



QUEENSLAND POLICE SERVICE
STATEMENT OF WITNESS

Occurrence #: QP1200378191

Statement no.: 1 Date: 26/04/2012

Statement of

Name of witness: FROST, Jocelyn Anne

Date of birth: 10/05/1946 Age: _____ Occupation: Real Estate Agent

Police officer taking statement

Name: STEWARD, Belinda Claire

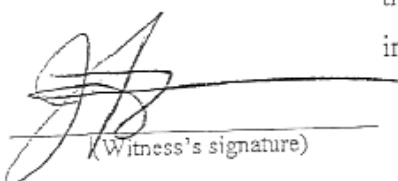
Rank: Plain Clothe Constable Reg. no.: 26106

Region/Command/Division: Brisbane West District Station: Indooroopilly CIB

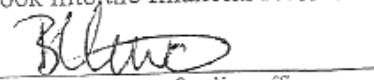
Statement:

Jocelyn Ann FROST states:

1. I am a Real Estate Agent and I currently work for Remax Property Centre Toowong.
2. It was possibly in 2005 when I was working at Century 21 at Redland Bay I met Gerard BADEN-CLAY and Phil BROOM. I met them at several Century 21 conferences. I was working as a Real Estate Agent and I was looking at coming home.
3. Sometime in 2008 when I wanted to come back home to live. I asked Gerard if he had room to put me on a new agent. He phoned me and asked me if I would like to join the business. A couple of week later he called to tell me that Phil was buying into the business. I made a decision to also buy into the business and in August 2008 I moved back home. I may have met Allison fleeting at this time but I really didn't know her.
4. As I joined the company I became a partner with Phil and Gerard. The records may not show us as partners as both Phil and I did not have a full licence. Legally you must have a full licence to be a partner. From day one of the agreement we were partners but legally it wasn't until December 2008. I do not recall the exact amount that I paid into the company when I became a partner. I paid an amount into the company and then twenty thousand into the cash flow. I think it was possibly about sixty thousand into the company but I am unsure. I didn't look into the financial records of


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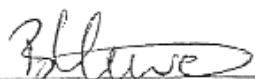
CONTINUED STATEMENT OF: FROST, Jocelyn Anne

the company as I knew that Phil was investing and he had been working at the company.

5. When we first started Gerard always ran the finances. All three of us were trying to do the management. One day I came in and had a conversation with both Gerard and Phil about the fact that we needed to have one person manage so that the other two partners could concentrate on sales. We made the decision that due to Gerard being an accountant he would look after the financial and management part of the business and Phil and I would look after the sales.
6. At this time Toni MCHUGH and Nigel BADEN-CLAY were both sales persons at that time in the office. I always got along with Nigel.
7. In January 2009 we put on Ben BASSINGTHWAITE as a partner in the property manager role and a twenty five percent partner in the property management. He did pay a small sum into the company. And he also worked a couple of months without pay. Our rent role at that time was very small and was virtually nothing.
8. The three sales partners would have meetings every week. At these meetings we would discuss weekly issues and weekly sales.
9. It was at this time that my friendship with Toni started.
10. I don't recall exactly when I found out about the affair but I would imagine it would be in late 2008. I was standing at her desk and Toni told me she had been to a clairvoyant. She was telling me about the cards that were put in front of her and that it was someone in her life but that she didn't know who it was. I said to her "it would be Gerard wouldn't it Toni" I could tell she got one hell of a shock and then that's when the truth came out. I am not sure why I said what I did but I noticed little things around the office. It was what was said between them and the way they interacted with each other. After this conversation she disappeared for a few hours. I had a conversation with Phil and he didn't seem to believe me about the affair. I recall he said something like he didn't pick up on it.
11. In the beginning it wasn't discussed very often between Toni and I but she would often confide in me about the relationship.



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CONTINUED STATEMENT OF: FROST, Jocelyn Anne

12. Apart from Phil, Gerard and I there was no other staff made aware of the affair. I don't recall if it was at this stage but over the years I have spoken to Gerard about the affair.
13. Over a period of time Toni and Gerard got more serious. The amount of time that Gerard spent with her seemed to increase. Toni certainly told me about future plans she had with Gerard. Gerard always spoke of his children and he didn't seem to know how he was going to move forward because of his children. Many times I would tell Gerard that he needed to make a decision. I told Toni what type of man he was and I would tell her to leave however she would get angry and stop talking to me and being my friend. Toni would tell me that Gerard had promised her he would marry her.
14. I was aware that he was staying well into the morning at her unit at Saint Lucia. I am aware that he was telling his wife that he was working to all hours in the morning and he was actually with Toni.
15. I recall Gerard only taking Allison to one Century 21 function when I first started at the company. Apart from this one time I am aware that she wasn't invited because of Toni.
16. At the engagement party of John BRADLEY which was held at Tattesals club in Brisbane I attended and I saw Allison there. At the party I saw that Gerard was ignoring Allison and spending all the time with Toni. Toni had to leave to go to something and then Gerard disappeared. I remember Allison was looking for him. Toni had told me later that Gerard had gone downstairs to see her off. Prior to Toni leaving I was aware that she was going to leave the party early.
17. After a conference on the Gold Coast I was told by both Toni and Phil that Gerard had not stayed the night at the hotel. I feel that Toni confided in me because I was a female but that they didn't want Phil to know.
18. I attended the AREC conference in Sydney in May 2010 by myself. It is a conference that happens every year in May. It has international and national guest speakers. The final day is always for the Principals and the first and second day is for other real estate staff. After the first night Gerard told me that Toni was flying down to Sydney. I knew that she


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CONTINUED STATEMENT OF: **FROST, Jocelyn Anne**

wasn't coming for the conference. She came down and we had dinner with her, I remember it took ages to decide where we were going to meet. In intimate group like that they were very slightly affectionate.

19. The current dynamic was that Gerard would pay himself, staff and the bills without us looking into them in great detail. On two occasions we reported to the head office of Century 21 that Gerard was not accountable to anyone. We reported this to them because we were not happy with how he was running the company. One of the times we reported Gerard's management was at a conference for Principals of Century 21. The complaints were made so that they were aware but also because we needed advice. The state manager at the time Richard HAYDEN. Richard was also told about the affair.
20. From when I joined to mid 2010 the company owed me a considerable amount of money from commission earned. Gerard created a plus and minus spreadsheet. When the company was doing well we would get paid and when it was not doing well Gerard would tell us we would not get our normal pay. He always told us that he was owed a lot more than was owed to us.
21. In mid 2010 we started getting paid \$5000 a week. This was because we were all owed money and the company was doing quite well.
22. In 2010 we had a brilliant year with regards to sales. We were looking to expand and our lease was nearly up at Kenmore and it was not a prominent position. It was a joint decision to move to another place. Gerard always had reasons for not having his financials ready every week at the management meetings. We had some discussions about whether we could afford to move and afford to rent the larger place. I asked Gerard several times for the financial records to show we could afford it but it never really showed us the data. The move was decided by all three partners. When we moved in January 2011 we planned to hire about 8 or 9 new staff. They were all lined to start in January. It was Gerard's job to do the recruitment.
23. The lease was a lot more than were paying and was a lot bigger than we had currently. We also took out the naming rights to the company.



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CONTINUED STATEMENT OF: FROST, Jocelyn Anne

24. I bought Phil's share of the rent role. Phil was in financial trouble and he needed to sell his share.
25. I think it was a couple of days prior to the floods Gerard called a meeting. This meeting took place in the new office. The meeting was called to tell us about the diabolical state of the financial situation with the company. He was telling us about an amount of money we had coming in and the amount we owed was something substantial like three hundred and fifty thousand. Phil and I were in absolute shock. This was because 2010 was such a great year we wondered where the money had gone.
26. We decided to meet in a couple of day's time to talk again. This day ended up being the day that the staff went to Nigel's house to clean up after the floods. Phil and Gerard wanted to cancel the meeting but I insisted that the meeting continue. During the meeting Gerard called Charles TARBEY who is the CEO of Century 21 and who lives in Sydney for financial help. Charles and Gerard had a good relationship. He agreed to lend the company some money. And Phil and I said that no bills or any other payment made was to be done without three signatures. This only lasted a couple of weeks and then it stopped.
27. It was a couple of weeks later when he came into my office and called Phil to come into the office as well. He was saying that could not run the company having to ask us all the time to pay anything. He was saying that he didn't feel like we trusted him. I then said to him "I don't trust you" and he said he was going to buy me out. I left the office because I went to seek some advice.
28. I went to another Principals office that I knew quite well and I went to ask what he paid his staff and what costs he had. It made me realise that we were top heavy. Gerard was lazy and had employed someone that was doing what he should have been doing and she was being paid a large pay, her name was Terri CLARKE. I would have spoken to Phil.
29. Ben wanted us to kiss and make up. Phil and I got together and we decided on a few things that would keep us in the partnership. There were three options one was that Gerard would buy us out the second one was that we would buy Gerard out or stay together.



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CONTINUED STATEMENT OF: FROST, Jocelyn Anne

30. A meeting was planned and Ben and the three partners attended the meeting. Phil and I had spoken and determined a number of points that needed to be agreed to in order of us to continue the partnership. The first point was to 1. Step down as Managing director 2. Sack Terri CLARKE 3. Take three weeks off and get his private life in order and 4. All the new staff was to be given notice that we could not continue to pay them retainer but on commission only.
31. I think the meeting went for an hour or an hour and half. Gerard didn't really comment much he broke down and cried about his relationship with Toni. He went on to say that he kept the relationship going because he could not afford to loose her as an agent. The meeting was not hostile but was certainly strained. Ben had called the meeting and he was the mediator. It was affecting the property management as well.
32. We agreed to meet the next night. We sat down and Gerard said that he was not prepared to do any of those things. We then had to decide what was going to happen to the company. We negotiated a figure to be bought out of the company by Gerard which I remember being about twenty five thousand each. The figure was the same for both Phil and I. He said that he thought he had friends that could financially assist the company. Later in that week he told us that his friends had agreed to assist him but that they couldn't afford to pay us out. We signed over the company for one dollar. He gave us both an incentive to stay and promised us a bonus. I didn't let on that I was going to leave but I knew straight away that I wanted to leave. I was told that on the plus and minus spread sheet I was not owed anything.
33. I met one of his friends at a Chamber of Commence meeting. I have no proof that they assisted him it is just what I had been told by him. I can only imagine what was told to these friends for them to not want to pay us.
34. I do not recall when the partnership officially finished but I would have something at home signed.



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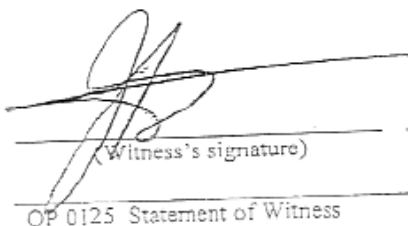
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CONTINUED STATEMENT OF: FROST, Jocelyn Anne

35. I found out from Toni that Gerard had been telling her that he was trying to work out how to get rid of us as partnership. I am aware that Toni was in Sri Lanka at the time that this occurred. A few days after Toni got back from Sri Lanka I told her what he had said at the meeting about only continuing the relationship to assist the business. She confronted Gerard and I believe he smoothed it over. I told her that Ben and Phil were also there and that they also heard it. I think that she did ask Ben and he told her it was true.
36. After the partnership ended it was only a matter of weeks prior to me leaving and starting work elsewhere. I have no idea if I was paid what I was owed because I relied on what Gerard was told to me. I accepted the agreement and I left the business.
37. I was told by Phil that I couldn't trust Toni. I planted some information about me going to another business. I was told by Phil that the information I had planted with Toni had been passed from Toni to Gerard to Ben to Phil who contacted me straight away. On my last day at the office I confronted Toni about what she had told Gerard and she flew into a rage.
38. I am not sure how I found out but I became aware that Allison found out about the affair. I was worried about Toni that she might do something with her life. Unfortunately she can't manage without him. I was a support to her at that time and she was screaming and crying and had her two sons with her.
39. From this time I have had a constant friendship with her. I got her a job at Remax but she couldn't cope without Gerard. I was a person she could talk to because I knew about the affair she was devastated that Gerard had cut it off. I assumed that she wasn't having contact of any sorts.



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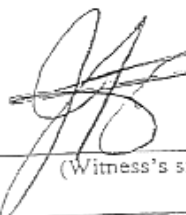
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CONTINUED STATEMENT OF: **FROST, Jocelyn Anne**

40. I was to understand at this time she was not having contact with Gerard. However the morning of the 21st of April 2012 when Toni knew that she was going to be interviewed. She then confessed that she had only been talking to him since Christmas. I was gobsmacked because I had been in a friendship with her and I had done nothing but put him down. At this time she was a nervous wreck. She had told me nothing about any conversation that Gerard had with her about Allison being missing. Gerard had phoned her to say that she was going to be interviewed and then she told me that she had been speaking with him all year. Toni told me that they hadn't had anything more that communication. I was flabbergasted and didn't want to know any further. Toni has a terrible temper and with the things that were being text and emailed I thought that she was over it.
41. On Saturday morning Toni told me about a telephone conversation she had with Gerard she told me that she had been speaking with Gerard on Thursday night at 5pm. She found out that Allison and Kate were going to a property management course on Friday. Toni went right off because Gerard had not mentioned it before. Toni was going to the conference and Toni told Gerard to make sure that Allison wasn't there. It might have been 'I've got to got to this conference and I don't want them to be there'. I can image that Toni and Gerard have had an argument at this time. I never asked her any questions because I honestly just couldn't believe it. I was thinking that Toni and Gerard had a fight at five o'clock and a few hours later Allison is missing.
42. She called me after the police had been to her unit. She told the detective that she would come down here. She told me that she intended on coming to the police station. I text her a couple of times in the afternoon because I was worried about her. She didn't reply until some time later when she told me that she couldn't talk. On the Saturday she asked me to ring Gerard which I refused. She was worried about him and wanted to make sure he was ok.



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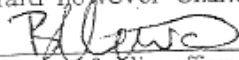
43. On Sunday afternoon I text her to see how she was. Toni told me that she was at her mothers at Karana Downs and told her.

44. On the 24th of April 2012 I received a phone call from Toni asking if I could call her. I called her back and she was extremely upset. She was upset and in the car park of her new job. She was crying about everything that was happening with Gerard. I told her that she had to pull herself together and do her job. She text me later to say that she had left work and was going to the Doctors. I decided I was no longer going to be the support person.

45. I own fifty percent of the rent role at Century 21 Taringa. In January I had bought Phil's 25% and that gave me 50% of the rent role. The rest is shared by Ben and Gerard equally. I had wanted to sell the rent role in about May 2010. We tried to sell it on the open market but we couldn't sell it. Gerard then said he wanted to buy it and it was probably worth about \$650 thousand this figure was given to us by a broker. I didn't know how Gerard was going to afford it. Gerard was going to get a loan. Ben and I agreed to sell the rent role at a reduced price. It was then identified that the rent role was also responsible for all the lease. Towards of the end of year Ben and I were quite concerned as our names were still directors, if the company was to go under we were going to be liable for the debt. We agreed to sell Gerard the rent role for 100 thousand a quarter share which was way under value. Gerard couldn't get the finance and at a meeting at Century 21 at this meeting it was discussed that if we were prepared a longer contract it would give him an opportunity to keep the doors open. It was a six months contract with an extension of three months and Charles TARBEY paid Ben and I the deposit, I got twenty thousand and Ben got ten thousand. Gerard pays Ben and I interest each month. And the contract is written that if he reneges on the interest our share comes back to us. The interest has been paid to us for three months of this year. At the end of this month if the interest has not been paid the contract crashes. The interest has been paid out of the property management account and is transferred into my account. The contract is only with Gerard however Charles is


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CONTINUED STATEMENT OF: FROST, Jocelyn Anne

trying to help Gerard financially. Gerard led us to believe that in six to nine months Charles would finance our share.

46. I have only seen Allison a couple of times at the office. I saw her at John BRADLEY'S engagement party and wedding. Toni wasn't invited to the wedding. Toni didn't want Allison around the office. Allison seems like a really nice person. Gerard has previously told us that Allison suffered from depression but that has come to me second hand.

47. I believe that Gerard had a bad temper with his children. I remember on a couple of different times that he had told me that he had belted the children.

48. His perception in the community was very important to him. It was just him. A classic example of the image the family like to portray is the fact that they changed them name due to their heritage.

49. I am not aware that he has had any other affairs but second I have been told and I have seen that he is always trying to flirt.

50. I became aware that Allison was missing because I was told by a friend that lives in Brookfield. I was just in absolute shock.

51. On the 26th of April 2012, I attended the Indooroopilly Police station and provided this statement to Plain Clothes Constable Belinda STEWARD.

Justices Act Acknowledgement

Justices Act 1886

I acknowledge by virtue of section 110A(6C)(c) of the Justices Act 1886 that:

- (1) This written statement by me dated date and contained in the pages numbered 1 to page_number is true to the best of my knowledge and belief; and
- (2) I make this statement knowing that, if it were admitted as evidence, I may be liable to prosecution for stating in it anything that I know is false.

.....Signature

Signed at Indooroopilly this 26th day of April 2012


(Witness's signature)

(Justice of the Peace (Qual.)/
Commissioner for Declarations's signature)


(Signature of police officer
preparing statement)