

**TIMELINE SUMMARY OF TESTIMONY AND DOCUMENTS
REGARDING THE CHINA TRIP AND PAYMENT**

Sworn Testimony Obtained:

City Manager, Darwin McClary – December 7, 2017. ***Exhibit A.***

Police Chief Anthony DeGiusti – December 7, 2017. ***Exhibit B.***

Mayor Amanda Edmonds – December 20, 2017. ***Exhibit C.***

Director of Economic Development, Elizabeth Ernat – Vol. I – Dec. 7, 2017. ***Ex. D.***
Vol. II – Dec. 20, 2017. ***Ex. E.***

Peifeng Li, former Wayne State graduate student and
former CSSA member – January 17, 2018. ***Exhibit F.***

Shanrong Chou, owner of Youngs Travel - January 17, 2018. ***Exhibit G.***

Bingwen Wang – Wayne State Ph.D. student and former CSSA member, whose
name is still on the CSSA bank account – February 26, 2018. ***Exhibit H.***

Amy Xue Foster, owner of International Village LLC and
Global Capital LLC – March 7, 2018. ***Exhibit I.***

Documents Reviewed for the Investigation:

Documents provided by Ypsilanti officials to City Council

Documents, texts and emails requested and provided by Darwin McClary

Documents, texts and emails requested and provided by Amanda Edmonds

Documents, texts and emails requested and provided by Elizabeth Ernat

Documents, texts and emails requested and provided by Anthony DeGiusti

Documents subpoenaed from Youngs Travel

Documents subpoenaed from Bingwen Wang

Documents subpoenaed from Peifeng Li

Documents subpoenaed from Huntington Bank for Amy Foster accounts

Documents subpoenaed from Michigan First Credit Union for WSU CSSA accounts

Documents subpoenaed from Amy Xue Foster

Obstacles to the Investigation:

The name on the cashier's check issued to Youngs Travel for the China trip is Bingwen Wang. We obtained the following address for Bingwen Wang from the bank account for the CSSA when we subpoenaed the records of the Michigan First Credit Union: 3109 Woodland Hills, Apt. 35, Ann Arbor. When we did not get any response to our subpoena mailed there, we attempted to have her personally served at that address. However, we were informed by the current resident that he had lived at that address for 2-3 years, and he did not know anyone named Bingwen Wang. The private investigator, Tim Fifer, was able to locate another address at an apartment in Riverview where she was finally served with the subpoena.

Bingwen testified she first became involved in the funding chain when she was contacted by a male named Jingming Liang (who we know does work for Amy Foster). He was the one who requested the check from the Michigan First Credit Union (where the CSSA had an account), and he asked Bingwen to do a favor and sign for the check and show her driver's license to obtain the check. She had no other contact with Jingming Liang until our law firm first contacted her to request an interview.

During our initial contact Bingwen was cooperative and said she would meet with us. But in subsequent contacts by us she gave excuses as to why she could not meet with us, and she was very reluctant to talk to us, even on the phone. When she eventually agreed to give us an interview, after she was subpoenaed, she testified that she had been contacted by Jingming Liang multiple times, and he had left her several text messages and several voice messages (all in Chinese) telling her she had no legal obligation to give us an interview, to tell us she was too busy, and for us to stop bothering her. Another student, Jinpeng Xue, also told her he had received similar requests from us and that she should just ignore them. Bingwen provided us with copies of the text messages and voicemails from Jingming Liang, but it was too costly for us to have them translated. She did translate them for us as part of her testimony.

Based on the very reluctant responses we received from the other Chinese students we contacted, although they did not indicate that they had received similar contacts from Jingming Liang, we suspect that they probably did because Amy Foster clearly knew every time we contacted one of them.

Similarly, Amy Foster herself attempted to discourage our investigation. She advised us that she would only cooperate and give an interview if we stopped contacting the Chinese students and her associates (such as Hal Edwards and Jingming Liang). On February 24, 2018, Amy Foster sent Jessica Bond of this law firm an email stating;

“You bother too much international people, if bring you to court, sure you discrimination, you may loss (sic) your license, Check federal law!”

Similarly, on February 26, 2018, Amy Foster sent Ed Plato the following email:

“Dear Mr. Plato

1. Please see the attached email from reporter, and tell him, we plan forward this to the owner of the magazine and forward this to Department of GOV over see News (I will find online)
2. If things go bad, you're on the hook, and so the people let you doing dirty work, Legal term , related , joint offence ? Before the things end, you are always on hook !

(Interesting that the email to the WSU CSSA that was sent by Bethany Allen of Foreign Policy magazine, was forwarded by the CSSA to Jingming Liang who, in turn, forwarded it to **Amy Foster** who then forwarded the email chain to Ed Plato)

Also, our interview with Amy Foster had to be adjourned several times because she had the flu, availability issues, and the need to have a translator present because the court reporter could not understand a word Amy Foster said the first time she appeared.

Amy Xue Foster Personal History:

Amy Foster currently lives at 1877 Shephards, in Troy, MI 48084. *Exhibit I, Foster stmt. at p. 5.* She was born in China, moved to the US in the early 90's, and became a US citizen in 2003. *Exhibit I, Foster stmt. at p. 8.* She received a master's degree from the University of Detroit in 1997, in computer information systems. *Exhibit I, Foster stmt. at pp. 5-7.* She is self-employed and owns Global Capital Group, LLC, International Village, LLC, and a number of other companies; she could not recall all their names while speaking with us. *Exhibit I, Foster stmt. at pp. 8-9.* Considering the fact that Amy Foster came to the United States in the 1990s and has been a citizen since 2003, her ability to speak English is very poor, and she cannot be understood verbally.

The Idea for the International Village:

The thought began when Foster met with a man named Brian Connor, whose Chinese name is Konwei. She had an idea to build a “China town”, which she believed was something that Governor Granholm was once interested in pursuing. Foster and Conner began to speak to persons at the Michigan Economic Development Corporation, who might help the project. *Exhibit I, Foster stmt. at pp. 9-11.* However, it seems that early on, Brian Connor was unable to continue on the project, so Foster was put in contact with someone named “Bing” at the governor’s office. Bing apparently had some experience with such projects and with EB-5 investors and suggested that developing an “international town” rather than just a “China town” because it would bring a greater number of investors from other countries, such as Japan and India. *Exhibit I, Foster stmt. at p. 14.*

Although Troy and Madison Heights were originally discussed as potential locations for this development, Foster’s son, Qi Zhang, suggested Ypsilanti, given his familiarity with and love for the City as a former EMU student. *Exhibit I, Foster stmt. at pp. 14-15.* Foster estimated the International Village project to cost between \$200 and \$350 million. She has never done a project of that size in the US, although she has in Thailand. *Exhibit I, Foster stmt. at pp. 30-31.*

Summary of Witness Testimony and Timeline for the International Village Project and China Trip:

January & February 2017

Because of Foster's son's desire to put the International Village in Ypsilanti, they contacted the city, and Beth Ernat suggested the Water Street property. According to Foster, the property was polluted and would cost anywhere from \$7 to \$12 million for environmental remediation. *Exhibit I, Foster stmt. at pp. 17-18.* Ernat advised Foster that any developer would have to pay for the initial clean up, but that the City would be able to reimburse them for that expense down the road. *Exhibit I, Foster stmt. at p. 18.*

Foster forwarded her initial business proposal to Ernat very early in 2017, and Ernat asked Foster to simplify it into a letter of intent. *Exhibit I, Foster stmt. at p. 20.* Ernat also explained that although such properties typically sell for between \$200,000 and \$250,000 per acre, this property could be sold at a "low range price" due to pollution. *Exhibit I, Foster stmt. at pp. 20-21.* Foster used this information to develop her presentation to the City Council on May 23rd, during which Foster found the City Council to be 100 percent agreeable with the project.

Beth Ernat likewise testified that she first became involved with the International Village project in early 2017, when she received a cold call from a Hal Edwards. *Exhibit D, Ernat vol. I. at p. 7.* She met with Amy Foster and Hal Edwards for the first time around January 30, 2017. *Exhibit D, Ernat vol. I. at p. 45.* Foster could not clearly define Hal Edwards' work for International Village or Global Capital, explaining that he is not paid a salary. Foster described his role as being anywhere from a vice-president (although Edwards declined that title) to an interpreter at meetings with EB-5 investors. *Exhibit I, Foster stmt. at pp. 26-27.*

Police Chief Anthony DeGiusti first became involved with the International Village project in February 2017 to address the developer's police and public safety concerns. *Exhibit B, DeGiusti stmt. at p. 6.* He met with Amy Foster and Hal Edwards, whom he understood were financing and developing the project. *Exhibit B, DeGiusti stmt. at pp. 7-8.*

During these early meetings, Foster asked Ernat and Chief DeGiusti if they had ever visited China or if they were familiar with Chinese culture, and they responded that they were not. *Exhibit I, Foster stmt. at pp. 27-28.* Foster responded that the City officials should visit China if the project goes forward in Ypsilanti, that there was a fund available to pay for such a trip, and that this money would be easy to secure, especially if the Mayor went on the trip. *Exhibit I, Foster stmt. at pp. 27-28.* According to Foster, this discussion took place before the May 23rd City Council meeting. *Exhibit I, Foster stmt. at pp. 28-29.* Foster explained in her testimony that "if a mayor, official is visiting China,

there is a fund there to cover that” provided by local Chinese governments or Chinese business associations or clubs. *Exhibit I, Foster stmt. at pp. 29-30.*

On February 23, 2017, Ernat sent Amy Foster a list of construction companies that she thought would suit the project. Spence Brothers was one of the five companies listed. Foster could not recall receiving these recommendations from Ernat, explaining instead that she interviewed five or six construction companies and had the best connection or interview experience with Spence Brothers. *Exhibit I, Foster stmt. at pp. 24-26.*

Sometime before May 2017, Beth Ernat also met with Wayne Hofmann of Spence Brothers, explaining that she had worked with Hofmann before regarding the City of Saginaw. *Exhibit D, Ernat vol. I. at pp. 12-13.*

Despite their active role early on, Foster testified that she never had a signed contract with Wayne Hofmann or Spence Brothers, but she did pay Hofmann for his work on the project, either through International Village or Global Capital. She never called Hofmann her project manager, that is just how he described to his role to outsiders. *Exhibit I, Foster stmt. at pp. 45-46.*

Mayor Edmonds first learned of the International Village project around April 2017, but she did not understand any specifics of the project until the City Council meeting on May 23, 2017. *Exhibit C, Edmonds stmt. at p. 9.* Early on, she learned of the association between Amy Foster and Global Capital Group, LLC, but could not pinpoint a date when she first learned this. This was simply gleaned from various email correspondence received on the project. *Exhibit C, Edmonds stmt. at pp. 11-12.*

May 23, 2017

On May 23, 2017, at a public City Council meeting, International Village LLC invited City officials on a trip to China to benefit their proposed development. Ernat initially did not know whether Foster or Spence Brothers offered to pay for the trip at this meeting but later testified that this was implied in their communication. *Exhibit D, Ernat vol. I. at p. 19.* Chief DeGiusti recalls that International Village did offer to pay for the China trip at this meeting.

At an earlier meeting between some city officials, Amy Foster and Hal Edwads, the Chief recalls Amy Foster making similar statements as to why she felt a trip to China would be beneficial, but he first heard the offer to pay at the May 23rd meeting. *Exhibit B, DeGiusti stmt. at p.8-10, 12.* At the May 23, 2017 meeting, Mayor Edmonds also understood that Foster was offering to fly everyone to China. *Exhibit C, Edmonds stmt. at pp. 14-15.* Edmonds recalls the councilmembers being enthusiastic about the idea with the exception of Councilmember Brian Robb who had traveled to China previously and had no interest in going again. *Exhibit C, Edmonds stmt. at p. 15.*

Foster did not recall saying that International Village or she would personally pay for the trip. Instead, she said that “if US government doesn’t have such a fund for that”, then she would try to “gain this fund.” *Exhibit I, Foster stmt. at p. 31.*

City Manager Darwin McClary immediately found Foster’s offer of a trip inappropriate, given what Foster was asking of the City, and this prompted him to seek an opinion from Attorney John Barr the next day. *Exhibit A, McClary stmt. at p. 10-11.* Mayor Edmonds recalls that this was a concern for the City Manager and recalls Attorney Barr’s later opinion that it would be unethical for a potential developer to pay for such a trip. *Exhibit C, Edmonds stmt. at p. 16.*

The Mayor’s understanding of the City’s ethics policy is that she cannot accept gifts valued over \$25, and she agreed that a trip to China would cost well over that amount. *Exhibit C, Edmonds stmt. at p. 18.* The Mayor also believed that the trip cost approximately \$4,000 per person to cover airfare and hotel. *Exhibit C, Edmonds stmt. at p. 38, 42.* The Mayor was not involved with the visa process. She left that to Ernat, Youngs Travel, and Amy Foster, although she understood that such visas are not free. *Exhibit C, Edmonds stmt. at pp. 39-41.*

The City approved the sale of the proposed International Village property on May 23, 2017, with a due diligence period to last until September 23rd. *Exhibit J.* Wayne Hofmann did most of the talking at this May 23rd meeting, although Foster also participated. He introduced a 49-page power point presentation at this meeting. *Exhibit D, Ernat vol. I. at pp. 16-17.* City Manager Darwin McClary learned around this time that the International Village project was to be funded at least in part by EB-5 investors, which are investors who are granted permanent residency status in exchange for certain investments into the US. *Exhibit A, McClary stmt. at p. 8.*

Around this same time, the City received a letter that a new LLC was formed for the project, called International Village, LLC. *Exhibit D, Ernat vol. I. at p. 11.* Thus, at this point, Ernat understood that Amy Foster represented both International Village, LLC and Global Capital Group, LLC. *Exhibit D, Ernat vol. I. at p. 9.*

Also, around this time, either the day before or the day of the May 23rd meeting, Foster sent a jade bracelet to Ernat’s home. *Exhibit A, McClary stmt. at p. 12.* Although Ernat was told by the City Manager to turn the gift over to the City Attorney, she has no recollection of this, and the bracelet remained in her office as of her testimony on December 7, 2017. *Exhibit D, Ernat vol. I. at pp. 19-20.* Shortly before the May 23rd meeting, Ernat mentioned to the City Manager that the Chinese are very different when it comes to business gifts and take offense if gifts are not accepted. *Exhibit A, McClary stmt. at p. 13-14.* Foster could not recall giving Beth Ernat a jade bracelet, explaining

that most Chinese people wear them and she has gifted more than 100 jade bracelets to Chinese and American friends. *Exhibit I, Foster stmt. at pp. 32-33.*

May 24, 2017

On May 24, 2017, at the request of the City Manager, Attorney John Barr sent an email to city personnel, explaining that if a developer paid for such a trip, it would be unethical and illegal. This opinion was also forwarded to the Mayor and City Council. Chief DeGiusti likewise received the memo and understood that it would be illegal for a developer to pay for a trip. *Exhibit K.*

On this day, Beth Ernat also received an email from Amy Foster, which read:

“Thanks again for the strong support. Following our conversation... I am attaching the Visa form, it will take 2 weeks to get Visa, I will start the process with the travel agent as soon as I receive the complete form along with the passport book from all those who support and are interested in the project.” *Exhibit L.*

Ernat forwarded this **email to the City Manager**, the Mayor, the Mayor pro-tem, and the Police Chief because they had expressed an interest in attending the trip at the May 23rd meeting. *Exhibit D, Ernat vol. I. at p. 21. See also Exhibit B, DeGiusti stmt. at p. 14.*

The City Manager was concerned about this “support and interest” statement from Foster at the outset. *Exhibit A, McClary stmt. at p. 16.* However, Ernat was not concerned with this language because, in her opinion, Foster does not have a good working knowledge of English. Ernat explained that Amy Foster emails often “do not make sense or they probably border inappropriate.” *Exhibit D, Ernat vol. I. at p. 24.*

Chief DeGiusti was similarly unconcerned with Foster’s email, given her trouble speaking English. *Exhibit B, DeGiusti stmt. at p. 15.* The Mayor did not notice this language at all, explaining she did not look at it carefully and receives 100’s of emails per day. *Exhibit C, Edmonds stmt. at p. 45.* Although she recalls the email generally, her only response was that she could not travel to China in July because of her busy schedule that month. *Exhibit C, Edmonds stmt. at pp. 44-45.*

May 25, 2017

On May 25, 2017, the City Manager asked Beth Ernat to “make it clear to Amy Foster” that the City cannot accept any gifts or offers of trips. *Exhibit K*. There is nothing in these records to show that this was ever done, and Ernat has not been able to produce any written communications from her to Amy Foster on this issue. Around this same time, Chief DeGiusti recalls texting Ernat about his disappointment in not being able to go on the trip because of the ethics issues surrounding funding. *Exhibit B, DeGiusti stmt. at p. 19-20*. However, Ernat responded that the trip may still be possible with funding from alternate sources, like SPARK. *Exhibit B, DeGiusti stmt. at p. 20*.

During Foster’s sworn interview, Foster initially stated that she was unaware of the City Manager’s concern and the legal opinion authored regarding Foster’s offer of a trip to China. *Exhibit I, Foster stmt. at p. 33*. However, Foster later recalled Ernat explaining to her that she could not pay for the trip to China because of the City Manager’s and city attorney’s concerns. Foster suggested a donation to the City, instead, but Ernat responded that would be improper, as well, explaining that only a non-profit could offer to pay for the trip to China. *Exhibit I, Foster stmt. at pp. 34-35*. She later qualified this statement regarding nonprofits, explaining she was not sure if Ernat or someone else told her it would be legal for the money to come from a nonprofit. *Exhibit I, Foster stmt. at p. 35*.

It seems that this legal issue perplexed Foster, who explained that she and her son have been involved with many cultural exchanges for Michigan and Chinese government officials, including Matthew Givel (possibly Matthew Gibb), Governor Synder, Governor Granholm, as well as public officials from China. Although she may have fronted the money for these trips, she would be reimbursed afterwards by a Chinese government or private sector group. *Exhibit I, Foster stmt. at pp. 36-39*.

June 22, 2017

The above statements from Foster somewhat comport with Ernat’s testimony that she communicated the problem with gifts to Amy Foster in person during a meeting on June 22nd, 2017. Hal Edwards, Wayne Hofmann, and Phil Santer from SPARK were at this meeting. *Exhibit D, Ernat vol. I. at pp.27-28*. Chief DeGiusti described this meeting as a time when the City brought approximately three car loads of Chinese people to tour the proposed development site.

He recalls most conversations being in Chinese this day, so that no discussions stand out to him on this issue of gifts. *Exhibit B, DeGiusti stmt. at p. 17-18*. The China trip was brought up as a possibility this day, but not much more was said. He does not recall trip funding being discussed. *Exhibit B, DeGiusti stmt. at p. 19*.

Also, on this date, Wayne Hofmann communicated to Ernat that he had “looked into all the entities” associated with Amy Foster and did not find much on her, except unpaid credit card debt for \$20,000 and a related action in the Oakland County Circuit Court, case no. 11-122906-CK. *Exhibit D, Ernat vol. I. at pp.14-15.*

Foster recalled meeting a “very handsome young man” from Ann Arbor SPARK at Ernat’s office, but she believes she only met him once. She does not know whether there was a discussion regarding SPARK paying for the China trip this day, explaining that she was in the bathroom often during this meeting. *Exhibit I, Foster stmt. at pp. 47-48.*

Also, sometime in June, the City Manager learned that Ernat was exploring other sources of funding, such as SPARK, for a possible trip to China. This was not a concern to him because SPARK, the Local Development Finance Authority, and the Michigan Economic Development Corporation are governmental entities with no ties to the developer. *Exhibit A, McClary stmt. at p. 25-26.* Therefore, McClary responded to Ernat, asking that she make sure there were no ties to the developer in her pursuit of funding sources for the trip. *Exhibit A, McClary stmt. at p. 28-29.* In June, McClary was still considering going on the trip himself, although he was concerned about being out of the country the same time as the Mayor. By July, however, he determined that it was not in the community’s best interest for him to go to China because the Mayor would also be traveling. *Exhibit A, McClary stmt. at p. 29-30.*

July 2017

On July 6, 2017, Amy Foster emailed Beth Ernat regarding a meeting with a Mr. Shi, during which he was told that they “can build a bridge”, and also asking Ernat that all the City’s travel documents and visa applications be forwarded to Foster before she left for China on July 18th. Other versions of this email make it appear as though the paragraph regarding Mr. Shi and the bridge were deleted before the email was forwarded to city officials. *Exhibit M.*

Ernat responded to Foster the same day that the bridge would probably not be possible. *Exhibit M.* Ernat testified that she did not tell Mr. Shi that a bridge would be possible and recalls her response being doubtful. Ernat also explained that she deleted this bridge reference prior to forwarding the email because the recipients were not involved in that discussion. *Exhibit D, Ernat vol. I. at pp. 30-31.*

Note that Foster’s email shows a Global Capital Group, LLC signature block below her name in *Exhibits L and M.* According to Peifeng Li’s message to the Mayor purportedly sent on behalf of the Wayne State University Chinese Students and Scholars Association (WSU CSSA), Global Capital Group paid for the trip. *Exhibit N.* Ernat testified that she communicated orally to Foster that she would not submit visa

applications until funding was secured for the trip, although no writings seem to exist to corroborate this.

August 4, 2017

According to Huntington Bank records, Amy Foster transferred \$20,000 from an International Village bank account to Global Capital Group, LLC on this date. *Exhibit O*. Interestingly, this is the same date that Foster sent an email to Ernat that she “got 4 visa with passport today, Monday will get one more. I will bring them to you Wednesday.” *Exhibit P, Foster-Ernat correspondence dated August 4, 2017.*

August 21-23, 2017

Around this time, Mayor Edmonds and Beth Ernat exchanged multiple text messages regarding the status of the Mayor’s “passport” (it is unclear whether this refers to the Mayor’s actual passport or her visa application) and the dates that the Mayor was available to travel. *Exhibit Q*. Also, at this time, the Mayor exchanged text messages with Foster to further discuss the delayed receipt of her visa and passport. Amy responded that “the young guy” is willing to deliver the passport from Chicago. *Exhibit R*.

Ernat permitted Foster’s involvement with the trip planning because Ernat had never been through the visa process and believed that a trip sponsor was necessary. *Exhibit D, Ernat vol. I. at p. 25*. According to Ernat, Foster handled everyone’s visa application because she was the trip sponsor. *Ernat did not pay for the cost of her visa and did not know that there was a cost.* *Exhibit D, Ernat vol. I. at p. 31*. Chief DeGiusti also did not have a problem with Foster’s involvement in planning the trip because she was the one planning the itinerary and setting up meetings for their visit to China. *Exhibit B, DeGiusti stmt. at p. 24*.

Foster initially stated that it was possible her assistant, a Chinese student, paid for the visas, but she was “not clear about that.” *Exhibit I, Foster stmt. at pp. 40-41*. She also testified that her usual travel agent, Youngs Travel, might have just put up the money and been reimbursed. *She claims she is “really busy” and could not recall.* *Exhibit I, Foster stmt. at p. 43*. *Upon being advised that her travel agent told us Foster paid for the trip visas, Foster responded, “If she said I paid for it, then I paid for it. To me, that’s not something significant, not important.”* *Exhibit I, Foster stmt. at p. 44*.

Foster explained that the visas were obtained by Youngs Travel (out of Troy) hiring a travel agency in Chicago to apply in person for the visas at the Chinese consulate there. The Chicago travel agent then mailed the passports and final visas back to Youngs Travel. Because Foster did not want these documents mailed, for fear of them being lost, she picked them up from Youngs Travel herself and personally delivered them to

Ernat at one of their meetings on the International Village project. *Exhibit I, Foster stmt. at p. 52.* However, a problem arose with the mayor's visa, so the travel agency out of Chicago mailed the mayor's documents to her directly. *Exhibit I, Foster stmt. at pp. 53-54.*

A text message from Foster regarding this delay of the mayor's visa referenced a "marketing guy", whom Foster later agreed was named Jingming Liang. *Exhibit Q.* Foster described him as her neighbor and an international student who currently attends the University of Detroit and used to attend Wayne State. *Exhibit I, Foster stmt. at pp. 54-55.* She does not "pay him any money", but he was helping because he had a connection with some investors. *Exhibit I, Foster stmt. at pp. 54-55.* Foster also stated that Jingming Liang and his parents are her friends. *Exhibit I, Foster stmt. at pp. 55-56.*

August 28, 2017

According to Ernat, around August 28, 2017, WSU CSSA member, Jinpeng Xue, called her about the China trip, asking how many people were going and about the cost. According to Ernat, Jinpeng Xue asked for help preparing the CSSA's offer letter, which in Ernat's experience, was not unusual. *Exhibit D, Ernat vol. I at p. 43.*

Around this same time, Beth Ernat was also contacted by the Chinese American Business Association of Detroit and the Local Development Finance Authority, who likewise offered to provide funding for the trip. The communication from the Business Association was deemed suspect because Amy Foster was known to be a former member of the group. *Exhibit E, Ernat vol. II at pp. 22-23.* However, it is unclear why she did not accept funding from the Finance Authority as opposed to the Chinese student group.

Regardless, given that the Chinese American Business Association and the CSSA both appear to have contacted Ernat out of the blue, it seems that both communications should have been suspected as being initiated by Foster. *Exhibit S, Memo from Beth Ernat to the city attorney.*

September 6-8, 2017

On September 6, Ernat sent an email to Foster and Hal Edwards, attaching a form scholarship award letter to be used by whichever student group was ultimately going to fund this trip to China. *Exhibit T.* Notably, Ernat did not produce this email or her draft award letter to us or the City Council as a part of this investigation. Therefore, Ernat was not questioned regarding this correspondence. However, this September 6th email and form letter from Ernat seriously calls into question Ernat's testimony that she was working with Jinpeng Xue of the CSSA to draft this letter. Ernat's draft letter nowhere mentions the WSU CSSA and was not sent to Jinpeng Xue, but only to Amy Foster and

Hal Edwards. *Exhibit T*. This correspondence from Ernat likewise calls into question Ernat's sworn testimony that she could not explain why she would have received the WSU CSSA's award letter through Foster and Wayne Hofmann, rather than only from the CSSA. See *Exhibit D, Ernat vol. 1 at p. 42; Exhibit E, Ernat vol. 2 at pp. 5-6*.

Foster explained this September 6th letter from Ernat as being prompted by her difficulty in working with a chamber of commerce group to facilitate this "cultural exchange." It seems that Foster anticipated their assistance but turned to the "student union" or the WSU CSSA when the chamber of commerce connection failed. However, Foster claims she could not describe in any more detail how the WSU CSSA became involved. *Exhibit I, Foster stmt. at pp. 62-64*.

On September 6th, the Mayor also received text messages from Ernat to let her know that a "U of M student union" was going to give the city scholarships for the trip. The Mayor responded, asking how much and "where does that \$\$ come from?" *Exhibit U*. Again, this written statement by Ernat calls into question Ernat's testimony that she worked with Jinpeng Xue of the WSU CSSA to draft their offer letter beginning in August. As of this date, September 6th, Ernat apparently believed that the funds were coming from a University of Michigan group rather than the WSU CSSA.

Also on the 6th, International Village, LLC issued a check to Youngs Travel for \$16,800. The check states that it is to "hold air tickets". *Exhibit V*. According to Shanrong Chou of Youngs Travel, Amy Foster asked the travel agent not to deposit this September 6th check and to wait for another check to reimburse the travel agency for these flights. *Exhibit G, Chou stmt. at p. 6*. Foster claimed that she did not write the \$16,800 amount on this check because of the ever-changing cost of the flights. Instead, she gave the travel agent a signed, blank check as security for the flights. She further claims her travel agent accidentally deposited this International Village check along with the cashier's check from the WSU CSSA's account, so Foster had to subsequently issue a stop payment order on the check from International Village. *Exhibit I, Foster stmt. at pp. 72-73*.

According to the travel agent, Shanrong Chou, the \$16,800 amount covered the flights for 7 individuals to fly to Beijing but did not cover any lodging or other expenses for the trip. Chou explained that she was leaving for a trip herself around the time of the City's trip and did not have time to help Amy Foster book hotels or other travel arrangements. This was confirmed by Foster, who admitted that the \$16,800 only covered the airfare for the trip. The \$16,800 amount did not cover any lodging, which was paid for by Foster's son as well as "the association in Beijing." *Exhibit I, Foster stmt. at pp. 74-76*. Foster would not admit paying for the lodging directly, saying "My son paid, not I." However, she later conceded that International Village is a "family run" business that her son works for, although she claims he does not get paid for this work. *Exhibit I, Foster stmt. at pp. 75-76*.

Accordingly, these flights were purchased by the travel agent on September 6, 2017, before the CSSA's cashier's check was issued. See issue dates shown on *Exhibit W*. On September 8, 2017, Amy Foster and an unidentified male, most likely Jingming Liang, personally delivered the cashier's check from Michigan First Credit Union to Youngs Travel to reimburse the agency for the flights. *Exhibit G, Chou stmt. at p. 12*. Notably, however, when Foster was shown a copy of this cashier's check during her sworn statement, she claimed that she had never seen it. *Exhibit I, Foster stmt. at pp. 71-72*.

Ms. Chou also worked with Amy Foster to obtain the 4 visas needed for the City of Ypsilanti personnel to travel to China. They cost \$180 each and were paid for by Amy Foster sometime in August. *Exhibit G, Chou stmt. at p. 14*.

On September 7, 2017, Mayor Edmonds received an email from Beth Ernat attaching the scholarship letter from WSU's Chinese Students & Scholars Association (CSSA). Notably, Ernat received the scholarship letter through Wayne Hofmann of Spence Brothers, via an email that explained he received it from Amy [Foster]. See *Exhibit X*. It would seem that this should have alerted both Mayor Edmonds and Beth Ernat to an issue as to the origin of the funding.

The student group's letter is dated September 6, 2017, and states that one of the organization's missions is "laying a foundation for the construction of the international village [sic] of Michigan." *Exhibit Y*. This statement, among others, suggests that the CSSA was interested in more than just a cultural exchange and had an interest in the construction of the International Village.

Foster explained that she sent this WSU CSSA scholarship letter to Hofmann and not to Ernat directly because Hofmann told her to send communications through him rather than directly to Ernat. Hoffman said it would not be proper if the email went directly to Ernat. Hoffman indicated that the communications could become public record. *Exhibit I, Foster stmt. at pp. 64-65*.

Ernat testified that the fact that the CSSA's letter came from Amy Foster and through Spence Brothers did not concern her, given the difficulty Foster and the WSU CSSA students had communicating. Ernat also assumed that the letter came from Amy Foster "for translation purposes." *Exhibit D, Ernat vol. 1, p. 42*. Note that this was not our experience with the members of the WSU CSSA contacted as a part of this investigation. Although reluctant to speak with us, we found the students to be highly educated, sophisticated in their responses, and very proficient in English despite it being their second language.

Ernat also explained that the CSSA was aware of Amy Foster's involvement with this trip and was in communication with her to understand the "cultural nature of the trip." *Exhibit D, Ernat vol. I, at p. 45*. Per her testimony, Ernat now sees how this email from Hoffman and Foster attaching the letter from the CSSA *should* have been a "red flag". Ernat claims she did not see a problem with the communication at the time, but understands why it would seem suspect to an outsider. *Exhibit D, Ernat vol. I at p. 44; Exhibit E, Ernat vol. II at pp. 11-13*. Ernat later testified that she also received a copy of the letter directly from Jinpeng Xue, her contact at the WSU CSSA, via a text message but she no longer has that message. *Exhibit E, Ernat vol. II at pp. 6-7*. As discussed above, **Ernat's email and form scholarship letter sent to Foster and Hal Edwards on September 6, 2017, calls into question Ernat's entire explanation of this issue, as she failed to mention that she drafted the scholarship letter during either of her sworn interviews or her testimony before the City Council.** *Exhibit T*.

Mayor Edmonds also was not concerned by the fact that the CSSA's scholarship letter came through Amy Foster and Wayne Hofmann of Spence Brothers and was never sent to her directly by anyone at the CSSA. *Exhibit C, Edmonds stmt. at pp. 48-49, 53*. This was because the Mayor presumed that Ernat and Foster were reaching out to those they knew for funding opportunities. In other words, she presumed that the CSSA was one of Amy Foster's contacts and would not have expected the CSSA to contact the City out of the blue. *Exhibit C, Edmonds stmt. at pp. 49-51*.

Also, on September 7, the Mayor and Ernat exchanged text messages regarding the fact that the CSSA's letter referenced Ann Arbor and Ypsilanti and that the Mayor was surprised to see those references. Ernat explained that she suggested that this language be included in the letter. *Exhibit U*.

On September 8, 2017, Beth Ernat received a text message from the CSSA with a copy of the cashier's check for the trip. *Exhibit Z*. She produced a copy of the check but claims **she no longer has a copy of this text message**. She believes the text message with the check came from Jinpeng Xue, her primary contact at the CSSA. *Exhibit E, Ernat vol. II at pp. 4-5*. Ernat does not know where the funds came from for the cashier's check, **does not know who Bingwen Wang** is (although her name appears on the check) and did not question the fact that the check was a cashier's check and not from a WSU CSSA account. *Exhibit E, Ernat vol. II at p. 14-15*.

According to photos from a surveillance camera and records from the Michigan First Credit Union, two males deposited a total of \$16,800 in cash into the CSSA's checking account shortly before 2:00 p.m. on September 8. *Exhibit AA*. This was accomplished by a series of smaller cash deposits all **under \$5,000**, which total exactly \$16,800. See *Exhibit BB, Statement of Accounts*.

According to Peifeng Li, a former president of the CSSA, one of the individuals who performed this deposit is named Jingming Liang, whom he claimed was an acquaintance of his. *Exhibit F, Peifeng Li stmt. at pp. 20-22.*

At his interview, Peifeng Li indicated that he believed Jingming Liang worked for or with someone named "Amy", although he could not say more about Liang's employment. *Exhibit F, Peifeng Li stmt. at pp. 39-40.* The other male shown in the photos from this ATM deposit is unknown. According to the Michigan First Credit Union, an ATM card issued to Bingwen Wang was used to make this cash deposit, although she was not present during the transaction. *Exhibit CC.*

Later, on September 8, at about 3:30 p.m. (an hour and a half after the deposit) one male and one female withdrew \$16,803 from the CSSA's account to obtain a cashier's check in the amount of \$16,800 payable to Youngs Travel. *Exhibit DD.* The cashier's check was obtained from the Credit Union's branch at the Wayne State Student Center, located at 5221 Gullen Mall, Detroit, MI 48202. *Exhibit EE.* According to Peifeng Li and Amy Foster, the male in these photos is Jingming Liang. Peifeng Li could not positively identify the female in these photos but believed it could be Bingwen Wang. Bingwen Wang later confirmed it was her in the photographs obtaining the cashier's check. *Exhibit F, Peifeng Li stmt. at pp. 21-22.*

The records received from Huntington Bank regarding the accounts for International Village LLC and Global Capital Group LLC demonstrate that the \$16,800 cash deposited into the CSSA's account on September 8, 2017 came directly from International Village LLC. On September 6, 2017, \$38,888.00 was deposited into International Village LLC's business checking account from an unknown source, see *Exhibit FF*, although Foster testified that the money in the International Village bank account was borrowed from those interested in the project. *Exhibit I, Foster stmt. at pp. 45-46.*

On this same day, Amy Foster issued a check for \$16,800 to Youngs Travel from the International Village account. As noted above, this check to Youngs Travel says that it is to "Hold air tickets". *Exhibit V.*

Amy Foster withdrew \$1,500 from the International Village account the next day on September 7, 2017. *Exhibit GG.* Then, on September 8, 2017, Amy Foster wrote the following checks from the account:

1. One check for \$8,888 made out to "Cash" with the notation "cover check # 8001 WSU-CSSA". *Exhibit HH.*
2. One check for \$6,200 made out to Jingming Liang with the notation "cover check #8001 WSU-CSSA". *Exhibit II.*

In addition to these clear references to the WSU CSSA on these checks, these transfers (\$1500, \$8888, and \$6200) total \$16,588. Therefore, there can be little question that the funds for the cash deposited into the CSSA's bank account on September 8, 2017, originated from Amy Foster and her International Village LLC.

When questioned about the origin of the WSU CSSA's funds, Foster explained that their funds came from China, and it is easiest to bring over in cash due to Chinese restrictions on wire transfers. She claims the money also came from different corporations who support international student unions. *Exhibit I, Foster stmt. at pp. 66 and 78-79.* She also believed that the Chinese consulate provides financial support for such groups but said the Chinese consulate did not give money to the CSSA for this China trip. *Exhibit I, Foster stmt. at pp. 69-70.* Foster also claimed not to know Jinpeng Xue, Ernat's only contact at the WSU CSSA, nor could Foster say with certainty whether she knew Bingwen Wang, the student who obtained the subject cashier's check with Jingming Liang, a known associate of Foster. *Exhibit I, Foster stmt. at pp. 70-71.*

Foster was questioned further regarding the cash deposits into the WSU CSSA's bank after being shown surveillance photos that depict Liang performing the deposit. See *Exhibits AA & DD.* Foster stated again that cash was likely used to get these funds to the CSSA because of Chinese restrictions on wire transfers. She went on to explain, however, that part of the money was from her son and his efforts collecting donations and support. Some "golf association" also gave money to the "student unions." *Exhibit I, Foster stmt. at pp. 79-80.*

Bingwen Wang and Zhifang Zhou are the only two individuals named on the CSSA's bank accounts. *Exhibit EE.* The bank provided the following contact information for Ms. Wang (mailing address: 3109 Woodland Hills Dr., Apt 35, Ann Arbor, MI 48108, cell: 734-353-7859, email: wangbw2011@gmail.com). We attempted to serve a subpoena on Ms. Wang at this Woodland Hills address and were informed by the current inhabitant of the apartment that there was no one there by that name and that he had lived at that address for the last two to three years. We asked investigator, Tim Fifer, to pull other possible addresses for Bingwen Wang and ultimately served her with a subpoena at an address in Riverview, Michigan.

Bingwen Wang

Bingwen Wang first joined the CSSA back in September 2014 and was nominated as their secretary or treasurer around that same time. She quit her membership in the CSSA in 2015. However, she is still listed as the authorized user of the CSSA's bank account with the Michigan First Credit Union. *Exhibit H, Wang stmt. at pp. 5-7.* The principal or "official holder" of the account is Zhifang Zhou, a woman who currently lives in China. Because Zhou remains out of the country, Bingwen has been unable to remove her name from the CSSA's account. *Exhibit H, Wang stmt. at pp. 7-8.*

Bingwen does not have much to do with the CSSA's bank account anymore. *Exhibit H, Wang stmt. at pp. 7-8.* She tried to give the debit card for the account to Peifeng Li around the time she quit the group in September 2015, but he asked her to hold onto the card until they found a new secretary. *Exhibit H, Wang stmt. at pp. 9-10.* She passed the card on to this new secretary in December 2015. Since then, her only involvement with the account has been an occasional call to ask for the pin number for the card. *Exhibit H, Wang stmt at pp. 10-12.* These requests have either come from Peifeng Li or two other individuals, one male and one female, whose names she did not know. *Exhibit H, Wang stmt at p. 12.*

Contrary to Peifeng Li's sworn statement, **Peifeng was the one who first contacted Bingwen Wang about using the CSSA's account to fund the trip to China,** although **Bingwen Wang claims she did not know what the check was for until she was contacted by our law firm as a part of this investigation.** *Exhibit H, Wang stmt. at pp.15-16.* After this initial call from Peifeng Li, Jinpeng Xue (the current CSSA president) contacted her, asking for a favor and to set up a time when they could go to the bank together. *Exhibit H, Wang stmt. at p. 16.*

She assumed she would meet Jinpeng Xue or Peifeng Li at the bank around 4 p.m. on Friday, September 8th, 2017. However, neither Xue nor Li showed up, and she was instead contacted by a **male named Jingming Liang (who, unknown to Bingwen, is an associate of Amy Foster) through an app called "We Chat", which is popular with the Chinese. Jinpeng Xue helped her make the connection with Liang on this app.** *Exhibit H, Wang stmt. at p. 16-17.* Bingwen does not have any contact information for Jinpeng Xue or Jingming Liang, except through the "We Chat" app. *Exhibit H, Wang stmt. at p. 18.*

Bingwen's first communication with Jingming Liang was on September 8, 2017, the same day she met him at the Michigan First Credit Union. Jingming Liang was the one who talked to the bank to request the check. *Exhibit H, Wang stmt. at p. 16.* All he told Bingwen while they were at the bank together **was that he needs a favor and just needs her to sign and show her driver's license to obtain this check.** *Exhibit H, Wang stmt. at p. 21, 47.* She did not take anything home with her from the bank that day; she left everything, **including the cashier's check for \$16,800, with Jingming Liang.** *Exhibit H, Wang stmt. at pp. 47-48.*

Bingwen claims that she did not realize the high dollar amount of the cashier's check she helped Jingming Liang obtain on September 8, 2017. However, she agreed that it would be unusual for the CSSA's bank account to have more than a few hundred dollars in it at any given time. *Exhibit H, Wang stmt. at pp. 26-27.* This is consistent with the CSSA's bank statements for the last half of 2017, that show typical monthly balances under \$500. *Exhibit JJ.*

Bingwen was also not aware of the CSSA ever sponsoring trips to China. The purpose of the group was just to help Chinese students new to America with grocery shopping

and similar things and to teach non-Chinese students about Chinese culture. *Exhibit H, Bingwen stmt. at pp. 27-28.*

Foster/Liang Attempts to Discourage Investigation

Bingwen had no further contact with Jingming Liang until she contacted him to find out what they did wrong after our firm's first attempts to contact Bingwen and schedule an interview. *Exhibit H, Wang stmt. at p. 22.* Thereafter, Bingwen spoke with Jingming Liang through the "We Chat" app and received a number of voice and text messages from him regarding the China trip and investigation. *Exhibit H, Wang stmt. at pp. 23-24.*

According to Bingwen Wang's translation of these messages, Liang explained to her that the investigation had to do with a trip and a fight involving the City Council, which he believed was resolved in 2017. *Exhibit H, Wang stmt. at p. 32-34.* Liang also tried to prevent Bingwen from speaking with us, telling her multiple times that she had no legal obligation to give an interview. *Exhibit H, Wang stmt. at p. 34-35.*

Liang counseled Bingwen to keep telling us she was too busy to give an interview and for us to stop bothering her. *Exhibit H, Wang stmt. at p. 36.* Liang then asked Bingwen to forward our firm's communications to her, so that he could "tell his boss". *Exhibit H, Wang stmt. at p. 38.*

Amy Foster likewise attempted to discourage our investigation, telling us that she will give an interview if we agree to leave these Chinese students alone. On February 24, 2018, she sent the following email to Attorney Jessica Bond of The Plato Law Firm, regarding our subpoenas and interview requests:

"You bother too much international people, if bring you to court, sure you discrimination, you may loss your license. Check federal law!
Thanks and Regards
Amy Foster." *Exhibit KK.*

On February 26, 2018, Amy Foster also sent Ed Plato the following email:

"Dear Mr. Plato

1. Please see the attached email from reporter, and tell him, we plan forward this to the owner of the magazine and forward this to Department of GOV over see News (I will find online)
2. If things go bad, you're on the hook, and so the people let you doing dirty work, Legal term , related , joint offence ? Before the things end, you are always on hook !

Bingwen also spoke with Liang on February 26, 2018, the day of her sworn statement, and it was at this time that Liang mentioned that the investigation is about an Amy

Foster. *Exhibit H, Wang stmt. at p. 25, 39.* However, he did not say that Amy Foster was the “boss” he spoke of during their earlier conversations. *Exhibit H, Wang stmt. at p. 39.*

Bingwen also told Jinpeng Xue about our contacting her to request an interview. He responded that he had received similar interview requests **but to “just ignore it”**, as he had. *Exhibit H, Wang stmt. at p. 39-40.* Foster likewise testified that when she learned of our requests to interview Bingwen Wang and the other Chinese students involved, **she told them to ignore the requests**, referencing prior instances of fraud she’s been presented in the past. *Exhibit I, Foster stmt. at p. 91-92.*

We called the phone number we received for Jingming Liang at (313) 510-3023. During this call, **Mr. Liang denied knowing anyone named Amy Foster** and denied that he had any employer, explaining that he was only a student. He refused to give an interview.

Internet research regarding Jingming Liang revealed that he attends the University of Detroit Mercy, so we subpoenaed them for his address information. The university’s records show that, in May 2017, **he changed his address to 1928 Shepherds Drive in Troy, Michigan. Exhibit LL.** There appears to be no such address in Troy. However, a company called **Management One, LLC owns two residential properties on Shepherds Drive in Troy – 1877 Shepherds and 1829 Shepherds. Amy Foster is listed as the resident agent for Management One, LLC and paid the property taxes for these two parcels out of a Global Capital Group LLC account in October 2017. Exhibit MM.** Therefore, it appears that **Amy Foster houses Liang at the property at 1829 Shepherds, possibly in exchange for his services, a fact corroborated by Foster’s testimony that Liang is her neighbor.**

September 9, 2017

A September 9, 2017 email from Beth Ernat to the City Manager explains that she contacted a number of state and local agencies about funding for the trip, but that the WSU student group contacted her first, rather than city personnel reaching out to them. *Exhibit NN.* It seems that this fact should have raised suspicions as to how the CSSA learned of the trip and the need for funding.

On this day, Beth Ernat also forwarded an email from Spence Brothers to the City Manager that attached the WSU CSSA scholarship/invite letter. *Exhibit OO.* **As she had in the past, Ernat deleted the note that the email had originally come from Amy Foster before forwarding the message.** She claims that this was her normal practice when forwarding emails. *Exhibit E, Ernat vol. II at p. 9.*

City Manager McClary **testified that he did not see Ernat’s September 9th emails because his husband was in the hospital at that time.** Because he did not respond, Ernat called him on September 11th, and they discussed that Ernat should send an

email to the City Council, advising them of the funding received for the China trip and the purpose of the visit. *Exhibit A, McClary stmt. at p. 34-35.*

It was at this time that the City Manager, Darwin McClary, learned who was going on the trip and he recalls being surprised and not understanding why the police chief should attend. *Exhibit A, McClary stmt. at p. 38-39.* The City Manager also did not realize that the CSSA invite letter came to Ernat through Spence Brothers until he reviewed his emails in preparation for the City Council's October 10 investigative meeting. *Exhibit A, McClary stmt. at p. 42-43.* Upon learning this, he became concerned that funding for the trip came from the contractor rather than an independent source. *Exhibit A, McClary stmt. at p. 43-44.*

Sometime before this September 9th communication, perhaps around September 1st, Ernat and the City Manager had a discussion about the CSSA's offer, which included discussing why that student group would even be interested in funding the trip in the first place. *Exhibit A, McClary stmt. at p. 36.* Around this same time, the Mayor asked Ernat for confirmation that the CSSA's funds did not come from International Village. Ernat responded that they did not. *Exhibit C, Edmonds stmt. at p. 38.*

September 10, 2017

On September 10, 2017, Mayor Edmonds sent an email to the CSSA asking where the funds for the trip "scholarships" originated. *Exhibit PP.* She also sent a LinkedIn message to Peifeng Li, a former WSU CSSA president, asking the same question. *Exhibit N.* Edmonds found contact information for the CSSA and Peifeng Li by researching the group online. *Exhibit C, Edmonds stmt. at pp. 28-29.* These email and LinkedIn messages were her only communication with the group. *Exhibit C, Edmonds stmt. at pp. 30-31.* Mayor Edmonds testified that she sent these emails not because she was concerned about where the funding had come from, but because she anticipated public scrutiny on the issue. *Exhibit C, Edmonds stmt. at pp. 65-66.*

Emails were also exchanged between city personnel this date regarding preparing for the trip, such as flying business class, meals, and dress for the trip. *Exhibit QQ.* Specifically, Ernat sent an email to all other travelers with travel tips and to discuss specifics regarding flying business class. Ernat believes that she and her colleagues' desire to fly business class was discussed with Amy Foster or Hal Edwards prior to booking. *Exhibit E, Ernat vol. II at pp. 24-25.* On the issue of flying business class, the Mayor did not question the fact that it might not have been feasible or realistic for a student group to fly them business class to China. The issue simply "did not occur" to the Mayor, who just left the details of the trip to Ernat and the travel agent. *Exhibit C, Edmonds stmt. at pp. 93-94.*

Also, on this date, Ernat received trip “confirmation” emails from Youngs Travel via Amy Foster. *Exhibit RR*. When Chief DeGiusti received this “confirmation” email he understood it as flight confirmation, meaning the trip had already been purchased, rather than just a proposed travel itinerary, as Ernat described. *Exhibit B, DeGiusti stmt. at p. 25*. This was the Mayor’s understanding, as well, namely that the trip was “booked” as of September 10, when she received an email from Ernat with the flight information. *Exhibit C, Edmonds stmt. at p. 80*.

At her sworn interview, Ernat was not bothered by the fact that the City’s flights appear to have been confirmed on or about September 6th, before receipt of the CSSA’s scholarship offer letter. *Exhibit E, Ernat vol. II at pp. 33-34*. Note that September 6th was the same day that Ernat forwarded her draft of what would become the CSSA’s scholarship or offer letter to Amy Foster and Hal Edwards. *Exhibit T*. However, the Mayor was surprised to see that these flights were apparently confirmed as of September 5th and 6th, given that the City did not learn of the funding through the CSSA until after that date. *Exhibit C, Edmonds stmt. at pp. 81-82*.

September 11-12, 2017

On September 11, 2017, Beth Ernat sent an email to the City Council, explaining that the Wayne State CSSA was providing four full scholarships for the China trip. *Exhibit SS*.

On September 12, 2017, former CSSA president, Peifeng Li, replied to Mayor Edmonds’ LinkedIn message that the funding for the trip came from Global Capital Group, LLC. *Exhibit N*. We understand, from the Mayor’s testimony, that she was aware of the connection between Foster and Global Capital Group well before this time.

The Mayor testified she never saw Peifeng’s response before she left for China because she was out of town, “was not on email much that week”, and has 5 active email accounts. *Exhibit C, Edmonds stmt. at pp. 62-63*. She testified that had she seen the response from Peifeng before leaving for China, she would have looked up Global Capital Group, seen the connection to Amy Foster and alerted the City Manager and City Attorney. *Exhibit C, Edmonds stmt. at pp. 70-71*.

This testimony is questionable because on September 13, 2017, the Mayor forwarded her email to the CSSA to Jennifer Healy, the city’s FOIA coordinator, indicating that no response had yet been received from the CSSA or Peifeng. *Exhibit C, Edmonds stmt. at pp. 71-72; Exhibit PP*. Mayor Edmonds should have been searching for the response from the CSSA when gathering the documents to respond to the FOIA request. Furthermore, having sent an inquiry to the CSSA on September 10th, asking where the funds for the trip scholarships originated, Mayor Edmonds should have been expecting

and looking for a response to this inquiry before leaving for China on September 21, 2017.

Peifeng Li

Peifeng Li served as the president of the CSSA from about August 2015 to August 2016. Although he graduated from the University in February 2016, he stayed on past graduation to facilitate a smooth transfer to the new group leaders. *Exhibit F, Li stmt. at pp. 4-5.* Peifeng Li was the CSSA's vice president for about one year before becoming president, and this was the first time the CSSA had ever been involved with a cultural exchange, as far as he is aware. *Exhibit F, Li stmt. at p. 9-10.*

Peifeng testified that everything he knew about Global Capital Group's involvement with the CSSA and funding for the trip came from a man named Jingming Liang. *Exhibit F, Li stmt. at p. 8.* Liang is not a member of the CSSA nor even a WSU student.

Jingming Liang first called Peifeng about the trip to China in September 2017, asking him whether the CSSA would help with a cultural exchange. *Exhibit F, Li stmt. at p. 9.* Liang mentioned the City of Ypsilanti and International Village during this call. However, Peifeng could not say whether the Global Capital Group was also referenced at this time. *Exhibit F, Li stmt at p. 13.*

Peifeng responded to Liang that he was no longer a member of the CSSA and directed Liang to contact the current president. *Exhibit F, Li stmt. at p. 14.* Peifeng Li did not know why Liang needed the CSSA's help with this cultural exchange, and he never helped Liang with any banking for it. *Exhibit F, Li stmt. at pp. 19-20.*

After the Mayor contacted Peifeng to ask about the source of the CSSA's funding, Peifeng called Liang to ask. This is when he learned of Global Capital Group's funding. *Exhibit F, Li stmt at p. 16.* He was unaware of any connection between the CSSA and Global Capital Group before this time. *Exhibit F, Li stmt. at pp. 16-17.* Moreover, although Peifeng's response to the Mayor via his LinkedIn account appears written on the CSSA's behalf, he claims he was not a member of the group at the time and could not recall whether he told any current members about the communication. *Exhibit F, Li stmt. at p. 41.*

Peifeng was shown the photos we received from the Michigan First Credit Union of the individuals involved in depositing and withdrawing the funds for the trip. See *Exhibits AA & DD.* He identified the man depicted in the photos and wearing a light blue shirt as Jingming Liang. *Exhibit F, Li stmt. at pp. 20-21.* He could not firmly identify anyone else depicted but said the woman in the credit union photos could possibly be Bingwen Wang, another former CSSA member. *Exhibit F, Li stmt. at pp. 22-23.* Foster likewise

identified the male wearing the light blue shirt in these photos as Jingming Liang. *Exhibit I, Foster stmt. at pp. 77-78.*

Peifeng testified that he never communicated with Bingwen Wang regarding this cultural exchange or Jingming Liang. *Exhibit F, Li stmt. at p. 23.* However, Peifeng recalled asking Bingwen to transfer the CSSA's bank records to the current group leading the CSSA around August 2017. *Exhibit F, Li stmt. at pp. 27-28.*

Peifeng first met Liang at some sort of spring festival back in February or March 2017. *Exhibit F, Li stmt. at p. 11.* Although the name Amy Foster was not familiar to Peifeng, Liang had mentioned someone named Amy to him in the past. *Exhibit F, Li stmt. at p. 30.* Peifeng would not elaborate as to how someone named Amy would have come up in any conversation with Liang. *Exhibit F, Li stmt. at pp. 30-31.* However, he later stated that Liang works with this Amy in some capacity. *Exhibit F, Li stmt. at pp. 39-40.*

As Bingwen Wang similarly described, Peifeng Li recalled that the CSSA's budget was typically very small, and the group generally had only a couple hundred dollars to work with, generated by volunteer-type work. *Exhibit F, Li stmt at pp. 24-25, 29.* The CSSA's mission was to simply help international students at Wayne State live on campus, register for classes, and network with other students. **The group did not fund travel.** *Exhibit F, Li stmt at p. 25-26.*

Peifeng admitted to knowing Jinpeng Xue as a member of the CSSA but denied ever speaking to Xue about this cultural exchange. *Exhibit F, Li stmt at p. 32-33.* **Again, this seems to directly contradict Bingwen's testimony that Peifeng and Jinpeng Xue seemed to be working together in asking for her help with this banking.** Also, Peifeng admitted that both he and Jinpeng Xue were acquainted with Jingming Liang, an associate of Amy Foster's, well before August or September 2017. *Exhibit F, Li stmt at p. 35.*

September 18-22, 2017

On September 18-20, 2017, the City's purchase agreement with International Village was approved and signed. *Exhibit TT.* **Notably, the Mayor testified that, just before the September City Council meeting, she learned from Amy Foster and either Hal Edwards or Allen Green that CSSA groups often receive funds from the Chinese consulate.**

It does not appear that anyone ever specifically told the Mayor that the trip was funded by the consulate, **but this is what the Mayor deduced from these conversations with Al or Hal, as she spoke with** them just before the September meeting. *Exhibit C, Edmonds stmt. at pp. 19-25. Exhibit I, Foster stmt. at p.69.* **Clearly someone is not being truthful about the source of the funding.**

On September 19, 2017, the Mayor also received a text message from Amy Foster, stating “Welcom [sic] the delegation of Mayor Amanda Edmonds! 9/23, 2:00 pm... Chinese Leaders Attend Mayor’s Meeting, around 50 people.” *Exhibit UU*.

The next day, on September 20, 2017, David Strauss, WSU dean of students, told the Metro Times that the CSSA had no money in its account with which it could have funded this trip. *Exhibit VV*.

The City officials were in China from September 21, 2017 to October 2, 2017.

On September 22, 2017, the Metro Times also learned from WSU that the CSSA was approached by International Village to assist with the “cultural exchange,” per Matt Lockwood, a WSU press officer. *Exhibit VV*.

September 25, 2017

Around September 25th, the City Manager learned of a possible funding issue from Attorney John Barr, who was contacted by a Metro Times reporter about the situation. *Exhibit A, McClary stmt. at pp. 46-47*.

Accordingly, the City Manager contacted Ernat with concerns about the trip funding, while the group was in China. Ernat responded to the City Manager that “Amanda was concerned before as well and was told that the U.S. [sic] Consulate in Chicago provided the money to the student group for tourism and that this is a common thing.” *Exhibit A, McClary stmt. at p. 47-48*. Ernat also stated that the Mayor had also talked to Amy Foster and Allen Green about this issue. *Exhibit A, McClary stmt. at pp. 48-49*.

However, Ernat later told the City Manager that “International Village had applied for a grant through the Chinese consulate for the funding and that the grant was approved and a check was being issued to International Village, who then would forward the funding on to CSSA.” *Exhibit A, McClary stmt. at p. 49*. This is consistent with what the Mayor was told by Ernat while in China, namely that “the consulate funds pass[ed] through International Village before going to Wayne State CSSA.” *Exhibit C, Edmonds stmt. at pp. 33-34*.

The City Manager’s statements somewhat conflict with Ernat’s testimony on this issue. According to Ernat, Amy Foster and Hal Edwards mentioned that the Chinese consulate provides funding to student groups for international travel. However, Foster dissuaded Ernat from contacting the consulate, explaining that they would probably not speak with her. But according to Amy Foster, the Chinese consulate did not give any money to the CSSA for this China trip. *Exhibit I, Foster stmt. at pp. 68-69*.

Ernat also assumed that Foster contacted the consulate to follow up regarding this inquiry. According to Foster, the consulate responded saying that they would not get involved in local matters and were busy dealing with North Korea. *Exhibit D, Ernat vol. I. at p. 35-40.* Chief DeGiusti recalls this coming up during the trip, as well. However, **Ernat assured him that the Chinese student group got the money from the Chinese consulate and that she had a copy of a \$16,000 check from the student group, which she showed the chief on her phone.** *Exhibit B, DeGiusti stmt. at pp. 34-35.*

October 2017

On October 6, 2017, Mayor Edmonds issued a statement regarding the funding for the trip to China. *Exhibit WW.*

On October 10, 2017, the City Council called a special meeting to begin to investigate the China trip.

January – March 2018

It appears that Foster and Ernat met recently in February 2018 to discuss this investigation in preparation for a meeting with a Chinese investor who was coming into town. *Exhibit I, Foster stmt. at pp. 19-20.*

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