

Friday 22<sup>nd</sup> January 2016

382. On 16 June 2005, Ms. Braithwaite-Knowles of the Attorney General's chambers prepared a letter, requesting justification of a large number of the requests made.
383. An ExCo meeting took place on 10 August 2005. On the recommendation of JH (the Minister for Immigration), it was agreed that the development would be permitted to bring in workers from China and Asia. A 50% reduction in the cost of applications for work permits was agreed.
384. On 2 November 2005, MM introduced paper 05/923, for Exco's consideration. You will note that this is a confidential document, and that it had been sent from a fax number imprinted as having come from Civre to Saunders & Co. It therefore follows that Civre had a copy of a confidential document and had sent it to Saunders. Paper 05/923 addressed the amendments requested in the 24 May 2005 letter. The paper supported all of the requests, save in relation to vehicles and consumables. A request that permission be granted to increase the height of the building from 85 to 96 feet was considered in the paper. The Development Agreement was amended accordingly, subject to the comments of the AG.
385. On 10 November 2005, Civre sent a copy of paper 05/923 by fax to Saunders and Co. This copy has a handwritten note on the top right hand side of the paper, reading 'with the exception of vehicles package

approved'. It seems that the initials CM appear nearby. The document is described as confidential, and states that it is the property of ExCo. The Crown's case is that it indicates an open relationship between MM and Civre, or certainly between someone in Government and Civre because he had access to this confidential document and was able to send it to his attorney.

386. On 1 March 2006, Governor Tauwhare on behalf of the TCIG, signed a new Development Agreement. The agreement did increase the maximum permitted height of the buildings to 96 feet or 7 storeys, with a density of 60 bedrooms per acre.
387. On 20 December 2006, Civre, through Sodalco, sent a letter to MM asking for his assistance in securing an amendment to the Development Agreement. The amendment sought was to permit development to a height of 10 storeys, or 130 feet, with a density of 65 bedrooms per acre.
388. MM responded by letter on 22 December. He agreed to make arrangements with Cabinet and the Attorney General's Office to have the relevant clause amended in line with Sodalco's request.
389. It was Christmas time and you will hear from a witness that Civre asked for a number of new flat screen plasma televisions to be delivered to members of TCIG. The televisions varied in size, but they were all large.

The largest was for MM. Televisions were also delivered to FH, MH and Galmo Williams.

390. A general election took place in the TCI in February 2007. Civre made a number of payments around that time, in particular:

a. On 2 February 2007, \$250,000 was paid from Sodalco to a PNP account. Following that deposit, cheque number 0367 in the sum of \$4,000 was made out to LH from the PNP's account. There were also withdrawals to Tarsha Hall for \$50,000 and \$10,000. The Crown's case is that these cheques to Tarsha Hall were signed by MM and FH.

b. On 8 February 2007, \$150,000 by cheque number 436 (dated 1 February 2007) from Civre's personal account to FH's Paradigm account, which at the time had a balance of \$827.84. Once the money had been deposited, the monies were disbursed. According to the lady who was instructed to supply televisions, the cheque used to make this payment was collected by LH from Civre's place of work. This money was disbursed as follows:

i. On 19 February \$17,000 was paid to Royal Jewels by cheque number 1047.

- ii. On 2 March \$30,010 was paid to Belize Bank by cheque number 1050 with FH as the signatory. We cannot help, for the time being, as to where that money went.
  - iii. On 22 March \$20,000 was debited to Prestigious Properties with FH as the signatory. You will hear that MM, along with others, has an interest in Prestigious Properties, and
  - iv. On 29 March \$5,000 was paid to Belize Bank by cheque number 1053 with FH as the signatory. We cannot help, for the time being, as to where that money went.
  - v. On 1 May, \$22,590 was paid to Belize Bank by cheque number 1054 with FH as the signatory. We cannot find the money crediting to an account, so we cannot say whether it went into an account, came out as cash or as a banker draft.
- c. On 1 March 2007, \$125,000 was paid from Sodalco to the PNP's account.
391. So far as the Crown's case is concerned, the payments to the party and the movement of funds are inconsistent with donations, and consistent with seeking to retain to have access to favours from ministers who have received funds.

392. On 7 March 2007, MM placed paper 07/82 before Cabinet, seeking their approval for the amendment of the Development Agreement. Minute 07/140 records it was agreed by Cabinet that the Attorney General would review the proposal and that consideration would be deferred for one week. What he was seeking was to amend the DA so the height of Phases 2 and 3 of the development could be increased from 7 storeys to 10.
393. A further Cabinet meeting took place on 14 March 2007. MM was absent and the paper was presented by FH. The paper was withdrawn.
394. After 14 March 2007 meeting there were no further attempts to increase the height of the Seven Stars complex. There were no further payments made by Civre, either directly or through companies.
395. At the end of 2007 the Seven Stars complex was sold to a consortium of condominium owners.
396. We made some reference during the Seven Stars opening to FH and LH having bank accounts in the USA. Let us look at that.
397. On 5 March 2004, LH flew to Miami.
398. On 6 March 2004, she opened two accounts with the US Washington Mutual Bank in Florida:

- a. One in her sole name. The address used was St Andrew Place, Miramar, Florida 33025. The account was opened with a \$100 deposit by LH.
  - b. 'The joint account' in LH and FH's joint names. FH is recorded as the first signatory on the account, with LH listed as the second. The address used was St Andrew Place, Miramar, Florida 33025. In the US if you are not a citizen, you have to sign a certificate of beneficial owner. Lisa Hall provided her TCI address on the certificate of beneficial owner for US Tax withholding for the purposes of this account. The account was opened with a \$500 deposit by LH.
399. The address at St Andrews Place belongs to Dorean Williams. Ms Williams is a friend of FH and LH. She did not exercise any control over the account. As you have heard, the account being opened on 6 March or thereabouts, you will recall that on 22 March 2004 (there had been an ExCo meeting a few days earlier to approve the DA), Civre made a payment of \$250,000 from his UBS Swiss account, with the reference 'COMISSION ON LAND ACQUISITION' into the US joint account of FH and LH. The Crown's case is that there was no commission and that this was Civre seeking to ingratiate himself with the defendants by giving them money. You will remember that LH worked for Civre, but we suggest these payments are outside what would be considered salary or bonus payments.

400. The following year on 11 March 2005, Civre made a payment of \$175,000 from his UBS Swiss account into the joint account of FH and LH. We anticipate that the evidence will show that that payment alone was around three times greater than LH's annual wage. Also, you will wish to consider whether account was taken of those payments in the Sodalco records, and you will hear that there was no record of the \$175,000 being debited or paid as a result of a Sodalco-related transaction.

401. The money was disbursed in part as follows:

- a. \$91,400 was withdrawn in cash,
- b. \$16,639 to the Monteverde Private Academy (a school attended by Alexandra Hall),
- c. \$10,681 to Dorean Williams, whose address was used for the purposes of the account,
- d. \$50,000 to Luigi Behar (which was then returned in 2 cheques),
- e. \$51,000 to Stanfield Greene, made up of;
  - i. \$41,000 on 6 August 2009, and
  - ii. \$10,000 on 3 September 2009.

f. \$100,000 was the subject of a domestic transfer back to the TCI,  
and

g. \$81,870 was used on general expenditure.

402. Those are the facts about 7S. It is the Crown's case that this was a development influenced by hidden financial transactions between the developer and the politicians, as a result of which the politicians sought, and on occasion were able, to obtain advantages – including, for example, the reduction of the commitment to spend \$150,000 per year on the Scholarship fund to \$75,000 per year. As far as the conspiracy to defraud is concerned, the crown rely on the agreement to reduce the Scholarship payment, because that 50% reduction would plainly have a knock on effect to the economic interests of the jurisdiction, either because it reduces monies available, meaning people cannot obtain scholarships, or because the Government has to spend more money on scholarships which they should have achieved by ensuring it was maintained.

403. The Washington Mutual account relates to Count 15 against LH alone, in which she is alleged to have converted or transferred the proceeds of criminal conduct. The Crown's case is that the account was opened for the purpose of hiding monies from her employer because she recognised they were being received for an illicit purpose.

## **North West Point**

404. We turn now to North West Point ‘NWP’. NWP is an area of Providenciales located approximately 10 miles from Grace Bay. In 2003 the area was mostly undeveloped except for one high-end luxury hotel resort.
405. The Crown’s case is that this is a case about land flipping. We have said that there is nothing wrong in principle in an ordinary Belonger buying land and then selling it on. What is wrong is when the system of land purchase and allocation is used in a way that is designed to benefit those who are family or friends.
406. As you will hear in due course, the allegation in count 3 is against Melbourne Wilson, and against the other defendants in count 2.
407. David Wex, a developer from Canada, was to become interested in the prospect of developing the land at NWP. Sometime in 2006 he ended up, through a corporate entity, as the beneficial owner of the land. He had paid something close to the open market value [OMV] for the land. However, he paid the OMV to a group of Belongers who had obtained the land with the connivance of the defendant politicians (who received financial reward for their role) every politician defendant is engaged in this transaction, although it would be fair to say that there is no obvious direct role or direct gain to MH in this development.

408. The Crown's case is that the direct Belonger beneficiaries of this fraud were:
- a. Quinton Hall – brother of Floyd Hall,
  - b. Jeffrey Hall – Politician,
  - c. Earlson Robinson– brother of the politician Lillian Boyce, and
  - d. Samuel Been - the ex-husband of the politician Lillian Boyce. The Crown's case is that LB also benefitted.
409. The land at NWP was allocated to relatives of Cabinet Ministers or their relatives who possessed neither the intention nor capacity to build a hotel; a fact concealed from the Governor in Cabinet. The Attorney-General will give evidence about the way in which this development was put before cabinet.
410. One of the features will be the relatively sanguine role so far as MM is concerned; you will hear that the financial transactions resulted in him getting \$100,000.
411. The parcels of land were initially allocated to the people who we have identified in the form of separate plots. These plots were not in a very good place, they were not on a beach and didn't present value for any prospective development. The Crown's case is that they were later manipulated into one high value parcel. The originally allocated plots, which were not good enough for the intended ultimate owner, Mr. Wex, and had to be changed to better land. At least one Belonger, unconnected

with these issues, had already received a right to part of the better quality land, and he was dis-entitled and given something else in order to bring home the land that Wex thought he was going to buy.

412. MW, the Crown say, brought this case home. He helped and assisted in the formation of corporate entities to ensure that Wex obtained the title to the land. The land was sold at a deep discount to Belongers – friends, relatives and JH himself – of the politician defendants, and, other than MH, all politicians made money.

413. On 5 September 2002, Shaaban Hoza was asked to value 252.01 acres (the entire enterprise Zone, that had been designated for tourist development in 1998) at NWP. He reached a view that the valuation of the land in 2002 was \$33,832,000 for the total area. This valuation was based on the then state of land values in Providenciales and the condition of the land, including location, topography and undulating views and that it was intended for development.

414. In 2002 the Planning Department proposed the subdivision of part of Parcel 60000/62 at NWP (the Enterprise Zone) for commercial tourist development.

415. On 13 November 2002 – prior to MM becoming premier - the proposal resulted in the creation of 23 - 10 acre parcels given the reference number 60000/74 to 97. According to the Government civil servants there was

limited interest in the land until in 2004 when there was a suggestion of a re-zoning and re-survey of the land to offer it as individual 5 acre plots. According to Mr Charles, It was these plots that were subsequently granted to the Ministers and their relatives.

416. Melbourne Wilson [MW] at the relevant time worked at a firm of attorneys called McLeans and had done so since 2000. In August 2002 he was appointed a salaried partner. The other partners in the firm were men by the name of Christian Papachristou and Timothy Prudhoe.
417. In early 2004, McLeans incorporated a company called Commonwealth Management Limited for the purposes of acting as company formation agents. MW was a Director of this company and, on 19 January 2004, he was assigned 40 shares.
418. McLeans had previously used the outside company formation agent Temple Trust for the purpose of acting as company formation agents. Indeed, they had once been part of the same business and then separated.
419. After the formation of Commonwealth Management, MW used Temple Trust for the formation of certain companies. The Crown's case is that this was in order to hide from his partners.

420. Turks and Caicos Realty [TC Realty], which later became TC Sotheby's International, is a firm of realtors based in Providenciales. In autumn 2003 the firm employed a Canadian named Timothy Smith as a manager. TC Realty was situated next door to McLeans, and a friendship developed between MW and Smith.
421. In early 2005, Smith approached a fellow Canadian and acquaintance of his, David Green, and asked him to join the firm. Green agreed and, he will tell you, began work as a land agent.
422. David Wex, the prospective developer, was a partner in Urban Capital Property Group; a development company operating from Toronto.
423. Wex came in touch with David Green in TCI. Wex wanted to purchase land in the TCI. Wex visited the Islands with Brad Lamb, a real estate agent. Green showed Wex and Lamb around Providenciales, and Wex expressed an interest in the NWP area.
424. Mr Green then learned that MW knew of an available 20-acre plot at NWP that would be suitable for Wex. They arranged a visit to the location with MW. Green and Smith followed MW to NWP. MW pointed out that a 20-acre beach front plot. Green understood from MW that the land was owned by four Belongers and that MW acted for them all. In fact, none of the Belongers he purported to act for in fact 'owned' the land rather they had

CPL's in respect of four 5-acre plots. The land was still 'owned' by the Crown.

425. Wex was told about the plot of land and decided to purchase it. He dealt with Smith. Initially Green and Smith worked together with MW. However, Green eventually became excluded as he saw it from the arrangements and remained in the background as the transaction developed.

426. Wex was using MW as attorney. Green advised that there was a potential for a conflict of interest and suggested Wex engage another attorney. Green recommended Hugh O'Neill.

427. FH and JH completed applications for Commercial CPLs (CPLs) dated 27 January 2004, for 5 acres of land at plot number 60000/08pt (NWP). The applications were made on the same date, Both applications gave the stated purpose of the purchase as the building of a condominium development at a cost of \$2.5 million, to be funded through financial institutions. The applications were not received by the Land Registry until 2/03/04 – we do not know whether this is 3 February or 2 March, but they were received by the same person.

428. Applications dated 25 March 2004 were made in the name of Earlson Robinson [ER] a brother of Lillian Boyce and Samuel Been [SB], the ex-husband of Lillian Boyce. We make no comment on the handwriting – just

note that there are two applications both for a hotel, on plot 60000/80, that reached the Ministry on the same day, having been signed on that day.

Respectively:

- a. ER's, whose occupation on his application was given as 'guest service', applied to construct a hotel at a cost of \$1 million, to be financed through a bank, and
- b. SB, whose occupation is 'business' applied to construct a hotel at a cost of over \$1.75 million, to be financed through a bank.

429. The Crown's case is that LB completed and submitted both applications. In interview under caution, she accepted that she completed both forms because she was working on Grand Turk, and that this was her only involvement in the NWP deal.

430. An application dated 3 May 2004 was made in the name of QH. QH's occupation was given as 'chauffeur'. He applied for a 5-acre plot of land situated on Blue Hills, NWP. This area is in the vicinity of the other applications. QH's application sought permission to construct four buildings at a cost of \$500,000, financed through a bank and partnership with a Belonger.

431. At the time these applications were made FH, JH and LB were members of Cabinet and as such had sworn an oath and integrity that they owe the TCIG.
432. There were altogether 14 applications for 5-acre plots considered on 3 May 2004. FH was an applicant albeit his application was crossed through in the paper that went to ExCo.
433. At a time when the 4 relevant applications were to have been received, MM instructed Leroy Charles, Director of Survey and Mapping, to complete an ExCo Paper to recommend the mutation of the original 10-acre plots. Leroy Charles states that in early 2004, during one of the weekly face to face meeting he attended with MM, he was instructed by MM to re-evaluate the '74-97' subdivision.
434. In consultation with the Department of Planning, they proposed a further subdivision of the land from 10 acre to 5 acre plots; these 5 plots were allocated survey numbers '1 to 41.' MM asked Leroy Charles to produce a Cabinet paper in respect of the allocation of lots '1 to 14,' Mr. Charles says that MM instructed him as to which individuals were to be allocated these lots.
435. Leroy Charles carried out his instructions. His practice was to make his own notes and he was not given any written instructions or emails by MM.

436. Charles recalls that he was to recommend the following:
- a. Lot 1 for JH,
  - b. Lot 2 to QH,
  - c. Lot 3 to ER,
  - d. Lot 4 to SB.
437. The ExCo paper (04/279) of 3 May 2004, in the name of the Chief Minister, set out that the following applicants be granted contiguous lots as follows:
- a. Jeffrey C Hall, survey lot no. 1
  - b. Earl Hall, survey lot no. 2 (in the copy of the paper produced the name 'Earl')
  - c. Earlson Robinson, survey lot no. 3
  - d. Samuel Been, survey lot no. 4
438. The court may wish to note that QH's application was submitted on the day of the preparation of the Paper (3 May 2004) yet he was recommended lot 2 under the name of 'Earl' Hall (this was amended to Quinton Albert Hall.)
439. The paper signed and submitted by MM (numbered 04/279) was re-presented by MH on 12 May 2004, as both MM and FH were absent. JH declared an interest and left the room.

440. The paper was approved by the Acting Governor on the advice of ExCo.
441. A letter dated 8 May 2004 in the Crown Land Unit files relating to ER was addressed to 'Mr Earlsan McRobinson' and acknowledged that on 12 May 2004 he was offered a CPL over land at 60000 Survey Lot 3. The letter asked ER to sign a declaration at the foot of the letter in order to accept the offer. That letter was acknowledged on 21 June. ER is offered it, and a signature is returned saying he has accepted it. There were 2 signed copies of this letter contained within the file held by the Crown Land Unit; one is signed 22 June 2004 and the other on 21 June 2004. We cannot tell you whose signature is on the document dated 21 June, however according to the handwriting expert, Anthony Stockton, there is strong support for the view that LB wrote ER's signature on the document dated 21 June. That is the expert evidence that it appears to be in the hand of LB. We make no comment about the fact that the letter is dated 8 May and refers to a meeting on 12 May.
442. In January 2005 at a meeting ExCo was asked to re-affirm the decision of May 2004 to offer CPLs in respect of survey lots 1-14, as well as offering CPLs over lots 15-18 and 31-33 to others who had been displaced from other land over which they held CPLs. It was also recommended that freehold purchase prices of the parcels should be set at 25% of the open value (in fact 25% of the 10 acre valuations) and that land rent should be set at 5% of the freehold purchase price.

443. On 2 June 2005, Survey Lots 1-41 were allocated official registered numbers and the allocations officially registered as 60000/138 to 178 - Survey lots '1' to '4' became parcel numbers '138' to '141'. Survey lots '13' to '16' became parcels '150' to '153'.
444. On 17 June 2005, Hoza produced a valuation report for the reconfigured plots. He had been requested to do this on 2 June 2005. The land – post reconfiguration – comprised of 203.59 acres, without internal roads or services. Hoza valued the freehold of the land at \$26,323,000 if used for a tourism-related development. This valuation included an assessment of the value of parcels 138 to 155 as follows:
- a. 138 to 141 (previously Lots 1-4); \$695,000 each (JH, QH, ER, SB)
  - b. 150 (previously Lot 13); \$660,000
  - c. 151 (Lot 14); \$690,000
  - d. 152 (Lot 15); \$695,00
  - e. 153 (Lot 16); \$690,000
445. So we have reached a position where the land has been given a proper title, the acreage is clear, and the valuations have been given by Mr Hoza.
446. At an ExCo meeting on 7 July 2005, Galmo Williams, the then Minister of Natural Resources, circulated a paper 05/426. There was a letter sent from Arthur Robinson at Temple Mortgages, to the Chief Minister's office, dated 27 June 2005. It stated that Temple Mortgages was in a position to

lend the four applicants, being JH, ER, QH and SB \$6,000,000 if they had the freehold to the land.

447. The Ministers were present at the meeting were MM FH MH LB and JH. Galmo Williams presented paper 05/426, which listed four applicants as having expressed an interest in obtaining freehold title to NWP land. The Crown's case is that when these plots were allocated to the Halls, ER and SB, that the ministers present included LB, who did not declare an interest. We know on 7 July 2005 that the 4 applications filed for CPL's back in 2004 were now joined up and together being allowed to purchase 4 lots of land, each next to the other, and each – as we will hear – on the beach.

448. The paper was accompanied by letters to the applicants dated 8 May 2004, confirming that their CPL applications had been approved. These letters contained a handwritten note of which survey lots had become which parcel numbers:

- a. JH: survey lot #1, now parcel 60000/151
- b. QH: survey lot #2, now parcel 60000/152
- c. ER: survey lot #3, now parcel 60000/150
- d. SB: survey lot #4, now parcel 60000/153.

449. Actually, this was not correct, survey lots 1 – 4 were in fact parcels 60000/138 -141. Parcels 60000/150-153 were lots 13 -16. The Belongers were being offered Freehold title to land in which they had no interest. As we will hear in a little more detail Green had become aware that the land

being offered was not in fact what he had originally been shown but iron shore rather than beach front land. This was pointed out to Wex and Smith. The new parcels of land (150-153) were the more desirable beachfront plots that Wex wished for his development. The Crown's case is that it would take influence to recalibrate and reallocate the parcels.

450. At a further meeting of ExCo in November 2005 MM introduced a request (paper 05/941) for final planning permission and a development agreement in the name of a company Urban Developments Limited to build a 600-room hotel. Urban is the company through which the Belongers are applying to build. This is therefore the position as presented to ExCo in 2005. Urban Developments are seeking permission to develop land on behalf of the 4 Belongers.