

THE TRIBUNAL RESUMED AS FOLLOWS ON THURSDAY, 28TH SEPTEMBER

2000 AT 10:30AM:

CONTINUATION OF EXAMINATION OF MR. HAUGHEY BY MR. COUGHLAN:

MR. COUGHLAN: Now, Mr. Haughey, I think we had been through the table, which we drew up, of lodgements to what I described as the number 1 account in Guinness and Mahon, but what I intend doing now is to ask you to go to table number 2

A. Mr. Chairman, Mr. Coughlan asked me to think about the this account in Guinness and Mahon.

CHAIRMAN: Yes.

A. And may I say to you and to Mr. Coughlan that I apologise for the rather confused sort of answers that I gave yesterday. I can only suggest that I may have been a little fatigued towards the end of the session. I have thought about it and I am as certain as I can be that at the time, I was not aware of the existence of this account in my name in Guinness and Mahon. I did, to the very, very best of my recollection, I did not ever sign any documentation in regard to this account either to open it or otherwise. I did not ever sign any cheques drawn on it. I did not ever make any lodgements to it, nor did I ever receive any bank statements, and that's as helpful as I can be to the Tribunal. Thank you.

Q. MR. COUGHLAN: Thank you, Mr. Haughey.

Now, that being the case, so, Mr. Haughey, does it appear that when you went to speak to Allied Irish Banks, that is to Mr. Phelan, at the meeting in Aras Mhic Dhirmuida, and you informed him that you had no other bank accounts, that was your belief and the state of your knowledge, to the best of your recollection, at that time?

A. I think so, yes, Mr. Coughlan.

Q. And that being the case, Mr. Haughey, I think you told us on a previous occasion that to prepare yourself for the various meetings you had with Mr. Phelan over the years, but particularly the meetings I think that were held at Aras Mhic Dhirmuida, I think there was one at Leinster House or something at that stage, that you had had discussions with Mr. Traynor about the best approach which you might adopt at such a meeting; isn't that correct?

A. Yes, I think that would be the general picture, probably not in every instance but generally.

Q. Yes, I accept that it wouldn't have been in every instance, but that if you were going for if this was a serious meeting, and I think that meeting was around September of 1979, at a time it was getting to be quite critical, you would agree, that you would you have had the previous weekend whenever, a meeting with Mr. Traynor, and you and he would have discussed the approach which you might adopt at such a meeting. Would that be fair to say?

A. I think that is very probable.

Q. And I think that on some other occasion you informed us

that Mr. Traynor would have briefed you about the state of your affairs in general terms at least.

A. I wouldn't be altogether sure of that but it would be I suppose it would be a normal way of doing things.

Q. And can we take it, Mr. Haughey, it seems to be in the general folklore at least, and perhaps you may be too modest to confirm it, but that you it was always considered that you were a man who could take a brief well?

A. Who could?

Q. That you could take a brief well.

A. Well, I may have had that reputation.

Q. And if Mr. Traynor had briefed you of the existence of the account and of the level of lodgement to the account, can I take it it is probably something that you would have understood and taken on board?

A. This is the AIB account?

Q. No. The number 1 account in Guinness and Mahon. The account that we have been dealing with, if Mr. Traynor had briefed you as to the existence of it, and in general terms, what had gone into the account, it is something that you would remember?

A. I don't think so, Mr. Coughlan, no.

Q. Sorry, perhaps we are at cross-purposes. I think you say that you do not have any recollection of having any knowledge of this account.

A. That's right, yes.

Q. And what I was asking you, is that if Mr. Traynor had

briefed you fully and I don't mean necessarily in terms of the every movement on an account, but if he had briefed you of the existence of the account and the fact that over 100,000 had gone into the account in 1979, it's something you would have remembered and taken on board?

A. Oh, I would, yes, if he had.

Q. If he had?

A. Yesbut I would imagine that our conversation and briefing would have been related exclusively, perhaps not exclusively but mainly, to the AIB account and the situation in regard to it.

Q. So that in permitting you to attend a meeting with Mr. Phelan, you were left in a position of not being able to give a good account of yourself in the event of you being asked about the existence of any money or other bank accounts; isn't that correct?

A. The only thing I can say about that is when I was asked by Mr. Phelan at the odd meeting when I said and obviously I believed it at the time that I did not have any other bank account.

Q. Now, I think it's correct to say that at this period and on previous occasions Allied Irish Banks were complaining about drawings in breach of undertakings given as to levels of drawings; isn't that correct?

A. I don't quite remember that, but I mean I mean, the general position was that they were complaining about the state of the account which presumably would include the

level of the drawings.

Q. Now, I think you had indicated to them that you were attempting to keep the account under control, I think that particularly related to, at one stage, to some reference of drawings which related to the stud farm and you expressed the view you hadn't realised that they were so substantial and you'd make every attempt to try and keep them under control. I think there is a reference along those lines somewhere in the Allied Irish Banks' documents.

Now, what I have to ask you, Mr. Haughey, is surely after meetings with Allied Irish Banks, perhaps not immediately but sometime soon thereafter, you would have conveyed to Mr. Traynor the result of such meetings?

A. Not necessarily.

Q. But surely Mr. Traynor would have been at a disadvantage in managing your affairs if you didn't convey to some extent what had transpired at the meetings with Allied Irish Banks?

A. Yeah, that seems likely, yes.

Q. And surely, Mr. Haughey, Mr. Traynor must, at some stage, have told you that there were there was a significant flow of funds into an account in his bank for you?

A. To the best of my recollection, no.

Q. Now, from September of 1979 I think you have informed us that you would have entertained the hope of attaining the office of Taoiseach.

A. Yes.

Q. And I take it it's something that you mentioned to Mr. Phelan or he, in fact, has noted it in general terms at least anyway, a reference to this effect. I am not so much concerned about that. But I think the term was "leadership potential" is in the note of Mr. Phelan, there is a note around that time.

A. I am not sure, I am just trying to think back, Mr. Coughlan. It's very hard to focus on exactly what happened and when, but I would think that in September '79 there wasn't any indication I hope I am right about that, there wasn't any indication that the current Taoiseach, Jack Lynch, intended to resign. I think that came as something of a surprise later on in about November. And I am trying to visualise it as it was.

Q. Very good. Well, whilst it might not have been known specifically that Mr. Lynch was going to resign, I think

A. Sorry, Mr. Coughlan, I think there were bi-elections, weren't there?

Q. Yes.

A. And it was following those that

Q. I think that's when the real pressure, or whatever, acted on Mr. Lynch's mind anyway. But nevertheless, you engaged in the profession of politics, must have had some inclination at least that there was the potential for leadership there?

A. Well, it was always in the it was always in the

background.

Q. And Mr. Phelan does note something, some reference to that effect, at least, a potential for leadership, I think is the expression used by him in his note of a meeting with you.

That's as it may be, what I really wanted to know is this, that Mr. Traynor was perhaps the closest person to you, would you agree? Mr. Traynor was perhaps the closest person to you?

A. No. I mean, I would have political colleagues

Q. Yes, I understand that, but as a personal friend, as a financial adviser, he would be numbered well, put it this way amongst your closest of friends?

A. Yes.

Q. So can we take it that Mr. Traynor would have been privy, to some extent, of the potential for leadership for you also?

A. Only insofar as anybody else would have been. I wouldn't discuss that aspect of my life with Mr. Traynor.

Q. Yes, I understand you wouldn't perhaps discuss the minutiae of political activity with Mr. Traynor, but might I suggest to you that as you met him regularly, you were close to each other, he was the sort of person who could speak very frankly to you and you would take on board anything he had to say?

A. Not about political matters.

Q. No, he wasn't in the business of politics, no.

A. No, I think I have made that he was not a political person in any way.

Q. But that you yourself accept that there was an urgency around September of 1979 to do something about the state of affairs with Allied Irish Banks

A. Not from the political point of view. Really from the bank financial publicity point of view.

Q. Well, if I might approach it this way, so, Mr. Haughey.

In fact, it's probably a little bit earlier than September, it's probably around June of 1979 that there is a handwritten note of Mr. Phelan using the phrase "potential for leadership," but that's just his handwritten note; and as you have informed us, he was a man who kept abreast of matters political. I can't remember myself exactly what type of speculation was going on in the media at the time or what speeches were being made by various politicians which might have given rise to a general view that there may have been a leadership race in the offing, but could I put it to you this way, that if not in specific terms, in general terms, Mr. Traynor would always have been aware of the potential for leadership on your part?

A. I suppose so, yes, as you say, in a general sort of way. But it's not something that I would have discussed with him.

Q. Yeah, I can understand that, Mr. Haughey. So what I am really asking you is: There can be little doubt but that you were of the view that Mr. Traynor always had your best

interests at heart?

A. Yes.

Q. And that he wouldn't, to the best of your knowledge anyway, have done anything which might have caused a situation to arise which could have made you a hostage to fortune, to the best of his ability?

A. Well, the only thing I can say about that is that he would have regarded it as his duty or obligation, or whatever the word is, to do everything possible to attend to my financial affairs, to relieve me of any worry about them and to do his best to keep them in order.

Q. And I take it that you and Mr. Traynor would be aware of the fact that Allied Irish Banks was one of the largest financial institutions in the State?

A. Of course.

Q. And that in dealings you would have with financial institutions, that one would have to be very careful, particularly if there was a chance that you would become Taoiseach, that you would not give any misleading account of a situation to such a financial institution, would you agree?

A. Yes, I am not too sure that that would have been present in my mind. I mean, my concern at that time was that we would be able to get the AIB situation solved, settled, out of the way.

Q. Well, what I am particularly of course, can we take it that and I understand that that was the pressing

consideration. Can I take it that you would not knowingly have misled the bank?

A. I think you could take that, yes.

Q. But if Mr. Traynor did not brief you about the situation, he put you in a position where that's what you did, in effect, unknowingly?

A. Unknowingly, yes.

Q. Well, can we take it then that if that situation happened as you say it did, that you unknowingly misled the bank, that it would appear that Mr. Traynor was prepared to allow any situation to arise, include having the bank misled to solve your difficulties with Allied Irish Banks?

A. I doubt it if he would have been so alert to the situation, if that occurred to him.

Q. Well, I think you would agree, Mr. Haughey, from the volume of documentation you received from the Tribunal, that Mr. Traynor was an alert sort of man, would you agree?

A. Insofar as my insofar as financial affairs

Q. Insofar as financial matters were concerned. He was a banker himself at that stage. And he would have been conscious of the necessity for a bank in assessing a client to be privy to as much relevant information as there might be, wouldn't you agree?

A. Yes.

Q. And can we take it that because he was involved in these negotiations and carried them out discreetly at the highest level in the bank himself, he would have been very

conscious of the necessity of dealing with your affairs

very confidentially?

A. Oh, absolutely.

Q. And could I put it this way, whilst he was on the financial side, he would have to be conscious of the political sensitivity of the situation, because

A. Sorry?

Q. He would have to be conscious of the political sensitivity of the situation as well?

A. Not the political, no. He would be very conscious of the public opinion and media interest, that sort of thing.

Q. I use political in its broad sense like that, the body politic, that he would be conscious of that, you would think?

A. Well, not so much the political world I think. He would be conscious of my personal position, the public opinion aspect of it.

Q. Well, can we approach it this way, so, Mr. Haughey. There are only an alternative of choices here. In the first place, Mr. Traynor consciously did not brief you of the existence of a bank account in Guinness and Mahon and the fact that funds were flowing into it?

A. I couldn't accept that he did it consciously. As I said, he may have been and I may have been concentrating on the aspect of the AIB account, the pressure from there and the need to find a solution.

Q. Well, let's put it this way, Mr. Traynor had to know by the

time he came to deal with Allied Irish Banks, that over 100,000 had found its way into an account of yours, in your name in Guinness and Mahon; isn't that correct?

A. Yes, of course. That 100,000 was lodged into this account

Q. In Guinness and Mahon

A. That was in my name.

Q. Yes, he had to know that?

A. Almost certainly, yes.

Q. Well, we know

A. Did it come from AIB by the way?

Q. No. Not at all. He had to know because we saw a memorandum yesterday where he is giving instructions to a Mr. O'Dwyer, an official of the bank, to lodge a cheque to your account, so he knew of the existence of the account.

He knew the funds were going to the account and the probability must be that he would have known the various balances on the account at some stage. He knew of the existence of the indebtedness to Allied Irish Banks; he knew you were having meetings with Allied Irish Banks. And you say that he did not brief you of the existence of the account in Guinness and Mahon or the fact that funds were going into it.

A. Perhaps the most I am saying is that I have no recollection of him briefing me about the existence of the Guinness and Mahon account prior to that meeting that we are talking about.

Q. Very well. So, therefore, I come back to the question I started off with of there is only an alternative of choices here. Mr. Traynor did not brief you and, therefore, allowed you to unknowingly mislead the bank, that's Allied Irish Banks; or he did brief you and you misled the bank knowingly or between perhaps there is a third choice between the time he did brief you and your meeting with Mr. Phelan you forgot about the account in Guinness and Mahon.

A. No, I have to repeat that my firm belief is, and I think it's borne out by the surrounding the facts surrounding that particular account, my firm belief is that I was not aware of the existence of that account. Now, we have only Mr. Phelan's record of the meeting, and that I rightly or wrongly told the AIB at that meeting, according to Mr. Phelan

Q. Yes

A. And we have to again acknowledge that I never saw that record of that meeting or approved of it, but I would not necessarily have reported to Des Traynor that questions arose about another bank account after the meeting with Mr. Phelan and the official. It's not necessarily so that I would have reported to Mr. Traynor that that point arose, did I have any other account.

Mr. Coughlan, we are now here focusing on matters which are happened a long time ago, of which my memory is not

particularly vivid and which may not at the time have occupied such a prompt position in my mind or anybody else's mind as we, looking back now, as we were privy to them. In other words, it seems to me that you can take any particular isolated incident 20 years later and look at every aspect of it and examine every single nuance of it and describe things which were probably not present in the minds of the people at the time when it was happening. I think that's a very common experience in ordinary life.

Q. Yes, I accept that that is so; and you know, it's the task of the barrister and the barrister involved in the Tribunal to tease all matters out and to afford everybody an opportunity of having their say to enable the Sole Member of the Tribunal to arrive at the true facts of a situation.

So that is the reason why it has to be done so painstakingly. But even allowing and I accept what you say, that one can attribute significance to minute matters 20 years down the road that may not have acted upon the minds of the people involved or engaged in a transaction or an enterprise at that time

A. Or have had to them the significance which can subsequently be attributed to them.

Q. Yes, I can understand that as well, Mr. Haughey. But what I want to ask you here

A. Can I just add to that and say that it's quite possible that in a meeting, that particular meeting, and mind you these were high pressure times as far as I was concerned,

at that particular meeting with Mr. Phelan, he may have just asked me that particular question and I cannot say with hindsight that I would have attributed the significance to my answer that we are now attributing to it.

Q. Very good. And I understand that also in the context of, say, individual contributions or sums of money as well, but in the context of 105,000, approximately, being lodged to an account in your name now, leave aside the fact of an account in your name for a moment, but that 105,000 becomes available to Mr. Traynor for you. Now, in 1979 that was a very large sum of money, I think you would agree?

A. Yes.

Q. It was approximately ten times your salary as a Minister and TD at the time, approximately.

A. (Nods head up and down.)

Q. Might even be more, I don't know, but say approximately, and it is really in the context of something of that significance that that sum of money became available to Mr. Traynor for you, that we are not talking about something small, would you agree?

A. Certainly not.

Q. And what I am trying to tease out is in the context of a sum of money of that size that is it believable, is it credible, that Mr. Traynor would have kept you in ignorance of the existence of that sum of money?

A. I think there is certainly no question that he would not

feel it necessary to keep me informed on a day-to-day basis of these matters. I think in your investigations you have already or you have ascertained a great deal about Mr. Traynor's way of doing business.

Q. Yes.

A. And I think I have already said that he was inclined very much to keep everything to himself, and as far as I was concerned, he would certainly not be coming to me from day-to-day dealing with individual separate matters such as the lodgements to that account during '79.

Q. Yes

A. Mr. Coughlan, some of them were transfers, weren't they, some of those

Q. No, what I am talking about here in 1979, no, these were straight lodgements, straight lodgements. I have some transfers start taking place subsequently, but for the year 1979, we are talking about lodgements. And again, whilst I can readily understand that he may not have come to you about each individual lodgement or kept you informed of the minutiae of the operation of an account, that when it came to dealing with Allied Irish Banks, at least, that he would have kept you in the dark of the fact that he had received over 100,000 in that year for your use?

A. No.

Q. He wouldn't have told you?

A. I don't think that follows. And it would not be in accordance with his normal way of working and handling

clients' affairs.

Q. I am suggesting to you, Mr. Haughey, that that hardly seems credible. And I am affording you an opportunity to deal with that.

A. I find it incredible that you should say it's incredible.

Q. I see.

CHAIRMAN: I think, not to be pedantic, Mr. Coughlan, I think you may have inadvertently mentioned a multiple of ten times a salary. I think it's closer, on the figures that the Tribunal has received, four times. I was just referring, Mr. Haughey, in fairness to yourself, that from the figures available to the Tribunal, it seems that the aggregate of your TD plus Taoiseach salary in 1979 would have been roughly 26,000. So I was just noting that matter. Thank you.

MR. COUGHLAN: Well, nothing what I was dealing with it was before Mr. Haughey became Taoiseach. There will a ministerial salary. I don't think much turns on it.

Q. I think, Mr. Haughey, you do agree that over 100,000 was a lot of money in 1979, would you agree, over 100,000?

A. Oh, of course, yes.

Q. Now, you knew that there was pressure on from Allied Irish Banks about drawings from the account; and, in fact, they tended to tail off perhaps in '78/'79, the drawings weren't as significant. I think you have informed us that you cashed your salary.

Now, there were drawings from this particular account as well. Where did you believe those drawings were coming from?

A. Which now?

Q. There were drawings from the Guinness and Mahon account. Where did you believe they were coming from?

A. Which ones?

Q. To meet living expenses.

A. I don't think so. I think the were the drawings not all coming from AIB?

Q. No.

A. The position was that Haughey Boland & Co were operating a payment system on my behalf and that Des Traynor was arranging the funding of that. That was my general understanding of it at the time.

Q. Where did you think Mr. Traynor was getting the money?

A. Well, he had various funds at his disposal, some of which were mine in one way or another, loans or otherwise, and it was his function to make sure that insofar as possible my expenditures were funded; that I left to him.

Q. Well, what funds did you believe he had at his disposal some of which were yours? Could you tell us about the ones which you believed were yours?

A. Well, we have been over that ground I think. I can't put I'd have to go through the figures again, but it's, I think it's obvious from your own exposition of the situation that we were Mr. Traynor was raising loans on

my behalf, that there were some sales of property and so on.

Q. Well, the purported sale of property was in 1980. The loan raised with Northern Bank Finance Corporation was in 1981. So it couldn't have been any of those loans or funds available from sales of property that could have been used to allow drawings to take place from the account in 1979. And also bear in mind, of course, you have informed us that the proceeds from the sale of property, that is the deposit from the Gallagher Group, formed part of the money that went to pay off Allied Irish Banks.

So in 1979 where did you believe Mr. Traynor was getting money to allow drawings take place on your behalf?

A. You are asking me now, Mr. Coughlan, to go back to see what my view of the financial situation was in 1979. The only thing I can say to you is that I have no particular recollection of being concerned about it and that I was quite happy to leave the situation to Mr. Traynor in the knowledge that he would attend to it. But I cannot go back further than that.

Q. Mm-hmm.

A. I cannot dispose myself back to 1979 and see what particular or remember what particular problems or concerns I had at that time.

Q. Well, you yourself raised the issue, Mr. Haughey. I didn't. When I asked you where you believed Mr. Traynor got money for your needs in 1979, and you replied that he

had funds available to him, some of them were yours.

Now, can we take it that you believed that they would have arisen by way of loans raised on your behalf or money from the sale of lands? Let me tell you there appear to have been no loans raised on your behalf at that time other than the AIB indebtedness and there was no money from the sale of lands. Now, I am leaving aside the Agricultural Credit Corporation for the moment because that did not go in to the particular account in 1979.

What other funds did you believe Mr. Traynor had available to him if there were not loans for you or proceeds of the sale of the land? What other funds do you believe he had available to him?

A. As I say, I cannot at this stage return to 1979 and tell you with any sort of reality what my view of my finances were at that stage except for the fact that Des Traynor was handling them. I had total trust in his competence and ability and that was as far as I was concerned at the time.

Q. I know that, Mr. Haughey, but you said in reply to my question that Mr. Traynor had other funds available to him

A. Perhaps I should rephrase that. He would have had other funds I mean, he had his own resources, he had the bank, he had the Guinness and Mahon, the bank

Q. Let's examine that

A. He had possibilities of raising loans in different ways as

we have already adverted to.

Q. Well, Mr. Haughey, I have to get into the detail of this because it's my duty to ensure that the assist the Tribunal in establishing the true facts and to be absolutely fair to you.

In 1979 there were lodgements to the account of about 105,000. They did not arise by way of loan from any external source to Guinness and Mahon and did not arise by way of any loan internally in Guinness and Mahon. So looking at it in detail again, Mr. Haughey, Mr. Traynor

A. Sorry, Mr. Coughlan, weren't the two last items, I can't find the thing now, but were two of the last items not transfers of some sort?

Q. No, not in 1979. I dealt with transfers in 1980, Mr. Haughey, alright, but in 1979

A. Which folio is it again?

Q. Table 1. If you look at table number 1 you see lodged to the account on the 13th February, 15,000; lodged to the account on the 20th February 1,875; lodged to account 23rd February 1979, 20,000; lodged to the account on the 7th March 1979, 3,575; lodged to the account on the 12th March 1979, 2,425; lodged to the account on the 21st September 1979, 34,998.58, that was a cheque. We have information about that. Lodged to the account

A. That's the one I want to ask you about. Lodged 24/9/79, 34,998.58. Now, we will discuss that.

Q. Yes, that was a cheque.

A. And you gave me some

Q. Yes, document number 1. It's where Mr. Traynor is asking

Mr. Pat O'Dwyer, an official in Guinness and Mahon, to

lodge this particular cheque to the account in your name.

And then the final lodgement that we have put in the table

for 1979 is on the 26th October 1979, again, it was a

cheque and it was for 10,000, and that's to be found,

references to it at documents number 2 and 3. Now, there

are no loans there.

A. I thought that I thought that that cheque of 34,998 was

some internal transaction, but

Q. No. So it would appear that the source for all these

lodgements was external. There are no other loans in

existence, no land has been sold at this stage, so where

could Mr. Traynor have got the money?

A. I don't know and I cannot speculate.

Q. And you say that you never gave a cheque or cash to

Mr. Traynor; isn't that correct?

A. Almost certainly not.

Q. Mm-hmm. And just to allow the Tribunal have a more

complete picture of the situation, can we take it that with

the accounts and I mean the Allied Irish Bank accounts

in the first instance and these Guinness and Mahon

statements of accounts in your name that from your

examination of them they would appear to relate to the

personal side of your life and are not involved on the

political side of your life? To put it this way, that there are no political contributions or donations going into these accounts?

A. Not that I am aware of, no.

Q. So if it didn't if the lodgements did not arise by reason of loans or the sale of land, they did not come out of funds available to Mr. Traynor which were your funds; isn't that correct?

A. I can't say that.

Q. Well, what other funds did you have?

A. Hmm?

Q. What other funds did you have?

A. I am not aware at this stage of other particular funds, but I cannot say that Mr. Traynor didn't have some other way of raising these necessary funds on my behalf.

Q. Yes. Now, the only other source, so, available to Mr. Traynor to get money on your behalf was to get it from third parties, would you agree?

A. You are I cannot necessarily agree. You are excluding all sorts of possibilities.

Q. Well, tell me about them.

A. Well, the fact that Mr. Traynor may have gone to some other institution and borrowed money or you say that

Q. On what security do you believe that was done?

A. I wouldn't know.

Q. You have furnished the Tribunal with waivers to approach all the financial institutions in this State; isn't that

correct?

A. Yes.

Q. And the Tribunal has uncovered and I am not excluding any remotest possibilities of course but the Tribunal, in approaching all of the financial institutions in the State, have not uncovered any other loans which were obtained on your behalf.

A. The Tribunal hasn't ascertained?

Q. No.

A. Well, that's I mean, I cannot comment on that.

Q. But what I am trying to do

A. Can you say that that was comprehensive and exclusive and that you that either you or I can say that there was no other possibility of Mr. Traynor raising any funds from any other source either by way of borrowing or otherwise?

Q. Well, approaching the matter in a reasonable and rational way, I presume you could say that, Mr. Haughey. One could have a capricious view that there may be a possibility you but being reasonable about it

A. I think, Mr. Coughlan, my duty would end when I give the Tribunal every possible assistance in approaching every possible financial institution to sort out these matters.

I cannot be of any further assistance to the Tribunal. I mean, I don't have any resources at my disposal to go to all these to explore these things to the final, to a final result. I have to rely on the Tribunal who have the power to find out this information.

Q. With your consent, every financial institution in this State has been approached to see if there is any information concerning your financial affairs, including all of the financial institutions in the IFSC; of course, many of them would not have been in existence at the time, but to allow as complete an approach as possible to be taken by the Tribunal.

Now, you have recently furnished a consent to allow the Tribunal to approach Cayman in relation to a loan of which there is documentation about in the Central Bank, but in this State, there is no record, in 1979, of any loans being raised on your behalf and the Tribunal I should add this approached the financial institutions in as wide a possible way, including all references to accounts held by Mr. Traynor or any loans which may have been taken out by Mr. Traynor in his own name, for example. We have tried to be as wide as possible in our approach to this, and there is no evidence of any loans in that period which would account for any of these lodgements or for the total of the lodgement or for a portion of the lodgements. Now, that's the position, Mr. Haughey.

A. The only thing I can suggest to you there is that there would, almost certainly, not be any other loans in my name. But can we totally exclude the fact that Mr. Traynor, either from funds at his own disposal or in some other way, would raise the necessary monies to meet these lodgements? I cannot be I cannot be affirmative about that.

Q. We have approached the institutions about Mr. Traynor, and again no evidence.

A. One of them, Mr. Coughlan, if I may say so, I am puzzled by this cheque on the 21/9/79, 34,000, it's an odd amount.

It's in September when perhaps there were bloodstock sales,

I don't know, I can't recall, but as it was a cheque lodged, is it not possible to determine its origin?

Q. Mr. Haughey, the information available arises from the microfiching of records of Guinness and Mahon; that is what is available at the time. Banks have a destruction policy also, although Guinness and Mahon had a better retention policy because it was a smaller bank and computerised earlier than the larger banks. Now, that is the information available and it was a cheque that was lodged.

Now, you told Mr. Phelan and maybe you were puffing or maybe you were engaged in some sort of bravado with Mr. Phelan, that may be so, when you said you snaffled the proceeds of the bloodstock, or the stud farm income.

Now, if it was a cheque from the sale of bloodstock, that is something that you would have had to give to Mr. Traynor; isn't that right?

A. Probably, yes.

Q. You told us that you, to the best of your recollection, you didn't give anything to Mr. Traynor. But let's take it up on the basis that if it is from the sale of bloodstock

A. Sorry, Mr. Coughlan, I am not sticking myself to that. I

am only putting it forward as a suggestion.

Q. Very good. And I am not going to hold you definitively to it, Mr. Haughey, but what I want to examine now

A. I am just saying the date is September which is usually the sale of bloodstock.

Q. Very good. Now and I am not holding you to what you said, that you would never have given him anything, but if it was from the sale of bloodstock and that was the proceeds, it had to be given to Mr. Traynor, and if it was given to Mr. Traynor, it had to be for a purpose; isn't that right?

A. Yes.

Q. And the purpose could only have been to allow Mr. Traynor to either cash it, I suppose, as a banker, or to lodge it somewhere; isn't that correct?

A. Yes.

Q. We know it was lodged, and if it was from the sale of bloodstock, I am suggesting to you that you must have known that Mr. Traynor operated some account, you may not have known it was in your name, you may not have known even where it was, but that he must have operated some account on your behalf independently of Allied Irish Banks?

A. I think I can go as far as saying that I knew that he handled funds on my behalf, yes.

Q. Well, if you knew that Mr. Traynor handled funds on your behalf at this time, the information you furnished to Allied Irish Banks was, therefore, not in accordance with

the true state of affairs; isn't that correct?

A. Please explain that and repeat that to me.

Q. Very good. If this money was from the sale of bloodstock

A. Sorry, Mr. Coughlan, I put that forward as a possible supposition. If it's not so, if you are satisfied that it's not so, well then, that's perfectly all right by me.

Q. I am not saying that I am satisfied or dissatisfied, Mr. Haughey, because, thankfully, that's not my role in this Tribunal. What my role is, is to inquire into all aspects of the situation for the assistance of the Sole Member.

Now, you put this forward as a proposition, and I am only examining it in that context as a proposition.

A. The Chairman said that if it was helpful to me, I could speculate as to where these funds might have come from.

Q. Absolutely, Mr. Haughey.

A. And in that spirit, I made this suggestion because it's an odd amount, because it's in September, it is possible that one way or another it's the result of the sale of bloodstock. I am not putting it any further than that.

Q. I don't have any difficulty with you speculating at all, Mr. Haughey, but you understand that all I am trying to do is to tease out all the possibilities and inquire into all sides of it.

A. Of course.

Q. Now, do you accept that in the light of the matters I am canvassing with you now, that it's a remote possibility that it arose from the sale of livestock or do you still think that it more likely than unlikely that it arose from the sale of bloodstock?

A. You said livestock

Q. I beg your pardon. Bloodstock?

A. You are right, because there was probably cattle as well involved in the stud farming.

Q. What I am really trying to ask you about, Mr. Haughey, is this. I am not so much concerned with the detail of this particular transaction, but that you have informed us that you would have been aware that Mr. Traynor had funds under his control for you; is that correct?

A. No, I don't think I limited I said Mr. Traynor had very considerable funds under his control.

Q. Ah yes, but he couldn't use other people's money just for the sake of satisfying the interest of a client,

Mr. Haughey. A banker can't do that sort of thing. I think you'd agree with that, and that Mr. Traynor wouldn't have done that, would he?

A. No, I don't think so, no.

Q. But you knew that he had access to funds under his control which he could use for you, if I could approach it that way?

A. Presumably he could make bank funds available

Q. No, no, Mr. Haughey

A. But I said he could have.

Q. He could have, but he didn't here, that's these are the facts. He didn't. These are the facts. It's in light of the facts that I am asking you to comment and to speculate if necessary. There is no difficulty about you speculating, that may be of assistance to the Tribunal.

But in light of the facts, he didn't make use of Guinness and Mahon bank funds, those are funds he had under his control; he didn't raise any loans to the best of anyone's knowledge; no land was sold by you. But you were aware that he had funds available for your use; isn't that correct?

A. Well, I think what I said was that he handled funds on my behalf. In other words, he dealt with loans and sales and

Q. No, no, Mr. Haughey, no loans, not sales at this period.

A. You are asking me, and I said that he handled funds on my behalf.

Q. Yes, he did, there is no doubt about that.

A. And those funds could consist of loans or sales and, in fact, we have evidence that they did from time to time consist of loans and sales and borrowings.

Q. Well, where did you think very well, let me take you up on that. Where did you think those funds went? Where did you think any funds he raised went?

A. Well, possibly, probably, to fund my expenditure or to if there were sales, they would be to pay off loans. I

mean, it was a fluid and complex situation.

Q. Let's be clear about factual matters so. No land was sold to account for these lodgements, would you agree?

A. If you say so.

Q. In 1979?

A. If you say that, yes, I accept that. If that is the record.

Q. Had you any other land other than Abbeville, Inishvickillane, Sligo and Wexford, to the best of your knowledge?

A. The Rath Stud farm

Q. That was many years previously and had been disposed of.

I am talking about at this time now in 1979, to the best of your knowledge, there was Abbeville, there was the island Inishvickillane, there was the property in Sligo and there was a small property in Wexford I think; isn't that correct?

A. I think that's it

Q. That's about it, isn't it?

A. I think that was the total, yes.

Q. None of those were sold until you entered into the agreement with Mr. Gallagher in 1980; isn't that correct?

There was no step taken to sell any of those lands in 1979, to the best of your knowledge?

A. That's correct.

Q. I can tell you anyway, with the exception, I think, of the Wexford property, all the title deeds of the other

properties were in Allied Irish Banks.

A. Yes.

Q. Now, if I might move on in this particular account to the year 1982. Now, there was lodged to this particular account

A. Are we on Table 2 now?

Q. No, no, on Table 1, Mr. Haughey. I am taking the year 1982. It's just a quick exercise that we did

A. Oh, yes

Q. That there was lodged to this number 1 current account in 1982 the sum of 68,135.37, and I am excluding a lodgement of 75,000 on the 13th September 1982 which appears to us to be the proceeds of the Agricultural Credit Corporation loan.

A. Yes.

Q. So between March and September 1982, it's a period when you were back in power as Taoiseach, there was lodged to this account 168,135.37.

A. Yes, that's what it says here.

Q. In March of '82, there was 67-odd-thousand pounds lodged. On the 22nd June, there was 1,000. On the 9th September there was 100,000. And then there is the 13th September, the 75,000 which appears to be the agricultural the proceeds of the Agricultural Credit Corporation loan, so I am excluding that.

Now, there were two huge lodgements, 100,000 and 67-odd-thousand pounds. Again, can we take it that you sold no land in that time?

A. I think not.

Q. There is no evidence of any loans being obtained in that period

A. I cannot say that.

Q. Of course, other than the ACC loan, but did you know at this time that Mr. Traynor was operating an account on your behalf not necessarily knowing the specific details of an account?

A. No, not this is the same account, isn't it?

Q. Yes.

A. As I said already, I did not know of the existence of that account in my name and I would be quite certain that I did not lodge I did not lodge any of these amounts to that account. And I think we have we dealt with these amounts yesterday, as far as I can recall, and I informed you correctly that I could not be of any assistance to you in regard to them. I can say I can say almost with total certainty that I did not lodge these amounts.

Q. So, therefore, Mr. Traynor must have got the money somewhere else, would you agree?

A. That would seem to be

Q. Where do you think he might have got the money?

A. I cannot say.

Q. I take it that during this period, you were still having reasonably regular meetings with Mr. Traynor?

A. Probably not as probably not too frequent because I was Taoiseach at that time. I think I ceased to be Taoiseach

sometime in '82.

Q. Well, do you think that Mr. Traynor

A. Sorry

Q. Sorry, I beg your pardon.

A. Was I not I mean, I know the government was changing pretty frequently, and I may not have been in office for most of '82, but presumably we can ascertain that.

Q. Yes, that's a matter we can just check up on. I do have

CHAIRMAN: I think it was 9th March 1982, Mr. Haughey, you went back into office as Taoiseach and continued almost until the end of the year, the 14th December.

MR. COUGHLAN: Thank you, sir.

A. I just remember that we were changing fairly rapidly in those days.

Q. MR. COUGHLAN: Yes, I think there were three elections in the space of two years.

A. Yes.

Q. Would you agree that at this time Mr. Traynor still had your implied authority to ask people for money on your behalf?

A. Oh, of course, yes.

Q. Now, if I might turn to table number 2, so, for a moment, Mr. Haughey. This is a table prepared by us of lodgements to what's known as a number 2 current account in your name at Guinness and Mahon and it's account number 3356019 and

the account was opened in 1983 and there is a lodgement to the account on the 9th May 1983 of 30,000. It's a technical entry in the account, if I can just leave it at that for the moment.

On the 9th May 1983, there was a lodgement of 80,000 and that was a transfer, it's document number 15 and I will just put it up, I will explain what it is now, Mr. Haughey, it's a transfer from an Amiens account, those were accounts that Mr. Traynor operated and controlled. And I'll go into this again in more detail. It appears to be part of the proceeds of what I'll describe as the P V Doyle money.

On the 13th May 1983 there was lodged to the account this account, 10,000 and that was a transfer from a joint account in the name of Harry Boland and C J H and it's shown on the daily input log, document number 16.

On the 2nd June there was lodged to this account 10,000, which was, in fact, a transfer from the number 1 account in your name.

And on the 14th September 1983, there was lodged to the account the sum of 80,000 and it appears to be the proceeds of a cheque, and that is shown on the bank's daily input log, document number 18.

Now, in relation to that particular lodgement, Mr. Haughey, it may be the proceeds of Agricultural Credit Corporation

loan of 80,000 in September of 1983 because no other credit of 80,000 can be found to any Charles Haughey or Des Traynor account on that particular day. So we are proceeding on the basis that it's probably the proceeds of the loan from Agricultural Credit Corporation in '83.

Now, like the previous account, Mr. Haughey, did you have any knowledge of the existence of number 2 account?

A. No, sir.

Q. Did you have any knowledge of the existence of a joint account in the name of Harry Boland and Charles Haughey?

And before you answer that, let me just tell you that Mr. Boland gave evidence to the Tribunal that he had absolutely no knowledge of the existence of any such account and he did not authorise the opening of any account in his name or joint account by Mr. Traynor.

A. My position would be the same.

Q. Can we take it that you had no knowledge of the existence of, as you have told us, an Amiens account or any type of Amiens account, there being many different Amiens accounts, that you had no knowledge of the existence of such accounts being controlled by Mr. Traynor?

A. That's correct.

Q. Now, can I take it that and I don't want to beat this to death, Mr. Haughey, but I if necessary, I'll have to go through the documents I have referred you to, being the various daily input logs and that sort of thing.

From the documents furnished by the Tribunal, do you accept the Tribunal's analysis that those appear to be the various sources for the monies lodged to this particular account or is there anything specific you wish to draw attention to?

A. I have no quarrel with the Tribunal on that account.

Perhaps, again, it's more his territory. Mr. Pielo might confirm these, confirm your information in that regard.

Q. Now, Table 3 is loan account number 02318008, and this is the account which, on the books and records of Guinness and Mahon, is recorded as being a joint account, H Boland and C0 J Haughey, and I have told you the evidence Mr. Boland gave to the Tribunal.

Now, there was lodged to this account a total of $i; \frac{1}{2} 229,756.82$, and there appears to be information available on the bank's records and evidence has been given by Ms. Sandra Kells about this. If I could just deal with the first lodgement which was on the 18th January '82, that was lodged to the account, 53,897.57. And there is no information from the bank's records as to what that was about; in other words, the source of it or otherwise. I take it you can not assist the Tribunal about that.

A. No.

Q. On the 5th May 1983, there was 10,000 lodged to this particular account, and this is a transfer from an Amiens securities account and it is shows on the bank's daily input log.

I am just putting the documents up, Mr. Haughey, but you needn't pay much attention to these at the moment.

And it's document number 19, and this was the same account from which transfers were made to the number 1 account in your name and the number 2 current account, and they appear to be this appears to be the proceeds of the P V Doyle monies again. I'm just pointing that out to you.

A. This 50,000?

Q. No, the 10,000, it seems to be part of that particular transaction.

Now, there is the next lodgement or credit to the account is 50,000 on the 20th January 1984, and from the information available to the Tribunal and evidence given, this appears to be a transfer from the J D T account, that's a Mr. Traynor account, number 70086028 and the information for that appears from the bank's daily input log, and it's document number 20.

And then the final lodgement in that account, which cleared the loan, was 115,859.06 and that was lodged on the 11th September 1984. And from the bank's records daily input log, document number 21, it appears to be a transfer from the number 1 account in your name, number 1 current account in your name.

Now, again, it's I'll just ask you: Do you have any difficulty with the analysis and I am not asking you to

go through it in detail, but you may if you wish with the analysis carried out by the Tribunal as to the sources of the monies into this particular account, or is there any particular one you wish to comment on?

A. No. Again, I'll leave that to Mr. Pielo to discuss with you.

Q. May I ask you, just

A. Sorry, Mr. Coughlan, it seems to me that the odd thing about this particular account is that it stretches from '82 to '84; and, therefore, more or less duplicates, doesn't it, the number 1 account?

Q. No, it doesn't, it doesn't actually duplicate it.

A. It runs side-by-side with it.

Q. They run side-by-side?

A. Which is, I mean I don't understand why that should be.

Q. Very good.

A. And I suppose in a way number 2 is somewhat the same, it's covered '82, which overlaps with this and overlaps with number 1.

Q. There were overdrafts yes, this is if I could just explain, this appears to be on the records of the bank, a loan account, if you understand me.

A. Yes.

Q. And it's visible, it's up front what I'd like to ask you about this, Mr. Haughey, I think Mr. Boland had been a colleague of yours at the commencement of your practice; isn't that correct?

A. From the very beginning.

Q. Very beginning.

A. We were in school and college together.

Q. He is both a friend and a colleague of yours, Mr. Boland?

A. Until this day, yes.

Q. And I think Mr. Traynor was articulated in your firm; isn't that correct?

A. To me.

Q. To you.

A. Yes.

Q. And he subsequently, I think, became a partner in the firm?

A. Yes.

Q. And from there, moved on to Guinness and Mahon and many other positions.

Now, can we take it that Mr. Traynor would have known Mr. Boland well?

A. Yes, very much so; yes, very close indeed.

Q. Now, Mr. Boland informed the Tribunal that he knew nothing about the account until January of 1999, that's when the Tribunal brought it to Mr. Boland's attention sorry, it was probably brought to his attention by Ms. Kells in the first instance in Guinness and Mahon, but it relates to the Tribunal's examination of the accounts. There was 50,000 debited from the account and he said he never received such a debit. He has no knowledge he had no knowledge of the account. He was never aware that it existed; never

authorised anybody to open it; never gave general authorization to give a loan account in his name. Had never heard of Mr. O'Dwyer. Mr. O'Dwyer was an official in the bank and that was the postal address for the account on the statements, and was never asked by you or Mr. Traynor to facilitate you in the opening of an account.

A. Yes, I understand.

Q. Would all of that accord with your recollection of things or

A. Yes, yes.

Q. That it never happened as far as you are concerned?

A. Exactly.

Q. Now

A. I think he also made the point that it had the flaw that he would always have opened an account in his Irish name, O'Bolain, and I can certainly confirm that, he was a very convinced Irish speaker.

Q. I think that is correct, he gave evidence that all accounts opened in his name all accounts of his were in his Irish name?

A. He always tried to do everything, all his personal things, through Irish.

Q. Now, can you understand at all why Mr. Traynor, who was such a close friend and colleague of both you and Mr.

Boland, would have opened an account in the joint name of Mr. Boland and you?

A. No, sir, I can't understand it.

Q. And on the face of it anyway, there was a liability for both you and Mr. Boland in respect of this account because it was a loan account. You can take it from me

A. I am taking your word for that.

Q. That is correct, yes, do you think that it was Mr. Traynor's form to do such a thing and to expose two very close people to him to such a potential liability?

A. The one thing I'd say about that is that I would be certain that he wouldn't expose either of us to any detrimental situation.

Q. Well, unfortunately, on the face of this, and this was in the books and records of Guinness and Mahon, unknowingly you and Mr. Boland were in a position of being exposed to a huge liability.

A. Yes, but can we be sure that we weren't covered in some other way within the Guinness and Mahon scope of operations?

Q. That raises potentially an interesting question, Mr. Haughey, but on the face of it, within Guinness and Mahon itself, no is the answer to that.

Now, just to try and deal with the situation in its full context. The resident current accounts in your name sorry, there was only one at that stage was you can take this from me was overdrawn, substantially overdrawn?

A. This is Table 1?

Q. Yes.

A. Yes.

Q. Now, at the time this account was opened, it was about 115,000 overdrawn. This loan was created in Guinness and Mahon on paper anyway, and there was a debit then immediately of 70,000 to Haughey Boland out of the account.

I think you will probably accept that the probability or the more likely reason for that was to fund the bill-paying service which Haughey Boland were providing for you?

A. I cannot say, but

Q. Then on the 29th January, there was another 50,000 and the particulars on the account are draft H Boland.

Now, Mr. Boland has told us he personally didn't receive any draft, and I think you'd accept his evidence on that.

A. Sorry, I am on the wrong I am on Table 3 here.

Q. Sorry, I beg your pardon, we will give you a hard copy.

We are looking at this on the screen. Perhaps if you look it's the statement of the account, Mr. Haughey.

It's at 1.63 in hard copy.

A. I am afraid I am not with you, Mr. Coughlan.

Q. Very good. I'll give you a hard copy of it.

A. Is this one of our tables?

Q. No. It's the actual account statements at 1.6 (III).

(Documents handed to witness.)

It's the statement of the joint loan account. It's described as a resident loan, Irish pounds, Harry Boland/C

J Haughey.

A. Yes. Sorry, Mr. Coughlan, I have it now.

Q. Now, you can see that on the 2nd November it's got a zero balance. And then on the 2nd November, there is a debit to the account of $\text{£}70,000$ which goes to Haughey Boland.

That allows for a debit balance of $\text{£}72,000$. There is then the application of interest, that brings it up to $\text{£}72,500$.

There is then a lodgement or a credit to the account of $\text{£}53,897.76$, which is untraceable in Guinness and Mahon, and that reduces the debit balance to

18-and-a-half-odd-thousand pounds. The next two entries there, it's a reversal. We can ignore the 213, and the 2,545.89, they cancel each other out then as drawings of a draft H Boland for $\text{£}50,000$.

Now, Mr. Boland has given evidence to the Tribunal that he did not receive a draft for 50,000 himself. I take it you would accept his evidence about that?

A. Yes.

Q. Now, that brought the debit balance on the account up to 68,000-and-odd-hundred pounds.

Now, there were no further drawings on the account and they were the application of interest.

And in May of '83, just going on, there was 10,000 drawn on the account but there was a lodgement of 10,000 to meet that.

A. I am weeding through sheets here dealing with '82; is

that

Q. Yes. You can take it that the figures I am putting to you are the figures that are on the statements.

A. I'll accept that, yes.

Q. So on this particular account, there was a running debit balance on the account. It was roughly around 70,000.

A. Yes, I see that, yes.

Q. And the primary purpose appears to have been to fund a debit in favour of Haughey Boland of 70,000 in November of '81.

A. Yes, well, I don't know about that, but I accept your interpretation of it.

Q. Why do you think Mr. Traynor would have done this, Mr. Haughey?

A. I have no ideas. I did say to you before and you dismissed the idea that Mr. Traynor might have a capacity within the confines of Guinness and Mahon to move money around. This would seem to bear that out. I don't know.

Q. Well, it's a little bit more than that, Mr. Haughey, really when you look at it. You said that Mr. Traynor had implied authority from you to do all that he considered necessary on your behalf.

A. Yes.

Q. Isn't that correct? So he might have had implied an authority to open an account in your name, as far as you were concerned, leave aside I am leaving aside the paperwork on an account itself. I am talking about

authority from you, he had implied authority from you to open an account or to take out loans on your behalf, as far as you were concerned?

A. Well, certainly take out loans on my behalf. I don't know that I ever specifically thought of including the opening of bank accounts, but I didn't not either.

Q. According to Mr. Boland, he had neither expressed nor implied authority to open any account on his behalf or to take out any loans on his behalf. You'd accept that?

A. Yes.

Q. It would appear to have been an unusual thing for Mr. Traynor to do so, wasn't it, to open an account in Mr. Boland's name and to have an indebtedness for which Mr. Boland had a potential liability on that account?

A. Well, isn't it in both our names?

Q. Yes, it's in both your names, but Mr. Boland was equally as liable as you would have been on the account. Mr. Boland was equally as liable as you would have been on the account if the bank had called it in?

A. I don't know that, but I mean, but surely if he didn't if he didn't know that the bank thing had been opened in his name, would he have been liable?

Q. It would have given rise to a very serious question for Mr. Traynor to answer as a banker, wouldn't it at least?

A. Perhaps.

Q. Well, may I ask you this: Looking at these facts, would you accept that this was an unusual way to conduct your

affairs?

A. Yes, I would agree, yes.

Q. And would you agree, or would you go so far to say that in fact it was irregular and improper to conduct your affairs in this way?

A. No, I wouldn't like to say that.

Q. You wouldn't go that far?

A. No.

Q. For a banker to open an account in the name of somebody unknown to that person and to create a liability for them?

A. Well, we have already accepted that he opened the Table 1 account in my name without my

Q. But he had an implied authority to deal with your affairs.

A. Yes, implied, but

Q. Well, do you now resile from the proposition that he had an implied authority which extended as far as opening accounts in your name?

A. Well, I never thought of it in that regard, but I would have to say, looking back, that it could certainly be implied that he had that implied authority.

Q. Mm-hmm.

A. I didn't address my mind to it at any stage, but bearing in mind what his special position was in regard to my financial affairs, I would accept that he could have done he would have had that implied authority, yes.

Q. Well, can we take it that if that be correct, and now on reflection you come to that view, that yes, he had such a

wide-ranging implied authority

A. Well, let me put it this way: That his authority from me, looking back, you could certainly have interpreted that as a capacity to open accounts in my name.

Q. Yes.

A. Those I must say, that until this Tribunal began its investigations, that I didn't realise that a bank account could be opened in one's name without one signing anything, something in connection with it. I always assumed you had to sign an application form or submit your signature

Q. The normal steps you'd expect, yes?

A. But I didn't ever visualise that the other process could happen, that you could open a bank account in my name and I not know anything about it. I am not saying you personally, Mr. Coughlan.

Q. I didn't know myself, Mr. Haughey, until I heard this evidence, in fairness. But from our understanding of banking, and we have developed a reasonable understanding of it over the period of this Tribunal, it would appear what you are saying is correct, that the proper way to open a bank account is for some form of form to be signed to open an account, specimen signatures obtained, the usual formalities that one would expect. Of course, the law has changed subsequently in respect to money-laundering and matters of that nature, but it was always so, it would always appear to have been the situation that one made some form of application and gave a specimen of signature for

the purpose of opening a bank account. That appears to be the situation. I think that would accord with your own understanding over the years.

A. Yes, I think it's much more rigorous today.

Q. Yes. Well, notwithstanding the on reflection your view that he had this wide-implied authority, can we take it that you are surprised to learn that these accounts were opened in your name?

A. Well, certainly I am surprised to learn that this particular that it was opened in our joint names.

Q. Particularly, and bearing in mind there was no authority from Mr. Boland at all and can we take it, just to complete everything and to cover all alternatives, you didn't have any discussion with Mr. Boland yourself

A. No.

Q. about opening such an account or any account?

A. Or?

Q. Or any account? I am not talking about now in the days when you were in practice and there may have been accounts of the practice and matters of that nature, but around this time, you had no discussion with Mr. Boland about opening a joint account?

A. Certainly not.

Q. Now, there is one final account. This is on table number 4, and it was only open for one month, from the 2nd September 1981 to the 1st October 1981, and the only lodgement was 74,996.83, and from our analysis of the

situation, this was the same as the ACC loan advanced in 1981 and the credit probably represents the proceeds of that borrowing. Would you accept that particular analysis of the situation on that particular account?

A. That is your interpretation of it.

Q. The evidence has been given by Ms. Kells, and that is the analysis that seems to be the more likely source of the money into that account at this stage, unless you can offer any other view?

A. No, I don't know anything to contradict that, no.

Q. I think I'll leave it there for today, Sir.

CHAIRMAN: Well, rather than move on to a fresh topic for the sake of five minutes, very good. Half past ten tomorrow if you please, Mr. Haughey. Thank you very much.

THE TRIBUNAL THEN ADJOURNED UNTIL THE FOLLOWING DAY,
FRIDAY, 29TH SEPTEMBER 2000 AT 10:30.