

# VILLAWORLI

LIMITED

CRIME & MISCONDUCT COMMISSION  
No. 2005-5 Date 8 Nov 05  
IN THE MATTER OF:

OF GRAND

EXHIBIT No. 170  
Clerk CLERK

14 September 2005

Mr Ken Beml  
Crime and Misconduct Commission  
Level 3 Terrica Place  
140 Creek Street  
BRISBANE QLD 4000

Dear Sir

## NOTICE TO DISCOVER TO VILLA WORLD LIMITED

Further to our letter of 19 August 2005, I confirm that I have made enquiry of Mr John Potter and that he has no further knowledge or information to disclose to the Commission.

Please contact our In-House Solicitor, Jane Nant, on 5588 8888 if you have any queries.

Yours faithfully



**Caroline Barton**  
Company Secretary/Chief Financial Officer

HEAD OFFICE: 9 Ouyan Street Bundall QLD 4217  
PO Box 7720 G.C.M.C. Bundall QLD 9726  
ABN 94 010 621 226

Phone: (07) 5588 8888 Fax: (07) 5588 8800  
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# VILLAWORLD

## LIMITED

22 August 2005

Mr Ken Beml  
Crime and Misconduct Commission  
Level 3 Terrica Place  
140 Creek Street  
BRISBANE QLD 4000

Dear Sir

### NOTICE TO DISCOVER TO VILLA WORLD LIMITED

I refer to the Notice to Discover which was dated 12 August 2005. In compliance with that Notice, I enclose:

- 1 Statement of Brent David Hailey with exhibits;
- 2 Statement of Gerald Adrian Lambert with exhibits.

These statements exhibit all documentation that I have located in Villa World's records with respect to the Gold Coast City Council elections on 17 March 2004.

I have made enquiry of other directors (except John Potter), employees and agents of Villa World Limited and advise that I am not aware of any other gifts, donations, services, benefits or funds provided directly or indirectly in relation to the Gold Coast City Council elections of 27 March 2004 to any candidate, Lionel Barden, Hickey Lawyers and/or Paul Wesley Brinsmead, or the Lionel Barden Commonsense Campaign Fund, the Lionel Barden Common Sense Trust, the Common Sense Trust, the Lionel Barden Trust, or the Power and Robbins Trust by any directors or employees, other than the donation referred to in the attachment statements.

I further advise that I have also made enquiry of Villa World's directors (except John Potter), employees and agents and that none of them have any other knowledge of, or had other dealings with or any association with any candidate of the election, Lionel Barden, the Lionel Barden Commonsense Campaign Fund, the Lionel Barden Common Sense Trust, the Common Sense Trust, the Lionel Barden Trust, the Power and Robbins Trust or any other related entity, Paul Brinsmead or Hickey Lawyers, David Power, Ray Hackwood, Ron Clarke, Robert La Castra, Edward Shephard, Jan Grew, Sue Robbins, Grant Pforr, Brian Rowe, Robert Molhoek, Roxanne Scott and Greg Betts in relation to the 27 March 2004 elections other than as set out in the statements enclosed.

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I have not been able to contact John Potter, who is a director of Villa World to confirm the above, as he is currently overseas. I therefore request an extension of time for a further week to obtain Mr Potter's confirmation of the above.

Please also note that Villa World's address for service of any future notices is as follows:

Villa World Limited  
Ground Floor  
9 Ouyan Street  
Bundall QLD 4217

If you have any queries regarding this letter or the attached statements, please contact our In-House Solicitor, Jane Nant, on 5588 8888.

Yours faithfully



**Caroline Barton**  
**Company Secretary/Chief Financial Officer**

QUEENSLAND CRIME AND MISCONDUCT COMMISSION

*Crime and Misconduct Act 2001*

Statement of Brent David Hailey

To: Lincoln Hansen, Anne McDonald, Karel Weimar, Ben Duell and Daniel Boyle  
Crime and Misconduct Commission  
Level 3, Terrica Place  
140 Creek Street  
BRISBANE QLD 4000

1 I am currently employed by Villa World Limited as its Chief Executive Officer. I have held this position since 8 September 2003. I am also a director of Villa World Limited.

2 On or around a date in early February, Councillor David Power requested a meeting with me. To the best of my recollection, it was Councillor Power who contacted my Personal Assistant, Shannon Hill, to arrange the meeting.

3 I met with Councillor David Power on 23 February 2004 at Villa World's office in Surfers Paradise at around 12.30 pm.

Now produced by me and exhibited as **Exhibit BH1** is an extract of my Outlook diary of 23 February 2004.

4 At that meeting, Councillor Power requested a donation for the election campaign for the upcoming local government Council elections. I cannot remember the precise words used by him, but he gave me the impression that he was establishing a fund to assist candidates who would oppose those existing Councillors who were not supportive of rational decision making within the Council. I do not recall that Councillor Power identified any such existing Councillors by name.

5 I was aware that Councilor Power was accessible, which made it easier for persons who had an issue with the Council to explain the issue and know that they were going to receive a fair hearing, regardless of what the ultimate Council decision may be. I considered that the election of persons such as Councillor Power and other candidates with a similar progressive approach towards the development of the Gold Coast was something which Villa World should support because of its involvement in land development on the Gold Coast.

6 Councillor Power advised me that he was openly canvassing all development companies who had interests on the Gold Coast and that he was campaigning on the basis of his reputation as a commonsense and approachable Councillor. Councillor Power also indicated that, because of the time that he had spent as Chair of one of the Council's Planning Committees, he had a good understanding of development issues.

7 I advised Councillor Power that I was not aware of the Company's attitude to such donations, as I had only been with the Company since September 2003. However, I advised him that I was prepared to take his request to the Villa World Board to make a decision.

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8 I then asked Councillor Power as to the level of donation that was being requested. Councillor Power advised me that a donation of \$10,000.00 would be appropriate.

9 At the next meeting of Villa World's Board, which took place on 26 February 2004, I raised the issue of Councillor Power's request with the Board for discussion under "General Matters". After some discussion, the Board agreed to provide the donation requested, on the basis that Villa World supported candidates who had a good understanding of the development industry. I knew that the funds were to go to a trust account, but I was not aware that the trust account was controlled by Hickey Lawyers, nor had I heard the name "Lionel Bardon Commonsense Campaign Fund" or any similar name.

Now produced by me and exhibited as **Exhibit BH2** is an extract of the Minutes of the Board Meeting of Villa World dated 26 February 2004.

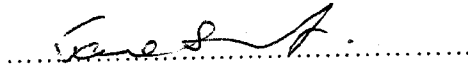
10 Some time after the Board meeting, I asked Gerry Lambert, Villa World's Chief Financial Officer, to arrange the payment in accordance with the Board's resolution. I was not involved in the process required to transfer the funds.

11 I did not meet with Councillor Power on any other occasions in relation to the 2004 local government elections. I also did not have any other telephone conversations or communications with any other Councillors or candidates regarding the Council elections.

12 Prior to my employment by Villa World, I was employed by BMD, a Brisbane consulting engineering and development company. During my employment with BMD, it was common for donations to be made to candidates for elections. I do, and did not, consider that this type of donation was inappropriate and accordingly I recommended to the Board of Villa World that the donation requested by Councillor Power be made

13 I also recommended to the Board, and it agreed to make, donations to Councillor Tim Quinn and Campbell Newman in the Brisbane local government election campaigns.

  
Brent David Hailey

  
Witness [signature]

22/03/05  
Date

DBU

# 23 February 2004

Accessed 15/8/05

February 2004

March 2004

Monday

M	T	W	T	F	S	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

7 <sup>am</sup>	
8 <sup>00</sup>	
9 <sup>00</sup>	Updated: BH/GL/BC re BC Matters (Meeting Room 1)
10 <sup>00</sup>	Updated: Guardian Group Holdings Board Meeting (Board Room)
11 <sup>00</sup>	
12 <sup>pm</sup>	Councillor Dave Power (Board room)
1 <sup>00</sup>	NO APPOINTMENTS
2 <sup>00</sup>	
3 <sup>00</sup>	
4 <sup>00</sup>	Neolido new Head Office Official Opening (17 Brereton Street, West End)
5 <sup>00</sup>	
6 <sup>00</sup>	

TaskPad

TaskPad

Notes

*Handwritten initials and scribbles*

Exhibit

"BH 2"

Extract of minutes of Villa World Board  
Meeting of 26 February 2004

X

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5. **Secretarial**

**Seal Register**

**IT WAS RESOLVED** to approve page 215 of the Villa World Seal Register. Seal Registers of the subsidiaries were reviewed.

6. **General Business**

**Other Matters**

Donations

**IT WAS RESOLVED** that the following donations be approved:  
Campbell Newman Election Campaign \$1000  
Lionel Barden Commonsense Campaign Fund \$10000

**Meeting was adjourned at 2.00pm.**

BH  
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