that China was a
country where the law could be enforced inconsistently?
40

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: In relation to the first aspect of the Chinese criminal law that you've
given evidence about, do you say that it was your understanding that, in order to be a
breach of the criminal law, organising more than 10 people to participate in gambling
tours had to be more than 10 people on a single specific occasion rather than more
than 10 people accumulated over a number of occasions?
45

MS WILLIAMSON: 10, on a specific occasion, Mr Bell.

MR BELL: So, in your mind, the issue of whether the employees were committing a criminal offence, in relation to this first aspect, depended on whether they were
5 organising more than 10 people on a single specific occasion to participate in gambling tours, rather than over, say, two different occasions; is that right?

MS WILLIAMSON: Yes, Mr Bell.

10 MR BELL: Do you agree that's a somewhat technical legal point?

MR YOUNG: Object to the question.

COMMISSIONER: Yes. I'm not sure what the technicalities in the law really are
15 on this occasion.

MR YOUNG: No. Well - - -

COMMISSIONER: It's all right, Mr Young.
20

MR YOUNG: Commissioner, I would observe that that is the explicit text of the Chinese law, "on a single occasion". Now - - -

COMMISSIONER: It's all right, Mr Bell, the question has been rejected.
25

MR YOUNG: - - - if that's a technicality to rely upon the explicit text, well - - -

COMMISSIONER: Mr Bell is going to ask another question, Mr Young.

30 MR BELL: Well, I don't accept Mr Young's characterisation of that, but perhaps I could ask this question: Ms Williamson, do you say that you believed that the legality of actions by the employees in China on this issue depended on that precise interpretation of the Chinese law being correct, namely, that one had to organise more than 10 people on one specific occasion to participate in gambling tours?
35

MS WILLIAMSON: I can't hear.

MR YOUNG: We lost audio.

40 MS WILLIAMSON: We've lost them. Is that us or them?

MR YOUNG: Jan, I think it's them. So just relax.

MS WILLIAMSON: Thank you, Mr Young.
45

COMMISSIONER: Just a minute, please. I think there's a problem with the audio, Mr Bell. It's all right now. Thank you, Mr Bell. Mr Bell, it's just the audio that's the problem.

5 MR BELL: Are you there, Ms Williamson? Can you hear me, Ms Williamson?
No.

COMMISSIONER: I'll have to adjourn. I'm going to adjourn and return shortly once the audio is adjusted.
10

ADJOURNED **[10.50 am]**

15 **RESUMED** **[10.56 am]**

COMMISSIONER: Yes. I'm sorry, Ms Williamson, for that interruption. Are you comfortable to proceed now?
20

MS WILLIAMSON: Yes, Commissioner.

COMMISSIONER: And you can hear me?

25 MS WILLIAMSON: Yes, Commissioner.

COMMISSIONER: Yes, thank you. Yes, Mr Bell.

MR BELL: Ms Williamson, before the break, you said that in your mind the issue of whether the employees were committing a criminal offence depended, in relation to the aspect we've been discussing, on whether they were organising more than 10 people to participate in a gambling tour on a single occasion rather than over, say, two different occasions. Do you recall giving that evidence?
30

35 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Now – and do you say that you believe that the legality of actions by the employees in China depended on that precise interpretation of the Chinese criminal law being correct?
40

MS WILLIAMSON: That was my understanding, Mr Bell.

MR BELL: So would you agree that a lot hinged on that being right, from the point of view of the safety of the staff in China, having regard to your views about the potential for arbitrary action by the Chinese authorities?
45

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And did you communicate to the management of VIP international your view that a lot hinged on this interpretation of the Chinese criminal law being correct, having regard to the potential for arbitrary action by the Chinese authorities?

5 MS WILLIAMSON: No, Mr Bell.

MR BELL: Why not?

10 MS WILLIAMSON: That was my understanding of the law. I did communicate that legal advice, I think my previous evidence was, to the VIP international team.

MR BELL: But with respect, Ms Williamson, that's not what I asked you. I asked you why you didn't communicate your own views on this topic to the management of VIP international.

15

MS WILLIAMSON: I didn't, Mr Bell.

MR BELL: I know that, but why?

20 MS WILLIAMSON: I wasn't asked, Mr Bell.

MR BELL: Now, do you say that it was your understanding in the period up to October 2016 that the other aspect which determined whether a criminal offence was committed was if the person organising gambling tours was receiving a kick-back or referral fee?

25

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And you say it was only if the person received that fee directly from the gambler that there would be a breach of the criminal law; that's your understanding?

30

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: So it would be not a breach of the criminal law if the person received that fee from his or her employer based on the amount of gambling turnover received from the gambler.

35

MS WILLIAMSON: That's not my understanding of the word kickback, Mr Bell.

40 MR BELL: What's your understanding of the word kickback?

MS WILLIAMSON: Employees received bonuses based on their performance as all employees do. Kickback is something different, in my mind.

45 MR BELL: And - - -

MS WILLIAMSON: It's an illegal payment.

MR BELL: I'm sorry, I didn't mean to interrupt, please finish your answer.

MS WILLIAMSON: An illegal payment, under the counter type scenario.

5 MR BELL: And do you have any qualifications or expertise in Chinese law?

MS WILLIAMSON: No, I do not, Mr Bell.

10 MR BELL: So how did you gain that understanding of what referral fee meant in the Chinese criminal law?

COMMISSIONER: I think there might be a misunderstanding here. I think Ms Williamson was referring to the kickback.

15 MR BELL: I'm sorry that is what I was endeavouring to explore.

COMMISSIONER: I beg your pardon.

20 MR BELL: Did you have an understanding that a kickback in the Chinese criminal law referred to a payment received directly from the gambler?

MS WILLIAMSON: Yes, Mr Bell.

25 MR BELL: What was the source of your understanding about that?

MS WILLIAMSON: Legal advice, Mr Bell.

MR BELL: Which legal advices are you referring to?

30 MS WILLIAMSON: 2011 legal advices, Mr Bell.

35 MR BELL: So you believed, did you, that the legality of the actions by the employees in China depended upon kickback or referral fee being seen as a payment direct from the gambler rather than a payment from the person's employer based upon the gambler's turnover. Is that right?

MS WILLIAMSON: Yes, Mr Bell.

40 MR BELL: And rather a lot hinged on that being correct, didn't it, from the point of view of the safety of the staff in China, having regard to your views about the potential for arbitrary action by the Chinese authorities; do you agree?

MS WILLIAMSON: Yes, Mr Bell.

45 MR BELL: And did you communicate to the management of VIP international in the period up to October 2016 your view that rather a lot hinged on how kickback or

referral fee was construed, having regard to the potential for arbitrary action by the Chinese authorities?

MS WILLIAMSON: No, Mr Bell.

5

MR BELL: And why not?

MS WILLIAMSON: I wasn't asked, Mr Bell.

10 MR BELL: Now, I'm moving on to another topic. Can I ask you to look at CRL.632.001.0043; confidentiality is reserved. It's exhibit R26. Those assisting me tell me, Ms Williamson, that you were supposed to be provided with exhibits M, N, O, P, Q and R up to R35. Do you have those documents with you?

15 MS WILLIAMSON: I have some documents that I believe are exhibits. Yes, Mr Bell.

MR BELL: Could you see if you can find exhibit R26, please.

20 COMMISSIONER: Is it a confidential document?

MR BELL: Confidentiality is reserved, Commissioner.

COMMISSIONER: Thank you.

25

MR YOUNG: Commissioner, this falls into the same category as not only a confidential document but a privileged document outside the scope of any waiver in the class action.

30 COMMISSIONER: I see. So this is a document over which privilege has been claimed in the class action, has it?

MR YOUNG: Yes.

35 COMMISSIONER: I see. Thank you.

MR BELL: Can I just say, Commissioner, this is a document which I asked Mr O'Connor about for some time without any objection from Mr Young and it would be important, in our submission, to hear Ms Williamson's evidence on this
40 document.

COMMISSIONER: I see. Could you just assist Mr Young and myself with the transcript reference to that or is it not possible straightaway?

45 MR BELL: I can't do that straightaway.

COMMISSIONER: All right, then. Mr Young, it appears this has been discussed in open hearing but it does appear that, first of all, I will just see if Ms Williamson has access to it. Yes, Ms Williamson do you have access to it?

5 MS WILLIAMSON: 25 to 35 – 4, 5, folder.

COMMISSIONER: Yes, it's actually R26, if you could just open that for the moment. It's a document with a number at the top that says CRL.632.001.0043.

10 MS WILLIAMSON: Yes, Commissioner, I have that.

COMMISSIONER: All right. Just wait there for the moment. Thank you. Yes, Mr Young, did you want to say something?

15 MR YOUNG: Commissioner, could I add one thing to assist the Commissioner.

COMMISSIONER: Yes.

20 MR YOUNG: I agree with Mr Bell that questions were asked of Mr O'Connor about these emails.

COMMISSIONER: Yes.

25 MR YOUNG: The reason why I mentioned privilege is that these emails were then the subject of discussion between Ms Williamson and Ms Tegoni, and I apprehend that there may be questions directed towards matters not described in this email which do fall within the scope of legal professional privilege. That's why I mentioned it, Commissioner.

30 COMMISSIONER: I see. Thank you for that warning, but in the circumstances, we will just wait and see what the questions are. I don't know what the questions are going to be, I'm sorry, Mr Young, so we'll just have to wait and see.

35 MR YOUNG: Yes, of course.

COMMISSIONER: Yes, Mr Bell, please proceed.

MR BELL: Do you have that document now, Ms Williamson.

40 MS WILLIAMSON: Yes, Mr Bell, I do.

MR BELL: Do you see that about two-thirds of the way down the first page, point 0043, Mr Albouy sent you an email on 20 June 2012 headed Guangzhou Office.

45 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And that he asked you to look at an email chain; do you see that?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And he said that:

5 *Pending the plan below, we have, of course, faced some recent issues surrounding our activities in China and want to know if it's advisable we proceed with the Guangzhou office. In a way this move somewhat legitimises our operations but will await your urgent advice before proceeding.*

10 Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

15 MR BELL: And it's probable that you read through the email chain at the time as Mr Albouy had requested; would you agree?

MS WILLIAMSON: Yes, Mr Bell.

20 MR BELL: And if you look through the email chain you see at a page 0044 an email towards the bottom of the page where Mr Albouy to Mr Chen.

MS WILLIAMSON: Yes, Mr Bell.

25 MR BELL: Do you see it refers to a proposal for a new Guangzhou office and upgrade?

MS WILLIAMSON: Yes, Mr Bell.

30 MR BELL: Do you see that Mr Albouy says that:

The current Guangzhou office is not legally registered and the environment unsuitable for our team. We are based in a semi-residential building which is subject to random checks by authorities and poses many risks.

35 Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

40 MR BELL: And do you see that in the next paragraph he is proposing new premises near the Australian Consulate with business registration?

MS WILLIAMSON: Yes, Mr Bell.

45 MR BELL: And do you see that in the next email forward in the chain, Mr O'Connor asked Mr Albouy:

...whether we understood the legal implications of doing something like this and whether we need to seek some guidance from our legal people.

5 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And do you see that in the next email Mr Albouy asks Mr O'Connor whom he should contact.

10 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And do you see that Mr O'Connor replied saying that you were probably the best person to help them.

15 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And looking at the first email on page .0043, you've raised the matter with Ms Tegoni.

20 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And do you recall having any discussions with Mr O'Connor or other staff about this subject matter in response to these emails?

25 MS WILLIAMSON: Not a discussion, Mr Bell.

MR BELL: What do you mean by that?

MS WILLIAMSON: I asked for more information.

30 MR BELL: Well, if you could have a look at the immediately preceding exhibit. Confidentiality is reserved. It's exhibit R25. It's CRL.632.0001.0012.

MS WILLIAMSON: Yes, Mr Bell.

35 MR BELL: Do you see that this is, more or less, the same email chain, except it terminates with you telling Ms Tegoni, some three weeks earlier, on 29 May 2012, that you would get more info:

40 *...when we will need to discuss and perhaps external and understand proposal.*

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Was that the trigger for you obtaining more information?

45 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And did you obtain the information that you sought?

MS WILLIAMSON: I sought the proposal. That wasn't attached to the email.

MR BELL: And did you obtain the proposal?

5 MS WILLIAMSON: I sought the - - -

MR BELL: I'm sorry. I did cut you off.

10 MS WILLIAMSON: Sorry. I sought the proposal, which was a photograph of what proposed – the office layout and furniture; that's what Mr Albouy was talking about.

MR BELL: Bear with me a moment. I might be able to find you the document you have referred to. Yes. If you could look at exhibit R1. Confidentiality is reserved. It's CRL.632.001.0003.

15 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Is that the information – the further information – that you requested?

20 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And was that information provided to you?

25 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: After you had obtained that information, did you discuss the matter with Ms Tegoni?

30 MR YOUNG: I object at this point. This is going into legally privileged discussions and advice.

COMMISSIONER: I think the - - -

35 MR YOUNG: And if it is to be proceed in accordance with - - -

COMMISSIONER: I think this question can be asked, but I understand your objection to the next question. I think she can say whether she did or she didn't.

40 MR YOUNG: Yes.

COMMISSIONER: Yes. Did you discuss it with Ms Tegoni, Ms Williamson?

MS WILLIAMSON: Yes, Commissioner.

45 COMMISSIONER: Yes. Thank you.

MR BELL: And did you subsequently discuss it with Mr O'Connor or anyone else in the management of the VIP international business unit?

5 MR YOUNG: Just a moment. I object. Discuss what? Discuss it? I mean - - -

COMMISSIONER: Yes.

MR YOUNG: Is this a question about the - - -

10 MR BELL: I'm happy to - - -

COMMISSIONER: Yes, it's withdrawn, Mr Young.

15 MR BELL: I'm happy to be more precise.

MR YOUNG: Yes.

20 MR BELL: Did you discuss the proposal for the new Guangzhou office which had been referred to you by Mr Albouy, after – with anyone in the management of VIP international, after your discussions with Ms Tegoni?

MS WILLIAMSON: No, Mr Bell.

25 MR BELL: And were you aware at the time that the new office in Guangzhou did not proceed, no business was registered and that the staff in China continued to work from the office in Guangzhou – described by Mr Albouy – until at least 2015?

MS WILLIAMSON: I was aware that the proposal did not proceed, Mr Bell.

30 MR BELL: And were you aware that no - - -

MS WILLIAMSON: I was not aware of - - -

35 MR BELL: I'm sorry. I didn't mean to cut you off.

MS WILLIAMSON: Sorry. There was just many questions in your question, Mr Bell. I was trying to answer each part of it.

40 MR BELL: Well, please continue then.

MS WILLIAMSON: I was not aware of the date that you mentioned in your question, Mr Bell, as to the staff continuing to work until the date you mentioned.

45 MR BELL: All right.

COMMISSIONER: When you said that you were not aware, Ms Williamson, as to the staff continuing to work until the date Mr Bell mentioned, do I understand that

you did not know whether they were continuing to work at all or work in a particular location?

5 MS WILLIAMSON: In a particular location, Commissioner.

COMMISSIONER: Yes. Thank you.

10 MR BELL: I am moving to a new topic. I've been told that Ms Williamson might prefer to have a break now. I think that's right.

COMMISSIONER: Is that a convenient time, Ms Williamson?

MS WILLIAMSON: Yes. I'd appreciate that, Commissioner.

15 COMMISSIONER: Yes. All right, then. I'll take a 10 minute break, if that's suitable. Yes.

MR BELL: No problem.

20

ADJOURNED **[11.16 am]**

25

RESUMED **[11.28 am]**

COMMISSIONER: Yes, thank you, Ms Williamson. Yes, Mr Bell.

30 MR BELL: Ms Williamson, did you become aware in June 2015 that a number of employees of South Korean casinos working in China had been arrested or detained by the Chinese police for gambling offences?

COMMISSIONER: Could you repeat that answer for me, Ms Williamson. And just once more for me.

35

MS WILLIAMSON: Sorry. No, Mr Bell.

COMMISSIONER: Thank you so much, Ms Williamson. I apologise for the technical problem just then. Yes, Mr Bell.

40

MR BELL: Can I ask you to look at CRL.522.001.4220 which is exhibit M for Mike, tab 202.

MS WILLIAMSON: Sorry, when number behind that, Mr Bell, I apologise; 202?

45

COMMISSIONER: Yes.

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Now, I'm not suggesting you received this email but do you see that Ms
Tegoni and Mr Neilson have received some information about the arrest of South
5 Korean casino staff in late June 2015?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Did they not draw that to your attention at the time?
10

MS WILLIAMSON: No, Mr Bell.

MR BELL: Now, can I ask you to look at CRL.636.001.0411, confidentiality is
reserved. It's exhibit R, tab 15.
15

MS WILLIAMSON: The last four numbers are 0411, Mr Bell?

MR BELL: Yes.

MS WILLIAMSON: Thank you.
20

MR BELL: On the evening of 9 July 2015, you became aware on reading Mr
Chen's email that a staff member in China had been interviewed by the Chinese
police; is that right?
25

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And that he had denied that he was organising gambling tours and said
that he worked for Crown Resorts assisting organising leisure trips.
30

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Were you aware of that?

MS WILLIAMSON: That's what's in the email.
35

MR BELL: Yes. And I take it that you read the email when it was forwarded to
you?

MS WILLIAMSON: Yes, Mr Bell.
40

MR BELL: And you became aware that the employee had been released after being
questioned for two hours?

MS WILLIAMSON: Yes, Mr Bell.
45

MR BELL: And you became aware on reading the email, that the police had requested Crown to furnish a letter before noon the following day, corroborating the employee's statement?

5 MS WILLIAMSON: Mr Bell, that's what Mr Chen has indicated.

MR BELL: So you became aware of that, no doubt, when you read the email on the evening of 9 July 2015; correct?

10 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And were you aware that this was the second employee in China who had been questioned by the Chinese police?

15 MS WILLIAMSON: When, Mr Bell?

MR BELL: Were you aware that this was the second employee in China who had been questioned by the Chinese police in a short space of time?

20 MS WILLIAMSON: In the same period, is that the question, Mr Bell?

MR BELL: Yes, that's the question.

25 MS WILLIAMSON: No, Mr Bell.

MR BELL: You regarded the information in Mr Chen's email to you as serious, didn't you?

30 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Clearly, it was serious, wasn't it, for an employee in China to be questioned by the police about his activities and to be asked for his employer to corroborate his evidence; correct?

35 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Were you aware at the time that this employee had not been truthful in the answers that he gave to the Chinese police?

40 MS WILLIAMSON: In the email Mr Chen reports that the employee denied organising – I think the word is “gaming” tours.

MR BELL: My question to you is whether you were aware - - -

45 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: - - - the employee had not been truthful in the answers that he gave to the Chinese police.

MS WILLIAMSON: Yes, Mr Bell.

5

MR BELL: And later that same evening at almost 11 pm you forwarded this email to Ms Tegoni as the top email indicates. Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

10

MR BELL: And can we look at INQ.950.002.0137. Confidentiality is reserved. It's exhibit O, tab 27.

MS WILLIAMSON: 27, Mr Bell?

15

MR BELL: Yes. It ends in the four numbers .0137.

MS WILLIAMSON: Yes, Mr Bell.

20

MR BELL: So the next morning, 10 July 2015, you sent an email to Mr Zhou, the lawyer in Beijing, asking which company the letter should be from; do you see that?

MS WILLIAMSON: Yes, Mr Bell.

25

MR BELL: Mr Zhou told you it should be from the direct employing entity; correct?

MS WILLIAMSON: Yes, Mr Bell.

30

MR BELL: You then sent an email to Mr Felstead asking him to authorise Tim Spearman to sign the letter on behalf of Crown Resort Pte Limited.

MS WILLIAMSON: Yes, Mr Bell.

35

MR BELL: Which Mr Felstead subsequently authorised; do you see that?

MS WILLIAMSON: Yes, Mr Bell.

40

MR BELL: Did you have any discussions with Mr Felstead about this issue at this time?

MS WILLIAMSON: No, Mr Bell.

45

MR BELL: Did you have any discussions with anyone at Crown Resorts or Crown Melbourne at this time about what the letter to the Chinese police should say?

MS WILLIAMSON: I recall having a conversation with Mr Neilson.

MR BELL: What was the substance of that conversation?

MS WILLIAMSON: I had also forwarded the email chains to Mr Neilson. I had asked Mr Neilson who the letter should come from, the employing entity. In the
5 interim, Mr Zhou had got back to me. I then emailed Mr Neilson to that effect and my recollection is that then Mr Neilson rang me, and we discussed – we talked about the email chains.

MR BELL: And my question was, what was the substance of your discussions with
10 Mr Neilson?

MS WILLIAMSON: I can't recall the substance. I can only recall that I did have a conversation.

15 MR BELL: Now, if I could ask you to look at CRL.638.001.0001; confidentiality is reserved. It's exhibit R, tab 17.

MS WILLIAMSON: Yes, Mr Bell.

20 MR BELL: If you go to the second page, .0002, do you see that at 11.16 am on 10 July Mr Chen sent you a further email saying "For your information".

MS WILLIAMSON: Yes, Mr Bell.

25 MR BELL:

That based on this, the suggested draft by WilmerHale seems appropriate.

Do you see that?

30

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: It's likely that you read the emails which Mr Chen had forwarded to you for your information, which you said based on that, the suggested draft was
35 appropriate?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And if you could look at page .0003, you see at the bottom of the page
40 Mr Chen had sent an email to the Mintz Group.

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Do you see that he said:
45

We had another staff member yesterday in Wuhan visited by local police on a tip-off that he was organising tours for gambling.

MS WILLIAMSON: Yes.

MR BELL: It's likely you then became aware that this was the second staff member in China questioned by the Chinese police about this.

5

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And did you understand that this second employee had been questioned about this matter in the same period of time as the first employee?

10

MS WILLIAMSON: It doesn't put a timeframe on it, Mr Bell.

MR BELL: Is this the position, in fairness to you, that the sole source of your understanding about the second employee derives from the email we're looking at now?

15

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And you see that the Mintz Group advised in their email to Mr Chen on the 10th of July 2015 that the letter had the effect of contributing to an evidentiary pile that the Chinese police, PSB, that is, the Chinese police could decide to draw upon in the future?

20

MS WILLIAMSON: Yes, Mr Bell.

25

MR BELL: That was a clear suggestion to you that Mintz thought that there was the potential for further police action against Crown employees in China; correct?

MS WILLIAMSON: Possibly, Mr Bell.

30

MR BELL: Now, going back to your email, starting at the bottom of page point 001, going over to page point 002, you said that:

The letter is being signed by Tim Spearman. Barry has approved authority.

35

And you asked where the letter should be sent. Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And if we could look at the letter that was sent, which is exhibit R, tab 18. Confidentiality is reserved on this version, although, there's another version of the document where confidentiality has not been reserved. But, in any event, it's exhibit R, tab 18, CRL.638.001.0005. Do you have that?

40

MS WILLIAMSON: Yes, Mr Bell.

45

MR BELL: Did you have any role in drafting the terms of the letter?

MS WILLIAMSON: Not the body of the letter, Mr Bell.

MR BELL: What do you mean by that?

5 MS WILLIAMSON: I drafted the portion underneath Mr Spearman's signature.

MR BELL: To indicate who he was signing it on behalf of?

MS WILLIAMSON: And that he was an authorised signatory.
10

MR BELL: Yes. Did you read the letter at the time?

MS WILLIAMSON: Yes, Mr Bell.

15 MR BELL: And did it occur to you at the time that it was misleading in that it omitted reference to the fact that Crown Resorts is operating casinos in Australia?

MS WILLIAMSON: No, Mr Bell.

20 MR BELL: Now, could I ask you to look at CRL.638.001.0655. Confidentiality is reserved. It's exhibit R33.

MS WILLIAMSON: Sorry, Mr Bell. I have it on the table. R33.

25 COMMISSIONER: Can I just ask you, Ms Williamson.

MS WILLIAMSON: Yes.

COMMISSIONER: I presume, from what you told Mr Bell about that letter, that
30 you were not asked to give an opinion or to give advice in respect of whether the content of it was corroborative of the employee's version of events; is that right?

MS WILLIAMSON: Yes, Commissioner.

35 COMMISSIONER: Thank you. Yes. Yes, Mr Bell.

MR BELL:

MS WILLIAMSON: Mr Bell, I can't seem to locate that folder. Could it be put up
40 on the screen, the one you're going to refer to.

MR BELL: Yes, I think so; as long as it is not shown to other parties.

MS WILLIAMSON: I've only got - - -
45

MR BELL: It's CRL.638.001.0655.

COMMISSIONER: Could you give us the exhibit number again.

MR BELL: Exhibit R33.

5 COMMISSIONER: R33.

MS WILLIAMSON: Mine are

10 COMMISSIONER: Exhibit R33.

MR BELL: I'm being told that you have the bundle of exhibit R33.

MS WILLIAMSON: Yes. But I can only find R, going up to 24. I can't find the continuation of the exhibit, Mr Bell, I'm afraid.

15 COMMISSIONER: All right then. Yes.

MS WILLIAMSON: Is it in any of my materials, Mr Bell, or not?

20 COMMISSIONER: Just pause there for a minute, Ms Williamson. Operator, is it possible to put that on Ms Williamson's screen only? All right. Not possible, Mr Bell, so move on. Perhaps you could just read the content or suggest the content. But just pause there, Ms Williamson. Yes.

25 MR BELL: That's a bit difficult, Commissioner.

COMMISSIONER: I see.

30 MR BELL: We're going to try and email that document to you. Do you have access to an email where you are?

MS WILLIAMSON: No, Mr Bell. I would have to go back to my office.

35 MR BELL: Well, I will move on to another topic for now.

MS WILLIAMSON: Is it in any of my own bundles, not the exhibit?

MR BELL: Well, all I know is that your solicitors were asked to provide you with exhibit R up to and including, at least, tab 33.

40 MS WILLIAMSON: I can't seem to see it.

MR BELL: But if you don't have it, don't worry, I'll – we'll will come back to that later.

45 COMMISSIONER: Well, perhaps, before you go, as I understand it, Ms Williamson, the document that you don't have access to, which is, in fact, an email

chain, suggests that you were discussing from whom the letter should come, that is, whether it should be signed by Crown Melbourne or Crown Resorts Pte Limited. Do you remember a line of discussion about that at the time the letter was prepared?

5 MS WILLIAMSON: Yes, that was my question about the employing entity.

COMMISSIONER: Yes.

10 MS WILLIAMSON: This is our confirmed – yes, Commissioner. Yes.

COMMISSIONER: And when you say Mr Zhou confirmed - - -

MS WILLIAMSON: That is the Chinese lawyer. Yes.

15 COMMISSIONER: Yes. He confirmed that it was to come from whom?

MS WILLIAMSON: The employee's direct employer or employing entity.

20 COMMISSIONER: And not Crown Melbourne or Crown Resorts?

MS WILLIAMSON: Correct, Commissioner.

COMMISSIONER: Yes, I see. Thank you. Yes, Mr Bell.

25 MR BELL: And, Ms Williamson, you said a little earlier that you had sent some emails to Mr Neilson about that matter. Do you recall giving that evidence?

MS WILLIAMSON: Yes, Mr Bell.

30 MR BELL: And do you recall – I withdraw that. And you also gave some evidence about a conversation that you had with Mr Neilson. You said you remember the conversation, but not the substance of it. Is that a fair way of putting it?

35 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And did you have any subsequent discussions with Mr Neilson about this topic, at any time up to October 2016?

40 MS WILLIAMSON: Not that I can recall, Mr Bell.

MR BELL: Now, can I ask you to look at INQ.950.002.0153. Confidentiality is reserved. It's exhibit O, tab 35.

45 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Can I ask you to look at the email from Mr Chen to you, dated the 10th of July at the bottom of page, point 0153, going over the page to 0154. Do you see

that he had sent you a record of the interview with the Chinese police prepared by the employee in Wuhan?

MS WILLIAMSON: Yes, Mr Bell.

5

MR BELL: And he asked for someone in Melbourne to translate it. Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

10

MR BELL: And he said:

We don't want to spread too widely so as to not alarm anyone.

15 Do you recall if you spoke to Mr Chen to discuss his approach about keeping quiet about the interview with the police?

MS WILLIAMSON: I don't recall speaking to Mr Chen.

20 MR BELL: Do you recall speaking to anyone at Crown Resorts or Crown Melbourne about Mr Chen's suggestion to keep quiet about the interview with the police?

MS WILLIAMSON: No, Mr Bell.

25

MR BELL: And if you look at your email at page point 0153, do you see that you sent a translation of the interview on the 15th of July to Mr Chen and Mr O'Connor?

MS WILLIAMSON: Yes, Mr Bell.

30

MR BELL: And if we could look at the email attaching the translation. The confidentiality is reserved, operator. INQ.950.002.0157. It's exhibit R, tab 36.

MS WILLIAMSON: Yes, I have that.

35

MR BELL: And I assume you read the translation at the time?

MS WILLIAMSON: Yes, Mr Bell.

40 MR BELL: And do you see that the Chinese police asked the employee whether he had an office and he said:

No, the company is in Hong Kong.

45 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And the police asked him where he worked, then, without an office and he said he just:

...worked at home doing visas applications. It wasn't hard to do.

5

Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

10 MR BELL: And do you see that the Chinese police asked him how he could expand his business without an office? And he said:

There was no need for expanding. We charge less fee, normally, and get referrals.

15

Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

20 MR BELL: Did it occur to you, when you read this translation of the interview, that the Chinese police seemed focused on the fact that this employee wasn't working from an office?

MS WILLIAMSON: No, Mr Bell.

25

MR BELL: And do you see that the Chinese police asked whether his company had casinos in Australia, and he said that it did?

MS WILLIAMSON: Yes, Mr Bell.

30

MR BELL: And, now, do you see that the police asked this employee if he knew whether his clients gambled in Australia. And he said that he didn't know?

MS WILLIAMSON: Yes, Mr Bell.

35

MR BELL: And do you see that the police told the employee that they couldn't tell him who had informed them, but the issue was that this employee had organised people to gamble in Australia?

40 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Did it occur to you when you read all this, that there was a risk for the staff in China who were working without official offices, as you understood it, of them being arrested or detained for gambling offences?

45

MS WILLIAMSON: No, Mr Bell.

MR BELL: We've seen emails, do you agree, in which you've communicated matters in relation to this police questioning to Mr Felstead, Mr O'Connor, Mr Chen, Ms Tegoni and Mr Neilson?

5 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: Apart from the emails themselves, do you recall any communications or discussions with any of those people about the questioning of the staff member in Wuhan and the requirement by the Chinese police for a certificate of employment?

10

MS WILLIAMSON: Other than my recollection of a conversation with Mr Neilson, I don't really have a recollection.

MR BELL: And, in that respect - - -

15

MS WILLIAMSON: Yes. Yes. Yes, Mr Bell.

MR BELL: In that respect, you remember you had a conversation, but not the substance of it; is that right?

20

MS WILLIAMSON: Yes, Mr Bell.

MR BELL: So, apart from those five individuals that I've just identified, did you discuss or raise the matter of the questioning of a staff member in Wuhan by the Chinese police and the requirement for the letter with anyone else in Crown Resorts or Crown Melbourne in the period up to October 2016?

25

MS WILLIAMSON: No, Mr Bell.

30 MR BELL: Were you told not to raise it with anyone else?

MS WILLIAMSON: No, Mr Bell.

MR BELL: Did you believe, at the time, that it was Mr Felstead's responsibility, as the senior executive ultimately responsible for VIP International, to raise the matter with the directors of Crown Resorts if he considered it appropriate to do so?

35

MS WILLIAMSON: Mr Felstead and others, Mr Bell.

40 MR BELL: Which others?

MS WILLIAMSON: Perhaps, Ms Tegoni and Mr Neilson.

COMMISSIONER: Ms Tegoni and Mr Neilson.

45

MS WILLIAMSON: Perhaps. Apologies, perhaps.

COMMISSIONER: Yes, perhaps.

MR BELL: All right. You didn't consider it was your place to raise the issue with any of the directors of Crown Resorts?

5

MS WILLIAMSON: No, Mr Bell. I didn't have direct communication with the directors.

MR BELL: Were you aware, at the time of the arrest of the staff in China in October 2016, that the Crown Resorts legal department in Melbourne did not have a significant number of the legal advices and government relations advices which had been provided to Mr Chen by WilmerHale and the Mintz group?

10

MS WILLIAMSON: No, Mr Bell.

15

MR BELL: I have no further questions in the public hearing, although, I would wish the opportunity to ask further questions in private hearing.

COMMISSIONER: And do you wish to do that now?

20

MR BELL: If that's – I understand that's convenient to Mr Aspinall.

COMMISSIONER: Mr Aspinall, do you have some questions for Ms Williamson? I see. So what we'll do is to move into private hearing to allow the questions in relation to matters relating to documents that are the subject of claims of legal professional privilege in the class action. So I must farewell Ms Case and Mr Barnett for the time being. And we'll re-establish the link in due course.

25

MR BARNETT: Commissioner, I have - - -

30

COMMISSIONER: Yes, Mr Barnett.

MR BARNETT: Yes. I'm sorry, Commissioner. I have the documents that are the subject of this. I gather it's been given to me in my capacity as representing the individual directors. Given I have the documents, I am unsure why I would be cut out from watching the examination.

35

COMMISSIONER: Well, the exquisite position in which you find yourself is probably not as comfortable as you might otherwise like it to be. And I will have to take what you tell me and hear from Mr Young. I'm trying to ensure that we protect the privilege in the class action. And if Mr Young is content for you to be present, then I will hear from him. Mr Young?

40

MR YOUNG: Would the Commissioner give me a few minutes to think about that? I wasn't aware that Mr Barnett had the documents until now.

45

COMMISSIONER: I think what has happened – yes. I think, what has happened is Mr Barnett is representing three of the Crown directors - - -

MR YOUNG: Yes.

5

COMMISSIONER: - - - who are also members – directors of – or two of Crown directors who are also directors of CPH. But would you like me to take a short adjournment, Mr Young, while you give consideration to that?

10 MR YOUNG: Yes, Commissioner, I would. I don't think there's any problem. I'd just like to confirm that before we proceed.

COMMISSIONER: Yes, of course. I'll take a short adjournment. Now, Ms Case, though, I'm going to say farewell to you for a short time. And we will re-establish the link in due course.

15

MS CASE: If it please you, Commissioner.

COMMISSIONER: Yes. I'll adjourn shortly. And you let me know when you are ready.

20

MR YOUNG: Thank you.

25 **ADJOURNED**

[11.57 am]

RESUMED

[2.00 pm]

30

COMMISSIONER: Yes, thank you. Yes, Mr Aspinall.

MR ASPINALL: Thank you, Commissioner. Before we continue, I would like to tender four further documents which are embodied in a list called exhibit W for William.

35

COMMISSIONER: Yes.

MR ASPINALL: These documents are all documents provided by Crown and they were provided back to Crown in a list last night which I understand includes both documents from Mr Bell's examination and from the Southbank Riverbank part but for convenience we have split them into two at this point.

40

COMMISSIONER: So you want them marked exhibit W1 to 4.

45

MR ASPINALL: Yes, please.

COMMISSIONER: Yes, they will be so marked.

EXHIBIT #W1 TO 4 DOCUMENTS PROVIDED BY CROWN

5

COMMISSIONER: Thank you, Mr Aspinall.

MR ASPINALL: Thank you, Commissioner. Ms Williamson, can you hear me?

10

MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: Thank you, Ms Williamson. Mr Bell asked you some questions about your work history earlier and I think you told him that you had worked at Crown for 17 years; is that correct?

15

MS WILLIAMSON: No, nearly 19 years, Mr Aspinall.

MR ASPINALL: 19 years. You started there in 2001; is that right?

20

MS WILLIAMSON: 29 October 2001.

MR ASPINALL: Yes. And you've always been associated with Crown Melbourne; is that right?

25

MS WILLIAMSON: Yes, or as its predecessor prior to the de-merger, as it was known – Crown Limited.

MR ASPINALL: Yes. And so Crown Perth came on board as part of the Crown Group in 2005; is that about right?

30

MS WILLIAMSON: Approximately sounds right. I can't recall exactly.

MR ASPINALL: Yes. And what work had you done before you came to Crown Melbourne?

35

MS WILLIAMSON: I worked in various law firms, litigation, commercial litigation.

MR ASPINALL: What sort of litigation was it?

40

COMMISSIONER: Commercial.

MS WILLIAMSON: Commercial litigation, major litigation.

45

MR ASPINALL: And they were firms around Melbourne, were they?

MS WILLIAMSON: Yes.

MR ASPINALL: And how long had you been a solicitor before you came to Crown?

5

MS WILLIAMSON: From recollection, I was admitted in 1987 or '88, I can't recall.

MR ASPINALL: Now, when you started at Crown, you were a senior – I think you gave Mr Bell the title, senior legal adviser, is that right.

10

MS WILLIAMSON: Senior solicitor or – it's the same title as I've got now, just different wording.

MR ASPINALL: How many people were in the legal department at that time?

15

MS WILLIAMSON: As in lawyers?

MR ASPINALL: Yes.

20

MS WILLIAMSON: Three lawyers, one law clerk who was studying law.

MR ASPINALL: Right. And who was your boss at that time?

MS WILLIAMSON: Alex Mathey.

25

MR ASPINALL: Right. And moving forward to today, how many people are in the legal team at Crown Melbourne now?

MS WILLIAMSON: Four lawyers, including myself.

30

MR ASPINALL: And in addition to you, you are the senior person, they're more junior lawyers beneath you?

MS WILLIAMSON: No, there's – I'm one of the two senior legal counsel and then there's a legal – then there's two legal counsels.

35

MR ASPINALL: I see. And Josh Preston is responsible for Crown Melbourne as well as the rest – as well as Crown Perth; is that right?

40

MS WILLIAMSON: The legal team, yes. We report to him.

MR ASPINALL: Right. And before that, I understood you reported to Debra Tegoni?

45

MS WILLIAMSON: Correct.

MR ASPINALL: And as I understand it, Mr Preston, before he became chief legal officer was associated with Crown Perth; is that right?

MS WILLIAMSON: Correct.

5

MR ASPINALL: And so at that point there were two legal bosses, if I might call it, one for each casino; is that how it worked?

MS WILLIAMSON: That's correct, Mr Aspinall.

10

MR ASPINALL: Right. And for you, the head was Debra Tegoni. Who was in charge at Crown Perth; was that Mr Preston?

MS WILLIAMSON: I can't recall who was in charge before Mr Preston. I honestly can't recall that, Mr Aspinall.

15

MR ASPINALL: Right. And in the hierarchy was there a chief legal officer in charge of both Mr Preston and Ms Tegoni, or was that not the situation at that point?

MS WILLIAMSON: That wasn't the structure.

20

MR ASPINALL: So that structure is new since Mr Preston moved over from Perth; is that right?

MS WILLIAMSON: The – the Melbourne and – as in operational legal departments, the casino licence legal departments, yes, were moved under Mr Preston. So Mr Preston has both responsibility for Melbourne and Perth legal teams, as in Crown Melbourne.

25

MR ASPINALL: Okay. Now, I wanted to ask you some questions about Southbank and Riverbank. Southbank, as I understand it, had been around as a part of Crown Melbourne for many years; is that right?

30

MS WILLIAMSON: Correct.

35

MR ASPINALL: When did you first become aware of it and what it did?

MS WILLIAMSON: Possibly 2002 or '03.

MR ASPINALL: Right.

40

MS WILLIAMSON: It might have been earlier; I can't recall.

MR ASPINALL: The documents that we have seen indicate that it was first notified to the VCGLR in about 2002 or 2003, that would accord with your recollection?

45

MS WILLIAMSON: Yes.

MR ASPINALL: And were you involved in the making of the application to the VCGLR for approval of that account?

MS WILLIAMSON: No.

5

MR ASPINALL: Do you know anything more about the background to that company before it was used for the purposes it came to be used for?

MS WILLIAMSON: No, Mr Aspinall.

10

MR ASPINALL: It was sort of part of the furniture by the time you got there; is that right?

MS WILLIAMSON: I don't know about furniture, but it was in existence, Mr Aspinall.

15

MR ASPINALL: Yes. And as you understood it from 2002, what did it do?

MS WILLIAMSON: It operated a bank account.

20

MR ASPINALL: A single bank account to start with.

MS WILLIAMSON: A number – sorry, a number of bank accounts. It's function was a patron deposit bank account.

25

MR ASPINALL: I see. And as far as you knew, that function continued up until last year; is that correct?

MS WILLIAMSON: That's correct, Mr Aspinall.

30

MR ASPINALL: As far as you know, has it ever done anything else than operate bank accounts?

MS WILLIAMSON: It's never done anything else, to my knowledge, Mr Aspinall.

35

MR ASPINALL: All right. Now, in terms of history, do you know that there is a similar or sister account that was operated by Riverbank Investments?

MS WILLIAMSON: Yes.

40

MR ASPINALL: Do you know when that was set up?

MS WILLIAMSON: Mr Aspinall, I didn't have any operational responsibility for Crown Perth but I became aware of Riverbank Investments but I don't know when it was set up.

45

MR ASPINALL: Do you know about when you became aware that there was a sister account to Southbank over at Perth?

5 MS WILLIAMSON: Much later than the Southbank. It might have even been – I can't put a date to it but I would think it might be 2014 or '15, possibly.

MR ASPINALL: Yes. Now, do you remember how you became aware that there was such an account or a company?

10 MS WILLIAMSON: No, Mr Aspinall, I cannot.

MR ASPINALL: Turning back to Southbank Investments, in terms of the legal needs of Southbank and regulatory things to do with it, was that a responsibility of the department that you were in?

15 MS WILLIAMSON: Mr Aspinall, I don't really understand that question. I don't understand what you mean by "legal needs".

MR ASPINALL: Yes. Well, in terms of the legal requirements of Southbank, its legal regulatory question such as registration with VCGLR, annual reports and so forth, was that the responsibility of your legal team or somebody else?

20 MS WILLIAMSON: The registration – well, I still don't quite understand your question. Southbank Investments - - -

25 MR ASPINALL: Well, I can rephrase for it. In terms of when there was a legal question to do with Southbank Investments Pty Ltd, was the answering of that legal question within the responsibility of your legal team or somebody else?

30 MS WILLIAMSON: I'm sorry. It's not my legal team, Mr Aspinall. But, yes, if it was a legal question - - -

MR ASPINALL: The legal team of which you were a member.

35 MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: Yes. Now, in terms of what the legal counsel did, what was their responsibility with regard to Southbank, as you understood it, as general counsel?

40 MS WILLIAMSON: Sorry. Legal counsel or general counsel?

COMMISSIONER: Yes. Just pause there. Just pause there, please, Ms Williamson. Which particular identity are you referring to, general counsel or the legal counsel? So if you can get that structure - - -

45 MR ASPINALL: Yes. I can – I – I will ask you again.

COMMISSIONER: Just get that structure appropriately. Thank you, Mr Aspinall.

MR ASPINALL: Ms Williamson, we were talking about your – I called it “your legal team”, by which I meant the legal team that you were in at Crown Melbourne.
5 But there is another legal team, or I think there was, which was headed by the general counsel for Crown Resorts. Do you understand that to be correct?

MS WILLIAMSON: Yes, Mr Aspinall.

10 MR ASPINALL: And I wanted to know if, in your view, the general counsel had any responsibility with respect to answering legal questions to do with Southbank Investments?

MS WILLIAMSON: Not directly. Although, I think the legal counsel might have
15 been company secretary, but I could be wrong about that. I can’t recall. The – the general counsel was responsible for the ASX listed company, Crown Resorts Limited. The Crown Melbourne legal team is responsible for Crown Melbourne operational matters.

20 MR ASPINALL: And, as you understand it, the Crown Perth legal team is responsible for Riverbank investments; is that right.

MS WILLIAMSON: Again, I don’t understand what you mean by “responsible”,
25 Mr Aspinall.

MR ASPINALL: Well, responsible for answering legal questions which might arise in respect of Riverbank Investments Pty Limited.

MS WILLIAMSON: If a legal question arose, they would be the logical source, but
30 I don’t have any knowledge or expertise on that.

MR ASPINALL: All right. Now, in respect of your areas of responsibility, I think this morning you told Mr Bell that they were human relations, local and
35 international, liquor licensing, major litigation and major incidents; is that right?

MS WILLIAMSON: Yes, that’s a high-level summary, Mr Aspinall.

MR ASPINALL: Do you have any expertise in the area of money laundering law?

40 MS WILLIAMSON: No, Mr Aspinall, other than the training that we do.

MR ASPINALL: What training is that?

MS WILLIAMSON: That’s the Crown AML compliance training that all
45 employees - - -

MR ASPINALL: And what does that consist - - -

MS WILLIAMSON: - - - have to do.

MR ASPINALL: All right. And what does that consist of for you?

5 MS WILLIAMSON: It consists of an online module and refresher. It consists of understanding the AML program, AML transaction reporting and understanding examples of threshold transactions, suspicious matter reporting and international funds transfers.

10 MR ASPINALL: All right. Can I take you to a document, please, Ms Williamson. It is called CRL.563.001.4189. And it is exhibit W2, which I just tendered. That is for the hearing room only at the moment. Do you have that document?

MS WILLIAMSON: I believe that's behind my - - -

15

MR ASPINALL: I said can we discuss - - -

MS WILLIAMSON: Yes.

20 MR ASPINALL: Can we discuss this, please?

MS WILLIAMSON: Yes. Yes, Mr Aspinall, it's behind my tab 5.

25 MR ASPINALL: Thank you, Ms Williamson. Have you read that email in preparation for today?

MS WILLIAMSON: Yes, I have, Mr Aspinall.

30 MR ASPINALL: Do you see it's an email from Ms Tegoni to you in January 2017; do you see that?

MS WILLIAMSON: Yes, Mr Aspinall. Yes, yes, Mr Aspinall.

35 MR ASPINALL: And Ms Tegoni is raising with you the fact that AUSTRAC had queried whether Southbank Investments should be enrolled and registered as a reporting entity in its own right; you see that?

MS WILLIAMSON: Yes.

40 MR ASPINALL: And Ms Tegoni has told you that Crown is to review and provide a response to AUSTRAC as to their position on this matter?

MS WILLIAMSON: Yes.

45 MR ASPINALL: And then you have replied the following day:

Dear Debra. Further to our discussion, I can confirm that Southbank Investments, the approved VCGLR bank account to receive patron funds, has no other function than a mere conduit for the receipt of those funds.

5 See that?

MS WILLIAMSON: Yes, yes, yes.

10 MR ASPINALL: Now, can you remember what the content of the discussion that you're referring to there was?

MS WILLIAMSON: The content of the discussion is exactly as per the email: we talked about the response and then I put it in writing.

15 MR ASPINALL: Did you understand why AUSTRAC had queried whether Southbank should be registered as a reporting entity?

MS WILLIAMSON: No, Mr Aspinall.

20 MR ASPINALL: Ms Tegoni didn't mention any more about the discussion?

MS WILLIAMSON: I don't recall, Mr Aspinall.

25 MR ASPINALL: Okay. And then, in respect of returning to the top email, do you see that you have looked, apparently, at section 6 of the AML Act?

MS WILLIAMSON: Yes.

30 MR ASPINALL: And if we go to the next tab, which is document CRL.563.001.4195, which is exhibit W3. Do you have that, Ms Williamson?

MS WILLIAMSON: Yes, Mr Aspinall. Yes.

35 MR ASPINALL: Do you see you've sent Ms Tegoni some extracts from the AML Act, including section 6?

MS WILLIAMSON: Yes, Mr Aspinall.

40 MR ASPINALL: If we turn to 4196, do you see you've started there with section 6 designated services.

MS WILLIAMSON: Yes.

45 MR ASPINALL: And that is page 38 of the Act?

MS WILLIAMSON: Yes.

MR ASPINALL: In the bottom left hand corner.

MS WILLIAMSON: Yes.

5 MR ASPINALL: And then you have skipped over, at 4197, at the top right-hand corner, to page 57 of the Act. You see?

MS WILLIAMSON: Yes.

10 MR ASPINALL: And that is because you were drawing Ms Tegoni's attention to table 3 in section 6?

MS WILLIAMSON: Yes.

15 MR ASPINALL: And you've discussed that in the email.

MS WILLIAMSON: Yes.

20 MR ASPINALL: My question to you is, did you give any consideration at this time as to whether or not Southbank Investments might be a designated remittance service provider?

MS WILLIAMSON: No, Mr Aspinall.

25 MR ASPINALL: Can you explain why not?

30 MS WILLIAMSON: Ms Tegoni was asking whether Southbank should be registered as a reporting entity. Crown Melbourne Limited is the reporting entity under the program; that was what I was focusing on.

MR ASPINALL: Right.

35 MS WILLIAMSON: I asked a discrete question – she asked a discrete question. And I gave a discrete answer in relation to my understanding of Southbank Investments and its operation.

MR ASPINALL: Do you recall looking at table 1 of section 6 at the time, or did you just go straight to table 3?

40 MS WILLIAMSON: I don't recall, Mr Aspinall.

MR ASPINALL: Now, in terms of - - -

45 MS WILLIAMSON: Other – sorry.

MR ASPINALL: Yes.

MS WILLIAMSON: I don't recall, Mr Aspinall.

MR ASPINALL: Thank you, Ms Williamson. In terms of your conclusion that Southbank and Riverbank – Southbank was not a reporting entity, were you aware of
5 section 51 of the AML Act? Would you like me to show it to you?

MS WILLIAMSON: Yes, Mr Aspinall. I can't recall what section 51 is off the top of my head.

10 MR ASPINALL: I don't blame you, Ms Williamson. It's INQ.070.001.0001. And it's exhibit A114. And that can go to the live stream.

MS WILLIAMSON: I don't have, just so you know, in the bundle I got, we didn't – they didn't put in the AML Act.
15

MR ASPINALL: We can share it on the screen for you, Ms Williamson, so you can have a look.

MS WILLIAMSON: Thank you. Thank you.
20

MR ASPINALL: And just let me know when it's the right size that you can read it. You see – you might be able to see that this is the front page of the Act.

MS WILLIAMSON: Yes.
25

MR ASPINALL: And I'll ask the operator to go to 0133. And just blow up the bottom section 51 there. Do you recall ever having a look at this section?

MS WILLIAMSON: I may have, Mr Aspinall. I can't recall.
30

MR ASPINALL: Do you have any understanding of what the effect of that section is?

MS WILLIAMSON: Is that the tipping-off offence?
35

MR ASPINALL: No. It's different from that.

MS WILLIAMSON: I don't recall, Mr Aspinall.

40 MR ASPINALL: Do you understand that, under state and federal law, it can be an offence to deal with the proceeds of crime, either negligently or recklessly?

MS WILLIAMSON: Yes, Mr Aspinall.

45 MR ASPINALL: And do you – perhaps, because you're not aware of it, did you understand that if an entity was a reporting entity and reported under section 41, for example, that would give them some relief from those criminal sanctions?

MS WILLIAMSON: Mr Aspinall, I'm not a - - -

COMMISSIONER: Just pardon me, Ms Williamson. I think, in the circumstances, it wouldn't expose them.

5

MR ASPINALL: Well, the operation of the Act is – the operation of the section is written there, and you can read it. But it, effectively, removes the component of knowledge which is necessary for that – those offences to be made out. Are you aware of that?

10

MS WILLIAMSON: I'm not sure, Mr Aspinall.

MR ASPINALL: Perhaps I could just ask you, did you, at the time of giving the advice, that Southbank was not a reporting entity, give any thought to the fact that that would deprive Southbank of the protection it would have from criminal sanction if it were actually a reporting entity or not?

15

MS WILLIAMSON: Mr Aspinall, I was asked a discrete question. I gave my discrete view. I'm not an expert in AML. Other people within the team would do the AML work. It's not in my area.

20

MR ASPINALL: Yes.

MS WILLIAMSON: So I – probably not. I answered a very simple question.

25

MR ASPINALL: Now, in terms of that issue that you've raised, going back to the email that we were looking at a little earlier, which is behind your tab 5, which ends in 4189. Can you see that one?

MS WILLIAMSON: Yes. Yes, Mr Aspinall.

30

MR ASPINALL: Take that off the live stream please, operator. You see, Ms Tegoni, at the time, was the executive general manager of legal and regulatory services, wasn't she?

35

MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: And wasn't she also the AML compliance officer for Crown Melbourne?

40

MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: Can you give me any insights you have as to why Ms Tegoni, who is an lawyer and an AML compliance officer, would ask you for the response to AUSTRAC as to why – as to whether or not Southbank should be registered as a reporting entity?

45

MR YOUNG: Commissioner, I object to that question.

COMMISSIONER: Yes. In that form, it's rejected.

5 MR YOUNG: Ms Tegoni is summonsed to give evidence. Any questions like that should be directed to her.

COMMISSIONER: Mr Young.

10 MR ASPINALL: It's all right, Mr Young.

COMMISSIONER: Mr Young, can you hear me?

MR ASPINALL: It's been – it's been rejected.

15

MR YOUNG: I couldn't – when – no, I couldn't. You were very faint. I apologise.

COMMISSIONER: That's all right. I think the operator is making sure you can't hear me. In any event, we can - - -

20

MR ASPINALL: I will try again, Ms Williamson.

COMMISSIONER: Yes. Thank you.

25 MR ASPINALL: Did Ms Tegoni give you any indication as to why she was asking you for advice on the question of whether Southbank was a reporting entity?

30 MS WILLIAMSON: She was just seeking my opinion. The usual person that supported her in the AML role was on maternity leave. And the new secondee to support her in the AML role had just started. So she asked me my view. And I provided my view to the answer to the question.

35 MR ASPINALL: But I think you can see from the email below that she sent you, that this is a serious question being raised by the regulator with Crown, isn't it?

MS WILLIAMSON: Yes. It's a query from AUSTRAC, Mr Aspinall.

40 MR ASPINALL: Yes. And then you knew, at the time, that you weren't an expert on the AML Act, didn't you?

MS WILLIAMSON: Yes, Mr Aspinall, and so did Ms Tegoni.

45 MR ASPINALL: And you would have known that an option available would be for Crown to seek some expert external advice on that issue, if needed?

MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: Can you explain to me why, in respect of this question, you, who didn't have particular AML expertise, decided to provide an answer on that question in those circumstances?

5 MR YOUNG: I object, Commissioner. The witness has already explained the position.

COMMISSIONER: Yes. Mr Aspinall.

10 MR ASPINALL: Ms Williamson, did you not consider that the better course was to advise Ms Tegoni that you were not an expert, and that she should seek external advice on that question?

MS WILLIAMSON: Ms Tegoni was aware of my areas of expertise, Mr Aspinall.
15

MR ASPINALL: Is that because she worked with you for a long time?

MS WILLIAMSON: Yes. Our offices were next to each other.

20 MR ASPINALL: I see. And you didn't need to tell her, as far as you were concerned, that you didn't have expertise in money laundering law?

MS WILLIAMSON: No, Mr Aspinall.

25 MR ASPINALL: Because it seems, from your response, that that issue is not raised at all. You don't say, "I don't know," or, "This is not an expert opinion." You haven't qualified that answer in any way, have you?

MS WILLIAMSON: We had already discussed it, Mr Aspinall. Ms Tegoni was
30 just seeking my opinion. Whether she accepted it or not, I don't know.

MR ASPINALL: You can take that document down now. Can we have a look at a new document, which is CRL.613.001.0018. That one can go to the hearing room, please. And that – I'll just get the tab number in your bundle for you, Ms
35 Williamson. It's number 7.

MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: It starts with "VIP operations meeting".
40

MS WILLIAMSON: Yes, I have that, Mr Aspinall. Yes.

MR ASPINALL: Could we have – could we have a look at, if you turn over to 0037 in the top right-hand corner. Operator, could you take us there.
45

MS WILLIAMSON: Yes, I have that, Mr Aspinall.

MR ASPINALL: Now, as far as this document goes, it appears to be notes from a VIP operations meeting or a VIP issues meeting; do you see?

MS WILLIAMSON: Yes, Mr Aspinall.

5

MR ASPINALL: Were you ever invited to these meetings?

MS WILLIAMSON: No, Mr Aspinall.

10 MR ASPINALL: And I think you'd agree with me that the attendees seem to have been Mr Felstead, Mr Ratnam, Mr Theiler and Ms Maguire; is that correct? Is that what those initials mean; do you think?

MS WILLIAMSON: Yes, Mr Aspinall.

15

MR ASPINALL: I want to invite your attention to the second point there. You see it says:

Cash collection in Macau Phil Gapin, Suncity proposals.

20

You see that?

MS WILLIAMSON: Yes, Mr Aspinall.

25 MR ASPINALL: And then if we look in the next dot point it says:

No to PG proposal.

30 I presume that's the Phil Gapin proposal. Do you know what the Phil Gapin proposal was?

MS WILLIAMSON: No, Mr Aspinall. But his name is Phil Gapin.

MR ASPINALL: Phil Gapin?

35

MS WILLIAMSON: Yes.

MR ASPINALL: Looking down at the third dot point, this note says:

40 *Follow up Jan re a Macau bank account. Jan advised will be in the name of Riverbank Investments Pty Ltd after consultation with Josh due to no regulatory approval required.*

Do you see that?

45

MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: What advice is being referred to there?

MS WILLIAMSON: Credit control wanted to open a bank account in Macau for patron deposits in relation to collection of debts and front money. Considerations
5 were Riverbank or Southbank Investments. I spoke to Josh and he indicated that Riverbank Investments should be the company because from a timing perspective, it doesn't require regulatory approval. So it was all about timing, Mr Aspinall.

MR ASPINALL: But as you understood it, the purpose of this account being
10 opened in Macau was to receive cash, wasn't it?

MS WILLIAMSON: To receive patron's front money and repayment of debts. I don't know - - -

15 MR ASPINALL: Then why does the heading – sorry, you go ahead.

MS WILLIAMSON: Could have been cash, could have been a cheque, it could have been any form of currency.

20 MR ASPINALL: But the heading to this section is Cash Collection in Macau.

MS WILLIAMSON: Yes.

MR ASPINALL: You must have understood that the reason they wanted to open it
25 was so that somebody could walk into a branch of a bank in Macau and deposit cash, wouldn't you?

MS WILLIAMSON: Yes.

30 MR ASPINALL: And was the concern at the time that VCGLR might refuse permission for Crown Melbourne to open up an account which could do that in Macau itself?

MS WILLIAMSON: No, Mr Aspinall.
35

MR ASPINALL: Was there a concern that VCGLR might refuse permission to Southbank Investments to open up an account that could receive cash in Macau?

MS WILLIAMSON: No, Mr Aspinall.
40

MR ASPINALL: Is it the case that regulatory approval – the reason that you decided to use Riverbank Investments due to no regulatory approval required was that you wanted to minimise the regulator involvement in this process?

45 MS WILLIAMSON: No, Mr Aspinall.

MR ASPINALL: Was it the intention that money which was paid into this account of Riverbank Investments would subsequently be available to patrons operating in the Melbourne casino as well?

5 MS WILLIAMSON: I'm not sure, Mr Aspinall.

MR ASPINALL: Well, isn't that something that would naturally follow from the proposal that you've put, that of the two options, Riverbank was the better choice?

10 MS WILLIAMSON: That was not my proposal, Mr Aspinall.

MR ASPINALL: Well, isn't it the advice that this line records that you gave?

15 MS WILLIAMSON: Mr Aspinall, I didn't record that note. The VIP international credit control were looking at Riverbank Investments or Southbank Investments.

MR ASPINALL: Yes. But doesn't that dual – the ability to choose from either one indicate that this account was intended to be the portal to both the casinos?

20 MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: And does that not fit with the wish to avoid regulatory involvement in these accounts to the extent possible?

25 MR YOUNG: I object to the question.

COMMISSIONER: Yes, that's rejected in that form.

30 MR ASPINALL: Ms Williamson, did it occur to you that in circumstances where there were concerns about the amount of regulatory approval required that it would be problematic for Crown Melbourne to receive deposits through Riverbank Investments, thereby avoiding the need for VCGLR to approve an account through which funds flowed to Crown Melbourne.

35 MR YOUNG: Yes, I object again.

COMMISSIONER: Yes, that is rejected. Just let me understand, Ms Williamson. I presume that you were aware that Riverbank had a different regulatory approval process to Southbank with the regulators in each state; is that right?

40

MS WILLIAMSON: Yes, Commissioner, I became aware of that fact.

COMMISSIONER: And if – I withdraw that. Did you understand that Riverbank did not have to have the same approval process that Southbank had with VCGLR?

45

MS WILLIAMSON: That was what was explained to me, Commissioner.

COMMISSIONER: And did that have something – I withdraw that. Did that impact upon your advice, if it is correct to record it as your advice, that Riverbank should be chosen rather than Southbank?

5 MS WILLIAMSON: After consultation with Josh, Mr Preston suggested – he suggested Riverbank Investments because we could get the bank account if we could open it more quickly than if we used Southbank which had an additional step of regulatory approval, which could take some time.

10 COMMISSIONER: Yes, I see.

MS WILLIAMSON: It was purely a timing administrative type scenario.

15 COMMISSIONER: I understand. Because the hoop through which you had to jump in Melbourne or in Victoria took longer than that which you had to do at all in Western Australia?

MS WILLIAMSON: Correct, Commissioner.

20 COMMISSIONER: Yes, all right. Yes, Mr Aspinall.

MR ASPINALL: Ms Williamson, did you ever query why the account would be opened in the name of Riverbank or Southbank rather than in the name of Crown Melbourne or Crown Perth?

25 MS WILLIAMSON: No, Mr Aspinall.

MR ASPINALL: Did you ever turn your mind as to whether or not opening it in the name of Riverbank might provide a vehicle for money laundering to occur?

30 MS WILLIAMSON: No, Mr Aspinall.

MR ASPINALL: Were you aware that in 2016, one of the concerns of the VIP Group was that AML restrictions in Australia were posing a threat to business because other jurisdictions had more competitive AML regulations?

35 MR YOUNG: Well, just a moment. I object to the evidence – to the question. I think that mischaracterises the evidence.

40 COMMISSIONER: Mr Aspinall.

MR ASPINALL: Were you aware that the stringency of AML controls was a concern to the VIP team in terms of the competitiveness of Crown's operations?

45 MS WILLIAMSON: What date did you say, Mr Aspinall?

MR ASPINALL: 2016/2017 when this advice was given.

MS WILLIAMSON: No, Mr Aspinall.

MR ASPINALL: You weren't aware of that? Did anyone ever explain to you why
5 they wanted to open the accounts in the name of Southbank or Riverbank rather than
the names of the casinos themselves?

MS WILLIAMSON: No, Mr Aspinall.

MR ASPINALL: And is your evidence that the only two options you were given to
10 choose from, and which you discussed with Mr Preston, were Southbank or
Riverbank?

MS WILLIAMSON: Yes, Mr Aspinall.

15 MR ASPINALL: Just have a look at one more document, which is
INQ.100.010.0092, which is exhibit F65 and should be at tab 2 of your folder, Ms
Williamson.

MS WILLIAMSON: Yes.
20

MR ASPINALL: You see that's a newspaper article from 5 August 2019?

MS WILLIAMSON: Yes, Mr Aspinall.

25 MR ASPINALL: Do you recall seeing that around that time?

MS WILLIAMSON: Possibly, Mr Aspinall.

MR ASPINALL: Did you have any – well, we'll turn, first, to the part I'm
30 interested in, which is 0094. And do you see the last four paragraphs?

MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL:
35

In a statement in response - - -

MS WILLIAMSON: Yes, Mr Aspinall. Yes, Mr Aspinall.

40 MR ASPINALL: So can you read that to the end of the page, and let me know
when you've done that.

MS WILLIAMSON: Yes, Mr Aspinall.

45 MR ASPINALL: Did you have any hand in drafting that response?

MS WILLIAMSON: No, Mr Aspinall.

MR ASPINALL: In relation to the allegations that were made in the newspaper at that time, or after, in respect of Southbank or Riverbank, did you undertake any investigations for any person as to whether or not those allegations were correct?

5 MS WILLIAMSON: No, Mr Aspinall.

MR ASPINALL: Thank you, Commissioner.

10 COMMISSIONER: Yes. Thank you, Mr Aspinall. Mr Young, do you have any – do you seek leave to ask any questions of Ms Williamson in clarification?

MR YOUNG: Thank you, Commissioner. Yes, I do.

15 COMMISSIONER: Yes. Please proceed.

<EXAMINATION BY MR YOUNG

[2.41 pm]

20 MR YOUNG: Ms Williamson, can I take you back to some questions this morning. At an earlier point, you were taken to tab 3, which was a document appended to a summons. That's your tab 3. It – Commissioner, I've – Commissioner, I've forgotten something.

25 COMMISSIONER: All right.

MR YOUNG: There's a couple of questions which we'll need to go private for. This is one of them.

30 COMMISSIONER: I see.

MR YOUNG: It will be best if I save those up to the end.

35 COMMISSIONER: Yes. All right then.

MR YOUNG: So I will withdraw that question. And I will come back to that matter.

40 COMMISSIONER: Yes. All right.

MR YOUNG: Can I take you, Ms Williamson, to a chain of emails that you were asked some questions about. The chain is found in – or one version of it – in exhibit R15, that you were taken to.

45 MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: Now, you were taken to this email by Mr Bell. Now, when you received this email, did you read the entirety of it, including the originating email at pinpoint reference 0412?

5 MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: At that page, you'll find there's an email from Kenneth Zhou of WilmerHale to Mr Chen. And it was Mister – in which Mr Zhou reports on his first-hand conversation with the particular employee. Do you see that?

10

MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: Now, in the steps that you subsequently took, what part of this email chain did you most focus on?

15

MS WILLIAMSON: Mr Zhou's advice and first-hand account with the employee and his template response.

MR YOUNG: Yes. And by the "template response", you refer to the language suggested by Mr Zhou in his email of 9 July; is that right?

20

MS WILLIAMSON: Yes, Mr Young, and confirmation - - -

MR YOUNG: And what did you understand – I'm sorry. I cut you off. Please continue.

25

MS WILLIAMSON: A confirmation of employment letter.

MR YOUNG: Yes. Now, you were asked some questions about what you did subsequently, in relation to that letter. What was your understanding of the function of the letter?

30

MS WILLIAMSON: To confirm the employee's employment with Crown, to be provided to the authorities as required by the authorities.

35

MR YOUNG: Yes. And did you, in that respect, place particular reliance upon what Mr Zhou said at the very end of his first paragraph in that email?

MS WILLIAMSON: Yes, Mr Young.

40

MR YOUNG: Now, you were taken to - - -

COMMISSIONER: Well, just before you leave that, Mr Young.

45 MR YOUNG: Yes.

COMMISSIONER: Ms Williamson, I understood that you understood that what was requested was some corroborative evidence of the version of events that the employee had given to the authorities. Was that not the case?

5 MS WILLIAMSON: No, that was what Michael Chen had conveyed in his email, Commissioner. My understanding - - -

COMMISSIONER: And so – I see.

10 MS WILLIAMSON: I apologise. My understanding was as per Mr Zhou’s advice, who had spoken to the employee directly.

COMMISSIONER: Yes. And so when you looked at this series of emails, you saw that he – the police department said that somebody had reported that he organised
15 overseas gambling tours. And he said that he had no knowledge about it. Presumably, you saw that?

MS WILLIAMSON: Yes, Commissioner.

20 COMMISSIONER: And so when Mr Chen wrote – just so I am clear what you are telling me – when Mr Chen wrote to you saying, “Look, a letter has to be provided prior to 12 pm tomorrow corroborating his statement,” did you not understand that that’s what was required?

25 MS WILLIAMSON: No, Commissioner. I understood that what was required was an employment – confirmation of employment letter, as drafted by Mr Zhou.

COMMISSIONER: Well, I think you told Mr Bell that you understood that the
30 employee had not been truthful with the authorities. You remember telling me that?

MS WILLIAMSON: Yes, Commissioner.

COMMISSIONER: So it was rather a sensitive process, was it not?

35 MS WILLIAMSON: I’m sorry, Commissioner, I missed that. I’m sorry, I missed your question.

COMMISSIONER: It was rather a sensitive process, was it not, in providing a letter
40 to go to the authorities?

MS WILLIAMSON: Yes, Commissioner.

COMMISSIONER: And, in the circumstances, you say that you did not focus on
45 the request to corroborate the employee, but, rather, merely his employment status; is that right?

MS WILLIAMSON: Yes, Commissioner. As per the advice - - -

COMMISSIONER: Can you tell me – I'm sorry?

MS WILLIAMSON: As per the advice from Kenneth Zhou.

5 COMMISSIONER: And what advice is that that you're focusing on?

MS WILLIAMSON: 0412.

COMMISSIONER: Yes. But what is it.

10

MS WILLIAMSON: It's:

15

The police department needs a letter from Crown to confirm that he is an employee of the Crown. Based on the above, I would think that the letter should be very simple and straightforward. Here is my suggested –

language, or –

20

languages.

And then he sets out:

25

The employee –

blah, blah, blah, as he sets out down there; that's a confirmation of employment.

30

COMMISSIONER: Yes. And so as far as the employee's statement to the police that was, at the very least, inaccurate, you say that that letter does not corroborate that inaccuracy?

MS WILLIAMSON: No, Commissioner.

COMMISSIONER: Is that what you say?

35

MS WILLIAMSON: That's what I say, Commissioner; it was a purely employment – verifying that he was employed by the employing entity. That was why I was asking the questions as to who – who should it come from, what entity, in subsequent emails.

40

COMMISSIONER: From a fairness point of view, Ms Williamson, it looks, on one view of it – and this is only one view of it – that the approach that was adopted was to use a fairly vanilla, that is neutral, type of description, not dealing with the matter that the employee raised that he was totally unaware or had no knowledge of gambling tours. Now, if that is right, do you agree with the proposition that it

45

doesn't deal with anything to do with gambling?

MS WILLIAMSON: Yes, Commissioner.

COMMISSIONER: And was that intentional?

MS WILLIAMSON: No, Commissioner.

5 COMMISSIONER: Was it inadvertent?

MS WILLIAMSON: No, Commissioner.

10 COMMISSIONER: So if it was not intentional not to mention gambling and it was not inadvertent, what was the position?

MS WILLIAMSON: I had to be guided by the Chinese lawyer on the ground as to what was required. He was the expert. I wasn't; I was merely facilitating the request.

15 COMMISSIONER: Yes. But from an Australian lawyer's point of view, it looks a little odd, doesn't it, that you don't deal with the core business of the company of whom he is employed.

20 MS WILLIAMSON: Well, he's employed by the Crown Resort Pte Ltd, which is a Singaporean incorporated company. It's a subsidiary ultimately of Crown and Crown Resorts but that's not his employer.

25 COMMISSIONER: No, but the content of the letter deals with Crown Resorts, does it not, Ms Williamson?

MS WILLIAMSON: Yes, it does but that is – Commissioner, that is often the way letters are written even in the Australian context.

30 COMMISSIONER: What, not mentioning gambling?

MS WILLIAMSON: Not necessarily. We talk about integrated resorts; it's just a descriptor, Commissioner. It's not intentionally – everyone knows who Crown is. It's just a generic descriptor.

35 COMMISSIONER: All right. So your position is that when you received the letter, you did not focus on Mr Chen's suggestion of corroborating a statement but rather on the content of the letter that was described by Mr Zhou; is that right?

40 MS WILLIAMSON: Yes, Commissioner.

COMMISSIONER: Yes, Mr Young.

45 MR YOUNG: Thank you. Can I take you back to the email chain, please, Ms Williamson, just for one more question. The Commissioner drew your attention, not in precise terms but generally, to the statement that appears in the middle of Michael Chen's email on the first page, which says:

The police requested that Crown furnish a letter prior to 12 pm tomorrow corroborating his statement.

Do you see that sentence?

5

MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: Now, if you turn to Mr Zhou's email, he also makes a statement about the police request. In his statement at the end of the first paragraph is:

10

The police department needs a letter from Crown to confirm that he is an employee of Crown.

Now, of those two statements, which one did you rely upon and which one did you place weight on?

15

MS WILLIAMSON: Mr Zhou's.

COMMISSIONER: I think you've already told me this. It's abundantly clear to me, Mr – this is not a clarification. Ms Williamson has said quite clearly that she put it on Mr Zhou's rather than Mr Chen's statement.

20

MR YOUNG: Yes.

COMMISSIONER: There's no doubt about it, Mr Young. No doubt about it.

25

MR YOUNG: Now, just to round this out, Ms Williamson, can I take you to, briefly, the other emails in the chain of steps that you took. Can I next go to exhibit O27, please. That's in the O folder.

30

MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: Now, in this email chain, exhibit O27, you collect a number of the emails and send them on to Mr Felstead, don't you?

35

MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: And you pass on to Mr Felstead Mr Zhou's advice that the letter should be from the direct employing entity.

40

MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: And you included in the email chain Mr Zhou's originating email at the bottom?

45

MS WILLIAMSON: Yes, Mr Young.

MR YOUNG: Can I take you to R17 which you were next taken to – exhibit R17.

MS WILLIAMSON: Sorry, Mr Young. Sorry, I haven't got the right folder. Yes, Mr Young.

5

MR YOUNG: In that email chain, there's an email referring to a draft by Wilmer. Do you see that in the middle of .0002?

MS WILLIAMSON: Yes, Mr Young.

10

MR YOUNG: Now, who was it who provided the language that went into the last sentence of the final email; was that yourself or WilmerHale?

MS WILLIAMSON: I'm sorry, Mr Young, which - - -

15

MR YOUNG: I will take you to the letter. R18, if you go to the next tab.

MS WILLIAMSON: Yes, Mr Young.

20

COMMISSIONER: Could you give us the reference, please, so it can be brought up.

MR YOUNG: Yes, Commissioner. CRL.638.001.0005.

25

COMMISSIONER: Thank you very much.

MR YOUNG: Now, do you have that, Ms Williamson?

MS WILLIAMSON: Yes, I do, Mr Young.

30

MR YOUNG: Commissioner, can you see it, may I inquire?

COMMISSIONER: Yes, thank you very much, Mr Young; I have it now.

35

MR YOUNG: I was asking you about the origin of the language in the last sentence and in particular whether that came from you or from WilmerHale?

MS WILLIAMSON: That came from WilmerHale, Mr Young.

40

MR YOUNG: Thank you.

COMMISSIONER: Did anyone suggest at any stage that they were worried about the fact that the employee in China might have been misleading the authorities about his knowledge of the gambling tours or not?

45

MS WILLIAMSON: I cannot recall, Commissioner. I don't think so.

COMMISSIONER: Did you have a concern?

MS WILLIAMSON: Well, clearly, he wasn't truthful with the authorities.

5 COMMISSIONER: So from the point of view of your employer and also from your own position as a practitioner, did it not suggest that there may be some form of risk to the employee?

MS WILLIAMSON: Yes, Commissioner.

10

COMMISSIONER: Did anyone discuss that with you, Ms Williamson, at the time?

MS WILLIAMSON: No, Commissioner, not that I can recall.

15 COMMISSIONER: Because I presume that if you saw something like this happening in Melbourne, certainly discussions would be happening, would they not?

MS WILLIAMSON: Yes, Commissioner. But - - -

20 COMMISSIONER: But on this occasion, no one raised this as a matter of concern for discussion within the team?

MS WILLIAMSON: Not to me, Commissioner.

25 COMMISSIONER: And does that mean that you're aware that it was raised elsewhere? Or am I just assuming something that I shouldn't assume there?

MS WILLIAMSON: Commissioner, I'm unable to comment on what discussions may have occurred elsewhere.

30

COMMISSIONER: I see.

MS WILLIAMSON: I'm not a party to those, if they did.

35 COMMISSIONER: Yes, that's all right. No, I'm asking you, from your personal experience, Ms Williamson - - -

MS WILLIAMSON: Yes, yes.

40 COMMISSIONER: - - - that's all.

MS WILLIAMSON: Yes. No. No one raised it with me, Commissioner.

COMMISSIONER: Yes. Yes, Mr Young.

45

MR YOUNG: Ms Williamson, I'm moving to another topic. You were asked some questions – yes. A short while ago, you were asked some questions about a VIP operations document, which was, I think, tab 7 of your folder.

5 MS WILLIAMSON: Yes. Yes, Mr Young.

MR YOUNG: Reference CRL.613.001.0018.

MS WILLIAMSON: Yes, Mr Young.

10

MR YOUNG: Now, I want to ask you about the question of opening a Macau account in the name of Riverbank. Did such an account ever go ahead?

MS WILLIAMSON: No, Mr Young.

15

COMMISSIONER: And did you have something - - -

MR YOUNG: Are you able to - - -

20 COMMISSIONER: - - - to do with that? Did you have something to do with that, Ms Williamson?

MS WILLIAMSON: No, Commissioner.

25 COMMISSIONER: Thank you.

MR YOUNG: Can you explain to the Commissioner, so far as you have any knowledge of it, why it was that it didn't go ahead?

30 MS WILLIAMSON: I don't have any knowledge of it, Mr Young.

MR YOUNG: That is the reason as to why it didn't go ahead; is that right?

MS WILLIAMSON: No. I don't have any knowledge of the reason, Mr Young.

35

MR YOUNG: Yes. All right. Thank you. Commissioner, the other questions I have are in the realm of the private session.

40 COMMISSIONER: Yes. All right then. I will just see if Mr Barnett has any questions in public first.

MR BARNETT: No, Commissioner.

COMMISSIONER: Thank you. Or Ms Case, I presume not?

45

MS CASE: No, Commissioner.

COMMISSIONER: Mr Bell, do you have any questions in the public section of the section.

5 MR BELL: Yes, please, Commissioner. There's just one matter I wanted to clarify
- - -

COMMISSIONER: Yes.

10 MR ASPINALL: - - - in relation to exhibit R15 and exhibit R18.

COMMISSIONER: Yes.

15 <EXAMINATION BY MR BELL [3.03 pm]

MR BELL: Ms Williamson, can you, please, turn to exhibit R15, CRL.636.001.041.

20 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And, in particular, the email from Mr Zhou that you referred to in answering some questions from Mr Young, at point 0412. And you see that the template letter from Mr Zhou says, in square brackets:

25 *[Add one or two sentences on Crown Resorts, such as it is a well-known resort hotel in Australia with a long history.]*

Do you see that?

30 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: And looking at exhibit R18, CRL.638.001.0005.

35 MS WILLIAMSON: Yes, Mr Bell.

MR BELL: You were asked by Mr Young who drafted the last sentence. And do I understand you correctly to say that you believed it was WilmerHale had drafted that sentence?

40 MS WILLIAMSON: From the template. Yes, Mr Bell.

MR BELL: So are you suggesting, going back to R15, at page point 0412, that WilmerHale communicated with you, subsequently, to provide the precise wording for the final sentence - - -

45 MS WILLIAMSON: No. No, Mr Bell.

MR BELL: - - - of the letter?

MS WILLIAMSON: No, Mr Bell. I am being mistaken. I believe that last sentence, in its fullness, possibly ,was drafted by Mr Chen based on the template.

5

MR BELL: Well, if you look at the first page of exhibit R15, the email to you from Mr Chen, you see that, in the last paragraph, Mr Chen said to you that:

10 *If you have no objection, we will prepare the letter per the WilmerHale template.*

Do you see that?

MS WILLIAMSON: Yes, Mr Bell.

15

MR BELL: So should we understand the position to be that the final sentence of the letter which was given to the Chinese police was drafted by an officer of Crown Resorts?

20 MS WILLIAMSON: Yes, Mr Bell. I haven't got Mr Chen's draft in front of me.

COMMISSIONER: Yes. Thank you. Mr Aspinall do you have something to clarify.

25 MR ASPINALL: I have just one question.

<EXAMINATION BY MR ASPINALL

[3.06 pm]

30

MR ASPINALL: Ms Williamson, do you remember Mr Young asked you some questions about whether or not the account in Macau was ever opened?

MS WILLIAMSON: Yes, Mr Aspinall.

35

MR ASPINALL: You said it was not.

MS WILLIAMSON: That was my understanding, Mr Aspinall.

40 MR ASPINALL: Can we have a look at this document, please, CRL.557.001.0069, which is – and that can be put on the viewing room only, please – which is Crown confidential list one, tab 57. Can you see that, Ms Williamson? Tab 8 of your folder.

45 MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: Do you remember that the meeting that I discussed with you is from the 4th of April 2017?

5 MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: And do you see this document is a circulating resolution of the board of directors of Riverbank?

10 MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: And if we go to the next page, do you see it's signed by the directors - - -

15 MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: - - - in September 2017?

MS WILLIAMSON: Yes, Mr Aspinall.

20 MR ASPINALL: And if we go back to resolution 1:

It was resolved that the company open a patron deposit bank account for the repayment of patron debts in the Bank of China in Macau.

25 MS WILLIAMSON: Yes, Mr Aspinall.

MR ASPINALL: Do you see that?

30 MS WILLIAMSON: Do you see that?

MR ASPINALL: In light of this document, how do you know that no such account was opened?

35 MS WILLIAMSON: I made inquiries, Mr Aspinall.

MR ASPINALL: With whom, Ms Williamson?

MS WILLIAMSON: Credit control, Mr Aspinall, who was in charge of the process.

40 MR ASPINALL: When was that? When was that?

MS WILLIAMSON: Last night, Mr Aspinall.

45 MR ASPINALL: And who was that?

MS WILLIAMSON: Mary Gioros.

MR ASPINALL: And what did she tell you?

MS WILLIAMSON: She told me that the bank account didn't proceed. It wasn't opened, Mr Aspinall.

5

MR ASPINALL: Did she tell you why?

MS WILLIAMSON: No, Mr Aspinall.

10 COMMISSIONER: Yes. All right then. What I'll do now is to use – Ms Cage, we're just going to return into some private hearing for a short time, I believe, Ms Case. Mr Barnett and Mr Young may remain. Do I need to adjourn for a short moment? Or can that be done taking us - - -

15 MS CASE: I – I can - - -

COMMISSIONER: - - - off the leave stream for a private hearing? Yes. All right.

20 <THE WITNESS WITHDREW

ADJOURNED [3.09 pm]

25

RESUMED [3.42 pm]

30 COMMISSIONER: Yes. Thank you. Yes, Mr Bell.

MR BELL: I call Debra Tegoni.

COMMISSIONER: Ms Tegoni, can you hear me?

35 MS TEGONI: Yes, I can, Commissioner.

COMMISSIONER: Ms Tegoni do you prefer to take an oath or make an affirmation to give your evidence?

40 MS TEGONI: An affirmation, please.

<DEBRA MARISA TEGONI, AFFIRMED [3.42 pm]

45

<EXAMINATION BY MR BELL

COMMISSIONER: Yes, thank you. Yes, Mr Bell.

MR BELL: Ms Tegoni, would you please state your full name.

5 MS TEGONI: Debra Marisa Tegoni.

MR BELL: Your business address is known to those assisting this inquiry. Is your occupation a qualified lawyer?

10 MS TEGONI: Yes.

MR BELL: And have you been made aware of the evidence given by Ms Williamson to the Inquiry today?

15 MS TEGONI: No.

MR BELL: Is it the case that you were formerly an employee of Crown Melbourne Limited.

20 MS TEGONI: That's correct.

MR BELL: During what period were you an employee of Crown Melbourne?

MS TEGONI: 2007 to 2017.
25

MR BELL: And what was your role, or roles, at the Crown Melbourne over that period?

MS TEGONI: My first role was general manager, legal and regulatory services.
30 And my – two years post my start date, I was executive general manager, legal and regulatory services.

MR BELL: And did you remain as general manager, legal and regulatory services from, approximately, 2009 until you ceased employment from Crown Melbourne in
35 2017?

MS TEGONI: Yes.

MR BELL: And what were your responsibilities in the role of executive general
40 manager, legal and regulatory services?

MS TEGONI: My responsibilities were the head of legal for Crown Melbourne Limited. So the entity that held the casino licence. So everything from a compliance and legal perspective for the Crown Melbourne property, including responsible
45 gaming, gaming compliance, responsible gaming, anti-money laundering officer, and audit and risk, and relationships with the regulators and making sure our licence remained in force for the Melbourne property.

MR BELL: And, in that role, to whom did you report?

MS TEGONI: I reported to four CEOs during my tenure. What period?

5 MR BELL: So you reported directly to the CEO throughout that whole period, whoever that person was?

MS TEGONI: Yes, the CEO of Crown Melbourne or, as it was, Australian Resorts eventually.

10

MR BELL: So who is the CEO of Crown Melbourne from 2014 to 2016?

MS TEGONI: My recollection would be Barry, maybe Greg Hawkins as well. I'm not sure of the exact dates, I'm sorry.

15

MR BELL: Do you mean Barry Felstead?

MS TEGONI: Yes.

20 MR BELL: And were you also the company secretary of Crown Melbourne Limited from 2008 to 2017.

MS TEGONI: Yes, I was.

25 MR BELL: Were you also the general counsel of Crown Melbourne in that period?

MS TEGONI: I didn't hold that title but, effectively, yes.

30 MR BELL: Right. And did you have primary responsibility, within the Crown Melbourne Limited legal team in that period, for dealing with inquiries from VIP international?

MS TEGONI: I would have – I would share that with the person that I allocated primary responsibility to. I would share that.

35

MR BELL: Who are you referring to?

MS TEGONI: Jan Williamson.

40 MR BELL: And did Ms Williamson report to you?

MS TEGONI: Yes, she did.

45 MR BELL: And did Mr Drew Stuart also report to you in the role that you held from 2009 to 2017?

MS TEGONI: For most of that – for most of that time. But, I recall, for the last maybe two or three years, he reported to Barry Felstead.

5 MR BELL: And did you have any risk management responsibilities for Crown Melbourne Limited in the period 2014 to 2016?

MS TEGONI: Yes, I did. Drew Stuart was the head of risk and assurance, but he reported to me. So, ultimately, yes.

10 MR BELL: I see. Were you aware, in the period up to October 2016, that Crown Resorts was conducting activities in China without any business licence, at all, from the Chinese authorities?

MS TEGONI: Yes.

15

MR BELL: Can you recall any legal advice provided to the management of Crown Resorts or the management of the VIP International unit in the period up to October 2016 to the effect that an overseas company could engage Chinese nationals to recruit premium gamblers to Australia without any business licence from the Chinese government?

20

MS TEGONI: Sorry, can you repeat that last bit again?

MR BELL: I'll repeat the whole question.

25

MS TEGONI: just the - - -

MR BELL: Can you recall any legal - - -

30

MS TEGONI: Sorry.

MR BELL: Can you recall any legal advice provided to the management of Crown Resorts or the management of VIP international, in the period up to October 2016, to the effect that an overseas company could engage Chinese nationals to recruit premium gamblers to Australia without any business licence from the Chinese Government.

35

MS TEGONI: Yes, I did.

40

MR BELL: And who do you say provided that advice?

MS TEGONI: A company – a law firm called WilmerHale.

45 MR BELL: And was that an advice provided in 2013, to the best of your recollection?

MS TEGONI: Yes.

MR BELL: And can you recall any legal advice provided to the management of Crown Resorts or the management of the VIP international unit, in the period up to October 2016, to the effect that it was legal for Crown Resorts to employ staff in China to promote gambling without any business licence as long as Crown Resorts was not conducting an office?

MS TEGONI: Yes.

MR BELL: And who do you recall providing that advice?

MS TEGONI: WilmerHale.

MR BELL: Was that also advice which, you say, was provided in 2013?

MS TEGONI: Yes. From my recollection, yes.

MR BELL: Now, could I ask you to look at exhibit R40. Confidentiality is reserved. It's INQ.110.002.1158.

MS TEGONI: Sorry. I have a different volumes here. Are you able to tell me what volume that is?

MR BELL: Yes. I'm told it's tab 3 of the additional documents that were provided to you yesterday.

MS TEGONI: Which volume, Mr Bell. Volume 1?

COMMISSIONER: Yes.

MR BELL: Is the first page of this document a summons to produce?

MS TEGONI: Yes, Mr Bell. Yes.

MR BELL: Now, could I ask you to turn to the fourth page, which is the page – the official numbering is INQ.110.002.1161. And, Ms Tegoni, the document goes over to page point 1162. Could I ask you this: did you prepare this document?

MS TEGONI: Sorry. If I could just clarify the reference. The document I have ends in 0144.

MR BELL: Well, it does - - -

COMMISSIONER: Yes, yes.

MR BELL: - - - bear two sets of references; you're right. The two pages that I'm referring to, using those references, are CRL.625.001.0143 and point 0144.

MS TEGONI: Yes.

MR BELL: Are they the two pages that you have.

5 MS TEGONI: I have those. Thank you.

MR BELL: Now, Ms Tegoni, did you prepare this document?

10 MS TEGONI: Both sides? Both documents? Or which document?

MR BELL: Prepare either of them?

15 MS TEGONI: I may have prepared parts of them. I'm not – not exactly sure. I can't be sure. But I think I would have had some input into them.

MR BELL: Specifically, the page ending in point 0144 on that reference; did you prepare that page?

20 MS TEGONI: I think I prepared some of it.

MR BELL: Now, just read the third bullet point to yourself. Does that third bullet point reflect your understanding of the advice - - -

25 COMMISSIONER: Just pause. Now, just - - -

MR YOUNG: If we're going into these questions, Commissioner, this will need to be done in private session - - -

30 COMMISSIONER: Yes, I understand.

MR YOUNG: - - - as it was earlier.

COMMISSIONER: Yes, of course. Yes.

35 MR BELL: I think I can manage this question without any – trespassing into the area of Mr Young's concern.

COMMISSIONER: All right then. Please proceed.

40 MR BELL: Ms Tegoni, does what's set out in the third bullet reflect your understanding of the legal advice which Crown Resorts had in relation to that issue in the period up to October 2016?

45 MS TEGONI: Well, perhaps, not entirely. It's a crude summary, I suspect.

MR BELL: Well, we'll leave that for the moment. Were you aware, in the period up to October 2016, that there were about 20 staff employed by Crown Resorts or its subsidiary who lived and worked in mainland China?

5 MS TEGONI: I don't know the number, but I knew there were staff in China.

MR BELL: And were you aware that those staff, part of their role was to encourage VIP gamblers China in to travel to and attend at Crown's casinos in Melbourne and Perth?

10

MS TEGONI: Yes.

MR BELL: And were you aware that part of their role was to arrange credit facilities to permit the VIP gamblers to utilise when they were gambling at the casinos in Melbourne and Perth?

15

MS TEGONI: No, I don't think I knew that.

MR BELL: You didn't know that? And did you know that the staff in China assisted with the travel arrangements to Australia of the Chinese VIP gamblers?

20

MS TEGONI: Yes.

MR BELL: And did you know that they also arranged, or assisted with arranging, Australian visas for the Chinese VIPs to permit them to enter Australia?

25

MS TEGONI: No, I didn't know that at the time.

MR BELL: And were you aware that the staff had office facilities in Guangzhou which they used to process visas applications from the four Chinese VIP gamblers?

30

MS TEGONI: Not from 2016, no.

MR BELL: That's something you have only learnt subsequently?

35

MS TEGONI: Yes.

MR BELL: Were you aware that the staff in China had a role in encouraging the repayment of gambling debts which had been incurred by the Chinese VIP gamblers when they were gambling at the casinos in Melbourne and Perth?

40

MS TEGONI: No.

MR BELL: So I take it from what you have said that you had no understanding of whether the staff in China were conducting a business; is that right?

45

MS TEGONI: I think they were conducting a business but - - -

MR BELL: Now, can I ask you to look – confidentiality is reserved on this document; it's CRL.632.001.0043 and it's exhibit R, tab 26 which should be tab 2 in the additional materials that you were provided with yesterday.

5 MS TEGONI: Thank you.

MR BELL: Ms Tegoni do you have a document in front of you which has the reference CRL.632.001.0043?

10 MS TEGONI: No.

COMMISSIONER: It's an email headed up Guangzhou office.

15 MS TEGONI: No, that's not tab 2.

MR BELL: My apologies. It's exhibit R26.

MS TEGONI: I have it in – I have it now, sorry. 632.001.0043?

20 COMMISSIONER: Yes.

MR BELL: That's right.

25 MS TEGONI: Thank you.

MR BELL: Do you see this is an email chain that was forwarded to you by Jan Williamson on 20 June 2012?

30 MS TEGONI: Yes.

MR BELL: And looking through the email chain do you see that at page .0044, an email towards the bottom of the page from a Mr Albouy to Mr Chen?

35 MS TEGONI: Yes.

MR BELL: And do you see that Mr Albouy refers to a proposal for a new Guangzhou office upgrade?

40 MS TEGONI: Yes.

MR BELL: And do you see that in the next paragraph Mr Albouy says:

45 *The current Guangzhou office is not legally registered and the environment unsuitable for our team. We are based in a semi-residential building which is subject to random checks by authorities and imposes many risks.*

Do you see that?

MS TEGONI: I'm just trying to find that part.

MR BELL: The second last paragraph on page .0044.

5 MS TEGONI: Yes. Thank you.

MR BELL: And do you see in the next paragraph, the last paragraph on that page, he is proposing new premises near the Australian Consulate with business registration?

10

MS TEGONI: Yes.

MR BELL: And do you see that the next email moving forward in the chain is an email from Mr O'Connor, Mr Albouy asking if:

15

...we understood the legal implications of doing something like this. Do we need to seek some guidance from our legal people?

Do you see that?

20

MS TEGONI: Yes, I do.

MR BELL: Do you see in the next email Mr Albouy asks Mr O'Connor whom he should contact, and Mr O'Connor replied saying:

25

Jan Williamson was probably the best person to help on that.

Do you see that?

30 MS TEGONI: Yes, I do.

MR BELL: You see on the first page, .0043 Mr Albouy sent an email to Ms Williamson stating they

35

...faced some recent issues surrounding our activities in China and want to know if it's advisable to proceed with the Guangzhou office. In a way, this move somewhat legitimises our operations, but we will await your urgent advice before proceeding.

40 So you see that Mr Albouy was seeking advice about whether a new office with business registration should be established?

MS TEGONI: Yes.

45 MR BELL: And Ms Williamson forwarded the email to you asking if you were doing something in the China space.

MS TEGONI: Yes.

MR BELL: And you said that you'd discuss the matter with her.

5 MS TEGONI: Yes.

MR BELL: Now, at this stage I'm not going to ask you what the discussion, if any, was, but do you recall having a discussion with Ms Williamson about this issue?

10 MS TEGONI: Not specifically.

MR BELL: Does that mean you recall discussions with her generally about the Guangzhou office?

15 MS TEGONI: Not about the Guangzhou office, but about the protocol.

MR BELL: You're referring to a protocol to deal with the situation which would arise if the staff in China were interviewed by police?

20 MS TEGONI: Yes.

MR BELL: Now, are you aware that no official office in Guangzhou was established with business registration at any time up to October 2016?

25 MS TEGONI: Yes.

MR BELL: And that until at least 2015 the staff in China continued to work from the premises in Guangzhou with the risks which Mr Albouy described in this email chain.

30

MS TEGONI: No. I didn't – I didn't appreciate there was an office in Guangzhou at any time. I don't – I don't recall this email.

35 MR BELL: But, sorry, just to be clear: you do – you were aware that no official office in Guangzhou was established with business registration; is that right?

MS TEGONI: That's correct. That's correct.

40 MR BELL: Now, in the period up to October 2016, did you consider that the legal system in China was different from the legal system in Australia?

MS TEGONI: Currently maybe not, but yes.

45 MR BELL: And did you believe in the period up to October 2016 that in China there was a potential for arbitrary action by the Chinese authorities?

MS TEGONI: Yes - - -

MR BELL: I'm sorry?

MS TEGONI: I think I would have appreciated that, yes.

5 MR BELL: Yes, and did you believe in the period up to October 2016 that China was a country where the law could be enforced inconsistently?

MS TEGONI: Yes.

10 MR BELL: And do you recall whether you communicated those views to the management of Crown Resorts or the management of the VIP international business unit in the period up to October '16.

15 MS TEGONI: I don't think I would have needed to communicate that; I think everybody understood that.

MR BELL: Can I ask you to look at exhibit M for Mike, 27; it's CRL.545.001.0615.

20 MS TEGONI: What tab is that, please?

MR BELL: I'm told it's the next tab in the bundle that you're in. Exhibit M for Mike, 27.

25 MS TEGONI: No, that's not the reference I have. I have 514.071.62 - - -

COMMISSIONER: Page 6. That's the document. That's correct, Ms Tegoni.

30 MS TEGONI: Thank you.

MR BELL: It's confusing, it has a number at the top and a number at the bottom, and I'm referring to the number at the bottom.

35 MS TEGONI: I see, yes. They're very tiny numbers, as well, I'm sorry.

MR BELL: Now, did you see this is an advice from WilmerHale lawyers in Beijing dated 19 February 2013 which was copied to you?

40 MS TEGONI: Yes.

MR BELL: And can I take you to exhibit P4, which is CRL.605.001.0079 which I am told with a bit of luck might be the next tab in your bundle.

45 MS TEGONI: Yes, thank you.

MR BELL: And do you see that this email chain starts with the advice from WilmerHale of 19 February 2013 at page .0080?

MS TEGONI: Yes.

MR BELL: And that Mr Albouy sent an email which was copied to you dated 20 February 2013 which starts at the bottom of page .0079; do see that?

5

MS TEGONI: Yes.

MR BELL: And Mr Albouy says:

10 *While all of the below gives comfort to the legal aspect of the gaming laws in China the recent sentiment and messages we are receiving is that the matter is far more serious, and I do not believe we can risk relying on the information below when it comes to protecting our team.*

15 Do you see that?

MS TEGONI: Yes.

MR BELL: Now, you see that the next email is one from you to Mr O'Connor saying:

20

What's going on here?

MS TEGONI: Yes.

25

MR BELL: And Mr O'Connor replies saying he will:

...bring Michael –

30 which I assume is Michael Chen –

...to a 3 pm meeting with you.

Do you see that?

35

MS TEGONI: Yes.

MR BELL: Now, can I ask you to look at another document. Confidentiality is reserved. It's exhibit R28, CRL.605.001.0114 which is the next tab, I'm told, in your volume.

40

MS TEGONI: Ending in 0114?

COMMISSIONER: That's the one.

45

MR BELL: Yes.

MS TEGONI: Thank you.

MR BELL: Now, you see this is another version of the same email chain and that Mr O'Connor replies to your email saying:

5

I will update when we talk this afternoon.

MS TEGONI: Yes.

10 MR BELL: At the very top.

MS TEGONI: Yes.

15 MR BELL: Now, do you recall reviewing the advice from WilmerHale dated 19 February 2013 at the time?

MS TEGONI: I don't have a recollection at the time, no.

20 MR BELL: It's clear, would you agree, that you would have reviewed it at the time?

MS TEGONI: It seems so, yes.

25 MR BELL: And do you recall what the specific issue was which Mr O'Connor and Mr Chen wanted to see you about in connection with this advice?

30 MS TEGONI: It seems to me that Mr O'Connor and I had a meeting scheduled to deal with another matter, WNK. And then when I – it seems that when I read this email, I asked him about it and that we were going to discuss this email when we met.

35 MR BELL: Now, just returning to Mr Albouy's email, which is about halfway down the first page, .0114, Mr Albouy is making the point, would you agree, to the effect that the letter of the law might be one thing but it may not be enough to protect the staff in China from the risks which existed on the ground.

MS TEGONI: That appears to be the case, yes.

40 MR BELL: And are you able to recall if you recognised at the time that Mr Albouy was making a good point?

MS TEGONI: I can't recall at the time what I thought.

45 MR BELL: But it was consistent with what you understood was common knowledge at Crown at the time that there was a potential for arbitrary action by the Chinese authorities? Is that right?

MS TEGONI: Arbitrary action in terms of our staff? Or – I understood that there could be arbitrary action as to questioning with respect to patron activities; that’s what I understood that context was.

5 MR BELL: And I think you also said that you understood that there was a potential for inconsistent enforcement of the law. And you understood that that was also common knowledge at Crown; is that right?

MS TEGONI: Yes.

10

MR BELL: And is that the point which you understand Mr Albouy is, in effect, making here?

MS TEGONI: Are you asking me what I think now? Because I don’t remember it at the time.

15

MR BELL: Yes, yes. I appreciate you don’t remember it. But do you understand that that’s, in effect, the point that he is making?

20 MS TEGONI: It appears that he is concerned about something. Yes.

MR BELL: Now, this advice from WilmerHale of the 19th of February 2013, was that the principal advice of which you were aware, in the period up to October 2016, concerning whether the staff in China were complying with the criminal laws of China in relation to gambling?

25

MS TEGONI: As I said, I don’t recall the specific advice, but the general tenor of it. Yes.

30 MR BELL: Yes. Now, you see in – and I’m looking at page point 0115. You see that, in the fourth paragraph - - -

MS TEGONI: Sorry.

35 MR BELL: - - - WilmerHale - - -

MS TEGONI: Is this tab 5, now, we’re up to?

MR BELL: No, in the same tab. The second – second page of the email chain, ending in point 0115 at the top. I’m actually drawing your attention to some of the things that Mr Zhou at WilmerHale was saying in this email.

40

MS TEGONI: Yes.

45 MR BELL: Do you have that now?

MS TEGONI: Yes, at tab 5. Yes.

MR BELL: Do you see that, in the fourth paragraph, WilmerHale advised that:

5 *To constitute an offence of organising group gambling, in connection with organising overseas gambling, two elements must be shown: first, organise/gather 10 or more PRC citizens for overseas gambling; and, secondly, the organiser benefits from such activities by receiving kickback or referral fees. In other words, the organiser can conduct such activities for purpose of making a profit for himself.*

10 Do you see that?

MS TEGONI: Yes.

15 MR BELL: And do you see that, in the second last paragraph on this page, WilmerHale said that:

20 *An employee is unlikely to be guilty under the criminal law by merely marketing or participating in a casino operation if such employee is not directly making a profit from doing so.*

MS TEGONI: Yes.

25 MR BELL: Now, I appreciate that you don't recall this particular advice. But I think you've said you recall, generally, advice given by WilmerHale in this period. In relation to the first element identified by WilmerHale, of organising 10 or more citizens for overseas gambling, did you have an opinion on whether this had to be 10 or more people participating in a gambling tour on a single specific occasion, rather than 10 or more people accumulated over more than one occasion?

30 MS TEGONI: I had no specific knowledge of that until after 2016.

MR BELL: Right. And WilmerHale don't say in this advice, do they, that it had to be 10 or more people organised to gamble on a single specific occasion?

35 MS TEGONI: Yes, that's correct.

40 MR BELL: And – sorry – are you saying that you became aware, later, that this was an important issue in determining whether or not the employees were in breach of the criminal law? Namely, whether it was 10 or more people on one occasion or, for example, 10 or more people accumulated over two occasions?

MS TEGONI: When you say I – I became aware of it, and we looked at it more carefully in 2016, or I did. Whether it was important or not, I don't know.

45 MR BELL: Sorry. I just want to be clear. Before the arrest and detention of the Crown Resorts staff in October 2016, are you saying you didn't turn your mind to

whether or not it had to be 10 people on one occasion or whether it could be 10 or more people on more than one occasion?

MS TEGONI: That's correct. I didn't turn my mind to it.

5

MR BELL: And in relation to the second element identified by WilmerHale, of receiving a kickback or referral fee, did you have a view, prior to the arrest of the staff on whether this had to be a fee received directly by the employ from the gambler, as opposed to a fee received, indirectly, by the employer paying the

10

MS TEGONI: Again, I don't recall turning my mind to that specific point.

MR BELL: Is this something that you focused on for the first time after – after the arrests of the staff in China?

15

MS TEGONI: In detail, yes.

MR BELL: And you agree that WilmerHale don't say anything in this advice about whether the fee or the profit, as they put it, had to be earned directly from the gambler or whether it could be earned indirectly by the employer paying the employee a fee based upon the gambler's turnover?

20

MS TEGONI: Not any specific advice. No.

25

MR BELL: And do you recall seeing any other advice from WilmerHale, prior to the arrest of the Crown Resorts staff, which dealt with the question of whether, for there to be a breach of the criminal law, the Commission had to be paid directly by the gambler to the employee?

30

MS TEGONI: I don't recall anything prior to 2016 on that point. No.

COMMISSIONER: So is it the case, then – you've been asked about an advice, Ms Tegoni, in 2013. And then, I think, you've indicated to me that you didn't address these questions in any detail until after October 2016; is that right?

35

MS TEGONI: That's right.

COMMISSIONER: So, in between, so far as you can recall, you didn't have any cause or event which caused you to address those questions?

40

MS TEGONI: That's correct, Commissioner.

COMMISSIONER: Yes. Thank you.

45

MR BELL: And these precise questions of Chinese law, namely, whether it had to be 10 or more people on one or multiple occasions; namely, whether the fee had to

be earned directly or whether it could be earned indirectly, these are not matters which, as I understand your evidence, you ever discussed with the management of the VIP international business unit at any time prior to the arrests?

5 MS TEGONI: That's correct. That's my recollection.

MR BELL: And going back to the first page of this email, are you able to recall the substance of the discussion that you had with Mr O'Connor and Mr Chen, in February 2013, when you were considering this advice?

10

MS TEGONI: I don't recall the specific conversation. I would be guessing.

MR BELL: Do you recall giving any advice to the management of VIP international or Crown Resorts, in the period up to October 2016, to the effect that it would be unsafe to rely upon any precise interpretation of the Chinese criminal law in circumstances where the safety of the staff was at stake, and where you believed there was a potential for inconsistent enforcement of the law by the Chinese authorities?

15

20 MS TEGONI: Sorry, there was a bit in that. Can you not ask the question – I think there was two parts to that question; one was about safety and one was about the inconsistency of application of law. I think if I – the inconsistency of the application of the law, I did not speak with anyone about that because it was well understood. In relation to – I think you said the safety of the staff – could you repeat that part of your question, please?

25

MR BELL: Yes, I can. Do you recall giving advice to the management of Crown Resorts, or the management of the VIP international unit in the period up to October 2016 to the effect that it would be unsafe to rely on any precise interpretation of the Chinese criminal law in circumstances where the safety of the staff in China might be at stake?

30

MS TEGONI: I don't accept that I thought that the safety of the staff in China was at stake, so no, I don't recall giving advice in that context.

35

MR BELL: Perhaps I should go back a step. You were given advice which you reviewed in some form in 2013 about what the Chinese criminal law was; correct?

MS TEGONI: Yes.

40

MR BELL: And you understood that from the point of view of the safety of the staff in China, it was necessary that they dealt within what was legal and what was not legal; correct?

45 MS TEGONI: Yes.

MR BELL: And in those circumstances, if staff in China were perceived by the Chinese authorities to be in breach of the law, their safety was at risk, wasn't it?

MS TEGONI: Yes.

5

MR BELL: And did you ever give advice to the management of VIP international or the management of Crown Resorts in the period up to October 2016 to the effect that it would be unsafe to rely upon any precise interpretation of the Chinese criminal law where the safety of the staff might be at risk if that interpretation was wrong?

10

MS TEGONI: No, I didn't give that advice.

MR BELL: Thank you. Now, in this email, if you could turn to page .0116, you see that in the first paragraph on this page, WilmerHale wrote:

15

In respect to the potential liability on institutions, we would note that conducting business in China requires a business licence or otherwise government approval and casino business is not allowed in mainland China, thus no licence will be issued. As such, marketing casino business may run the risk of being deemed by government as exceeding the permitted scope of business, ie, marketing hotel resorts and organising overseas tourism.

20

Do you see that?

25 MS TEGONI: Yes.

MR BELL: And although you don't recall reviewing the advice now, it would have been clear to you at the time, I suggest, that WilmerHale were advising that Crown Resorts could not conduct business in China without a business licence or other government approval; do you agree?

30

MS TEGONI: If it was registered in China, so if it was conducting business in China.

35 MR BELL: But isn't this saying that to conduct business in China, you need to be registered or have a business licence or other government approval?

MS TEGONI: If it's – if it's a business that is permissible – permissible in – in China for which a casino licence business was not permissible in China.

40

MR BELL: So, let's go back a step. You don't recall reading this in 2013; is that right?

MS TEGONI: That's right.

45

MR BELL: And you don't recall whether you discussed this issue with Mr O'Connor and Mr Chen any time up to October 2016; is that right?

MS TEGONI: That's right.

MR BELL: And so what I'm asking you now is to look at it now.

5 MS TEGONI: Yes.

MR BELL: And I'm asking whether you agree that looking at it now, that WilmerHale were advising that conducting business in China requires a business licence or other government approval; do you agree?

10

MS TEGONI: Yes.

MR BELL: And you understood that Crown Resorts was conducting a business in China as you've told the Commissioner earlier; correct?

15

MS TEGONI: Yes, but not a business that was permitted to be licensed. So we weren't present legally with a – with a presence, like a wholly owned foreign entity in China.

20 MR BELL: Aren't you overlaying some words that aren't there on the very clear words here; that is, conducting business in China requires a business licence or other government approval? Isn't that how you would read the advice now?

MS TEGONI: Yes, but I think there's also advice - - -

25

MR YOUNG: Just a moment, Ms Tegoni. I object to the question. My learned friend keeps ignoring part of the qualifying words in the sentence which are important because they don't – they mean that the proposition he is advancing is unsound.

30

COMMISSIONER: I don't know if it means that, but I do understand that he hasn't referred to it. But you're – I'm sorry, Ms Tegoni has indicated that she also saw other advice, but there's also advice that's in there. So I think Mr Bell, if you proceed, I'm going to allow you to proceed.

35

MR BELL: Well, I will approach it in a different way, Ms Tegoni. Is this right that although one reads the words that are there and they're either there or they're not, are you saying that you saw some other advice from WilmerHale in the period up to 2016 which dealt with this issue?

40

MS TEGONI: No, I'm talking about advice post then; I'm talking about post 2016 advice.

MR BELL: So to be clear, you're not aware of any other advice by WilmerHale on this issue prior to October 2016?

45

MS TEGONI: Sorry, other than this advice, no.

MR BELL: Right. Now, dealing with the second part of what I've read to you, you see that WilmerHale referred to the risk of exceeding the permitted scope of business, being marketing hotels, resorts and organising overseas tourism. Do you see that?

5

MS TEGONI: Yes.

MR BELL: It's clear, isn't it, to you that WilmerHale were assuming that Crown Resorts or its subsidiary in China did have a licence permitting it to conduct certain business; namely, marketing hotels, resorts and organising overseas tourism?

10

MS TEGONI: No, I think they are not just operating hotel resorts and overseas tourism but they're operating a casino which would not be permitted to be licensed in China.

15

COMMISSIONER: I think it's a different point. What is being suggested to you is that a reasonable reading of this email would suggest to you that WilmerHale understood that Crown had a licence to operate in China to market hotel, resorts and organise overseas tourism. Do you accept that that's a reasonable reading of the email or not?

20

MS TEGONI: I'm not sure that's the case because there's another line that acknowledges overseas casino business, which is unauthorised.

25 COMMISSIONER: All right. Yes, Mr Bell.

MR BELL: Ms Tegoni, can I ask you to look at exhibit Q2, which is CRL.625.001.0151, which, in your bundle, is tab 11. It's a document on which confidentiality is reserved in respect of which I know my learned friend is concerned to maintain a claim to privilege.

30

MR YOUNG: Yes.

MR BELL: Do you have that document, Ms Tegoni?

35

MS TEGONI: Yes, I do.

MR BELL: What I'd like you to do is to read to yourself the advice from Mr Zhou to you that appears in the middle of that first page, point 0151, the email that starts:

40

In a meeting and missed your call.

Can you just read that to yourself. And tell me when you've done so.

45 MS TEGONI: Yes. Thank you.

MR BELL: Now, and can we go back to exhibit R28, the document we were just looking at, CRL.625.001.0114. And may I ask you again, now, having had that matter drawn to your attention, whether you would accept that the writer of this advice, at page point 0116, appeared to be labouring under the assumption that
5 Crown Resorts had a business licence to conduct certain activities?

MR YOUNG: Ms Tegoni, before you answer, I want to object. Just a moment.

MS TEGONI: Yes.
10

MR YOUNG: Mr Bell has obtained the evidence from Ms Tegoni that she has no recollection of this specific advice. He has taken her to later advice of 19 October. And then he's put a proposition to her, effectively, asking Ms Tegoni to express some comment about what she thinks the writer's intention was, and using some
15 words. Mr Bell puts into his question an assumption about what the likely intention is. Now, this is doing nothing more than asking for a comment on someone – some other person's intention, when that other person has given later advice explicitly stating what their intention was, and the explicitly stated intention is directly the opposite of what Mr Bell is putting. Now, in our submission, that kind of
20 questioning is inappropriate. It's objectionable. The communications from WilmerHale can be read by you, Commissioner. We can make submissions about what they mean. But getting an after-the-event comment from Ms Tegoni is not going to help.

MR BELL: Commissioner, Mr Young, unfortunately, misapprehends the purpose of these questions. It's not to try and elicit from this witness some concession about what Mr Zhou meant. In circumstances where the witness was providing advice, during the relevant period, to members of VIP international, but no longer recalls what she, in fact, said, this evidence is relevant to establishing the probability of what
30 the advice might have been in that period.

COMMISSIONER: Yes. I'll allow it.

MR BELL: Now, Ms Tegoni, I accept that you don't recall what you felt at the
35 time, but do you accept now that, at page point 0116, when the writer said:

As such, marketing a casino business may run the risk of being deemed by government as exceeding the permitted scope of business.

40 It would appear to you, now, that the writer was labouring under a misapprehension?

MS TEGONI: Not necessarily.

MR BELL: Why do you say that?
45

MS TEGONI: Well, the first part of this note in 2016 clarifies that that – that there would need – there is not a permitted scope of business, because there was no

formally registered legal entities in China. So that clarifies that part. But, then, the second part talks about:

We did not know about Crown's legal presence in China.

5

I think that's – I interpret that as referring to the office that was understood to exist, post-2016.

10 MR BELL: I don't want to labour the point, but I do want to ask one more question. And I'm asking you to focus on the advice of the 19th of February 2013. Do you not accept that the writer's reference to "permitted scope of business" necessarily means that the writer assumed that there was a permitted scope of business by the Chinese authorities?

15 MS TEGONI: No. I don't accept that.

MR BELL: Is that a convenient time?

20 COMMISSIONER: Yes, it is. Ms Tegoni, I'm sorry. We'll have to trouble you to return tomorrow to complete your evidence. So if you'd be kind enough to be available for the video linkage connection at 10 am. Thank you very much.

MS TEGONI: Yes.

25 COMMISSIONER: Anything further before I rise – before I adjourn? All right then. I'll adjourn until 10 tomorrow morning.

30 <THE WITNESS WITHDREW

**MATTER ADJOURNED at 4.36 pm UNTIL
THURSDAY, 10 SEPTEMBER 2020**

Index of Witness Events

JAN WILLIAMSON, SWORN	P-2189
EXAMINATION BY MR BELL	P-2190
EXAMINATION BY MR YOUNG	P-2251
EXAMINATION BY MR BELL	P-2260
EXAMINATION BY MR ASPINALL	P-2261
THE WITNESS WITHDREW	P-2263
DEBRA MARISA TEGONI, AFFIRMED	P-2263
EXAMINATION BY MR BELL	P-2263
THE WITNESS WITHDREW	P-2284

Index of Exhibits and MFIs

EXHIBIT #R TABS 36 TO 49	P-2189
EXHIBIT #W1 TO 4 DOCUMENTS PROVIDED BY CROWN	P-2233