

VIKAPUB00077DOC
03/06/2015

VIKA
pp 00077-00122

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THERESA HAMILTON ASSISTANT COMMISSIONER

PUBLIC HEARING

OPERATION VIKA

Reference: Operation E14/0418

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 3 JUNE, 2015

AT 10.07AM

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This transcript has been prepared in accordance with conventions used in the Supreme Court.

ASSISTANT COMMISSIONER: Thank you, please be seated. Yes, Mr Katekar.

<SCOTT ALLEN HOMSEY, on former affirmation [10.07am]

MR KATEKAR: Thank you, Commissioner.

10 Mr Homsey, yesterday I asked you some questions about a tender response that you gave in 2010 in relation to the café at RFS headquarters, do you remember that?---Yes, I do.

And I showed you a version of the tender response, do you remember that?
---Correct.

And I told you that it was recovered from Mr Hacking's computer?---Yes.

20 And that it was recovered, that the date of creation on Mr Hacking's computer was 9 June, 2010?---Yes.

And you sent it in a draft form to Mr Hacking?---Correct.

Correct. And you did that because you had asked Mr Hacking, for Mr Hacking's help with it, correct?---Oh, just to look over it, yes.

I beg your pardon?---To look over it and make sure I had everything for a tender.

30 You were asking for Mr Hacking's help in filling out the tender response, do you agree?---I have never filled out, I was asking for, whether a government, whether I had the right qualifications to fill out that form, that tender process.

If you'll address my question please. You asked for Mr Hacking's help with it?---Yes, I did.

And he gave it to you?---Yes.

40 To assist you in maximising your prospects of being successful on the tender?---Yes.

Another thing I took you to yesterday was an email that Mr Hacking sent to you on 20 November, 2014 providing you with a list of email addresses of contacts in Victoria, do you remember that?---Yes, I do.

And you ask Mr Hacking to provide that contact list to you, do you agree?
---Correct.

To assist you in expanding your business into Victoria, do you agree?---Yes.

And in response to that request Mr Hacking gave you that list?---That's correct.

I'm now going to move to July 2011 and indicate this to you, that on about 27 July, 2011 the Commission understands from Mr Hacking that he had a car accident about that time and that he was off work for at least a few
10 weeks after that. Mr Hacking has indicated that during the time that he was off work you started calling him. Is that correct?---I did make a couple of calls, yes, correct.

Did make a couple of calls. Well, I'm just going to be fair to you, we've done some call charge record analysis and it doesn't seem that there's too many calls between your mobile and his mobile in that period. So I'm just trying to ascertain, did you call him at home or on a mobile or?---On the mobile.

20 On the mobile. And so the extent that you called him in that period it should appear in the call charge records from your mobile to his mobile?---Correct.

I'm going to move now – I just better check – I'm going to give you some charge call records from – I'm going to move now to March, 2012. And while actually my assistant's getting that, I'm going to ask for – ah, no, I can tender it. I'm going to seek to tender this document, I need another copy for the witness as well and some other copies can be distributed. One
30 for the Commissioner and one for the witness. Now, I'll just put you in time, at a point in time as far as the chronology is concerned. My records indicate that in late February, early March, 2012, there was substantial flooding in New South Wales. Do you have any recollection of big floods in 2012?---Yes, I do.

You do?---Yes, I do, yes.

So this was around – these calls might be around this time it might refresh your memory. Now I'll just invite you to look at it. In particular I want to draw your attention, there's a call between, from Mr Hacking to you on 13
40 March, 2012 at half past 11.00 at night, that is, sorry, 23.24, for 13 minutes. And then the following evening at 14, on 14 March at 8.16 for 11 minutes. Now I guess the first question was, do you remember what Mr Hacking was calling you about at that time?---Not at that stage.

All right. I don't expect – it's a few years ago and it's not intended to be a trick question. I needed to advance that one. But then I'm going to ask the operator to please turn up Exhibit 4, volume 4, page 58, please. Page 58. Now the purpose of showing you this is that this is one of many. You will

see that it's got a purchase order and S44L number on it at the top, purchase order number and it's for 600 RFS snack packs. Now there are a number of other documents also in the volume. And if the operators wishes to pull up exhibit, sorry, Exhibit 4, page 65, there's another being of the same date for the same thing, different purchase order number. And there is another two, one, two, three, four, five, six, seven purchase orders for different amounts of pallets of snack packs to be delivered to the same place on the same day. Why was so many purchase orders for the same good, dated the same day issued to you in different amounts?---That question is, I would have had to,
10 I would've got an order, received an order to get the snack packs under those, um, if it was for that, that site at RFS Hay and I can't answer that question in regards to RFS purchasing order there.

You don't, you don't know why you got multiple purchase orders for the same thing on the same day?---Not every purchase order came through as the order on the phone would be received so I would get a purchase order sometimes a couple of days later, sometimes three, four days, sometimes a week later.

20 All right. I see. Each of these purchase orders were dated the same day and were followed the following day with an invoice from you. Now, I'll just – just to give you an example, the first one I brought up was page 58. That doesn't – that's the purchase order and then if the operator would go to page 60 of volume 4. This is 15 March and against each of the purchase orders – I don't really want to go through them – but against of the purchase orders dated 14 March there's an invoice dated 15 March from D'Vine Tastes. Why did that happen?---I cannot answer that other than that the purchase order was placed and that D'Vine Taste entered an invoice for that
30 product.

All right. The next thing that the Commission understands from Mr Hacking is that in about March, 2012 you gave him \$1,500 for a chip for his car. Did you do that?---Correct.

How did you pay him?---I, I think through an account.

Through – you think you transferred it into a bank account?---I think I did, yes.

40 All right. Do you know when in March that was?---No, I don't have a date.

Could it have been around 14 March?---I would only be guessing but it could possibly.

You'd only be guessing. Could it have been in connection with the numerous purchase orders that were sent to you on that day?---No, definitely not.

Did you send that \$1,500 to Mr Hacking in order to encourage him to continue to issue purchase orders from the Rural Fire Service to you?---No, definitely not.

Why did you send it to him then?---Just we had a discussion about, about the car and I said that I could help out and I gave, gave him the money and transferred that into his account.

10 But it's not an answer to my question. You said you could do it and you did do it?---Yes.

But you haven't answered my question why did you do it?---Bad judgement.

No, that's not a question – that's not an answer to my question either, Mr Homsey. Why did you do it?---I was asked would I do it and I did that.

20 Yeah, that's not an answer either, Mr Homsey. You were asked to do it and you did do it but there's a gap between being asked and doing and that involved a decision to do it and there must have been a motivation for you to decide to do it?---No, there was no motivation there. It was, it was just a talk that we'd had previous about Holden Colorados and I – we were talking about the cars and the computer chip itself and I was asked would I do that.

Did you do it as a friend?---I did it as a, a, working relationship friend, yes.

A working relationship friend?---Yes.

30 Because you had a working relationship with Mr Hacking. Do you agree?
---I had a working relationship, yes.

And you wanted that working relationship to continue. Do you agree?
---Absolutely, yes.

Absolutely. And because you wanted that working relationship to continue you gave him \$1,500 for his car didn't you?---No, I gave him the money. I didn't do that for the continuing relationship.

40 You gave it to Mr Hacking's car?---No, I gave it to Mr Hacking.

Moving forward, Mr Hacking was again off work from 7 May to 1 June and I'm just going to cover this again because it's essentially the same proposition that I put to you last time. Mr Hacking tells the Commission that in the period that he was off work in May to June 2012 you called him a lot but the call charge records don't show that so my question to you – and that is the call charge records between your mobile to his mobile, is the Commission to understand that if the call charge records from your mobile

to his mobile don't show any calls in that period it's because you didn't make any?---That's correct.

Excuse me. Right. Could I tender that call charge record please from March 2012.

ASSISTANT COMMISSIONER: Yes. The phone contact list for March 2012 will be Exhibit 47.

10

#EXHIBIT 47 – KNOWN TELEPHONE CONTACT HACKING – HOMSEY FOR 5 MARCH 2012 – 19 MARCH 2012

MR KATEKAR: Thank you.

MR WHITFIELD: Excuse me, Commissioner, are we talking about this document here?

20 ASSISTANT COMMISSIONER: Yes.

MR WHITFIELD: But we were talking about May and these, these relate to March.

MR KATEKAR: Did I say May? Well, no, no, can I clarify that for my friend, I backtracked. The question about May, I haven't tendered May.

MR WHITFIELD: Thank you.

30 MR KATEKAR: I've just tendered March. I may tender May in due course. Well, why don't I do that now? Do you have May or not? No, I'll leave May until another time, that can be done with Mr Hacking's examination. I've asked Mr Homsey to assume that that's what the records show and he's given me an answer and that's sufficient for present purposes, Commissioner.

ASSISTANT COMMISSIONER: Yes.

40 MR KATEKAR: Now, might the operator please go to Exhibit 13, page 136 please. If that can be expanded so that it can be more visible to most people. There's a meeting accepted, Scott Homsey, when, 3 July, 2012, organiser Mr Springett, required attendee John Hacking. Did you attend a meeting with Mr Hacking and Mr Springett on 3 July, 2012?---I cannot answer that, a good chance that I did though, if it was - - -

A good chance you did. It was customary practice before the season started wasn't it - - -?---That's - - -

- - - to have a meeting with Mr Hacking and Mr Springett?---Correct.

Well, now I'm talking about the meeting in July 2012 before the 2012 and 2013 fire season. Do you remember having a meeting before that season?
---Yes, we would have had a meeting.

You would have had a meeting but you don't remember the meeting?
---No, not the actual - - -

10 Not the actual meeting. Was there an agreement between you and Mr Springett and Mr Hacking at about this time containing these elements, first from this point onwards snack packs produced, sorry, snack packs ordered by Rural Fire Service would be undersupplied by D'Vine Tastes as it was then by 20 per cent?---No.

And that on each occasion that a substantial order was placed a courier charge would be raised which would be for the benefit of Mr Springett?
---No.

20 And that D'Vine Tastes would begin to retain Mr Hacking's brother Darren so that he could have a job?---No.

Then I'm going to take you forward a little bit in time to 20 August and if the operator could pull up Exhibit 5, page 6, please. And you will see that that's a purchase order of 20 August, 2012?---Correct.

I can indicate to you that this was approximately at a time when there was a section 44 declaration in relation to the Wollongong, Wollongong LGA. I don't know if that refreshes your memory at all?---Yes, it does.

30 But you will see that this purchase order is for 5,000 RFS snack packs at \$14.50. Then if the operator could please go to page 9 of volume 5. You will see that's an email from you to Mr Hacking on 13 September, 2012?
---Yes.

And it has a number of attachments, and one of the attachments, I'll just take you to one of them and tell you what the rest of them are, well relevantly is at page 7. You will see that that's an invoice from D'Vine Taste to the RFS for 1,000 ration packs. And against this purchase order
40 number there's five of them. Why did you issue five invoices on the same day for 1,000 ration packs against the same purchase order for 5,000?---
Because we were making them as we go under that purchase order.

But you issued all of the invoices on the same day?---Yes, I was actually on site at Wollongong when that took place and that invoice was raised to, to move through the product range to get it, get that product out.

Why didn't you issue one invoice for 5,000 on that day instead of five of them?---As the seasons went on I got a little bit more aware of how it was operating but that's how it was, it was done. As I producing 1,000 I would do an invoice under that purchase order number.

Well, you supplied, you supplied ration packs in pallets, didn't you?---Yes, eventually but they, they were loose at the start.

10 I see. So are you saying that in September, 2012, you were supplying them loose?---At some stages they were ordered in pallets but we didn't have, they were ordered in pallets because 64 boxes contained a pallet but we were still, we were still delivering them as a loose. Our service was we would hire a truck and put them in the truck and take them down to Glendenning.

When did you move from providing them loose to providing them in pallets?---I'm thinking, it might've been somewhere in the 2012/2013, maybe towards the end of the season.

20 Right?---I'm not totally clear on, on those.

Because, for example, if the operator – we'll need to go back to that document in a minute. But if the operator could please go to volume 4, page 100. And this is an invoice from D'Vine Taste to the RFS of March, 2012 in pallets. See that?---Yes.

So at that time you raised an invoice for pallets. Do you agree?---Correct.

30 Were you supplying pallets of snack packs in March, 2012?---Yes, we were.

So going back to the document that I took you a moment ago, page 7 of Exhibit 5, where you referred to 1,000 ration packs. First question, were you supplying the RFS with pallets of ration packs at that time?---No. It was, it was 1,000.

40 So you went from supplying pallets to supplying them loose, did you?---If I could clarify my last answer. The pallets that were ordered, there was 64 boxes to a pallet and I charged \$3,600 against \$14.50 for that, for those, snack packs.

Can you just divide 640 into 3,600 for me because I'm not sure it goes. You were asked for 3,600 pallets were you not, or not?---Correct. Oh, 3,600 individual – which equalled 12 pallets I'm pretty sure.

Don't remember where I went. So you say to the Commission today that in September, 2012 you were supply pallets, sorry, ration packs loose?---I'm pretty sure. There was a change over where it was loose and then the

warehousing changed to picking up pallets from Glendenning and we were able then to deliver on pallets. Prior to that we didn't have that availability.

Just work this through. You can't remember exactly when that was, do you agree?---Correct, yes.

And you say that looking at the September invoice of September, 2012 it was loose, correct?---I'm thinking that, yes.

- 10 You're thinking that because you're looking at it and seeing 1,000 ration packs and thinking well, it must have been loose, is that what you say?---Um, yes. I'm thinking that.

You're thinking that. Is the Commission to understand from the evidence you're giving now that if it was round numbers like 1,000 ration packs that you would have been supplying them loose?---It really depends on what we, sometimes we actually did more than 1,000 and we filled up a truck and we would invoice as we went along incrementally. So if it was 1,000 or we did 1,500 and the Rural Fire needed 1,500 I would invoice 1,000 under a
20 purchase order because it wasn't completed. My timeline with, with the actual um, snack pack pallets isn't really clear when that changed over.

My proposition is that in invoicing 1,000 snack packs the invoice for 1,000 snack packs didn't have any real relation to what you were actually delivering did it?---Not every, not every time, no.

Right. Because you were delivering in pallets of 640, you agree?---That's correct. What, yes.

- 30 Well, you're not sure whether it was at that time but at some time. But is this the, the Commission should understand that at least by 2013 - - -?---Yes.

- - - you were delivering in pallets. But you were delivering in pallets but invoicing in lots, but - sorry. Were there occasions on which you issued, delivered in pallets but invoiced in lots of 1,000?---Yes, sometimes that could happen, yes.

- 40 How could you tell that you had issued 1,000 snack packs when you had delivered in pallets?---Well, the, that's, as the Rural Fire needed the product we were getting it out as pallets and because under that purchase order I had 5,000 to do we were getting the snack packs out as quick as we could so it could get out to the, out to the fire ground.

In September, 2012 why did you issue five separate invoices for 1,000 against a single purchase order of 5,000?---Because that might have been the case of how we, we were doing the, the snack packs and delivering them.

The truth is different isn't it?---No, it's - - -

The truth is that you wanted to issue a number of smaller invoices so that the, the share, amount of money that you were making from RFS would be less likely to be detected by those signing off on the invoices?---Absolutely not.

10 Did you have a conversation with Mr Hacking about issuing multiple invoices against single purchase orders?---Yes.

What did he say?---Just put them through.

Right?---As you make them get them through under the purchase order number.

20 Well, but just going back to the – I took you to an email at page 9 of volume 5 where you've issued the invoices all on the same day?---Yes, as I said to you sometimes I was out on the ground, fire ground cooking and I would, we would get the purchase order in via phone call or via email and we would, we would action that snack pack delivery – so getting it in, getting it out, and sometimes I got back in and then I would do a bunch of um, RFS emails.

When you got back after being out on the ground - - -?---Yes.

- - - against the order for 5,000 why didn't you issue one invoice for 5,000 instead of five for one?---I have no answer for that.

30 Now, I'd like the operator to please turn to volume 5, page 85 please. I'll just remind you, I'll just remind you that the purchase order that we looked at a moment ago for 5,000 RFS snack packs was dated 20 August, 2012, and then I'm going to take you to this document which is a purchase order dated 22 August, 2012, contract Danny to transport portable repeater from Homebush to Kempsey. Now, Danny was – was Danny the chap who did courier services for you?---Correct.

40 Now, the next question – and then there was a chap called Ray you spoke about?---Correct.

And customarily he was the chap that did delivery services paid for by Mr Springett?---Correct.

Now, just on this one, because there's a few that I need to go through so I'm just going to march through them. Firstly, this is Danny to transport portable repeater. What's a portable repeater?---I'm not sure.

From Homebush to Kempsey and then the invoice that you've raised against that is at page 87 of volume 5. So Danny to transport portable repeater. All right. Did you pay Danny \$990 for that work?---No. I would have paid Danny 1,250 or \$1,000. It wasn't \$990, no.

Well, why do you say you paid him 1,250?---Because a lot of the times that Danny would be called and, and would get a price off Mr Hacking for what he would get to go out to the fire ground. I would invoice - - -

10 Why do you say to the Commission – do you remember this one?---No, I don't. Not clearly.

Why do you say to the Commission that you would have paid Danny \$1,250?---Because that was what was on the purchase order for that, for that job.

I see. So it's a purchase order for 1,250 and then if you go to the invoice there's 990. But you say to the Commission today you would have actually paid 1,250?---I would have lost money on that, yes.

20

Why?---Why, why that's done I am not clear.

The next thing that I want to take you to – just, just, I'll just remind you before we leave that, this is for Danny to transport a portable repeater from Homebush to Kempsey, invoice 1. Invoice 2, page 109 of volume 5, and this is also dated the same – sorry, it's coming up – 22 August, 2012 so it's the same day and you will see that it's a contract of Danny to transport laptop computers from Homebush to Kempsey?---Correct.

30 For \$1,100?---Yes.

Now, Homebush to Kempsey you'll appreciate is not likely to be a trip that can be taken twice in one day. Do you agree with that?---I agree.

And then on the page, page 111 of Exhibit 5 you've raised an invoice, although I have to draw this to your attention, but it's dated six days later 28 August, 2012 where you've contracted Danny to transport laptop computers. Did you pay Danny \$1,100 for that trip?---I am not sure exactly what I paid Danny on that.

40

All right. Then the third, the third invoice that I want to take you to is, because there's no purchase order for it, yes, there is. Volume 5, page 133. See this a third purchase order of the same day of 22 August, 2012, asking Danny to transport laptops, Wi-Fi equipment and UHF and repeater, UHF, UHF repeater back to Homebush from Kempsey of \$1,100. So the first two invoice, one was a portable repeater from Homebush to Kempsey, the second one was laptop computers from Homebush to Kempsey, which you've invoiced on the 28th. And then this one is dated the 22nd, to bring

both of those things back for \$1,100. Were these true invoices?---
Absolutely.

How much did you pay Danny for the work?---I would have to say, what's
estimated on the, on the purchase order.

10 Right. Now what I'm going to put to you is this, because we're going to be
seeing it. I think I've already put it to you but that following each order
there's a courier charge, usually two, this time there was three. That's the
first occasion. Next I'd like the operator if I could, please, to bring up
Exhibit 5, page 61. This is a purchase order also dated 22 August, 2012.
But it's for 3,600 each of certain items?---And that's all on the same date
from the previous three.

Yes, it's all on the same date?---Yes. Those orders, you would have to ask
the RFS because I do remember now Danny going up with those products.

20 Where to, Kempsey?---And those – a couple of those purchase orders were
put in late.

Right?---To us.

Well, did Danny drop those things off with Darren Hacking?---Not with
Darren Hacking.

Right. What were they for?---Are we talking about the pretzels - - -

Yes?--- - - - Jupiter bars?

30 Why was that raised?---Where did those products go to?

I'm asking you?---They would've gone out to the, the fire ground.

Loose?---Yes, I would say so.

What's wrong with snack packs?---We were, we were asked to get those
products out to the fire ground and they were picked, they would've been
picked up from the confectionary company, Central Coast Confectionary.

40 Right. Including clear bags?---I believe so.

Who asked you to do that?---Mr Hacking.

Where were they delivered?---That I cannot, I cannot answer that, what fire
ground that went to that day.

Can you explain to the Commission why each of those items along with clear bags were sent out to a fire ground?---Under a request from Rural Fire Service.

Right. So are you say to the Commission, ask Mr Hacking, that's just what you did. Is that right?---We were asked to get certain products out to the fire ground and that's what we did. So we rang Central Coast Confectionary and we, we organised the product.

10 Which fire ground?---I'm trying to, I know that season we had quite a few fires and I'm not clear which fire ground that actually went to.

Right. I'll just remind you that that purchase order is dated the 22nd and also I don't need to take you to it, there's an invoice dated the same date from D'Vine Taste for those things. Then I'm going to take you to a document at volume 13, page 137. I'll just remind you we were on 22 August, 2012. We are now on 24 August, 2012, two days later and there are two transactions of note that I'd like to draw to your attention in this document. No, previous page please. 24 August, 2012. Moving up – one is a
20 purchase, this is a statement from Mr Darren Hacking's bank account. The first one is that he buys \$2,000 worth of cordials and confectionary at Coffs Harbour, because you know, isn't this right, that Mr Darren Hacking lives in Coffs Harbour?---Correct.

In August. In August, 2012, that's where he was living?---Yes, correct.

And then there's an item for Arthur Hacking, John, \$5,000 and Mr Hacking tells us that's a loan that he gave his brother to permit him to buy goods for the purposes of producing snack packs?---That is possible.

30 That he was making for you?---Yes, Darren Hacking under subcontract was
- - -

To on-charge to the RFS?---Correct.

And at about the same time 3,600 of those loose items plus clear bags are sent from Sydney by you up into the same direction. I'll ask you again was the original invoice for 3,600 loose items plus clear bags sent to Darren Hacking so that he could create bags, snack packs for you?---Absolutely
40 not. Not that I'm aware of.

Not that you're aware of?---No. We are always given an address to take our products to and that was given to the driver and the driver would have taken it by that instruction from Rural Fire Service to that, to that location.

All right. All right. Now next could the operator please bring up volume 13, page 141 please. I'm going to ask you to go to the foot of the page please. There's an email from John Hacking and it's not entirely clear to

whom it is to but I assume that it's to you because the one above is copied to Scott Homsey. "Scott, if you could get Danny to go to the warehouse at Homebush and pick up a large plotter, it should fit into the back of the van as long as they don't have anything else in the van at the time. Danny will need to go to Glendenning and pick up some operation logbooks. The others will need to be delivered to Clarence Fire Control Centre, Ulmarra." And that's up at the north coast. Do you agree?---I agree.

Near the Clarence River?---Yes.

10

And this was a request by Mr Hacking to you for that delivery to occur?---Yes.

And there was one delivery?---Yes.

Can you go please, could the operator go please to volume number 5, page 164. And I'll just remind you that email was dated 6 September, 2012. That's a purchase order, "Arrange for Danny to pick up plotter and operational logbooks from Sydney, estimated value 1,485." Did it really
20 cost \$1,485 to deliver those two items from Sydney to Clarence Valley?---That's what was arranged, yes.

That's what was arranged?---That's what I was - - -

All right?--- - - - told, to get Danny - - -

Told to get Danny to do – and does the figure of 1,485 come from you does it?---No it doesn't.

30 Well, Mr Hacking has asked you to arrange with Danny, do you agree?---Correct.

And then there's a figure of 1,485 sitting in the purchase order, do you agree?---Correct.

How did Mr Hacking come up with that number?---Um, that's what Mr Hacking put on the purchase order.

Why?---You would have to ask Mr Hacking.

40

So you're saying that Mr Hacking put that figure on the purchase order without having any idea what it would cost?---I had no arrangement for pricing for those logistics.

Then on 21 February, 2012, if the operator could go to volume 5, page 136. First of all you will see that that's an email from you to Mr Hacking and it's got invoices are attached. See that?---Yes.

If the operator could first of all go to page 138 and that's an invoice from D'Vine Tastes to Rural Fire against that purchase order number and it's for the \$1,485?---Yes.

Then if the operator could then go to page 137 please, and this is a separate invoice under a different purchase order number, which the Commission can't locate, for Danny to transport some equipment and repeater back. Did that actually happen?---Yes, it did.

10 So is this right that, that the job for Danny was to drive up there with certain equipment and then bring it back again?---Correct. That happened a couple of times, yes.

And you say that's a genuine invoice?---That's a genuine invoice.

And why did it cost 1,485 to get it there and \$1,100 to get it back?

MR BREWER: I object to that question. They're different products. They're different items. That's not been made clear.

20

ASSISTANT COMMISSIONER: Well, I can't work out what on earth is happening. Things were - - -

MR BREWER: There were operational logs and books that went up but different equipment came back.

ASSISTANT COMMISSIONER: Yes. Yes.

MR KATEKAR: All right.

30

ASSISTANT COMMISSIONER: I appreciate that.

MR KATEKAR: Well, let's compare them. We've got a - all right, I'll move on from there.

ASSISTANT COMMISSIONER: It seems an extraordinary amount to pay for something to be taken up and brought back however you - isn't it?

---Yes, Deputy Commissioner. Rural Fire would set those prices on, on a normal rate that they would get priced through other, other couriers.

40

So a courier would charge what, \$3,800 to take something up and bring something back?---Commissioner, that was, that was - Rural Fire would give me a price on what - to get somebody up there and back.

They would tell you what it should cost?---They told me what they were - price of getting Danny the driver up there and sometimes he would have a night's stay and then drive back.

Was he working for you?---Yes, he did.

I just can't understand why were they telling you what it should cost?---
They would - - -

Why didn't you give them a quote and say I'll do it for this?---They would
put a purchase order in for delivery and that's what the cost would be. We
have this amount, could you send, could you send Danny or somebody up to
pick up these goods or drop these goods off and that was set.

10

Well, that seems very inefficient. You might have agreed to do it for half
that. Why would they set the price and say we want to pay you \$2,000 to do
this?---I was of the understanding that's what the pricing structure was.

Yes. Yes, Mr Katekar.

MR KATEKAR: Thank you, Commissioner. What's Danny's surname?---I
don't have his last name. I just know him as Danny.

20 How long have you had a relationship with him, that is, a professional
relationship with him?---Probably four years, maybe five.

All right?---I bought a truck off him originally. That's how it started.

All right. And you don't know his surname. Is this right?---I just know him
as Danny, yes.

Did he ever give you an invoice?---Not an invoice, no.

30 You just, you just paid him cash?---That's correct.

Was there any relationship between what you paid him and what RFS paid
you for him?---Sometimes there was money that Danny and I would agree
on and there was \$150 on some instances where I would run around and I
would \$150 from that invoice as an admin.

40 By that answer are you intending to convey that usually the amount of
money you got from RFS was the same as what you paid to Danny?---
Ninety per cent of the time Danny got what was on the RFS um, RFS
purchase order. It might have been 80 per cent and the rest of the time yes,
there was a gap there.

All right. I'm going to ask you something else. On the – if the operator
could go to volume 5, page 172 – and this is a purchase order of the same
day as that email, 6 September, 2012, it's for 5,500 ration packs, and then
on the same day – and the first one is at page 174 of the same bundle.
You've issued the first of six invoices against that purchase order, the first
five being 1,000 and the last one being 500. Why did you do that?---Um,

under the, under the, depending on the, where those products were going and how quick we had to have the product out we were just doing it as we, invoicing as we were going.

That's not a true statement is it?---Yes it is.

Then I want to take you to volume 13, page 139, Mrs Darren Hacking's statement again. You'll see that on 7 September there's a payment in there of \$17,820 and that was from you was it not?---All, all my payments to Mr
10 Hacking were through - - -

Gay Homsey's account?--- - - - bank no. Through a bank deposit into the Greater.

All right. Well I want to take you to the next page in that, page 140. It's a \$40,000 deposit. Is that from you as well?---(No Audible Reply).

Well, was that from you?---I always put a cheque into his account.

20 You always put a cheque into his account?---Yes, a bank cheque with the, with the name Coffs Harbour Catering.

All right. I might track that one down and come back to you on that one. Next, could the operator please bring up volume 13, page 142. Now, we need to flick through this document a little bit but this is an email from you to John Hacking of 7 September, 2012, so the next day and then you will see, if that could be – go through the pages there was some versions of the proposed EMCS logo – and you sent that to Mr Hacking?---Correct.

30 To get his input on the logo to be used by your company?---That's correct.

And then – can we stop there. That was the one that Mr Hacking liked the most?---He thought it was, yes.

And it was based on the St John's Ambulance style, agree?---Yes.

And it's the one that you liked the most?---Yes, I thought it went well as a, as a logo for the emergency services.

40 And following that exchange that was the one you ultimately adopted, do you agree?---Correct.

And if the operator could bring up – sorry – for the record, I'm pointing at page 148 of that volume. Then next, volume 13, page 151, sorry, I withdraw that, 153. This is an email sent by you to Mr Hacking a few days later on 11 September, 2012. And then could we go to the next page, please, it's a proposed sticker design for a first aid pack. You agree?
---Correct.

And at that stage you hadn't started issuing first aid packs to the RFS, had you?---No, not yet.

And you were seeking Mr Hacking's input into the design of the product of that product. Do you agree?---The EMCS design?

Yes?---Yes. Just see what he thought about it, yes.

10 For a product that had yet to be supplied?---Which we'd already agreed on.

When did you agree on that?---It would've been earlier, earlier on in that, in that discussion in July.

I see. So in - - -?---In 2012 we were looking at, definitely looking at new products to go in the market place with this branding of, of pack.

20 So in July, 2012, is the Commission to understand that you had a discussion with Mr Hacking about medical kits?---It would've been with Mr Hacking and I would say at that stage with Mr Springett, might have been involved. But - - -

Might have been?--- - - - every new product had to go through Mr Hacking and Mr Springett.

So the practice was that if you were introduce any new product, Mr Hacking and Mr Springett needed to both approve it. You agree?---Absolutely, yes.

30 Both as to contents? Agree?---Absolutely, yeah.

And the price?---Correct.

So that before this was issued to them you had reached an agreement on those two things. You agree?---I'm not a 100 per cent at that point whether that agreement or what was going into the product.

40 That is, well, when you're not 100 per cent, do you say that you're not 100 per cent as to whether there had been an agreement as to price?---At that stage, I was looking at what was currently being made for them and what, what I could do under that \$4.50/\$5.00 a pack.

All right. So that is – is this right? That Mr Hacking told, or Mr Springett told you what they were currently getting?---Correct.

What its contents were?---Correct.

And the price?---Yes.

And you were being – and you were proposing something else with the same contents?---Correct.

And the same price?---To what I was to believe, yes.

When you say to what you were to believe, that's, that is the price that you were told?---The price that I was told.

By Mr Hacking or Mr Springett?---Correct.

10

I'm going to jump forward slightly in time because I want to stay on this topic. Bear with me. And I'm going to come back. But first of all could the operator please go to Exhibit number 5, page 272. I want to draw your attention to the foot of the page, keep going, no, no, that's it, September, 24, 2012 at 1.11pm. You wrote to Mr Hacking and said "Yes, I'll get this order to you today. Just wondering about medical kits when you might be looking at supply for this?" Is the Commission to understand that by 24 September, 2012, you had an agreement with Mr Hacking that your – that EMCS, is this right? Because EMCS, I'll remind you, didn't exist at this stage, did it?

20

---No.

But that you through D'Vine Tastes or a branding under EMCS, however it was done, would supply medical kits?---I was asked could I supply medical kits, yes, and I was shown the, the, the current product they were using and could I do that product.

Yeah. But by 24 December (as said), 2012 you had an agreement. Is that right?---Possibly. I'm not sure of the date.

30

Well, you say in that email "just wondering about medical kits when you might be looking at supply for this"?---Yes. I was asked for summer could I do medical kits and we were working through the product range for that, whether I could do it at that price, and I was asking whether he, he was looking at an order for, for summer of the medical kits.

So by 24 September, 2012 you had an agreement that once an order was placed for medical kits you would supply at a price containing certain contents?---I'm not sure whether there was an agreement or it was talk at that stage if the opportunity came along would I be ready to go with that product, yes.

40

All right. But if the opportunity – so the, was the agreement that if an opportunity came along that they may place an order with you?---That's correct.

And in you sending that email you're asking when the order might be coming through?---Yes, that's correct.

Which indicates – might indicate to the Commission that you had an agreement that once an opportunity came it would be given to you?---Yes, that’s a possibility, yes.

That’s a possibility?---Well, we were looking at obviously going through the pricing structure to see if I could, could put that product in, into the medical kit. Obviously I had to do my, my due diligence by getting my pricing structure and where I could get the product from so obviously there was - - -

10

You’d crossed, sorry, you’d crossed that hurdle by then hadn’t you – by 24 September, 2012 you were asking about when you wanted to supply? ---That’s correct.

And then he wrote back to you on the 24th at one minute later, “Mate, thanks for that. Medical kits I will order later down the track. I need to wait for another event to get this through. Please be patient as I need to take things easy.” See that?---Yes.

20

And what he’s referring to there is he’s waiting for another section 44 event so that he could order it from you under a section 44 event. You agree? ---That’s a possibility, yes.

Well, let’s have a look. You wrote back, “John, no drama. I thought it might be needed to be organised, I’m in no hurry. Thinking of lead times and printing needs, nothing more than that.” So at this stage, at 1.16pm you anticipated once an order was placed you needed to be in a position to fulfil it. You agree?---That’s correct.

30

And then he wrote back, “Mate, no problem. Totally understand what you’re saying however I need to have an event running if you know what I mean.” And you knew what he meant didn’t you?---A section 44.

Yes?---Correct.

40

Then I want to take you slightly forward in time. If the operator could bring up page –sorry, volume 6 at page 324. Just to remind you that on 8 – this is a couple of – a little under two weeks later on 8 October, 2012 there was a section 44 event, Gloucester LGA at 5.000pm, and then if the operator could go through to volume 5, page 275 please, and that’s the section 44 number in the purchase order for 10,000 day medical kits. See that?---Correct.

And then following that, starting on 15 October, because that’s 15 October, and I’ll show the first one, page 277 of volume 5, and then I’ll just give you the dates. On 16 October, 17 October and 18 October there followed three others, four invoices with consecutive days but issued at approximately the same time for 2,500 medial packs. Why did you issue four invoices against

the same purchase order?---Just the way the, the product was going out of, out of the stock, the warehouse.

Didn't have anything to do with the desire to issue multiple invoices?---No, definitely not.

10 All right. Now, next I'm going to take you slightly back in time just a couple of weeks again to 21 September. Now, I'm going to do this all together for these purposes – to suggest to you about a series of payments made to Mr Hacking's account at the end of 2012 into early 2013. I'm going to produce a spreadsheet, and one for the Commissioner and one for you and there'll be copies made available. I'm seeking to do this in an efficient way if possible and if it's not possible then I'll do another way but I'm going to try to do it this way. Have you got two? Sorry? Oh, we're going to get copies made up. Can I give this to the witness? I'm sorry, Commissioner, I'm going to give this one to the witness if I could please. The other one's – otherwise it's going to come up on the screen. It just might be easier for the witness?---Thank you.

20 Otherwise it's going to come up on the screen. Copies are being produced as we speak – I'm sorry that that hasn't been produced – and first of all what this table does is go through in time some withdrawals and deposits. You'll see in the document about two thirds of the way along there's a grey line and on the right-hand side of the grey line is two columns. The left-hand column on the right-hand side of the grey line is withdrawals from the account of Gay Annette Homsey and in the right-hand column is deposits into the account of Arthur John and S.M. Hacking. I'm going to take these, I'm going to do these all together if I may. The first one there's a \$3,000
30 withdrawal from the Gosford Branch from Ms Homsey's account on 21 September, 2012 and just in this context Mr Hacking has told the Commission in an interview that this was a payment made to him by you for a computer. Do you agree with that?---Um, I wasn't sure what the product was for but yes, I, I do agree with the amount.

You agree with the amount. You agree that you paid him 3,000?---Yes.

And you say you're not sure what the product was for?---No. What he was buying it for.

40 What he was buying it for? Okay. Did he ask you for \$3,000?---Yes.

He's told the Commission that he was having a conversation with you about problems that he was having with his computer and you offered to buy him a new one. You don't agree with that?---That's not correct.

All right. Why did you pay him \$3,000?---He said he was having trouble and could I help him out.

Having trouble. What sort of trouble?---I don't know, I did not ask.

Why did you, why did you help him out?---Um, it was a, it was a mistake that - - -

Well, you say it was a mistake but in making the payment – this is correct isn't it?---Correct.

10 You made the payment because you wanted to generate favour with Mr Hacking, do you agree?---No.

You want to ensure the continued flow of orders from the RFS, do you agree?---I do not agree.

You didn't care about getting further work from the RFS?---Of course.

And you knew that Mr Hacking was placing orders to you?---Yes, of course.

20 And that your continued business relationship with him was very important to you?---Yes.

And that's why you made the payment?---That's not correct, no.

On the 23rd of the 11th, 2012 there's shown as a transfer out of the Gay Homsey account to the account of John Hacking for \$38,000, do you agree that that payment was made to Mr Hacking?---I agree.

30 Why?---That was, I was asked for a personal loan, for a loan.

Oh, you say that that's a personal loan?---That was, I was asked for a loan.

Do you say that was a loan?---Yes, correct.

Did you ever get it back?---No, I didn't.

Did you ask for it back?---No, I didn't pursue that, no.

40 Well, when you say you didn't pursue it did you ever ask him where's my \$38,000?---No.

Why not?---Because as the fire season went on that year it just went through and I didn't chase that, no.

You didn't chase it because you thought that that might damage your relationship with Mr Hacking?---Not damage it, no, I'd just go through the fire season and as I said I was out and it wasn't on the top of my priority list at that stage.

Do you say to the Commission that you just forgot about the \$38,000?---Oh, I don't know if I forgot about it, just in that busy fire season it was, wasn't in the realm of, of what I was thinking of.

Well, the fire season ended by early 2013 didn't it?---That's correct.

And then it stopped being busy after that?---Yes, that's right.

10 Why didn't you ask for it then?---I just went back to normal business. I didn't ask for it back.

You didn't ask for it then?---No.

Why not?---I just didn't revisit that.

It wasn't a loan at all was it?---Yes, it was.

20 It was a pay-off - - -?---No, it was a loan.

- - - for undersupply, wasn't it?---No, it was not.

Next can you go to the entry for 21 December, 2012, there was a withdrawal of \$31,196, there were two bank cheques drawn against that, one for 15,960 and one for \$14,850. Do you agree that those two amounts were paid, the 15,960 was paid to Mr Hacking?---Correct.

Yes. What for?---That started the process of the, of the, the snack pack.

30 The skimming arrangement?---Yes.

Well, why did you pay Darren Hacking that amount of money?---He did the snack packs for Royal Fire Service.

That was for snack packs?---Yes.

40 Then next, on 31 December, 2012 there was a withdrawal of \$31,922, sorry, I withdraw that. There's a withdrawal of 35,922 but a deposit of 31,922 to Arthur John Hacking on that day, do you agree that that amount of money was paid by you to Mr Hacking at that time?---Correct.

Why?---For the snack packs.

For the snack pack skimming arrangement. All right. Next 21 February, 2013 there's a withdrawal of 187,000 and 143,000 was deposited into Mr Arthur Hacking's account?---Correct.

Why?---For, for the snack packs.

The snack pack skimming arrangement. And do you say that Darren Hacking, the 44,550 paid to him was for his supply?---For his, for his supply of his, for his snack packs, yes.

Bear with me. And the next one I'm going to take you to – and we can start doing this quicker because I think I know what the answers are but I need to take you to them for some propositions I want to put to you later. Volume 6, page 325, please. Now, just pausing here – actually need to backtrack.
10 I'm just going to remind you of a couple of things. This – don't, leave that – but this is a courier invoice for \$900 and you'll see that it's dated 15 October, 2012, and I'm going to remind you of two things before I get to this. First of all this is the same day as the purchase order for the medical kits, for the 10,000 medical kits that I took you to a minute ago?---Yes.

Do you remember that? And then also on 10 October, 2012 there was a purchase order for 20 pallets of ration packs for which you invoiced \$205,000. So this purchase order – and if my friends in the room, if they want to check it the purchase order is at volume 5, page 216 – and the
20 following documents within that volume show the approved invoices. There's 10 invoices for two pallets each of ration packs. So this courier which I count I think as the third time that there's a courier charge after a big order – courier to pick up 1,000 snack packs from Gosford and deliver to Gloucester. Did that actually happen?---Yes it did.

Who did it?---Um, I could not give you a name of whether Danny or somebody else did that.

All right. Did you actually pay that amount of money?---Um, I believe I
30 did.

Well when you say you believe you did, why?---For the courier.

All right. But - - -?---Because if it was Danny he would have received that money.

Is your belief based on any actual recollection against that document?---As I said there might be, there might be some, some purchase orders that I might have – there was an amount that I kept as, as normal business practice of,
40 for business – putting an admin fee and everything into that. But that would have - - -

Right. So you might - - -?--- - - - that would have gone to the courier who, who delivered that product.

Do you say you might have marked it up but you're not sure?---I'm not 100 per cent sure.

Right. Can the operator then please go to volume 6, page 431. Is that it? This is 19 October. It's another invoice. The Commission hasn't been able to find a purchase order. But it's the second courier invoice and this is the pattern that I'll be ultimately putting to you, that there's always two. Usually two, sometimes three. Occasionally one but usually two. Did this actually happen?---Yes.

10 And when you say yes so confidently do you actually remember that happening?---To the best of my knowledge those, those courier deliveries I was requested to deliver something to, to the place of the address and pick up if need be and bring back.

Right. And there's occasions when Mr Springett did it, isn't that right?---
(No Audible Reply).

20 Isn't this right, the evidence you gave yesterday was that on occasion, and there was three or four occasions in 2014/2015 and three or four occasions in each of the years previously that there was an invoice, there was a purchase order raised and an invoice raised in respect of a courier that Mr Springett paid for and then you gave Mr Springett the money?---Correct.

Which one is this?---Definitely a job that was created to make sure, to pick up or drop off at those sites.

But was it Mr Springett's arrangement or was it your arrangement?---There was no arrangement. I would be called - - -

30 No. You misunderstand. It was a bad question. There's two possibilities, isn't there? One possibility is you're getting Danny to do it?---Yes.

Or Mr Springett's getting Ray to do it? You agree?---Correct.

Which one is this?---That one I'm not a 100 per cent sure. Going back to October, 2012, I believe it could've been either, I'm not sure.

Well, it could've been – you don't know?---No.

40 Well, there's two. Is one for one and one for the other?---I can't give you that answer.

You don't know. All right. Now I've just been asked to ask you this. Is there only one Danny or is there more than one Danny?---No, there's one Danny.

There's just one Danny. Next I'm going to take you – you remember, I just told you a minute ago there was a purchase order on 10 October and then there was medical kits on 15 October and the two couriers on 15 October. Now I'm going to take you six days forward in time to 21 October and to

volume 6, page 381. And I'll remind you that there was a 5,000 snack pack order placed. Then, this is on 21 October and then the same day, if the operator could go to volume 6, 383. This is the first of five invoices for 1,000 snack packs. The first being on the 21st and then the following ones, I won't ask the operator to go to them, they're on consecutive days, 22, 23, 24 and 25 October. Again, and consistent with the previous pattern that we spoke about, I won't ask you about that again. But then on 23 October, 2012, so two days after this order was placed there was another courier. And it is at volume 6, 433. And this is the fourth occasion when there's
10 another courier. And that's a purchase order, to transport a plotter from Kempsey to River Road, Kempsey for \$825. And then do you accept that a charge of – do you know what a plotter is?---I think a plotter is something that they put a large piece of paper through, yeah.

It's a printer, it's a form of a printer, isn't it?---It's a printer, yeah. That's correct.

And it folds up, doesn't it?---Yes. Depending how big it is, yes.

20 Can fit in the back of a car generally, can't it?---I'm not sure.

But it's not a large piece of equipment?---No.

It's not a heavy piece of equipment?---No.

Does it surprise you to see that there's a charge of \$825 for moving it from one part of Kempsey to another?---Yes. I didn't even think of that when the purchase order came through.

30 Then - - -?---Isn't it to Grafton?

ASSISTANT COMMISSIONER: I think it might be going to Grafton?

MR WHITFIELD: It's going to Grafton.

MR KATEKAR: I'm sorry.

ASSISTANT COMMISSIONER: If you can believe the deliver address?

40 MR KATEKAR: I accept that, I'm sorry. I'm looking at the description. Sorry, you're right. I withdraw that. But does it surprise you that there's an 825 charge to deliver something from Kempsey to Grafton?---Not at all if their courier had to come from the central coast to take that.

All right. Not at all if the courier came from central coast?---It is a bit high, yes. But - - -

What if the courier came from Coffs Harbour?---Yes. That's a possibility.
That - - -

But is it a high one for, for a courier of that?---Yes. That's - - -

Can the operator – I can see the time, Commissioner, but I'm just going to go to one more document before the break, volume 6, page 435, please.
That's an invoice from Harbour Catering?---Yes.

10 Which is Darren Hacking's entity?---Yes.

So did Darren Hacking do this?---He must have, yes.

Well he issued the invoice. Was it done at all?---Well I'm not aware whether that was actually done. But I believe that it would be if I created an invoice for that.

Well, you actually – looking at this, from the documents the Commission has, there's a purchase order but there's nothing from you but there's
20 something from – hold on. I think it's probably a convenient moment, Commissioner.

ASSISTANT COMMISSIONER: Yes. We will adjourn for 15 minutes.

MR KATEKAR: Thank you.

SHORT ADJOURNMENT

[11.31am]

30

ASSISTANT COMMISSIONER: Thank you. Please be seated.

MR KATEKAR: Just three minor matters of housekeeping first. One of the documents that I referred to before the break was a large, I don't know what that size is, A3 page. I tender that.

ASSISTANT COMMISSIONER: Yes. The spreadsheet re bank transfers will be Exhibit 48.

40

#EXHIBIT 48 - SCHEDULE OF PAYMENTS FROM GAY HOMSEY TO HACKING

MR KATEKAR: The next thing that I seek to do, we have a statement of Wendy Bucket that I seek to tender. That's going to be made available as I understand it and put up electronically.

ASSISTANT COMMISSIONER: Yes.

MR KATEKAR: I tender that.

ASSISTANT COMMISSIONER: The statement of Wendy Bucket will be Exhibit 49.

10 **#EXHIBIT 49 - STATEMENT OF WENDY BUCKETT DATED 22**
20 **MAY 2015**

MR KATEKAR: And then last, I have an index of documents – sorry, of things that the RFS says that it has recovered from Mr Homsey’s premises recently. It’s an index of documents. I seek to tender that and I’ll just ask some questions of Mr Homsey about it in short compass.

20 ASSISTANT COMMISSIONER: Yes. The index of documents will be Exhibit 50.

#EXHIBIT 50 - INDEX OF RFS ITEMS

MR KATEKAR: Thank you. Do you have copies of that by any chance? Okay. I’ll, I’ll ask Mr Homsey some questions about that later. Would the operator please bring up Exhibit 7, page 229.

30 Now, what I’m going to do now, I’m going to take you – I’ll indicate to you I’m going to take you to a series of documents, Mr Homsey, and there’s a, there’s a series of invoices that were issued by you D’Vine Tastes in late 2012 and when you add them all up they add up to certain amounts – and then they were followed then by an invoice to you from Mr Hacking for 10 per cent of that amount, or thereabouts. So the first step is this document here that’s – it’s an email from you to Mr Hacking attaching various attachments. I invite the operator to go the first page which is next, page 230. No, don’t do that. Go to, go to 235. This is the first of many attachments to this document. There’s quite a number. But my calculation
40 of the ration packs invoices attached to this email totals approximately \$570,000. Now, the – I’m just going to ask you – you’re going to have to take that from me that on that date that’s the total of ration pack invoices that you issued. Then that date is – I remind you – 31 October. Then on the Sunday, 4 November if the operator could please bring up volume 13, 167, please. This is an email from Mr Hacking to you of 4 November and it attaches a tax invoice, it’s the following page, 168, for \$31,900. Now, oh, you’re just going to have to remember these numbers. I’ll go back to them and I’ll remind you. That’s the first one. The second one is for just under

\$8,000 at volume 13, 166 – and the third one, although it's not to Mr Hacking, it's to his brother – is at volume 13, 174 – ostensibly for, well where it says 1,000 snack packs but if you add those three invoices up as I did it's just under \$55,000. Was there an arrangement at this time in October, 2012 where you were undersupplying by the order of 20 per cent?--No.

10 Just so that we're clear I'm suggesting to you that at this time you were undersupplying by 20 per cent and paying Mr Hacking 10 per cent?---No.

Do you agree with that? Were you undersupplying by 10 per cent at this time?---Yes.

20 Then if the operator could please go to – I don't have a purchase order number for it but could the operator please go to volume 7, page 868. 868, volume 7. Now, this and the following three pages, 869 – there's another invoice the same amount, 47,850 and then 873, 31,900 and 871, 31,900. Those invoices total – and they're all dated 21 December – no, that's not right. Two are dated 21 December, one's dated the 22nd and one's dated the 23rd, and they add up to \$159,500. And then on the – at volume 13, page 176, you got an invoice from Mr Hacking for approximately 10 per cent of that figure, 15,961. At this time in respect of these invoices in December, 2013, sorry, 2012 – withdraw that – 2012. Were you undersupplying by 20 per cent and paying Mr Hacking 10 per cent?---10 per cent.

You were undersupplying by 10 per cent?---Yes.

Did you pay Mr Hacking all of that 10 per cent?---Yes.

30 Excuse me. Okay. That invoice I just showed you, that was for the purpose of Mr Hacking providing you an invoice in respect of a payment that you were to make to him. Correct?---Correct.

For the 10 per cent profit on the undersupply?---Correct.

ASSISTANT COMMISSIONER: So it was genuine?---Sorry?

40 It wasn't a real invoice in that he didn't really give you pretzels?---He didn't give me pretzels.

No?---No product was - - -

MR KATEKAR: Thank you, Commissioner. Could the operator please go to, all right. Could the operator please go to volume 7, page 901. And then, well that's an email from Mr Hacking to you on 8 January, 2013 at 9.02. It was a purchase order for 20,000 snack packs, 9.02 and you – you'll just need to take it from me rather than slow things down – issued invoices against that purchase order totalling 319,000 between 18 and 20 January,

2013. No, 9 and 20 January, 2013, totalling that figure. And then if you could go volume 13, page 178. You got another invoice from Mr Hacking for approximately 10 per cent of that figure for \$31,916.50. Was that in respect of your payment to Mr Hacking for 10 per cent of those invoices?---Correct.

Which you undersupplied by 10 per cent?---Correct.

But not 20 per cent?---No.

10

Why did you pay Mr Hacking all of the profit from the undersupply?---Well this was the first busy year in Rural Fire that I'd been with Rural Fire Service and at that stage this was, these orders came through very quickly with the amount of fires that were around New South Wales at the time. And I received these emails with these invoices and there is an email where I did question, I need to call you about these. There is an email somewhere in relation to when these emails were sent.

20

Bear with me. Bear with me. There's an email where Mr Hacking, I thought, wrote to you saying "I need to call you about these, laugh out loud," or "LOL". Was that the email you're talking about?---Yeah. I thought that was my email.

Your email?---Yeah, I thought that was my email.

Your email. I need to speak to you about these LOL?---Yes.

Why did you say LOL?---Because I didn't understand them at the time.

30

Was LOL intended to indicate laugh out loud?---Well, it was – yeah, I didn't understand what the, what the emails were about.

Oh, I see. You didn't understand what they were about. But they were – that was about his invoice to you wasn't?---That's correct, with, with all the pretzels and all the, all the, the - - -

Oh, I see?--- - - - the confectionary and everything that were inside.

40

But if you were – at that stage you were undersupplying by 10 per cent weren't you?---Sorry. Yes, I was.

Is this the - - -?---Until – up until this - - -

I'm grateful to my, my companies. It's up on the screen now, 4 November from you to Mr Hacking I see, "Hi, mate. I'll call you after meeting. LOL about invoices", and so you were questioning about the invoices were you? ---That's correct.

Because you didn't understand them?---That's correct. Why they – yes.

Because they were referring to the supply of things that were never supplied?---Yes.

Did you speak to him?---No, not straightaway.

Did you speak to him - - -?---But we did talk later on, yes.

10 About them. What did he say to you?---Just so you have a record of what transactions, because I put that, that money into his account.

Oh, right.

ASSISTANT COMMISSIONER: So you didn't know he was going to produce invoices to cover the money?---Not at that stage, no.

All right.

20 MR KATEKAR: Well, that's in November, 2012. Now, I can't remember quite where I was up to before but I – yes, I went to volume 7, 901 and then to 902 and there's another purchase order. It's dated 8 January, 2013, yes, against which you issued invoices. Maybe I did this. Maybe I did that. And he issued you an invoice on 6 January, at volume 13, 178. I think I've done that one.

ASSISTANT COMMISSIONER: Yes. The last one you did was 31,000 about from Mr Hacking.

30 MR KATEKAR: Yeah. You gave evidence earlier that towards the end of 2014 you were undersupplying by 20 per cent. You remember that?
---Correct.

And you were dividing the profit between you, between you and Mr Hacking?---Yes.

So your evidence is that at this time you were undersupplying by 10 per cent?---Correct.

40 And giving it all to Mr Hacking?---Correct.

Why?---Because this was the first season that this had, this had, this had happened with this – under the agreement.

When did it change?---Later on in 2014/15 season.

2014/15 season. In what circumstances?---Just on the request of what, what was, what we would be given to the - - -

No. Did you say to Mr Hacking if I'm going to undersupply I want half of it?---I didn't say that. It was - - -

Well, why did the undersupply increase from 10 per cent to 10 per cent?
---Just in the conversation that we had prior to the 14/15, 14/15 season.

Well, what, what did you say in that conversation?---I agreed to that.

10 No. At this stage – prior to then you were undersupplying by 10 per cent were you not?---Correct. In 2012, yes.

And an undersupply of 10 per cent to 20 per cent is a doubling in the undersupply. Do you agree?---That's correct.

So the RFS stood to obtain even less than what it was paying for. Do you agree?---That's correct.

20 And you were asking for a double of the undersupply but to keep the profit from that increased undersupply?---Yes, in 2014/15.

Did Mr Hacking agree to that?---Yes, in the 2014/15 season.

Can you explain to the Commission how it was that Mr – that that arrangement came about, did you make the proposal to him?---In which year, the first year?

30 When it increased from 10 per cent to 20 per cent?---Oh, it was just an open discussion in 2014/'15 about the upcoming pre-order of the 100,000 - - -

Yes?--- - - - that it would increase and it would be 10 per cent each.

Ten per cent each?---That's correct.

Did you - - -?---With undersupply.

Did you propose it?---No I did not propose it.

40 Did he propose it?---Yes.

But up until that point there was an undersupply of 10 per cent, do you agree?---That's correct.

And he was proposing an increase to 20 per cent, that's right?---Yes.

But he wouldn't make any more money out of it?---I was told that this is our quiet season in 2014/'15 and the pre-order we were looking an undersupply of that 20 per cent.

All right. So you say that – your explanation is that he didn't, that is the Rural Fire Service didn't need everything that it was ordering, is this right?--Well, the pre-order was, yes. Correct.

Didn't need 100,000 because it was going to be a quiet season, is this right?--Well, yes. Correct.

10 So only supply 80,000 because that's all we'll need, is this right?---Correct.

And so you can keep half of that undersupply?---Correct. We would go half, half each of that, that undersupply.

I'm just going to say this to you – it's not really a question. It's just very difficult to believe that Mr Hacking would make a proposal for an increase in an undersupply when there was nothing in it for him?---Um, it wasn't always a proposal. Sometimes it was, it was just, "Can you put this amount for me," so that's not really – I didn't see it as a proposal.

20 Well - - -?---And in 2012/2013 with the amounts of fires and stock that would, that was going out um, there was a supply demand in 2012/2013 compared to 2014/' 15.

Where I'm going, Mr Homsey, is this – if there was an undersupply of 10 per cent and Mr Hacking was getting all of that why on earth would Mr Hacking then say, "Oh, undersupply by 20 per cent and you can keep the extra"? I don't understand why on earth Mr Hacking would possibly make that proposal to you. Can you explain that to the Commission?---In the 2014/2015?

30 Yes?---That was what the agreement was going into the pre-order.

That's what the agreement was but, you say that's what the agreement was but it represents a substantial change from what had happened before?---That's correct.

40 Why was there a change?---Because of the, the last year I was told that this would be a quietish season and um, I did agree to having the 10 per cent in, in the um, change of the agreement.

Was this proposal made to you at the same meeting where you met at the Rural Fire Service headquarters with Mr Hacking?---Back in 2000 and - - -

And '14?---Yes.

Where you gave evidence, was it, when was it? Yesterday. That you met at the canteen. Do you remember that?---That's correct, yes.

And then you were walking out with him?---Correct.

And he told you to undersupply by 20 per cent?---Well, well, supply 20 per cent.

Supply 20 per cent less?---That's correct.

And was it in that conversation where there was the change?---Um, that was a very quick conversation that one.

10

But was that the deal, that was, was that the conversation that you're talking about?---Correct. That's, that's for the 2014/'15, yes.

And did he say in that conversation when you were walking out after the canteen, "Undersupply by 20 per cent but you can keep half"?---It wasn't like, it wasn't worded like that.

What did he say?---It was worded in the, that we'll take half each for the 20 per cent.

20

I see. So he said to you in that conversation, "Undersupply by 20 per cent and we'll have half each"?---Correct.

But before that he was taking all of the 10 per cent?---Um, 2013/2014 there was um, on, as I said to you with the agreement it wasn't always a clear 10 per cent. I would get a phone call saying, "Can you put um, that, that amount aside for me," or, "Don't forget - - -

So it wasn't always 10 per cent?---No.

30

But on the occasions that I've shown to you it was?---Correct. And, and I would say in 2013/'14 um, there was an amount that in some instance I was, I was having as a percentage as well. In that '13/'14 season. So it wasn't, it wasn't really an agreement, a tight agreement as every, every order was 10 per cent or 20 per cent. But it was in that final '14 to '15.

But the final '14/'15 was 20 per cent against the 100,000, wasn't it?---Yes.

Which is the entire order for that season, wasn't it?---100,000, yes.

40

A 100,000 order, 82,000 supplied?---That's right.

Could the operator now go to Exhibit 7, page 924. This is an email from Mr Hacking to you on 10 January, 2013. And it's got a Logistics purchase order attached and it's got written there, Darren \$500. And then if you go the purchase order attached it's got purchase order that date, pick up portable repeater from Tuncurry to Nowra, 650. Was this a false purchase

order for the purpose of getting Darren paid \$500?---No. That job I would say would have to be done.

Well, I would say?---Is that purchase, is that 500, go against that purchase order number, that 500 or is that just a date?

Go back to the previous page?---Sorry, if I could just have a look at that?

10 It says Darren \$500. Was Mr Hacking issuing this purchase order to you for the purposes of it getting approved to enable enough money to be raised for his brother to be given \$500?---No. Not under my – I was told that purchase order was for that repeater to be picked up. So - - -

Why were told Darren \$500?---Darren might've actually picked that up.

Did he?---Would have to ask the RFS.

Did he?---I'm not a 100 per cent sure with that.

20 When you say you're not a 100 per cent sure, did he or did he not?---I am not sure with that one.

Do you remember?---No. I don't.

Do you have any recollection at all of this happening?---Not around that, that time with a picking up of a repeater in those areas, no.

30 Well it says a repeater but is it entirely false?---No. I am to believe that that job would've been carried out.

You say you are to believe that that job would have been carried out, but you don't have any recollections to whether or not it was?---Well if I got that, that purchase order for that courier and Darren was sent to pick that up and deliver it, I was under the belief that that's exactly what happened.

Well let's work that through. If you were sent that purchase order, is this right, that you say that you have got Darren to do it?---Mr Hacking or myself would've rang Darren.

40 Darren could have supplied the services directly to the RFS, could he not?---Yes, he did. Yes, he could have.

Can the operator please - - -?---My apologies.

- - - go to page, page 928 of volume 7. And that's an invoice from, from D'Vine Tastes?---Yes.

For that work?---Correct.

And I'll just remind you that the purchase – where it says, it's got a number at the foot of that, that's the same as the purchase order that I showed you a moment ago and you'll see that it's 650 plus GST?---Yes.

10 Why did you raise the invoice instead of Darren?---Because all Logistics would go through, all Logistics would go through me and in the past history with Coffs Harbour Catering I would be given an invoice and then paid, paid my, paid Darren through Coffs Harbour Catering or I would pay him direct if he did a Logistics job.

So you say that the understanding that you had with Mr Hacking is that if he ever wanted his brother to do something he'd ask you to do it?---If it was close to where it was wanting, Mr Hacking, Mr John Hacking would organise his brother and then send me a purchase order.

Why were you the middleman?---Why was I the middleman?

20 Yeah?---Um, I provide the, Darren technically was working with EMCS, or D'Vine Taste at that time.

You say he was an employee of yours was he?---Not employee, no. He worked as a subcontractor - - -

But he?--- - - - but within the business.

But he could have subcontracted directly to the RFS couldn't he?---Yes.

30 Well why didn't he?---I believe that because the association of being brothers.

Right. So you were there to avoid the RFS finding out that John Hacking was giving work to his brother Darren?---I wasn't, I wasn't, I actually used Darren as a chef um, from Coffs Harbour Catering um, that there was no agreement to use Darren in any other term but logistics and catering.

40 Can you address my question please? For this invoice you were the middleman so that it wouldn't appear at RFS as if John Hacking was giving work to his brother?---That, that could be possible, yes. Again I'm not, I can't remember that job itself but - - -

All right?--- - - - that is very much like it could be a possibility.

Did you have a discussion with John Hacking - - -?---No, I got sent – I would have been rang to say that, “I need a repeater and that I'd, I'd send my brother and I'm sending you a purchase order through.”

Well, did you have a discussion with John Hacking at any stage to the effect that, "I'm going to give work to Darren but I want to invoice it through you"?---Did Darren, did Darren say that?

No. Did John Hacking say that to you?---Absolutely. I mean that's - - -

Yes?---It's, it was an agreement that I had with Darren that he would work under Coffs Harbour Catering and he would invoice me for work. But under this logistics - - -

10

Just so we're clear on this logistics request, in respect of the logistics request given by John Hacking to Darren Hacking did you have a discussion with John Hacking that he wanted you to be the middleman so it didn't appear as if he was giving work to his brother?---I cannot say clearly on that logistics job but I was asked if Darren could be used I would say, looking at that, and that he would send his brother and he would send me a purchase order for the work.

20

I'm going to take you back to my question. Did you have a discussion at any time with John Hacking that in relation to any purposes for which you used Darren's services, whether it was a chef or to make snack packs, or for logistics purposes, whatever purposes – did you have a discussion with John Hacking where it was agreed between you that Darren would be used but the invoice would go via you so it wouldn't appear as if John was getting work for his brother?---In a couple of instance, yes.

Yes?---But that logistic, that order itself we're talking about I cannot guarantee that.

30

Okay. Let's talk about those couple of instances. When were they?---Um, just through the fire season um - - -

All right?--- - - - because Darren worked - - -

Which one?---Um, it would courier I think 2012/2013.

Yep. So the agreement was reached before the 2012/2013 fire season, is that right?---Um, it would have been around that time, yes.

40

And you generated a practice as a result of that agreement that Darren would do things but be invoiced through you, is that right?---Um, no not as a practice, no.

Well, he did a number of invoices for you for snack packs didn't he?---He did snack packs, yes.

Yeah. And that was done through you so it wouldn't appear as if John Hacking was giving work to his brother, is that right?---Well, that was under Coffs Harbour Catering.

No. Can you answer my question, please? It was done in that way so that it wouldn't appear from the RFS's point of view that John Hacking was getting work for his brother?---Yes.

Is that right?---(No Audible Reply).

10

And you facilitated that didn't you?---Yes.

Yep. Because you wanted to maintain your good relationship with John Hacking - - -?---That's not true, no.

- - - to continue to get work from him?---No.

20

Well why did you do it then?---Because I was told that the, the snack packs made up in Coffs Harbour would be taken to a northwest region in New England.

All right. Why did you agree to invoice the RFS for work that Darren was doing?---Because I used Darren as a subcontractor and I – for him to make the bags I agreed to those bags to be made in Coffs Harbour and taken across if Darren produced obviously an invoice from his business if he did the work.

John asked you to subcontract to Darren didn't he?---That's correct.

30

And he did that because he didn't want the RFS to think that he was getting jobs for his brother. That's right?---That's correct.

And you agreed to that didn't you?---Yes.

Because John had asked you. You agree?---Yes.

And you did – you agreed to it because you wanted to maintain the good favour of John Hacking?---No.

40

I'm going to use this now, 20 November. I'm going to show you a similar schedule that I did before for payments we suspect were made to Mr Hacking from cash withdrawals from the bank account in November, 2013. Now, first of all, Mr Homsey, you remember that I showed you a little while ago a cash deposit into – a transfer from Gay Homsey's account into Mr Hacking's account of \$143,000?---Yes.

Which you agreed was for – in respect of skimming?---Correct.

Mr Hacking has told the Commission that after that was made he called you and said, "Mate, you can't do that." Is that right?---Yes.

And that after that it was cash payments made?---That's correct.

I'm going to have two schedules, one for the witness and one for the Commission and I hope I remember to tender it, and these, can these copies be handed out please. I'll invite you to look at it. This is slightly different to the one from before but what it, what, what this shows is a combination of a cash withdrawal from the Gay Homsey Westpac account. Was it Gay –
10 is this EMCS or Gay Homsey account? EMCS account because EMCS you'll remember was incorporated in February, 2013 and the bank account for EMCS was opened in May, 2013. This was in – sorry, November, 2013 there's an 11,000 cash withdrawal and then what follows is a series of CCR, that is call charge records between your phone and Mr Hacking's phone between 19 and 20 November, 2013 starting with a three minute phone call followed by four SMS's and then a one minute phone call followed by an SMS and a brief 16 second phone call and two SMS's. Is this right, that on
20 or about 20 November, 2013 you met with Mr Hacking and gave him \$11,000 in cash?---On the – could you repeat the, the date please.

20 November, 2013?---Yes.

I'll tender that.

ASSISTANT COMMISSIONER: Yes. The schedule of contacts re \$11,000 withdrawal will be Exhibit 51.

30 **#EXHIBIT 51 - SCHEDULE OF SUSPECTED HACKING/HOMSEY MEETING ON 20 NOVEMBER 2013 AND PRECEDING WITHDRAWAL OF \$11,000 FROM WESTPAC EMCS ACCOUNT**

MR KATEKAR: I'm going to go to this one now. There's two more of these for 2013. All right, one for the witness and one for the Commissioner please and the copies are being handed out. Can you make sure that – now, this is the same style of schedule. The relevant cash withdrawal is on
40 13 December, 2013 and then there's another one on 13 December, 2013 over the page so there's two. One is Wyoming, one is Gosford each for \$20,000 and they are preceded by a series of SMS's and then after that there's some SMS's and some brief telephone conversations. Question, once you've had a – finished having a look at that, I'll give you a moment. Do you agree that you met Mr Hacking on 13 December, 2013 and gave him \$20,000 in cash? ---That I cannot be convinced of. I'm not, I'm not a 100 per cent sure.

Is it likely – the Commission - - -?---Yes.

Yes. I tender that.

ASSISTANT COMMISSIONER: Yes. The Schedule of Contacts re \$20,000 withdrawal will be Exhibit 52.

10 **#EXHIBIT 52 - SCHEDULE OF SUSPECTED HACKING/HOMSEY
MEETING ON 13 DECEMBER 2013 AND PRECEDING CASH
WITHDRAWALS AMOUNTING TO \$20,000 FROM EMCS
ACCOUNT**

MR KATEKAR: Go to a third one – and I'll remind you that that date was 13 December and I've got something for a week later. Now before I finish this, I'll invite you to look at it. There's a couple of calls on 18 December. There's two cash withdrawals, one of 15,000 and one of 8,000 on 19th and 20th. One's at Gosford and one's at Wyoming. And they're followed by a series of SMS messages and a 10 second phone call, each on 20 December.
20 Now there's a 23,000 cash withdrawal there. First question, did you meet Mr Hacking on or about 20 December, 2013 and give him some cash?---Not I can recall on that day.

On or about 20 December, like 20th or the 21st, did you give him some cash?---No. That date doesn't ring, it doesn't show any - - -

Did you give him some cash around that time in addition to the cash given on 13 December?---A possibility around that date.

30 Around that date. Did you give him some cash?---Yes.

Yes. When?---I, I don't know around that, around that date but I'm not clear as to what, what amount was given to Mr Hacking.

Did you give \$1,000 to Mr Springett at that time?---I think so for the Logistics job.

Did you give him a Christmas present of \$1,000 in cash?---No.

40 But you – is this right – your recollection is you gave him some cash for a Logistics charge around this time?---Mr Springett or Mr - - -

Yes?---Yes, correct. I would - - -

But your usual was in the order of one or \$2,000. Is that right?---For who, sorry?

For Mr Springett?---Depending on the Logistics job.

Yes?---Yes.

But one or \$2,000?---Yes. That's correct.

Usually, that was the pattern?---That's correct.

Is it possible you gave \$20,000 to Mr Hacking and some smaller amount out of the remainder to Mr Springett?---No. Definitely not.

10

It's not a possibility?---No, not a possibility.

All right. What did you do with the \$23,000 that you withdrew on 19 and 20 December, 2013?---It might've gone to Mr, Mr Hacking.

Might have gone to Mr Hacking. How much of it?---Well I did draw out some money for, for, for work purposes around that time, the 20th of the 12th is – being Christmas in D'Vine. But I would say close, it would probably be 20,000.

20

Probably be 20,000 that you gave to Mr Hacking on, at or about this time?--
-Correct.

I tender that.

ASSISTANT COMMISSIONER: Yes. The Schedule of Contacts re \$23,000 withdrawal will be Exhibit 53.

30 **#EXHIBIT 53 - SCHEDULE OF SUSPECTED HACKING/HOMSEY
MEETING ON 20 DECEMBER 2013 AND PRECEDING CASH
WITHDRAWALS AMOUNTING TO \$23,000 FROM EMCS
ACCOUNT**

MR KATEKAR: Thank you. Going to move now to the beginning of 2014. Could the operator please bring up volume 18 (not transcribable) 52. I want to draw your attention that on 6 January there's two transfers out of this account. This is the EMCS account. One for \$1 million and one for
40 \$100,000. What was that for?---Um, on 6 January, 2013?

'14?---'14. I think that just went to another account.

Yeah?---Into ah, yes. Into another line of um - - -

Right. It was swept out to another account, it wasn't put in - - -?---Not swept out to another account. I had, we had three, three accounts within the, the Westpac.

All right. All right. It wasn't for a major purchase or anything?---No, definitely not. No.

10 All right. I'm going to go to another schedule now and it's equivalent to the ones I've done before but it's 3 January. So you'll remember I spoke to you a minute ago around 20 January and this is about two weeks later, 3 January, 2014 and again there's a couple of brief telephone call records on 2 January followed by two cash withdrawals on 3 January from the same account but one from Wyoming and one from Westpac Gosford followed by some SMSs and two brief telephone calls on 3 January. Did you make a cash payment to Mr Hacking on 3 January, 2014?---Yes.

How much?---Um, 20.

Twenty. I tender that.

20 ASSISTANT COMMISSIONER: The schedule of contacts re the \$23,500 withdrawal will be Exhibit 54.

#EXHIBIT 54 - SCHEDULE OF SUSPECTED HACKING/HOMSEY MEETING ON 3 JANUARY 2014 AND PRECEDING WITHDRAWALS AMOUNTING TO \$23,500 FROM EMCS ACCOUNT

30 MR KATEKAR: Next I'm going to go to another one, 26 Feb. This one is in respect of some withdrawals on 26 February, 2014. Again one from Gosford and one from Westpac Wyoming, each of \$10,000 from the EMCS account. They were preceded by it's really two phone calls on the two days prior and then there's some brief telephone calls, although a number of them, the following day between you and Mr Hacking. Did you pay Mr Hacking \$20,000 in cash on 26 February, 2014?---Yes.

I tender that.

40 ASSISTANT COMMISSIONER: The schedule of contacts re the \$20,000 withdrawal will be Exhibit 55.

#EXHIBIT 55 - SCHEDULE OF SUSPECTED HACKING/HOMSEY MEETING ON 26 FEBRUARY 2014 AND PRECEDING CASH WITHDRAWALS AMOUNTING TO \$20,000 FROM EMCS ACCOUNT

MR KATEKAR: Can we go onto another topic. In August – about August, 2014 there was some RFS State Championships for catering. Do you remember that?---Correct.

And some bain-maries were supplied as prizes?---Yes.

And they were supplied by CaterQuip Australia?---That's correct.

10 And CaterQuip Australia wanted to be paid for those five bain-maries \$4,300 plus GST?---Correct.

And CaterQuip Australia invoiced you and you invoiced the Rural Fire Service 5,875 plus GST. Correct?---I can't remember that. I would like to have a look.

Yeah, sure. First of all I will take you to volume 16, number 14, page 14, and this is an email chain between – it doesn't involved you but Paul Bulmer is from CaterQuip Australia?---Correct.

20 And Paul Fowler is a corporate events and partnerships executive support at the New South Wales Rural Fire Service?---Yes.

I'll draw your attention to the last paragraph of the email from Mr Bulmer to Mr Fowler of 11 August, 2014, 1.01pm where it refers to five (not transcribable) and three module bain-maries at 4,300 plus GST. That's where my first figure comes from. Now – no, that's all right. And if you look above – at the top of that page you will see that there's an exchange from Paul Fowler but it is copied to you. See that?---Yes.

30 Then that is dated 12 August, 2014 and I'm going to march two weeks ahead and take you to volume 16, page 28 and 29, and page – if you can go to page 28 first please. That's an email from Mr Bulmer to you of 26 August, 2014 attaching an invoice for various things including bain-maries both, for both yourself and the RFS Nationals, and then over the page you will see there's two references to bain-maries. There's one for two of five module bain-maries with trolleys and lids. They're the ones for you?---Up the top two are.

40 Well, there's two of five – there's two of five, five module bain-maries. Those bain-maries were the ones for you?---No.

All right. And then underneath that it's got five of three module bain-maries for 4,300 plus GST?---Correct.

Go back to the previous page where it's got, it refers to bain-maries for both yourself and the RFS Nationals. Going back at least the ones for the RFS Nationals were the five of (not transcribable) and the three module bain-maries weren't they?---Yes, that's correct.

MR KATEKAR: And then if you go to – if the operator will please go to volume 16, Exhibit 16, page 30 please and that's a purchase order from the New South Wales Rural Fire Service for supply of bain-marie for State championships, five of them for 5,875 plus GST. Did you get this purchase order from Mr Hacking?---I'm not sure if it's from Mr Hacking.

10 All right. Then over the page you'll see at page, volume 16, page 31 you've issued an invoice against that purchase order number for the bain-maries for the State championships for \$6,462.50 inclusive of GST. You see that?
---Yes.

So I'll go back to my question. CaterQuip supplied the bain-maries, you agree?---Agree.

But you invoiced for them?---That's correct.

20 Do you agree? You paid CaterQuip Australia \$4,300 plus GST?---That's right.

And you on-charged \$5,875 plus GST?---Yes.

Why did that happen?---It's, it was not something that I've actually looked into and there's no answer, I don't have an answer for that.

I'll ask you about another matter concerning some towelettes. Paul Bulmer also provides Oshiklenz towelettes does he not?---Yes.

30 And in 2014 Mr Hacking asked you to include a Oshiklenz towelette in the snack packs, did he not?---Correct.

And then you sought to get them from Mr Paul Bulmer, is that right?
---That's right.

And then you did a deal with John Hacking that you would pay Oshiklenz for them but that Mr Hacking would then raise a purchase order for them at some other time, is that right?---No, not, not right at all.

40 I'm just going to play a telephone call. It's going to be possibly a little bit longer than we need to otherwise its going – anyway, it won't take very long.

AUDIO RECORDING PLAYED

[12.54pm]

MR KATEKAR: That should be it. Excuse me. Excuse me, Commissioner. That was a conversation between you and Paul Bulmer?---Correct.

On 23 December, 2014?---Correct.

I tender that and the transcript of it.

10 ASSISTANT COMMISSIONER: Yes, that will be Exhibit 56.

**#EXHIBIT 56 - AUDIO RECORDING WITH ACCOMPANYING
TRANSCRIPT OF INTERCEPTED TELECOMMUNICATION 23
DECEMBER 2014**

20 MR KATEKAR: And the deal that you did with John was with John Hacking?---Correct. The deal was that um, we'd already arranged a price on snack packs so to put that Oshiklenz towel in with that product was going to be an extra and that's, I would have had to take, to come into that same price for snack packs I would have had to take out a product to put Oshiklenz in. That's when I called John and I said that we couldn't put that in and he said, "Well I'll, I'll put that through," um, "The Oshi – so we put the Oshiklenz in and I'll put that through, that purchase order through."

30 What he said was, what do – I'll just remind you. "I've done deal with John. I'll pay it and then he's going to, we're going to get our first, when we get our first emergency he's going to pop it into a purchase order for me?"---That's, that's correct.

All right. So the deal, the arrangement was Paul Bulmer would supply the Oshiklenz towelettes to you?---That's correct.

You would pay, that's right?---That's right.

And then when there was an emergency under section 44 Mr Hacking would issue you with a purchase order for those Oshiklenz towelettes?---That's right. So the, the product could go into the bag.

40 Well by then the product would have already gone into the bag wouldn't it?--Well, absolutely, yes.

But it was through the section 44 procedure once they got their emergency that he would then be able to raise the purchase order through that mechanism?---Correct.

ASSISTANT COMMISSIONER: But you'd have to wait for the rain to stop by the sound of it?---Sorry, Commissioner?

Well it sounds like you were really hanging out for some fires to start weren't you?---No, no. The fires were already happening. That was just a conversation – I was looking at other products for Cambro, a product that we use in, in, and we were just talking in general what the Rural Fire needs with the Cambro products.

10 Oh, well it sounded as if you said they will start but they haven't yet?---No. It was just a general conversation about how dry it was down at Wagga Wagga and Riverina.

MR KATEKAR: I see the time. There's two more things that I need to do.

ASSISTANT COMMISSIONER: Yes.

MR KATEKAR: One I'm going to do before lunch and the other I'm going to do very briefly after lunch and then I'll be finished with Mr Homsey. But first of all could the witness please be shown Exhibit 50?---Thank you.

20 This is a schedule of items that I'm informed by the RFS it, obtained from your premises recently?---Correct.

Do you agree that this, that's what this schedule does?---Yes I do.

And that you held those items, is that right?---That's, for Rural Fire, yes.

And – sorry, that each of those items on that list is Rural Fire Service property?---Absolutely, yes.

30 Yes. All right. I see the time, Commissioner.

ASSISTANT COMMISSIONER: So this schedule's already a - - -

MR KATEKAR: It's already in Exhibit 50.

ASSISTANT COMMISSIONER: Yes. All right, well we will adjourn at this time until 2.00pm.

40 MR KATEKAR: Thank you.

LUNCHEON ADJOURNMENT

[1.00pm]