

AFFIDAVIT

OF

TERRY R. KILREA

I, TERRY R. KILREA, of the City of Ottawa, in the Province of Ontario, MAKE OATH AND SAY:

1. I am 49 years old. I have been a resident of the City of Ottawa for my entire life.
2. I have been an employee of the Ontario Ministry of the Attorney General for 27 years. I am currently engaged as an Enforcement Officer with the Ministry.
3. I was a candidate for mayor for the City of Ottawa in 2003. I campaigned on a platform that was on the right of the political spectrum. I finished second behind Robert Chiarelli, with approximately 68,000 votes or 36% of the ballots cast.
4. Following the 2003 election, I decided to run again in 2006. During the intervening years I kept a campaign team in place, continued to strengthen and build contacts in the region, and continued to advocate for policies and programs that I believed in. I registered my candidacy for mayor for the City of Ottawa on January 3, 2006.

Initial Meeting with O'Brien

5. On Monday, July 3, 2006, I received a call from Larry O'Brien ("O'Brien") who asked to meet me in person. We did so Wednesday, July 5, 2006 at approximately 10 a.m. at the coffee shop at 700 Sussex Drive. We sat on the outdoor patio.

6. In the meeting, O'Brien indicated to me that he was thinking about entering the mayoral race. We both agreed that if he entered, neither of us would win as the right-of-centre vote would be split.
7. O'Brien remarked that I had been working on this campaign for 3 years and asked how much I had incurred in out-of-pocket expenses. I indicated between \$25,000 and \$30,000 if I included the costs for the 2003 campaign. O'Brien said that his team would be prepared to reimburse my expenses if I left the race and threw my support, and the support of my team, behind him. He also indicated that there would be a position for me on his team.
8. *July 5* During the course of the meeting, O'Brien also asked me what I did for a living. He then advised me that he had "Conservative backing", which I understood to mean the support of the federal Conservative party. This came as a surprise and I advised O'Brien that I wanted to determine if the Conservatives were going to back him if he entered the race.
9. O'Brien then asked what would happen if I got an "appointment". I responded that the only appointment that I would be interested in was one to the National Parole Board. O'Brien asked, "What if I can make that happen?" I responded that, "I would have to look at it at that time", and that I would also have to speak to my wife and my campaign team.
10. The meeting with O'Brien lasted approximately one hour.

O'Brien's Instructions to Contact John Baird

11. *July 5* At approximately 2 p.m. later that day (July 5, 2006), O'Brien called me to advise that my name had been put forward for an appointment to the National Parole Board. When I asked how this was possible, he responded that he had spoken to

John Reynolds. He then instructed me to call John Baird ("Baird"), President of the Treasury Board, and to tell him that my name "was in the queue" for an appointment to the Board.

12. Following the call with O'Brien I emailed Baird indicating that O'Brien had instructed me to contact him regarding my name being put forward for a position on the National Parole Board. Baird responded that he had no knowledge of my name being put forward and that he did not know that I was interested in an appointment.

July 6

13. The following day (July 6, 2006) O'Brien called me to say that he had "screwed-up", that I "shouldn't have contacted John Baird" and that "it was all my [O'Brien's] fault". He advised that Baird would have no idea that my name had been put forward. He told me that "there was a different way of doing this" and to "leave it with me [O'Brien]".

O'Brien

Meeting with Dimitri Pantazopoulos

July 11

14. On Monday, July 10, 2006, I received a call from Dimitri Pantazopoulos ("Pantazopoulos"), President of Praxicus Public Strategies Inc., to set up a meeting. I was aware that Praxicus had done some polling for the federal Conservatives and had been working with O'Brien.
15. We met on Tuesday, July 11, 2006 at approximately 12 noon in the restaurant of the Sheraton hotel on Albert Street. Pantazopoulos indicated that he was very close to O'Brien and could speak for him in the meeting. He then showed me a briefcase of polling results and indicated that I had the support of 15.7% of the electorate while O'Brien had approximately 7%. However, he bluntly told me that I couldn't win the race but O'Brien could because I didn't have "growth", while O'Brien did. Pantazopoulos asked me to leave the race.

16. I advised Pantazopoulos that O'Brien had offered to reimburse my expenses and had also offered an appointment to the National Parole Board. Pantazopoulos indicated that he was aware of the offer but cautioned that the appointment to the National Parole Board would have to wait until after the election because it was "too hot to handle" at this stage. He then advised that I should meet with Baird, who was in charge of appointments for Eastern Ontario.

17. The meeting with Pantazopoulos lasted approximately one hour and 15 minutes.

Meeting with John Baird

July 19

18. I met with Baird on Wednesday, July 19, 2006 at his office in the Department of Justice building on Wellington Street. I had decided not to raise the issue of the National Parole Board given my earlier email exchange with Baird on July 5, 2006 and O'Brien's comment the next day that I should not have done so. I would only discuss the appointment if it was raised by Baird; however, at no time during the meeting did Baird mention it.

19. In the meeting I asked Baird if the federal Conservatives were backing O'Brien by providing him with logistical support. Baird said they were not.

20. Later that day (July 19, 2006), I spoke to O'Brien by phone to advise that the appointment to the National Parole Board did not come-up in the meeting with Baird. O'Brien responded that, as Dimitri had advised me, the appointment was too hot to handle now and it would have to wait until after the election. O'Brien also commented that the offer "would not be on the table forever" and that I needed to make a decision. I indicated to him that I would make one shortly.

Meeting with O'Brien at Tim Horton's

- July 30²¹. On Sunday, July 30, 2006 at approximately 10 a.m. I called O'Brien to advise that I had made a decision but wanted to communicate it to him in person. We agreed to meet at the Tim Horton's on Robertson Road at 2 p.m. later that day.
22. I arrived at the Tim Horton's first and waited by my car in the parking lot. Approximately 10 minutes later O'Brien arrived in a gold Mercedes and parked at the back of the lot. I walked to the back of the lot to meet him.
23. I advised O'Brien that his offer was very generous; however, I had to reject it as the offer was the "wrong reason" to exit the race; that I couldn't let my supporters down; and, that to exit in these circumstances would be "against everything I stand for". I also told him that I wanted to stay in the race as I felt I could win it.
24. O'Brien was upset that I was not prepared to withdraw my candidacy and said that neither of us could win. I responded that I had already entered the race, he had not, so if he entered now it would be "with his eyes wide open".
25. O'Brien advised that he had consulted a lawyer about his offer to reimburse my expenses and explained that any transfer of funds would have had to be made as contributions to my campaign. He also told me that had I accepted the reimbursement of expenses he would have honoured the payment after the election regardless.
26. Near the end of the meeting, O'Brien put his hand out to shake mine and said that we should make a deal whereby whoever was behind in the polls by September 28, 2006 would drop out. I refused to agree and did not shake O'Brien's hand.

27. At this point O'Brien became agitated. He motioned with his hand and said that people who stand by him ended up here, lifting his hand up high, "they go places". People who didn't stand by him ended up down there, lowering his hand toward the ground. I responded that if neither of us won, "so be it".

28. The meeting in the Tim Horton's parking lot lasted approximately 20 minutes.

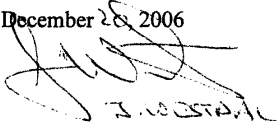
Withdrawal from Race

29. In August, 2006 I did not receive financial contributions from a number of donors whom I expected to contribute to my campaign. By the end of August, the financial contributions had decreased dramatically. To continue in the race, I faced re-mortgaging my house, which I was not prepared to do. I formally withdrew from the mayoral race on Wednesday, August 30, 2006.

Testify in Court

30. If the facts deposed to in this Affidavit become part of a legal action, I am prepared to testify to their accuracy in a court of law.

Sworn before me at the City)
Affirmed)
)
of Ottawa, in the Province)
)
of Ontario)
)
on December 28, 2006)


J. NOZDALE
A Commissioner
to Take Affidavits



TERRY R. KILREA