

THE TRIBUNAL RESUMED AS FOLLOWS ON FRIDAY, 25TH MAY
2001 AT 11AM.

CONTINUATION OF DAY 12 OF THE DEPOSITION OF CHARLES J.
HAUGHEY WAS READ INTO THE RECORD BY THE REGISTRAR AS
FOLLOWS:

Q. "MR. COUGHLAN: If I might turn and I hope we can go
through this fairly rapidly, Mr. Haughey. It's the
evidence which was given about the bill-paying service
and I am dealing specifically now in the period when
the bill-paying service was carried on by Haughey
Boland and then by Deloitte & Touche in their new guise
- Haughey Boland in their new guise. And I have a
book which has tables in it which summarises the
amounts and it may be of assistance. Now, if I could
just explain. The evidence given by Mr. Paul Carty
was that I'll deal with this. Most of it is just
backing documents that we need not go into unless you
feel it's necessary, Mr. Haughey. But the evidence
given by Mr. Paul Carty in general terms
Now, if I may just, in general terms, Mr. Carty gave
evidence to the Tribunal that he had no direct
involvement in the bill-paying service, but gave
evidence that the firm of Haughey Boland had been
engaged in the bill-paying service on your behalf
perhaps as far back as the 1960s, would that be
correct.

A. Possibly, I am not sure, I am not sure when it began.

But I mean, if Mr. Paul Carty had no involvement, how was he able to give evidence about it?

Q. What Mr. Paul Carty was engaged in was an exercise in attempting to, from limited information in Haughey Boland, reconcile from a cheque-book which was available for what they called their No. 3 Account, a client account, which was used almost exclusively for the discharge of invoices and bills he received from your secretary.

A. Am I right in thinking that at the behest of the Tribunal he carried out some sort of post factum investigation into records of which he had no personal knowledge at the time?

Q. Yes.

A. Is that not a strange behaviour?

Q. I see. Well may I ask you this: did Haughey Boland operate a bill-paying service on your behalf?

A. That's well established, Mr. Coughlan. All sorts of different areas and contexts, that's well established. It has become a feature of modern Irish Life.

Q. Now, insofar as Mr. Carty can establish, Mr. Haughey, for the year 1st January 1985 to the 31st December 1985, approximately $\frac{1}{2}$ 189,000 was paid out through the bill-paying service.

A. Paid out through it?

Q. Paid out through the bill-paying service on your

behalf.

A. Well, if that's what Mr. Paul Carty says, you must decide whether it's a fact or not.

Q. Well, do you dispute it?

A. The figure of $\text{£}189,000$ to me, at this stage, is meaningless. Utterly meaningless.

Q. And there were credits to the Haughey Boland No. 3 Account in 1985 which we have been able to ascertain of

A. Come back to that $\text{£}189,000$. Is this a figure that has emerged from Mr. Paul Carty's investigations?

Q. Yes.

A. And am I right in thinking that it's based, to a considerable extent, on assumptions as to what might have been?

Q. No. I don't think so.

A. He had no direct knowledge of it.

Q. Well, what he engaged in was, effectively, a bookkeeping analysis, if I might describe it as that.

A. I seem to remember seeing somewhere something about assumptions. Some letter that he gave either at this Tribunal or to the other Tribunal, that he was assuming, I am sure that letter is around somewhere.

Q. Well, I'll look for that so. But in the year from the 1st January 1986 to the 31st December 1986, Mr. Carty has given evidence that there was $\text{£}177,000$ expenditure. Do you dispute that figure?

A. No.

Q. From the 1st January 1987 to the 31st December 1987
i;½204,000 was expended. Do you have any comment to
make about that figure?

A. No, just to say again that these figures are, to me, to
my mind at this stage, the process of recollection,
just quite meaningless.

Q. From the 1st January 1988 to the 31st December 1988 the
sum of i;½232,000 was expended. And from the 1st
January 1989 to the 31st December 1989 the sum of
i;½325,000 was expended and from the 1st January 1990 to
the 31st December 1990, i;½264,000 was expended and for
the month of January 1991 before Mr. Stakelum took over
the bill-paying service, i;½16,000 was expended.

Apart from your general comment in relation to it, do
you have anything specific to say or dispute in
relation to those figures, Mr. Haughey?

A. I have nothing to say about them, Mr. Coughlan. Just
to say that they seem to me to be quite extraordinary
figures, but apart from that, I am not in a position to
say, to give any specific information about them as to
their accuracy or otherwise.

MR. McGONIGAL: Mr. Carty doesn't claim they are
accurate either. Do you just ignore that?

MR. COUGHLAN: Mr. Carty gave evidence that the way

the service operated was that his firm would receive invoices and bills from your secretary at Abbeville. And that an indication would then be given to your secretary of the amount of money that was necessary to discharge whatever bills were due, they, having carried out a calculation of them, and that money would then come into the account from Mr. Traynor to enable them to be discharged. Is that your understanding of how the bill-paying service operated.

A. If you tell me what Mr. Paul Carty said, is that it?

Q. Yes.

A. And this is his

Q. Yes, of how the service operated.

A. I am not in a position to, at this stage, to dispute that. If that's what Mr. Paul Carty says, I presume it's what actually happened.

Q. Well, do you accept that the money to fund the bill-paying service would have come from Mr. Traynor?

A. Oh, I think so, yes.

Q. There may, he said, have been an odd cheque which may have come down from Abbeville but that wasn't of significance, that that wasn't a major issue?

A. Well, I don't know whether there wouldn't have been some income from bloodstock or farming or sales.

There probably was, but I couldn't identify I can't identify the figures one way or another.

Q. Now, we have produced tables with the backing

documentation for each year in an attempt to analyse the sources of the lodgements to the Haughey Boland No. 3 Account, but before I go into that particular exercise, over the years from 1985 to 1991, that covered a period when monies were received for and on your behalf from Mr. Ben Dunne or Dunnes Stores, isn't that correct, by Mr. Traynor?

A. Sorry, repeat that.

Q. Between the years 1985, and I am taking it in the broadest span here, but from the years 1985 to 1991, that covered a period when Mr. Traynor had got money from Mr. Ben Dunne, either on his own behalf or as he says himself in evidence, on behalf of Dunnes Stores, isn't that correct?

A. Who said that? Who said on his own behalf or on behalf of Dunnes Stores? To whom was that attributed?

Q. I am saying this, that there are people who will say that Mr. Dunne paid the money, undoubtedly the money came through Mr. Ben Dunne. Mr. Ben Dunne, in evidence, said that every time he spent money, however it was spent, it was spent on behalf of Dunnes Stores and it was Dunnes Stores money, but that is a different issue.

A. I have no comment on that.

Q. Do you accept that monies were received through Mr. Ben Dunne to Mr. Traynor over this period for your benefit?

A. I suppose I gave evidence to the McCracken Tribunal

about that. Whatever I said at the McCracken Tribunal would be correct.

Q. Now, just apropos that, if I might, and I can come back to deal with it again on another occasion, but in general terms, I think you gave evidence to the McCracken Tribunal of having a discussion with Mr. Traynor after you left Office when he informed you that monies had been paid by Mr. Ben Dunne, isn't that correct?

A. I mean, is there no finality about this? I mean, the matter was dealt with by the McCracken Tribunal, the Report was issued. What's the

Q. Can I ask you this, Mr. Haughey, when you had a discussion with Mr. Traynor and he told about Mr. Dunne being the source of money on your behalf, what exactly did he say?

A. I don't remember.

Q. You don't remember?

A. This was all dealt with by the McCracken Tribunal and whatever I said at that time with regard to that, that's the record and that stands and I think, Commissioner, we should have some finality about something. Will there be another Tribunal to look into the evidence of this Tribunal?

Q. So you don't remember what Mr. Traynor told you?

MR. McGONIGAL: Produce the transcript and show it to him, he may be able to answer the question. If you

haven't got it, then we will wait until you give it to him.

A. I think what you are at is you are trying to make me say something which I didn't say to the McCracken Tribunal.

Q. MR. COUGHLAN: I am not. Let me assure of that.

A. Show me what I said to the McCracken Tribunal and I'll deal with it.

Q. I will get the statement that you made to the McCracken Tribunal. It's contained in the report of the McCracken Tribunal. What you informed the McCracken Tribunal in your statement, and correct me if I am wrong, is that Mr. Traynor informed you that in excess of $\frac{1}{2}$ million was paid?

A. I have no recollection of that.

Q. What I want to know is do you have any recollection specifically what Mr. Traynor told you was received?

A. All I can say to you is that the McCracken Tribunal took place. It's a good while ago now. I keep getting bombarded by all sorts of documentation, at that time and since, and exactly where anything emanates from at this stage, I just don't know. What I am referring you back to is whatever I said to the Tribunal, the McCracken Tribunal, because at that time things would have been clearer in my mind and whatever I said then is what was my best recollection of what

has taken place.

Q. That's all I am seeking here today, Mr. Haughey.

A. Why are you asking me to reiterate something that I have already said in full to the McCracken Tribunal?

Q. But, Mr. Haughey, I don't know, looking at the transcript of the McCracken Tribunal, that you were ever asked specifically of what exactly Mr. Traynor said to you on the occasion he told you this. All I am trying to do is ascertain exactly what Mr. Traynor said to you at the time?

A. Well, I certainly can't remember at this stage.

Whatever

Q. Can you remember how much he told you Mr. Dunne made available?

A. I beg your pardon?

Q. Can you remember how much he told you Mr. Dunne had made available?

A. No. I mean

Q. I'll come back. Now, in the year 1985, and I'll refer you to a table, [EXHIBIT 2] it's at tab 5 in the book in front of you and I can just read it to you. That there were credits to the Haughey Boland No. 3 Account in the year 1985 that we have been able to identify.

The first one was on the 25th January 1985 and the amount was $\text{€}25,000$ and there was a debit to an Amiens Securities Account in Guinness & Mahon, the same amount which matches that lodgment. Do you know anything

about that?

A. No.

Q. On the 22/3/1985, there was $\text{€}10,000$ lodged to the Haughey Boland No. 3 Account and there was a debit to the Amiens Securities Account in Guinness & Mahon of the same amount on the 21st March of that year and they match. Do you know anything about that?

A. I think, Mr. Coughlan, with all due respects, it's beyond the bounds of reason to be asking me here in the year 2001 to identify a particular cheque coming or going out of this account or that account in the year 1985. I mean, it's not within reasonable parameters. It's an idle exercise, Mr. Coughlan, and I can't help you in regard to it.

Q. Well, perhaps I'll approach it this way so, Mr. Haughey. If you dispute any of these figures, the Tribunal would be interested.

A. Oh, I dispute them all.

Q. You dispute them all?

A. Yes.

Q. On what basis do you dispute them Mr. Haughey?

A. Because I have nothing to prove that they happened or didn't happen. I mean, as I say, I come back to what my recollection of Paul Carty saying in some letter or some document or some evidence that he was assuming that if that went in there, that's what came out of there. And I don't think he has ever said more than

that.

Q. I see. Well, just

A. That's why I am disputing it.

Q. If I may just clarify this because I want to be clear

about it. Are you disputing that the figures that I

am going to bring to your attention represent credits

to the Haughey Boland No. 3 Account and corresponding

debits to the Amiens Securities Account? Are you

disputing that?

A. How can I dispute them if you are only going to bring

them to my attention?

Q. I beg your pardon?

A. How can I dispute them if you are only going to bring

them to my attention?

Q. Well, I'll allow to you deal with them in any detail,

Mr. Haughey.

A. I don't want to deal with them in detail at all.

I am trying to be as helpful as I can, Mr.

Commissioner. And all I can say is that this matter

was gone over by the McCracken Tribunal and whatever I

said then, from memory, from recollection, was the best

of my recollection and it was certainly much better

than I can possibly come forward with now.

Q. MR. COUGHLAN: Well, I will proceed and afford you an

opportunity of disputing each one individually so, Mr.

Haughey.

COMMISSIONER: All right, we will make a start. I am thinking of ending a little early in any event today.

Q. MR. COUGHLAN: I'll just finish 1985 so, Sir.

On the 2nd October 1985, there was a credit to the Haughey Boland No. 3 Account of $\text{€}17,500$ and there was a debit from the Amiens Securities account of $\text{€}10,000$.

And on the 20th December 1985, there was $\text{€}10,000$ credited to the Haughey Boland No. 3 Account and there was a debit of $\text{€}10,000$ to the Amiens Securities Account. Now, the Amiens Securities Account, that particular account, was an account which evidence has been given by witnesses from Guinness & Mahon, was used by Mr. Traynor to pay monies on your behalf, Mr.

Haughey.

A. And other purposes.

Q. And other purposes but on your behalf.

A. Be fully accurate.

Q. Can you be of assistance to the Tribunal as to how monies which came from a Mr. Traynor controlled account into the Haughey Boland No. 3 Account which was used for your bill-paying services were not related to you?

A. What's the question?

Q. The monies from the Amiens Securities Account which was a Mr. Traynor account, going into the Haughey Boland No. 3 Account which was the account used for your bill-paying services, that they were unrelated to you?

Are you suggesting that?

A. No, I am not suggesting anything about it.

Q. And do you accept that they are relating to you?

A. No.

Q. Why do you not accept it Mr. Haughey?

A. You tell me why I should.

Q. I am asking you why you don't accept it?

A. I just don't.

Q. What can you point to to show that they are not related?

A. The reason I can't accept it is I have no recollection of these events and let me say this: like, you have all the information at your finger tips. They are all your investigations and I am sure you are in a position now to form your own conclusion as to what took place.

I can't help you. I don't remember these individual transactions. I do know that there was a bill-paying service, yes. And I do know that Mr. Traynor was the funding entity, if you like, of that bill-paying service. I am not disputing that, Mr. Coughlan, if that's of any assistance to you. But don't ask me the details.

Q. That's as far as I intend going today, Sir. That's the completion of the 1985 amounts. Perhaps it might be an appropriate time to rise.

COMMISSIONER: Mr. Haughey, perhaps as we conclude today's session, I might take an opportunity to have a

very brief word with yourself.

You did make it clear at the start of this portion of the Tribunal's proceedings that this was anything but a pleasant process for you and that you were not here, in any sense, by choice, and I think I indicated both then and in the course of the latter public sittings at which you were present, that I would - or in which you were directly involved - that I would seek to monitor how matters went.

Now, I am only too aware that this has not been a pleasant process for you. It has not, I think, been a pleasant process for anyone associated with this part of our procedures. We have been making reasonably good progress through the matters that are sought to be inquired upon with a view to bringing them to a conclusion as soon as possible, but I think it is right, in the context of the matters that have been laid before me today by your solicitor, that I should now ask of you, as I have been seeking to keep some observation of the ongoing process, how are matters with you over recent days and how are you finding things?

A. Thank you very much, Commissioner, and may I say that, through you perhaps also, to Mr. Coughlan, that if I appear irascible from time to time, it's not deliberately on my part. I find it very stressful

indeed. I shudder when these things arrive from my solicitor, because I can't handle them. I just can't bring myself to go through all the which I should be doing if I am to serve, help the Tribunal. But I have deep feelings of apprehension and anxiety coming in here every day. I do not sleep at night time. I am increasingly resorting to medication and I long, long deeply for the whole thing to come to an end.

COMMISSIONER: Very good, Mr. Haughey, I'll have regard to what you told me. Thank you.

THE COMMISSION THEN ADJOURNED UNTIL THE FOLLOWING DAY, THURSDAY, 22ND FEBRUARY 2001 AT 11AM."

CHAIRMAN: The next volume is particularly abbreviated because much of the content of the day consisted of legal argument which, as I indicated at the outset of these sittings, has been excised as irrelevant to the process of Mr. Haughey's Evidence on Commission.

DAY 13 OF THE DEPOSITION OF CHARLES J. HAUGHEY WAS READ INTO THE RECORD BY THE REGISTRAR AS FOLLOWS:

"THE COMMISSION RESUMED AS FOLLOWS ON WEDNESDAY, 28TH FEBRUARY 2001 AT 11:20AM.

Q. MR. COUGHLAN: Mr. Haughey, I think we had been dealing with the, what I describe as the bill-paying service, I think you may remember, first of all was

carried out by Haughey Boland and subsequently by

Deloitte & Touche and then ultimately I think by

Mr. Stakelum, through his firm, from 1991 onwards.

Now, I had mentioned various figures which Mr. Paul

Carty had given in evidence and if I could just ask you

about the year 1988. I think you were Taoiseach at

the time. The Tribunal has been unable to ascertain

the sources of any money which went into Deloitte &

Touche for the purpose of paying the bills, for 1988,

that is. Could you be of any assistance to the

Tribunal as to where the money may have come from?

A. No, I can't. I am surprised to hear that.

Q. It's the one year that we just cannot

A. I thought the Tribunal had all this at its fingertips,

as it were.

Q. Well, there is no evidence of where the money came

from. We know the money went out but we don't know

where it came from. And you can't give us assistance

in relation to that?

A. No, I can't.

Q. But to the best of your knowledge, Mr. Traynor was

still the person who was looking after your affairs in

1988?

A. Oh yes. Was that if you can't trace any such

payments, was that included in Mr. Healy's figure of

eight and a half million?

Q. Oh yes, the expenditure was included.

A. But no excuse me, Mr. Coughlan, the figure that the wrong figure that Mr. Healy gave and which received so much publicity, all detrimental to myself, if that figure of eight and a half million purported to be receipts, not expenditures, and I am just asking you if you haven't got receipts for '88, was it was anything included for '88 in that eight and a half million?

Q. Yes. And I'll just explain how, Mr. Haughey. The money had to be received by Deloitte & Touche for the purpose of expending. It's where it came from is the question I am asking you.

A. Yeah, but I don't know that. But I am asking

Q. And you say and you are adamant that the figure of eight and a half million or thereabouts is a wrong figure?

A. Oh yes, absolutely.

Q. And you can be positive in that assertion?

A. No, I am just advised by my accountant that

Q. I see, so you don't know yourself?

A. No, I don't know, but he has advised me that there is a considerable amount of double accounting in it and that's why I am interested in asking you, the '88, you are focusing on '88, 1988 and if there is something included in that eight and a half million of Mr. Healy's for 1988

Q. Yes.

A. There is?

Q. Definitely, Mr. Haughey.

A. Even though you have no figures for it?

Q. Oh, we have figures.

A. No, you have figures of expenditure.

Q. And the money came into Deloitte & Touche. They didn't provide an overdraft facility, Mr. Haughey.

It's where it came from is what we are looking for assistance on.

A. Am I right then in thinking you have note of monies going into Deloitte & Touche.

Q. Into their accounts.

A. But you don't know

Q. We don't know where it came from. That's what we are trying to

A. Is it one sum or?

Q. It's a number of sums, Mr. Haughey, because they provided no overdraft facilities.

A. I can't help you there.

Q. Very good. Was there anything unique or unusual about '88 that made it stand out over and above any other year?

A. Oh it was a great year from the point of view of the country because we set about what is, creating what is now regarded as the 'Celtic Tiger'. It was a very significant year in that regard.

Q. But as regards yourself personally, there was nothing

unique that would make it stand out over any other year?

A. No, not that I can recollect at short notice.

Q. Now, we have been through the figures for each year, I think, already from 1985 up to the end of January of 1991. Now, a change took place at the end of January, 1991 in that Haughey Boland were merging into the bigger entity

A. Sorry, did you say 1985?

Q. Yes, Mr. Haughey.

A. Wasn't the Terms of Reference beginning in '89, do they not?

Q. '79.

A. Sorry, yeah.

Q. I am just dealing with evidence that we have of the bill-paying service from 1985. Now, in 1991 Haughey Boland were merging into the larger entity of Deloitte & Touche, the firm was becoming a bigger firm merging with another firm, and Mr. Traynor had a discussion with Mr. Paul Carty about the bill-paying service. Do you know anything about that?

A. No. I wasn't present at the discussion. I don't know

Q. Well, was anything told to you by Mr. Traynor about it?

A. Hmm?

Q. Did Mr. Traynor tell you anything about it?

A. I think he may have, yes, I think he may have said that

there would be a change and that Mr. Jack Stakelum would be taking over. I assume that happened.

Q. Now

A. I don't particularly remember any conversation which he told me, but I would assume that that happened.

Q. Now, do you have any idea why, from your point of view, a change was necessary?

A. I don't think a change was necessary. I think that I mean, there has been evidence somewhere about this in some forum, that it was desirable because what was small, a small-ish intimate firm of Haughey Boland was now becoming a much larger entity and far more people would have access to my confidential records. I think that's probably the explanation.

Q. Well, was it on the grounds of confidentiality you would have understood that the matter was being -

A. Yes

Q. - dealt with by Mr. Stakelum?

A. In the light of the fact that it took place at the time, the change over took place at the time that Deloitte & Touche or Haughey Boland were expanding, I presume that was the purpose.

Q. Now, Mr. Stakelum then, from February of 1991 up to December of 1996, he has given evidence about expenditures on the bill-paying service which he undertook and in the year 1991, he expended $i\frac{1}{2}$ 327,500.

In 1982-1992, I beg your pardon, that was up to

September 1992, i;½285,000. Then from October '82 to December of 1982 a further '92, I beg your pardon, '92, i;½55,000. In the year 1993, i;½305,000. In the year 1994, i;½320,000. In the year 1995, i;½434,000. And in the year 1996, i;½266,630.50.

Now, do you dispute that Mr. Stakelum carried out this service on your behalf?

A. Sorry?

Q. I take it you don't dispute that Mr. Stakelum carried out this particular service on your behalf and expended these monies that he has given evidence about?

A. No, I don't dispute that, no. I will just point out I was, for most of that period you have just mentioned, I suppose it's of no concern to anybody except myself, I wasn't in office for most of the time. But practically all of '92, '93, '94, '95, '96, I was, the years you have mentioned, I was an ordinary citizen. I didn't hold any public office. Well, I did actually, not technically speaking. I was actually a member of the Dail, a TD from February '92 for a while until the General Election. But otherwise, I didn't hold any public office at that time so I don't know I don't know why it's of concern to this Tribunal, but there you are.

Q. Now, may I just ask you this: Mr. Traynor died in May of 1994 I think, isn't that correct?

A. Yes, I think so, I am not I think that's probably

right.

Q. I think it was May.

A. You have it there.

Q. I think it was May of 1994?

A. If you have it there, I accept that, yes.

Q. Did anybody take over your affairs in the way Mr. Traynor had looked after your affairs previously at the time of his death?

A. No, only insofar as Mr. Stakelum maintained the bill-paying service.

Q. Now, I think Mr. Stakelum, when he commenced the bill-paying service, like Haughey Boland previously, received funds through Mr. Traynor for the purpose of paying the bills, isn't that correct?

A. Sorry?

Q. Haughey Boland had received the funds through Mr. Traynor to pay the bills?

A. Oh yes.

Q. That was the way it operated. And I think when Mr. Traynor took over in 1991, the same system operated sorry, Mr. Stakelum took over in 1991, the same system operated, Mr. Traynor provided the funds?

A. Yes. As far as I can recollect, yes, that's the position. That was the position.

Q. And what was your understanding when Mr. Traynor died? Did you have any discussion with anybody to understand where funds would come from?

A. No. I have, I think, given evidence somewhere, that I had an impression that Mr. Collery spoke to me at Mr. Traynor's funeral but he has said that that didn't happen and I can't be, at this stage, sure that it did or not.

Q. I see. But where did you understand the funds would come to Mr. Stakelum to pay the bills?

A. I don't recall, I don't recall what, whether I had any discussion with anybody about it or not.

Q. Where did you think the money would come from?

A. Presumably I don't know. I just don't know. At this stage I don't know. I mean, if you want me to speculate I can speculate that presumably there had been, even though Des Traynor had died, there were funds to which Mr. Stakelum could have access, but I don't know the details.

Q. Does that seem likely, Mr. Haughey?

A. Hmm?

Q. Does that seem likely when Mr. Traynor died? It's one thing Mr. Traynor, your trusted adviser for nigh on 30 odd years if not longer at that time, had died and that there was no discussion or attempt to understand where the sources of the funds would come from to pay the bills?

A. Discussion with whom now?

Q. Well, with anybody?

A. Well, all I knew was that Mr. Stakelum carried on the

system and had access to funds, the same funds as Mr.

Traynor had access to or the same funds as he had access to when Mr. Traynor was alive.

Q. What funds did you think they might be?

A. I don't know. I don't recall what, of what the details were.

Q. Well, can we take it that at that stage you knew that they weren't borrowings?

A. No, I didn't know that.

Q. You didn't know that. Did you think that there was some

A. I presume Mr. Traynor had left things in order.

Whatever funds were there were still accessible to

Mr. Stakelum.

Q. I see. But perhaps that's a matter I could come back to.

Now, if I might, at this stage, deal with some specific evidence which was given to the Tribunal and seek your assistance and it concerns certain payments which came from Mr. Ben Dunne or Dunnes Stores and I use the term in its widest context.

I wouldn't intend proceeding any further asking questions of Mr. Haughey today because these are the we can, I think proceed, tomorrow to another topic, but these are the documents and the letter indicated the matters which we would be dealing with

Mr. Haughey well, yesterday and today obviously, and we haven't given him

MR. MCGONIGAL: Mr. Haughey has no difficulty dealing with questions in the absence of material because he is not able to absorb the material, Mr. Commissioner.

A. I would be grateful, Mr. Commissioner, if we would adjourn at this stage, I am tired.

THE COMMISSION THEN ADJOURNED UNTIL THE FOLLOWING DAY, THURSDAY, 1ST MARCH, 2001 AT 11:00AM."

DAY 14 OF THE DEPOSITION OF CHARLES J HAUGHEY WAS READ INTO THE RECORD BY THE REGISTRAR AS FOLLOWS:

"THE COMMISSION RESUMED AS FOLLOWS ON THURSDAY, 1ST MARCH 2001 AT 11:30AM.

Q. MR. COUGHLAN: Now, Mr. Haughey, if I might turn to payments which were made by Mr. Dermot Desmond and if I could deal first of all in that regard with the yacht Celtic Mist. Now, evidence has been given to the Tribunal that the yacht Celtic Mist was purchased somewhere on the continent. Do you remember that?

A. Yes, Spain.

Q. In Spain. And your son Conor gave evidence about it, that he went, I think, with Mr. Forester I think is the man's name, Forest, to look at the yacht down in Spain at some stage before it was bought. Do you remember

that?

A. I couldn't say who went with him, but I know he went down.

Q. Now, he said that he believed that it was Mr., the late Mr. Liam McGonigal had identified the yacht in the first place, is that your recollection?

A. Yes and no. I think it was somebody else. It was advertised in a yachting magazine and I think somebody drew it to our attention and I think, I am nearly sure I am right in this that Liam McGonigal, the late Liam McGonigal was in Palma and inspected the boat

Q. I see.

A. for us down there.

Q. I see. Now, it was acquired in, I think, 1988. Would that seem right to you, that seems to be when it was bought?

A. I wouldn't be sure, but I wouldn't

Q. And it was bought for $\frac{1}{2}$ 120,000 sterling?

A. Yes, I think that would be right, yes.

Q. And then there was, I think it was imported in

COMMISSIONER: Sorry Mr. Haughey?

Q. MR. COUGHLAN: I beg your pardon.

A. I am not remembering these things, but I am conscious of the fact that there has been evidence and statements and documents and all of that sort of thing and that there was, yeah, I think somewhere around $\frac{1}{2}$ 120,000, but

then I think there were other things added on.

Q. Yes, I think there was subsequently $\frac{1}{2}$ 21,000-odd - $\frac{1}{2}$ 21,284 paid as VAT on it when it was imported and then coming to deal with Mr. Desmond, it was, the refit was carried out in the yard of Ron Holland in Cork at a cost of $\frac{1}{2}$ 75,500.

A. I wouldn't be familiar with that end of it, but definitely it was Ron Holland was in charge of it. But I don't think - I think he was the yacht designer, as it were. I don't think I think he was in some other yard down there.

Q. In fact, I think, that may be so, but I think he did have a yard there as well or he had some connection with the yard, but it was carried the refit was carried out in a yard in Crosshaven, I think, is that right?

A. Yeah, that's correct.

Q. Now, the cost of acquiring Celtic Mist appears in the accounts of Larchfield Securities as being a liability to you, in other words, that you were the one who was the source of the funds for the acquisition of Celtic Mist, according to Mr. Ryan anyway?

A. Yes. The funding would have been arranged by Des Traynor but insofar as my relationship with Larchfield Securities was concerned, the boat was put into the name of, registered in the name of Larchfield Securities and then the cost price of it would have

been credited to me. So that the Larchfield Securities had an asset of the boat and a debt to me corresponding.

Q. And do you know where the money came from to acquire the boat?

A. No well Des Traynor would have been the would have arranged it. It was the late Liam McGonigal who conducted the purchase.

Q. He did, yes, it seemed to be conducted through his office I think, but you don't know out of which account or which source of money Mr. Traynor got the $\frac{1}{2}$ 120,000, do you?

A. No.

Q. Well, was there any discussion with Mr. Traynor about the purchase of the boat or where the money would come from, bearing in mind that in 1986/'87, there had been general discussions with Mr. Traynor about stringency, that there was a need for funds in general terms?

A. This was '88 was it?

Q. '88, yes.

A. This was in 1988. No. I would have been only peripherally involved in it, just I wouldn't be in touch with the details but it would have been arranged between Mr. Traynor and Mr. McGonigal.

Q. I see.

A. The purchase and the funding and

Q. And do you know if

A. That's my recollection.

Q. I see. And now, there was also now, there was
i;½21,284 paid on VAT when it came in. Again, was Mr.
Traynor the likely source of that particular money as
well, would you think?

A. Almost certainly, yes.

Q. Now, we don't see it coming out of any of the known Mr.
Traynor accounts, if I might describe them as that.

Do you know if there was any other account or source of
money which Mr. Traynor might have had access to?

A. No, well Mr. Traynor had a wide range of financial
operations and I wouldn't be able, at this stage or at
this remove, to identify any particular source from
which, but I would be fairly certain that he provided
the funds.

Q. Now, when it came back to Ireland in any event, it
required a refit, isn't that correct? And it was
initially surveyed and it was thought that the cost of
a refit might be less than it ultimately turned out to
be, I suppose that's the way with any kind of
refurbishment, either a yacht or property or something
like that, but did you know about that at the time?

A. That's one constant factor about all boats everywhere
and always.

Q. And houses?

A. Nothing ever costs nothing ever works out the way it
was supposed to.

Q. Now, was the previous boat sold, do you remember?

A. Well, one previous boat sank off Mizenhead.

Q. Yes, I remember that.

A. Which is and then I think we had an interim boat for a while, but I am not sure what happened it.

Q. I think your son Conor believed it was sold. Would you think he'd be correct in that?

A. I think yes, I think that would be correct, yes. I mean, it didn't sink or it didn't, I don't think it was left to rot away. I am sure it was sold, yes.

Q. And do you know what happened to the proceeds of the sale? Do you know what happened to the proceeds of that sale?

A. No, I am afraid not.

Q. Well, who would have arranged it? Would it have been placed with a broker to sell it or?

A. That's a puzzle. It might have been Liam McGonigal, I am not sure. It wasn't a very important boat anyway, it was I think, as far as I remember, it was a converted trawler.

Q. Now, evidence has been given by both your son Conor and by Mr. Dermot Desmond about the refit of the boat and initially it was thought it would cost say $\frac{1}{2}$ 25,000 and as you rightly say, nothing ever appears what it appears to be when you set about carrying out such work, but in any event, if the work proceeded through Mr. Desmond, funds were made available to the yard in

Cork for the work. Were you aware of that?

A. Not specifically. Conor, my son Conor handled that and he had, I think he has explained this to you, to the Tribunal, that he had an arrangement with Dermot Desmond about the funding of it.

Q. Now, it transpired that two companies were involved in making payments, two companies associated with Mr. Desmond that is, were involved in making payments to the yard in Cork and those two companies were a company called Freezone Investments Limited and a company called Dedeir?

A. I never I knew nothing about them. I never heard of them until I think - Freezone, I think I heard of Freezone when Mr. Glacken carried out his investigation. I think it was public knowledge or it was in the newspapers at the time. That's the first time I ever heard of Freezone.

Q. And these two companies associated one way or the other with Mr. Desmond, Dedeir in particular was his own investment company or family company, and Freezone was another company with which he was associated. They became the subject matter of controversy, if I could describe it as that, when Mr. Glacken, the inspector was conducting his inquiry into the sale of the Johnston Mooney and O'Brien site in Ballsbridge I think, isn't that correct?

A. I don't know about that.

Q. Well

A. Mr. Glacken - oh yes, yes, Mr. Glacken, I had forgotten what he was inquiring into but it was the

Q. It was to do with the sale of the site in Ballsbridge. And I think in 1992 he wrote to your son Conor because he saw movements in respect of Celtic Mist and he saw money going to Ron Holland's yard in Cork through these companies. Do you remember your son being contacted by Mr. Glacken at the time?

A. Well, I would have been aware of it, but not of the details. I am sure I would have been aware of the fact that he was interviewed by Mr. Glacken. Then I think Mr. Glacken was quite satisfied about the evidence that he gave. I haven't seen Mr. Glacken's report for a long time, if I ever saw it, but my recollection is that that was the outcome, that he was satisfied about Conor's position in regard to the refitting of the boat.

Q. Yes. Well, when the money was being made available for the refitting of the boat, did Conor keep you abreast of what was happening?

A. Not really, no. Just in a general way. I mean, I knew that the boat was down in Cork and being refitted, but I wasn't aware of the details of the funding.

Q. But can I take it that you were aware that Mr. Desmond was providing assistance in that regard?

A. At this stage, I can't say that. I mean, I can't say

that I wasn't aware, but on the other hand, I can't say

that I was aware at the time.

Q. Well

A. It was that was I left that to Conor. I was, as you know, we were quite busy in government in 1988 and I would have just been generally in touch with the situation. Not with the details of it.

Q. But in the normal course of conducting your financial affairs, Mr. Traynor was the man who had full powers effectively, isn't that correct, in relation to that?

A. Yeah, that would be my affairs, yes. I don't think he had anything to do with I don't think he ever had anything to do with Conor's financial affairs.

Q. Yes, but Celtic Mist was purchased by you, well you believe, and that Mr. Traynor would have provided the money. Why should the situation have changed for the purpose of carrying out work on the boat, do you know?

A. I don't know. I think my son Conor had some dealings with Dermot Desmond over Feltrim.

Q. He did.

A. And I think he explained that to this Tribunal.

Q. Yes, he did.

A. As well as to Mr. Glacken.

Q. Well, do you know if Mr. Traynor had any dealings with Mr. Desmond?

A. I don't

Q. Well, maybe I should just, before you say anything.

Mr. Desmond gave evidence of Mr. Traynor approaching him in I think 1987, it was perhaps around the time that Mr. Dunne was approached by Mr. Fox, that Mr. Traynor approached Mr. Desmond and asked him to assist?

A. I thought you were talking in connection with the boat?

Q. Yes, I want to come on to that then. In 1987 Mr. Traynor did approach Mr. Desmond and asked him to assist and I think Mr. Desmond wasn't in a position to assist at the time, according to his evidence. Do you know if Mr. Traynor had any further dealings with Mr. Desmond?

A. No. You mean on my behalf?

Q. Yes.

A. I wouldn't think so, no.

Q. Were you aware that Mr. Traynor had approached Mr. Desmond?

A. Not at that no, that's only emerged since, since this Tribunal or maybe the McCracken Tribunal, I am not sure, but

Q. Well, I don't think that there was evidence of that given at the McCracken Tribunal, but is it your recollection that it was as a result of what Mr. Desmond told this Tribunal that you became aware that Mr. Traynor approached him back in 1987?

A. I think so, yes.

Q. Now, Mr. Desmond was on reasonably friendly terms with your family, isn't that correct, over the years since

1987?

A. Oh yes, that would be correct, yes.

Q. And did the matter ever come up for discussion between you?

A. No. Not specifically that I can recall. Just as a matter of interest, Eimear pointed out to me recently that a great fuss was made in newspapers and elsewhere about Dermot Desmond taking a share in a bloodstock syndicate which she operated. Eimear Mulhearn I am talking about now, my daughter. She organises bloodstock, syndicates of bloodstock people and people invest, people take shares in that syndicate. Now, she pointed out to me that before I ever met Dermot Desmond, he had taken shares in her syndicate, in other words, without any reference to me at all. That she had actually been in touch with Dermot Desmond before I met Dermot Desmond. In other words, that she had a totally

Q. She had a relationship

A. With him as an investor totally apart and separate from my friendship.

Q. And was that when she was operating out of Abbeville?

A. I don't think so, no. No. I would have met I'd have to check that for you, but she reminded me of this, rather pointed it out to me, that the thing, the fact that he had been an investor of hers had attracted so much publicity but it wasn't realised generally by

the public that, in fact, she, on her own recount as a separate individual person, had an investment from Dermot Desmond long before I ever knew Dermot Desmond.

Q. I see.

A. It's just of passing interest maybe.

Q. Well, was it through Eimear you met Dermot Desmond or?

A. No. I think I met Dermot Desmond through possibly

Mr. PJ Mara. Dermot Desmond we were when we were in opposition in 1986, or maybe early 1987 and a general election was forthcoming and it was possible or likely that we were going to go into government and I think it was maybe Mr. PJ Mara or maybe somebody else and through them anyway, Dermot Desmond arranged a meeting with myself and two or three or four of my colleagues on the Fianna Fail front bench and he arranged to bring along four of the leading economists in Ireland at the time, well certainly in Dublin and at his own expense, Mr. Dermot Desmond did this as a public service. He brought he arranged a meeting with us with these four economists who explained to myself and my colleagues the disastrous situation of the finances of the country and outlined what would be necessary for us as an incoming government to do, an absolutely essential analysis of the situation and pointing out by four senior economists what was absolutely vitally necessary in regard to the public finances to sort them out and as a basis of economic

recovery. Now, I think that may have been the first time that I met Dermot Desmond. But I just mention that he did that as a public spirited person who was, because of his own financial knowledge, was very, very keenly aware of the seriousness of our national finances position.

Q. Well, can we take it that that was 1986 or early 1987 perhaps?

A. Very definitely.

Q. Around that time?

A. Yes, yes, it was just before well, I am not sure how long, but it was before we came into government in '87, so it was either '86, late '86 or early 1987.

Q. And did the friendship develop then? Because Mr. Traynor approached him in the autumn of that year to make a contribution towards your personal finances.

A. Well, you see, there was also the question of, I am not sure now what stage, but there was very much the question of the Financial Services Centre for which Dermot Desmond was the initiator. I mean, as we all know, success has many fathers, but the real father of the Financial Services Centre was Dermot Desmond whose concept and idea it was and he, as I think I explained before here, he put the proposal to us as an opposition party and we accepted it and ran with it and subsequently implemented it. So now, when you are asking me about my developing relationship with him,

there would have been those two factors would stick out in my mind. One was the question of the economists meeting, which was a very important critical meeting and the other was the, his, what would I say, his ambition to have a Financial Services Centre in Dublin.

They would have been

Q. The two significant instances which brought you together?

A. Of my relationship with him, yes.

Q. But can we take it that by the autumn of 1987, you would have developed a reasonable relationship with him such that it would have enabled Mr. Traynor to consider it appropriate to approach him?

A. I wouldn't put it in that context at all, no, I don't think it would have been as a result of my relationship with Mr. Dermot Desmond. He was a very important man about town, financially speaking, and he would certainly have been known, I am sure he would have been known to Des Traynor. There was something I was going to mention in that connection, but maybe it will come to me.

Q. I think you informed us before that you believed that if Mr. Traynor was approaching people, he would approach people whom he would believe would be reliable or sympathetic or supporters of yours. Would that be your view?

A. I think you could certainly say that at that stage

Dermot Desmond certainly became a supporter of mine politically, very much so, because of well I suppose, in a way, we had adopted, the incoming government had adopted two of his proposals, as it were. One, the dealing with the public finances and what needed to be done and had to be done and the other was the proposal for the Financial Services Centre.

So that I think that would certainly would have persuaded him to support us as government and me as Taoiseach.

Q. Now, when the cost of refitting the boat escalated, was that brought to your attention, do you believe?

A. No.

Q. Conor, I think, believes that he may have or that he did bring it to your attention. Do you have any recollection of that?

A. Well if he says that, I'll accept that, but I don't recall it, no.

Q. And it was, it had escalated to three times what it was intended originally. It was a fairly significant increase?

A. Even for boats that's a bit exceptional, but mind you they can absorb funds.

Q. Now, in by September or we'll say, the autumn of 1994

A. '94?

Q. your relationship with Mr. Desmond would have

evolved over a number of years then, isn't that correct?

A. Oh, yes.

Q. And Mr. Desmond has given evidence that in a discussion with you, you had indicated that you were, at the time, considering whether you might take up a directorship of a foreign bank, do you remember that?

A. I don't remember that, but

Q. That was his recollection?

A. No, but was that '94? I don't know that it was that year.

Q. It was before September or October of 1994 anyway.

A. Sorry

Q. Do you remember such a conversation with Mr. Desmond?

A. I don't remember specifically, but it happened all right. I had a policy of, on leaving Office not to take any directorships of any kind and I was approached, I am not sure I think it was slightly indirectly, to know if I would like to become a director of a German bank who were in the Financial Services Centre, maybe they weren't in it, maybe they were coming into it. And the idea attracted me because it was the Financial Services Centre but I wasn't, it would have meant a major change on my part to take such a directorship. And I probably, I must have confronted Dermot Desmond about it, first of all, I asked him probably about the credentials of the bank

in question and then whether he would recommend that I would accept the offer or the approach. I don't think it was ever formally offered but it would have been, the approach would have been made and he was very much against the idea.

Q. Had you discussed perhaps a need for finances at that stage with him and that that might have been a motivation?

A. I may have said to him that, you know, apart from anything else, any other consideration, the fees payable would be a welcomed source of income. I may have said that. I mean, it would be fairly natural that I would, if I was discussing the proposal with him, that would, I am sure, be a fairly natural

Q. What was your understanding of your financial position around that time?

A. Well, insofar as I considered it at all, it was let me put it this way: it was such that an additional source of income would have been welcome.

Q. Well, did you know what your financial position was?

A. Not specifically, no.

Q. Well, where if I could just Mr. Traynor had died in May of that year.

A. (Nods).

Q. Mr. Stakelum had brought matters to your attention, I think. He attended you about every three months or so and informed you of the position, isn't that correct?

A. I don't recall that, but if that's his is that his evidence?

Q. Yes. And he gave evidence of bringing to your attention a memorandum which he received from Mr. Collery showing certain balances and I'll give it to you in a moment, but to lead into it, Mr. Desmond, in September or October of 1994, made a payment of $\text{£}100,000$ sterling for your benefit. You are aware of that, aren't you?

A. Since this Tribunal started, yes.

Q. Well, is it only since this Tribunal?

A. Well, I must have been aware of it at the time, but I don't recall being aware of it, but I am sure I would have been aware of it at the time, yes.

Q. Now, the money came from an account of Mr. Desmond's in a Swiss bank, an account he was perfectly entitled to hold and was transferred to the Royal Bank of Scotland for the credit of Henry Ansbacher and Company Limited for the further credit of Ansbacher Cayman Limited and an account number is given, and that money was transferred to Irish Intercontinental Bank and was credited to the Hamilton Ross Sterling Account and a credit of $\text{£}99,993$ was made to the S8 Account on the 31st October 1994.

Now, the evidence of Mr. Stakelum is that he met with you and that he had with him a memorandum which he had received from Mr. Collery which showed that sum as

being lodged to the No. 1 Sterling Account [EXHIBIT 1].

If I just give it to you for a moment, Mr. Haughey.

(Document handed to witness.)

A. I don't see my name on it anywhere, is it?

Q. No, Mr. Haughey. Nobody's name appears on these accounts, but Mr. Stakelum gave evidence that he was given this memorandum by Mr. Collery showing the balances on your accounts in Hamilton Ross and that Mr. Stakelum brought this to you and showed it to you.

Do you remember that?

A. No.

Q. But not just this not just on this occasion, but every three months or thereabouts when Mr. Stakelum came to visit you, he would have brought a similar memorandum showing the state of the offshore accounts.

Do you remember that ever?

A. No, I don't remember that, but if Mr. Stakelum says that, I have no reason to doubt it.

Q. And the memorandum which he brought to you on the 3rd October 1994 shows various balances on different accounts, isn't that correct?

A. Well, that's what's on this sheet of paper here in front of me.

Q. Now,

A. But I have to point out to you, Mr. Coughlan, that that sheet of paper, as it's presented to me here now, could refer to anything or anybody.

Q. Ah no, Mr. Haughey, did you ever receive any statement from Mr. Collery, Hamilton Ross, Guinness Mahon Cayman Trust, Ansbacher Cayman or any other entity? Did you ever receive a statement with your name on it? Or did you ever see one?

A. I don't think so, no.

Q. Now, the evidence both of Mr. Collery and Mr. Stakelum is that this refers to you.

A. I never I don't think I ever received a statement from Mr. Collery.

Q. Did you ever receive a statement from or sorry, I beg your pardon, did you ever see a statement with your name on it from Guinness Mahon, for example?

A. I don't think so.

Q. Did you ever see a statement from Guinness Mahon Cayman Trust, Ansbacher Cayman or Hamilton Ross with your name on it?

A. I don't think so. I am subject to correction, but I am practically certain I never did. All those names are strange to me.

Q. Did Mr. Traynor ever show you any statements which had a code by way of a number or a letter and indicated that they represented funds for you?

A. I don't think so.

Q. Or funds available to Mr. Traynor to be expended on your behalf?

A. I don't think so.

Q. Now

A. Well, with regard to this document here, I have no recollection of seeing it. I can't say that Mr. Jack Stakelum may not have shown it to me, but it wouldn't have, it wouldn't have made any particular impression on me.

Q. Because the evidence in broad terms from Mr. Desmond and Mr. Stakelum is that Mr. Stakelum provided the information to Mr. Desmond to enable Mr. Desmond's $\text{€}100,000$ to be routed into an account for your benefit and that you had asked Mr. Stakelum to contact Dermot Desmond for that purpose.

A. Sorry, the first part of that is?

Q. Yes. If I take it the reverse. Mr. Stakelum said that you contacted him and asked him to make a contact with Mr. Dermot Desmond to let him know how to get money into an account for you. Do you remember that?

A. No, but if Mr. Stakelum says so, I accept that.

Q. Mr. Stakelum had a discussion with Mr. Collery and Mr. Collery gave him the information of how to get the money into the account and that he passed this to Mr. Desmond?

A. I wouldn't know about that.

Q. But that is the evidence. Do you accept that Mr. Stakelum would have done it on your behalf?

A. I can only tell you, Mr. Coughlan, what I know myself. I do not know that myself.

Q. And that that first No. 1 Sterling Account there was shown to Mr. Stakelum by Mr. Collery as being a lodgment of Mr. Desmond's money in

A. Where are we talking about now?

Q. If you just look at the memorandum now.

A. This thing?

Q. Yes, these are what's known as Memoranda Accounts.

These were the shadow accounts which were maintained by Mr. Collery which represented the balance of monies which were purported to be held offshore on behalf of certain individuals, the names not appearing on them. And that this represented the state of your account as of the 3rd October 1994.

A. I don't know anything about that.

Q. Well, can we take it that you must have been aware that there must have been money held somewhere for you?

A. Oh yes, yes.

Q. And you were aware that Mr. Stakelum was receiving money from Mr. Collery, isn't that correct, to pay the bills?

A. No, well I don't know that I don't know that I would know that it was coming from Mr. Collery at that time, but I knew that when Mr. Traynor was alive, it would come through him.

Q. Yes, and after Mr. Traynor died, where did you believe it was coming from?

A. Well, I didn't know, but it seems now it came from

Mr. Collery.

Q. Well, did Mr. Stakelum keep you in ignorance as to where the money was coming from? He attended at you regularly, every three months or so.

A. I wouldn't say he attended regularly, Mr. Coughlan. I mean, I am just making that point. He would drop out to me from time to time and I think his purpose of the visit would be mainly to say that my finances weren't in very good shape.

Q. And where did you think he was getting the information?

A. I don't know.

Q. Ah, Mr. Haughey, can that be real?

A. There is no "ah, Mr. Haughey" about it at all. What precise question are you asking me?

Q. The precise question is, if Mr. Stakelum was paying his bills through his company or through his firm, the money had to come from somewhere to pay?

A. Yes.

Q. And are you seriously suggesting, Mr. Haughey, that you just had no idea where money was coming from?

A. I answered this question yesterday. You were asking me this question yesterday and I said to you that I assumed that Mr. Traynor had left funds which were available to Mr. Stakelum.

Q. What sort of funds did you believe were left? Do you know what accounts, or what funds would have been left by Mr. Traynor?

A. No.

Q. Where did you believe those funds were?

A. I didn't believe they were anywhere. I didn't know.

Q. You accept that Mr. Stakelum would have, if he has given evidence of this, have given you information relating to accounts, isn't that correct?

Mr. Stakelum said he did.

A. I think - are you saying to me that Mr. Stakelum gave evidence that he informed me of accounts?

Q. Yes, in this form, in the form of this memorandum.

A. That he showed me statements like this?

Q. Yes.

A. From time to time?

Q. Yes.

A. I can't say that he didn't, no. But I wouldn't specifically recall any of them.

Q. I can understand that you may not recall a specific one, but you must have been aware that there was money somewhere if Mr. Stakelum was providing you with this type of information?

A. Yes, I said that, that Mr. Traynor had control of funds when he was alive and presumably those funds were still there after his death. If that's if that explains my position to you.

Q. And you would have seen from such memoranda that these accounts were in different currencies, isn't that correct?

A. If I paid any attention to them. I am not sure about this, but I think Mr. Stakelum may have said somewhere in evidence, perhaps you could recall it, that I didn't pay much attention to these statements when he brought them to me. Did he actually say that?

Q. Yes. He specifically yes, he said that and he said you specifically didn't pay much attention to the expenditure side, the bills.

A. Well, I would agree with him if he says when he brought me these things and perhaps gave me a lecture about expenditures, I would agree with him if he has said that I didn't pay any great deal of attention to his reports or to these statements.

Q. You seem to remember that Mr. Stakelum had informed you that your finances were not in a healthy state, is that correct?

A. I think he was always that's what accountants are for, to keep telling you not to spend any money.

Q. Now, as of the 3rd October 1994, as represented by this statement, the accounts were in an extremely healthy state, isn't that correct?

A. I cannot agree or disagree with that. I have no recollection of this particular document here. As I pointed out, my name isn't on it, there is nothing that I can see there to indicate that it was ever given to me and that's all I can tell you about it.

Q. Your trusted financial adviser at that time,

Mr. Stakelum, has sworn that this was shown to you.

Do you accept that?

A. Oh absolutely, yes, but whether I paid much attention to it or not is a different matter.

Q. But you must have been aware, Mr. Haughey, even in general terms.

A. Mr. Coughlan, I don't think you can tell me what I was aware of or what I wasn't. I am trying to tell you to the best of my ability what my recollections are.

Q. Well, I am putting the matter to you now, Mr. Haughey, that a member of the public looking at this would be perhaps sceptical of a response that you had no idea of where your finances were.

A. I have no way of knowing what a member of the public might or might not think. I can only sit here and tell you what my recollection and my recall is about these events and that's what I am trying to do to the best of my ability.

Q. Now, the money from Mr. Desmond was routed in a manner which gives the impression that it was done to avoid scrutiny. It came from a Swiss bank account through London into a Cayman account and into a Cayman account in Dublin and credited to a Cayman account which was designated as your account. Now, is there any reason

A. I can't account for that. I had nothing to do with that routing or those transactions and I can't account

for that particular happening. But I know I would I wouldn't think that there was any secret or that Dermot Desmond would be interested in except maybe from the general public, but would be interested in preventing anybody know that he had given this donation to Jack Stakelum for my benefit. I don't think he would

Q. Well, Mr. Desmond gave evidence about this and he was asked about the covert routing of this money and his response was that from his point of view, there was no need for it to be covert. That he was operating on the advice which was given to him or the instructions given to him by your trusted financial adviser, Mr. Stakelum.

A. But not by me or not my, not my advice to Mr. Stakelum. I wouldn't have I wouldn't know anything about those transactions or what way Mr. Stakelum would handle them.

Q. Well, Mr. Stakelum gave evidence that you contacted him and asked him to make contact with Mr. Desmond to enable money to be paid for you.

A. To enable that I contacted that I asked him to contact Mr. Desmond, yes, to secure funds. But that's as far as it would go. I mean, I wouldn't be I mean, common sense, Mr. Coughlan, I wouldn't be aware of these accounts in Switzerland and Scotland and all over the place. They wouldn't be my it wouldn't be known to me.

Q. By

A. I wouldn't have any interest in them.

Q. By this time you did have an account, I think, in National Irish Bank in Malahide after you left Office?

A. I did well, I still have one there, but that would be just a farm account I think, a personal and farm account.

Q. If there was no need to obscure the source of this money from Mr. Desmond, couldn't it have simply been paid to you and put into that account in your name?

Why did you have to go to Mr. Stakelum and ask him to make arrangements?

A. No, because it would be I didn't ask him to make arrangements. I asked Mr. Stakelum to contact Dermot Desmond to secure the funds. I had no instructions of any kind to give to Mr. Stakelum about how that should be handled and the obvious reason why it would go to Mr. Stakelum would be that he was in charge of the bill paying account. Therefore, the money would go to him. That would be the reason.

Q. Well, Mr. Haughey, did you have any reason to obscure the

A. None whatever.

Q. the source of the money?

A. None whatever.

Q. Did you inform your accountants of it at the time?

A. I don't recall. I am sure Mr. Stakelum would have

been in touch with my accountants on a regular basis.

Do you mean Deloitte & Touche?

Q. Yes. Your tax agents.

A. At that stage, I am sure Mr. Stakelum would have been in touch with Deloitte & Touche about my affairs.

Q. Did you tell them to make contact with each other?

A. No, but it was

Q. And would Mr. Stakelum, of his own motion, be in contact with him in relation to Revenue matters?

A. I couldn't say. I couldn't say whether he would or not. He would certainly, I am sure, feel that he had a responsibility to me to make sure that my tax affairs were in order.

Q. Do you know if your tax agent ever knew about this money?

A. I don't know.

Q. Did you ever tell them?

A. My accountants would prepare my annual returns every year and submit them and it would be their they were one of the best known firms of accountants in Dublin and it was their business to see that my Income Tax affairs were in order.

Q. Well, I think Mr. Kenny was your actual agent, isn't that correct?

A. Pat Kenny, yes.

Q. Mr. Pat Kenny. Did Mr. Kenny know about Mr. Stakelum and this operation of the bill-paying service, to the

best of your knowledge?

A. I don't know, I am sure he did. Well I am just thinking out loud, Deloitte & Touche ran the bill paying accounts.

Q. Initially well it never went into Deloitte & Touche but Haughey Boland, yes.

A. They must have handed it over to Jack Stakelum.

Q. Yes, Mr. Carty handed it over.

A. So they would have known that Jack Stakelum then had succeeded them in running the bill paying account.

COMMISSIONER: We will terminate the proceedings for the week. Thank you very much for your assistance.

THE COMMISSION THEN ADJOURNED UNTIL TUESDAY, 6TH MARCH 2001 AT 11:00AM."

DAY 15 OF THE DEPOSITION OF CHARLES J. HAUGHEY WAS READ INTO THE RECORD BY THE REGISTRAR AS FOLLOWS:

"THE COMMISSION RESUMED AS FOLLOWS ON TUESDAY, 6TH MARCH 2001 AT 11AM.

Q. MR. COUGHLAN: Mr. Haughey, when we finished last Thursday, we had been dealing with the $\frac{1}{2}$ 100,000 donation made by Mr. Dermot Desmond and I had asked you if you believed that Mr. Stakelum and your tax agent, Mr. Kenny, would have been in communication with each other for the purpose of dealing with such matters, particularly relating to your tax returns and your

understanding was that they must have been, is that correct?

A. Yeah, I think it was, was it not a bit broader than that? I thought we were dealing with Deloitte & Touche.

Q. Yes, I was going to go back to Deloitte & Touche then

A. And Jack Stakelum, and I was saying that they would have been in touch, yes, because for no other reason that Jack Stakelum took over from Deloitte & Touche.

Q. The bill-paying service?

A. So they would have been

Q. I just want to be clear about this and to be fair to you about it. It was your understanding that the person or the entity involved in the bill-paying service would have had contact with your tax agent to ensure that your tax affairs were properly returned to the Revenue as far as you were concerned, is that right?

A. Yes.

Q. And if I might just then go back a little then

A. You see, Mr. Coughlan, I wouldn't distinguish greatly between them because Jack Stakelum had been in Haughey Boland.

Q. I understand.

A. They were all in the same stable, as it were, you know.

Q. They all started together and had moved into different

areas.

A. Yes, but what I am saying to you is I would regard, from my point of view, as a client if you like, I would regard them as both working together in my interests, looking after my affairs including my tax affairs.

Q. And could I ask you then, likewise, when Deloitte & Touche and prior to that, Haughey Boland, were involved in the bill-paying service and Mr. Traynor was providing the sources of funds for that bill-paying service, what was your understanding about their relationship when it came to dealing with your tax affairs?

A. Sorry, I don't get the drift of that.

Q. Well, if I could break it up so. Haughey Boland originally Haughey Boland were involved in the bill-paying service. They didn't continue that when they merged into Deloitte & Touche. Mr. Stakelum took over.

A. That's correct, I think, yeah.

Q. And the evidence has been, and I think it's your understanding as well, that to enable the bill-paying service to be used, Mr. Traynor supplied the money to Haughey Boland for that purpose, isn't that correct?

A. Yes.

Q. And apart altogether from the bill-paying service, Haughey Boland were your tax agents as well, isn't that correct? Or somebody in Haughey Boland was, at a

given time, your tax agent?

A. Yeah, yeah, there was Michael McMahon at one stage and then

Q. Pat Kenny I think?

A. I think Pat Kenny has more or less indicated to the Tribunal that he took over from he took over from Michael McMahon, isn't that it?

Q. That's correct, that's correct, and as far as you were concerned, were you always of the view that the bill-paying service side of the operation was in contact with the tax compliance side of the operation as well?

A. I don't think I would have had a specific view about it but as I say, I looked on both of them very much the same, Jack Stakelum on the one hand, Deloitte & Touche on the other. They were both my advisers and agents, if you like, and I would see them as part of my financial taxation situation.

Q. That's what I am trying to ascertain. You had this

A. I agree with you on that.

Q. You had this broad view of the situation?

A. I wouldn't say that I would have spelt it out in my own mind the way we are now, but I mean, that was the general view.

Q. Yes. And as far as you were concerned, Mr. Traynor had full powers to raise money on your behalf, isn't that correct?

A. Oh yes.

Q. He didn't actually have a power of attorney, but leave aside the legal niceties of that, as far as you were concerned, Mr. Traynor had full powers to raise money on their behalf?

A. Yes, he had indeed and I think we have gone over this before.

Q. We have, yes.

A. He would have had my total confidence in that regard.

Q. Yes. And relating to any returns that might have been made for tax purposes, was your knowledge of the specifics sketchy?

A. Would my knowledge?

Q. Of the specifics relating to tax returns, would they have been sketchy?

A. Yes. I mean, I trusted my advisers totally. Deloitte & Touche were a very first class top notch firm of accountants and tax consultants. They were, you know, among the top in the city at the time and Mr. Traynor was, had my total confidence and I was happy enough that the situation was being dealt with.

Q. And if the situation arose that funds which Mr. Traynor had raised on your behalf were by way of a donation, they may have incurred a tax liability, they may have, is what I am saying at the moment.

A. Well, I would have assumed that that would have been taken care of by Mr. Traynor in conjunction with

Michael McMahon as it was, Deloitte & Touche, but they would have

Q. Communicated?

A. No, but they would have seen it as their area of responsibility to keep that side of things correct.

Q. So, what your understanding was that they would have monitored the situation to determine whether there was a tax liability. Would that be your broad understanding of things?

A. Yes. Well not so much. You are spelling it out very specifically now, but my understanding of it was at the time that these advisers of mine would have kept me right insofar as my tax affairs were concerned. I mean, that's why Michael McMahon, for instance, looked after the tax side of the Gallagher agreement and so on.

Q. Now, from the point of view of your State income, of course, that was PAYE?

A. To the penny.

Q. To the penny. And other areas then, whether it was by way of

A. What I might say to you is that I would never have consciously or deliberately tried to avoid paying any taxes which I was liable to pay. As you go back, as the Tribunal goes back over events, you will see that I paid Wealth Tax way back at the beginning when very few people were paying Wealth Tax. Any time there was a

Capital Gains transaction, I paid tax on it and I would say that as far as I was concerned, I was happy that I was paying my taxes as they arose and as they were due.

Q. Now, the situation, if I might just break it up for a moment, dealing with your State pay which was PAYE.

Like most other citizens in the State who are on PAYE, the tax was deducted at source?

A. I think I paid PAYE tax religiously every year from the date PAYE tax was introduced.

Q. And that was deducted at source and in the normal course of events, whilst there is an obligation on tax payers to make returns, the attitude of the Revenue, understandably, is that in relation to PAYE, it's deducted at source, it's returned to the Exchequer, there is no loss to the Revenue, and if the Revenue were to process returns from every single citizen from every tax payer in the State in relation to PAYE, they'd be snowed under with paperwork, that's perfectly understandable. But a situation arose in relation to your affairs in the early 1990s which the Tribunal has been looking at and just wondering why the Revenue requested returns from you. Do you remember that at all? They requested them through Mr. Kenny.

A. No, but I don't particularly remember that, but why not, why wouldn't they be?

Q. On the face of it all, you were another PAYE

A. No, I think you have to send in a return every year

anyway. Wouldn't I have had the property at Abbeville and other income? I think no, I think the liability on every taxpayer was to make a return.

Q. That is so there is that liability but the understanding of the Revenue is that in the normal course of life, they will pick up PAYE matters where an allowance has been adjusted or something of that nature in future years and they, in the normal course of business, do not enforce returns in respect of PAYE religiously.

A. I am trying to think of what it might have been, but like, wouldn't I have been duty bound to make a return, an annual return or rather Pat Kenny to make it on my behalf in respect of income other than the PAYE?

Q. Yes.

A. Like, as I say, for instance, the property at Abbeville and maybe some income from Abbeville.

Q. Well, could I just tell you

A. I am trying to I can't say to you that there is nothing sinister in my making tax returns to the Revenue. I mean there might be something sinister if I didn't make them.

Q. Well returns weren't made. That's what I was just

A. But they were made. I mean, there was a delay in making them but

Q. I want to ask: you were asked to make returns, do you remember that?

A. My agents were asked to make returns and written to about them.

Q. Yes. Now, the situation had changed because self-assessment had come in in the late eighties, I think, from about

A. Wait now, you are talking about the early nineties now.

Q. Yes, that is correct. The returns were requested, I think, around 1991 or thereabouts.

A. I think that was I wouldn't be too sure now but I think that was nothing more than bureaucratic delays on our part. Either myself or my agents.

Q. I am not making a big issue. I just wanted to find out what your state of knowledge or mind was because self-assessment had come in and the situation had changed whereby the taxpayer had to sign off on his tax returns and you would have signed tax returns which were returned to the Revenue around that time when they were requested?

A. Wait now, when are you talking about, Mr. Coughlan? Are you talking about the early nineties?

Q. The early nineties.

A. Yes, a tax return would be brought out to me by somebody and I would be told "sign there" and I would sign there and they would then send them in on my behalf.

Q. But what I am really trying to ascertain, Mr. Haughey is, would you have had any detailed discussion with

your tax agents before you signed off on the

A. No, I don't think so.

Q. On the returns?

A. I don't think so, there'd be just a cursory, I don't know whether they'd bring out two or three years at a time or whether they would have just brought out one or sent it out to me, I don't know. It would have been a very cursory thing because they were the experts and they would fill in all those hideous complicated sections that frighten most of us and they would have all that filled in and they would say "sign there".

Q. That's what I was trying to find out, that with many of these complicated forms and

A. I think I can confirm that that was the way, yes.

Q. And did you ever inform your tax agents as to how the money for the bill-paying service was being sourced?

A. No, I don't think so.

Q. So you would never have informed them that the source of the money was, for example, loans or donations or contributions or whatever?

A. I don't think so, no.

Q. Now, Mr. Kenny has given evidence and I just want to ask you if you can deal with it. Mr. Kenny believes that he asked you about these matters in a general way and that your response was that it was borrowings. Do you ever remember that?

A. I don't remember that. I mean, I don't remember any

such conversation.

Q. And would it even seem likely that such a conversation might have taken place?

A. In retrospect?

Q. Yeah, in retrospect.

A. Well, I don't think I can say whether it would or not.

Q. Now, you have mentioned taxes which were paid, Wealth Tax back in the seventies, Capital Gains Taxes...

A. Residential Property Tax.

Q. Residential Property Tax.

A. My view at that time was that I was a normal compliant taxpayer paying all my taxes that were due and arising as they should have been paid.

Q. And you were never informed that you had a tax liability over and above the taxes which were paid?

A. No, no.

Q. Are you surprised now, in retrospect, that you weren't so advised?

A. I couldn't give you an answer one way or another on that. I mean, I just can't.

Q. Well, even at the time when it was, the bill-paying service was operating, did it ever occur to you that there may have been a tax liability in respect of it?

A. Well, there wouldn't be a tax paying liability in respect of the payment service.

Q. But the money used for the payment service?

A. No. I would have assumed that if there was a tax

liability arising in any regard, it would have been looked after, it would have been taken care of by my agents and advisers.

Q. And I take it you would be surprised if donations were made for your use, that they would not at least have been scrutinised for the purpose of ascertaining whether a gift tax or a Capital Acquisitions Tax liability arose?

A. I can't answer those questions, Mr. Coughlan. You are asking me if I am surprised now that I wasn't, if something wasn't then?

Q. Yes.

A. And I don't know.

Q. Well, the Tribunal has to look at matters with the benefit of hindsight, Mr. Haughey, and

A. Well, yes, but I am trying to give you the explanation.

These people were my trusted advisers. They were the experts. I was busy getting on with the other side of my life and I just, I assumed at all stages that my affairs were in order, particularly as I was paying quite a lot of taxes. I mean, even PAYE was taking about half one's salary at that time, or more maybe.

I was paying, as I say, when things arose, I paid the Residential Property Tax and by the way, I feel I was a bit badly done by, if I may say so, in the Tribunal's examination of the Revenue Commissioners in regard to Residential Property Tax for instance. Because at the

very start of Residential Property Tax when it came in first, I actually went to the trouble of getting the Revenue to get the Valuation Office to give a valuation of Abbeville because it was a very unique place, it was very difficult to say what it was worth. I mean, it was only worth as much as somebody was prepared to pay for it and big houses like that certainly weren't as popular then as they are now, so I remember doing that because it was a very prominent house and everybody wanted to know was I paying Residential Property Tax on it and I went through Pat Kenny or somebody, I got the Valuation Office, the official government Valuation Office brought in to the scene and they put a value on it. And we used that value then, my agents used that value then year-by-year, increasing it bit-by-bit or, you know, as inflation and that was a perfectly straightforward situation by me as a taxpayer and

Q. In fact, I think in fairness

A. I don't think it was brought out sufficiently at the Tribunal's inquiry that, in fact, we started off with a basis of an official valuation by the Valuation Office.

Q. Can you remember when that was? Was it when Residential Property Tax commenced in the mid-1980s 1983/'84?

A. Oh it was. The Labour Party were having some conference down in Galway and they had to pull some rabbit out of the hat and they pulled out Residential

Property Tax, whenever that was. It must have been during the, it was during a coalition, a non-Fianna Fail government.

Q. That's right. I can tell you the evidence which emerged at the Tribunal was that that is correct, that when the first returns came in, the Valuation Office, the matter was referred to the Valuation Office and the Valuation Office did carry out a valuation of Abbeville, is that your recollection as well of how matters?

A. Yes.

Q. And then the matter was

A. I might say, Mr. Coughlan, it's not just the Valuation Office. This was the official government's valuation instrument, the Valuation Office, beyond which there is no you can't go any further in getting a valuation.

Q. It's the due process, in fact?

A. Yes.

Q. And I can tell you that there was also evidence that in the late eighties the Revenue referred returns again to the Valuation Office and the Valuation Office gave their view on the values that were being returned. That happened, that evidence emerged.

A. That might have been in connection with the transferring of the land to the children.

Q. No. No. That as well. That as well.

A. We brought in the Valuation Office that time as well.

So every step of the way, Mr. Coughlan, I think you will acknowledge that we were reinforced by the official government valuing office, the Valuation Office.

Q. Yes, Mr. Haughey, the matter was it was initially referred for Residential Property Tax in the early days of Residential Property Tax. There was a subsequent reference to the referral to the Valuation Office late in the 1980s on Residential Property Tax and then there was a referral to the Valuation Office on the value of the land which was being transferred to the children in the late 1980s as well. So that that is correct, and that evidence emerged. Now, as far as you were concerned, I take it you had gone through due process, as you said, the official State agency for valuing property for tax purposes, perhaps for other purposes, but for tax purposes had been gone through, isn't that right?

A. Yes.

Q. Now, post McCracken, the Valuation Office, or the Revenue opened up the question of Residential Property Tax again. Do you remember that?

A. Yeah.

Q. And, in fact, a revaluation was done for a period in the late 1980s where the due process had been gone through. Did you know that?

A. Sorry now, Mr. Coughlan, I think this is not very long

ago, this

Q. That's right.

A. A re

Q. They worked back from 1996 when the tax ceased. Now, they carried out revaluations going back along the way, but they went back to we are also carrying out an inquiry into the Revenue, Mr. Haughey, so I am looking for your assistance on these matters also.

A. With two big generals like yourself, when the Tribunal and the Revenue falls out, the foot soldier gets squeezed.

Q. As far as you were concerned, you had gone through due process, the State agency, the Valuation Office had carried out valuations. As far as you were concerned, there should have been a closed book on it then?

A. Exactly.

Q. And I just want to bring it to your attention that post the McCracken Tribunal, as you say recently, they revisited values for Residential Property Tax. Now, I don't know whether that's prompted by increase in property values or what reasoning brought about

A. Probably that.

Q. this particular process?

A. As I was saying to you, Mr. Coughlan, big old houses were a drug in the market until fairly recent times.

Then suddenly they became and sorry, there is another thing. I am trying to recollect, but I think

there may have been a property sale in the area.

Q. Yes, I think you are right.

A. Which would have focused the Revenue's attention on, you know, on the increase in values that had come about. That may have been why it was

Q. Yes, I am not disputing that at all, Mr. Haughey. But I just the Revenue, through the Valuation Office then, revisited values for Residential Property Tax purposes as far back as 1988 and they increased some valuations for, I think, '88 and '89 which had already been the subject of the Valuation Office previously and your agency agreed those, it may have been, I don't know, for tactical reasons or for ease of life or what, but did you know that this process had been undertaken by the Revenue and the Valuation Office recently?

A. Oh yes, yes. I mean, I actually employed a local valuer who went into, who went into consultations

Q. Negotiations?

A. Negotiations with the Valuation Office and between them they and again I felt aggrieved at it because, as I said, we had, we thought, or I thought we had done everything right from day one by getting the Valuation Office to do a valuation and starting off on the right foot and perhaps what happened was that the valuations generally in the area started going up and up and up.

Q. Now, when you used the expression, I just want to be clear about this Mr. Haughey, that you got the

Valuation Office, is it that Mr. Kenny, your agent, in dealing with your returns to the Revenue was in discussion with the Revenue and asked that the matter be referred to the Valuation Office? I take it

A. Way back at the beginning?

Q. Way back at the beginning.

A. I would say, yes, the initiative in that came from us, I would think, yes, I am not too sure about that, but maybe

Q. I am just trying to clarify. I don't want the impression to be given that you could walk into the Valuation Office and ask them to come and value the place.

A. Oh no, no. It went through proper process.

Q. This $\frac{1}{2}$ 100,000 from Mr. Desmond we were talking about on Thursday which Mr. Stakelum dealt with on your behalf, to the best of your knowledge, would that have been brought to the attention of your agents, your tax agents?

A. I couldn't say. You see, it would depend, Mr. Coughlan, I think I think if it came from outside the country, it wouldn't attract taxation, isn't that the position?

Q. I don't think so, Mr. Haughey.

A. I think so. Well it's

Q. I see. I see.

A. Let's ask

Q. I have learnt many things at this Tribunal.

A. Haven't we all?

Q. And this may be something else.

A. No, I think that in certain circumstances, if it came if a gift is given from outside the State, I hope I am not wrong about this now, but I have a feeling that it may not, maybe in all circumstances or in some circumstances attract gift tax, whatever, I am not sure, but I am sure we can establish it.

Q. I see. Is that something that you always understood or is it something that in recent years

A. Sorry, Mr. Coughlan, I don't even understand it now, but when you are asking, like, did Mr. Kenny, would Mr. Kenny have known about it or would he have he might have known if it was from outside the State it wouldn't be taxed. That's all I am saying about it, but

Q. Now, there is one other payment from Mr. Desmond I'd like to deal with and that's one which occurred I think in October 1996. Mr. Stakelum gave evidence that you contacted him and asked him to contact Dermot Desmond and you indicated that Dermot Desmond would be making a lodgment for the purpose of defraying bills or expenses. Do you remember that?

A. I don't specifically remember, but I wouldn't be in a position to say it didn't happen. I am not I can't say that it wouldn't have happened.

Q. And Mr. Stakelum said he contacted Mr. Desmond as requested and he subsequently received a payment of £25,000 sterling which Mr. Stakelum had lodged to a sterling account of Business Enterprises Limited, that was his firm, and the Irish equivalent amount of £24,630.50 was lodged to the Secretarial Service account here in Ireland and used for the purpose of defraying expenses. Did you know anything about that?

A. Not again not the details, I don't remember the details of it, but it has been, I think, fairly well established that this, what you are saying, took place, and I am not here to contradict that. Again, the only thing I would remind you about is that at that stage, I was six years out of office and therefore, I mean, apart from the tax liability situation, I was perfectly entitled to borrow or receive a donation from a friend without any strings whatsoever.

Q. Well, do you know what this was? Was it a donation?

A. I can't remember. It may have been a loan, I can't remember.

Q. Well

A. I am sure Mr. Desmond would have said. Did he give evidence about it?

Q. Mr. Desmond refers to these as being loans with no strings attached, with no provision for repayment, no provision for any interest. Could I ask you, as far as you were concerned, were these just monies that were

made available to you?

A. Just made available, yes.

Q. Now, do you remember the circumstances whereby you had contact or discussion with Mr. Desmond about this sum of money?

A. No, not specifically, but it could have happened.

Q. And because you are being so frank about matters, when you say that these were monies that were just made available, can I take it that it was your understanding that these never had to be paid back?

A. No, not necessarily, no.

Q. Well, what could have triggered a payment I think

A. I wouldn't have thought all that much about it.

Q. Well, can I take it as far as you were concerned, and I am not in any way pejorative when I say this, that this was money that was coming to you and it was for your use and there was no need to pay it back?

A. There was no which?

Q. No need to pay it back?

A. That's putting it a bit far, Mr. Coughlan, but I don't think we need, at this stage, have too much discussion further about it because it was there and the exact form it took or the exact nature of it as a donation or a present or a gift or a borrowing wouldn't have been particularly important to my mind at the time.

Q. Yes, that's what I am trying to ascertain, your mind.

This was money Dermot Desmond was making available to

you, is that correct?

A. Again I want to point out, I wasn't even a member of Dail Eireann. I was a free citizen.

Q. I understand that, Mr. Haughey. But as far as you were concerned, this was just money Dermot Desmond was giving to you?

A. Yes, either by way of loan or whatever or gift or whatever.

Q. I am sorry, I have to pursue you there, because if it was a loan, if that was on your mind, was there ever any understanding even on your part as to how or when it would be repaid?

A. No.

Q. Isn't it more likely that it was by way of a donation to you?

A. Well, can't we agree to differ on it, Mr. Coughlan? You seem to think it was a donation. I am saying there was nothing specific about it one way or the other.

Q. I am trying to put the public's position, Mr. Haughey, and allow you comment on it.

A. Well, I have commented and I can't comment any further.

Q. Now, in those days, that is in 1996, can you say whether you met Mr. Desmond regularly or not?

A. Oh, I wouldn't have been meeting him regularly, but I would meet him casually from time to time.

Q. And when you say casually, would it be once every

couple of months?

A. Well, it wouldn't be specific like that. I might meet him at the races or somewhere.

Q. And

A. There were no, nothing in the nature of regular formal meetings.

Q. Yes, I can understand that. Now, you seem to have a recollection, Mr. Haughey, that at Mr. Traynor's funeral, that Mr. Collery approached you. I'll leave Mr. Collery's side of the matter for the moment, but just your recollection of events, that you seem to recollect that Mr. Collery approached you and said something to the effect that he would be looking after the funds or your funds?

A. I have given evidence to that effect and at some stage I must have been under that impression, but as I say, I am not sure now. I mean, Mr. Collery says it never happened and that shakes my faith in my own recollection.

Q. Very good. And there can be little doubt but that Mr. Collery was the source of the money which Mr. Stakelum used for the bill-paying service, apart from this $\frac{1}{2}$ 25,000 which he routed a different way.

Would you agree?

A. Well, I can't say whether it was or not. I mean, if there was one $\frac{1}{2}$ 25,000, there might have been others, you know, from other people.

Q. Do you think that might have happened?

A. No, I don't, I'm just saying there might have been.

You are pressing me on this, and I am trying to give you whatever recollection I can. I can't say. You are in better possession of the facts than I am on this one. You know. You have all the evidence.

Q. The facts as emerged at the Tribunal seem to establish that perhaps there were other $\frac{1}{2}$ 25,000s, but that Mr. Collery was one source, at least, of money for Mr. Stakelum to enable him to pay the bills. Those facts have emerged I think and you would agree?

A. Well, if you you are the Tribunal, you have all the powers. If you have established that, you don't need me to agree or disagree with it.

Q. Well, do you agree or disagree?

A. I don't do either. I am just accepting, if you say this is what you have discovered, I say, well, Mr. Coughlan if you have discovered it, you have discovered it.

Q. Very good. Now, in the time that Mr. Collery was providing money to Mr. Stakelum, we have been over this before, he provided statements which Mr. Stakelum brought to your attention and you have said that you didn't pay much attention to them anyway. Did you, after Mr. Traynor's death, ever have any dealings or contact or did anyone on your behalf ever have any dealings or contact with Mr. John Furze or with anybody

associated with Ansbacher Cayman or Hamilton Ross in the Cayman Islands?

A. No. No. The main person, or the only person really I would have been in touch with would have been Jack Stakelum.

Q. And as far as you are concerned so, it was Mr. Stakelum dealt with Mr. Collery on that end of things?

A. Oh yes.

Q. Is that right?

A. Yes. And I told you already, I am fairly clear in my own mind that I only met Mr. Furze once, and that was en passant, at Des Traynor's funeral.

Q. Did you have any discussion with him other than sort of exchange sort of

A. Hmm?

Q. Did you have any discussion or did you just exchange brief formality?

A. No, it was just a funeral occasion and Des Traynor had been, well I don't know, he was he certainly was a very, very, very good friend of mine and supporter and I think he was a very, very good friend of Mr. Furze as well, so it would have been just a mutually sad occasion.

Q. Did you know who Mr. Furze was?

A. Sorry, did I?

Q. Did you know who Mr. Furze was?

A. At the funeral?

Q. Yes. Apart from being a friend of Mr. Traynor's?

A. No, I just knew he was a family friend of the Traynors and I think it was as such he was introduced to me.

Q. Did you know at that time that he had some relationship

A. I can't help but hear Ms. O'Brien's as I said before, one opponent it enough for me at this stage.

Q. It's enough for me as well, Mr. Haughey. Did you know that Mr. Traynor was a banker?

A. Was a?

Q. Was a banker sorry, Mr. Furze, I beg your pardon, that Mr. Furze was a banker?

A. I am not sure, I would have probably known he was a financial person.

Q. Did you yourself ever go to Grand Cayman?

A. No.

Q. Did you ever instruct anybody to go to Grand Cayman on your behalf?

A. No. I didn't know where Grand Cayman was until all this Tribunal business.

Q. Even since this business started way back at the time of the McCracken Tribunal, did you go to Grand Cayman or did you send anyone there on your behalf?

A. No, I was never in Grand Cayman in my life, no.

Q. Did you ever send anybody to seek information on your behalf there?

A. No.

Q. Or to see if they could get information?

A. No, I am sure I didn't, no.

Q. Did you ever have any discussion with Mr. Padraig Collery?

A. No.

Q. Did anyone on your behalf ever have any discussion with Padraig Collery?

A. I can't say a categoric no to that but I am almost certain not, not on my instructions.

Q. Did Mr. Stakelum have any discussion with Mr. Collery on your behalf, do you know?

A. Well

Q. I mean since matters emerged? I am not talking about

A. You have explained that Mr. Collery, in your researches, was the person who was supplying funds to Jack Stakelum, so they must have been in touch.

Q. No, I understand during that time, but after that, did you ever ask Mr. Stakelum to make any inquiries of Mr. Collery about these matters? After all, if you didn't know about them, it must have been quite a shock to you?

A. I don't know what you are where you are coming from, Mr. Coughlan, but as I am nearly sure, I can assure you that it's only my only contact after Des Traynor's death would have been with Mr. Stakelum.

Q. Who or what did you think Mr. Collery was?

A. Well, I think I must have known that he was one of Des Traynor's assistants, I may have known that. But he you see, I don't think I ever heard of Mr. Collery until after Des Traynor's death and then he it was the Tribunal that focused attention, the Tribunals that focused attention on Mr. Collery and therefore it would have been in that context that I would have known most about him.

Q. Well, did you not try and get information to satisfy your own mind?

A. Only through I wouldn't have been in touch with Mr. Collery at all, I am sure of that. It would have been through Jack Stakelum that I would have looked for any information. He was my only contact with that whole world.

Q. And can I take it you did ask Mr. Stakelum and there'd be nothing wrong with it, "what's this all about?"?

A. I don't know that I ever put it in those words. What are we talking about now, Mr. Coughlan?

Q. About the whole question of

A. I mean, are we talking in Tribunal times or?

Q. Yes, yes.

A. Well, I would have discussed with Mr. Stakelum, yes.

Q. And perfectly understandable that you would want to know, it had emerged that there were apparently funds held for you in an offshore account, apparently, as far as you were concerned, and that Mr. Stakelum had been

getting money in the first instance from Mr. Traynor and then from Mr. Collery. Did it not excite some interest in you?

A. Well, it would certainly have, I mean, it would have been of considerable interest to me, but up until Mr. Traynor's death, it was all his operation and I would have been relying totally on him. Then after Mr. Traynor's death, I am almost certain that I wouldn't have had any contact with anybody except Mr. Stakelum.

Q. Except Mr. Stakelum?

A. Yeah.

Q. But when the matter blew up, if I might use that phrase, did you not ask Mr. Stakelum, "What's this all about?"?

A. Did I not which?

Q. Did you not ask Mr. Stakelum, "What's this all about? Offshore accounts? Cayman Islands?" all the phrases that have entered the vernacular sense?

A. I am sure I did.

Q. And

A. But what's if you tell me what you are trying to establish, I might be able to help you better.

Q. What did he tell you?

A. I don't particularly remember. I mean, we were in the middle of the McCracken Tribunal at that time and

Q. But even since the McCracken Tribunal, as more matters have emerged, did you not ask Mr. Stakelum, "What's

going on here?"?

A. But sure, I mean, it was all out in the open what was going on. The McCracken Tribunal was investigating everything and it was all, it was all being published in the newspapers every day and so on, it was all very public. There was no from my point of view, there was no great secret about it. I don't if you tell me what you are trying to establish, I might be able to help you, Mr. Coughlan.

Q. I am not trying to establish anything. I am trying to ascertain what your thinking was and what happened?

A. I probably wasn't thinking at all, but all I am saying to you is that I am as clear as I can be and accurate as I can be, that it was Jack Stakelum who was my only contact with that world after Des Traynor's death.

Q. Well, is it did it come as a if I might ask you this, did it come as a surprise to you

A. You keep asking me was I surprised.

Q. Did it come as a surprise? It's a surprise I suppose if you don't know about it beforehand. Did it come as a surprise in that context that matters

A. The only thing I can tell you is I never heard of Cayman before the Tribunal started or anything significant about the Cayman Islands.

Q. Mr. Traynor was a regular traveller to the Cayman Islands, wasn't he? He had a business interest there?

A. I wouldn't know about that. Didn't know about it at

the time.

Q. If I might just briefly turn, for the moment, Mr. Haughey, to Feltrim Mining. I think your son Conor gave evidence about starting up that company and how matters evolved, but Mr. Bernie Cahill who became the first chairman of the company, of the board of the company seems to remember that he got a phone call from you asking him would he become chairman, do you remember that?

A. I don't, no, but if Bernie Cahill says that, I would totally accept that, but I mean, I had practically nothing to do with Feltrim Mining. That was my son's thing and I think I may have taken some shares in it just out of family support for family support reasons. I don't know whether it's 1/2 2,000 or 1/2 3,000 worth or something like that, but it was all done fully publicly, it was Davys, I think, were the stockbrokers, it was a public launch and people subscribed to it as an investment, a commercial investment and I, as I say, I am certain that my only connection with it at all would have been to take a few shares in it from the point of view of showing support for my son's endeavour.

Q. Did you ever know anything about Mr. Dermot Desmond's involvement in that company?

A. No, I don't think I did, no. You see, could I ask you, Mr. Coughlan, when was Feltrim floated?

Q. 1989 I think.

A. You see, 1989 was the year, everything was happening in 1989 and Conor was off doing this thing on his own because he is a qualified mining engineer and there was quite a lot of interest in mining in Ireland at that time and as I say, Conor was off doing that as a thing of his own and I would have had naturally, a parental interest in hoping it would be a success, but apart from that, I wasn't privy to anything to do with Feltrim.

COMMISSIONER: We will break now and I am obliged, Mr. Haughey, for your cooperation and the progress we have made which is bringing this process to completion reasonably rapidly. Thank you.

THE COMMISSION THEN ADJOURNED UNTIL THE FOLLOWING DAY, WEDNESDAY, 7TH MARCH, 2001 AT 11:00AM."

CHAIRMAN: Having ended that volume, we will now adjourn until a quarter past two.

THE TRIBUNAL THEN ADJOURNED FOR LUNCH.

THE TRIBUNAL RESUMED AS FOLLOWS AT 2.15PM:

DAY 16 OF THE DEPOSITION OF CHARLES J HAUGHEY WAS READ INTO THE RECORD BY THE REGISTRAR AS FOLLOWS:

"THE COMMISSION RESUMED AS FOLLOWS ON WEDNESDAY, 7TH

MARCH 2001 AT 11AM:

Q. MR. COUGHLAN: Mr. Haughey, I wonder at this stage, if I could ask you to address your mind to the dealings you had with the Agricultural Credit Corporation and I think that you had, over the years, various stocking loans with the Agricultural Credit Corporation, isn't that correct?

A. (Nods).

Q. And there was a loan in 19 pre-1979 for about $\text{€}35,000$ and around 1979, the stocking loan was increased to around $\text{€}100,000$, I think about $\text{€}105,000$.

Would that be correct?

A. 1979?

Q. Yes, I think

A. Sorry, yes, yes, I think

Q. You increased the

A. You see, I became Taoiseach in '79 and I wanted to get the loan paid off.

Q. Well, now, perhaps I'll take you through the documents briefly so that you have an idea of what transpired with Agricultural Credit Corporation and I can ask you some questions about it perhaps, I think that's the best way to deal with it.

A. Thank you.

Q. The loan increased from $\text{€}35,000$ in 1979 to $\text{€}105,000$ when it was discharged out of the proceeds of money which were identified in the McCracken Tribunal. I

think you remember that?

A. Yes

Q. That would be right, wouldn't it?

A. That's I think that's right, Mr. Coughlan. I am just trying to focus on it for a moment. I would have thought that the loan was paid off in '79 but maybe not, maybe it was '87, was it?

Q. I have a table for my own reference [EXHIBIT 1] and I'll just go through that with you and explain. On the 10th September 1979, there was an amount repaid of $\text{£}35,159$. And then on the 11th September 1979, there was an advance of $\text{£}35,000$, there was a new stocking loan advanced in 1979.

A. So what would have happened, Mr. Coughlan, is that I would have paid off the capital and the interest and then reborrowed the capital.

Q. That's correct. That is correct.

A. Paying the interest off each year.

Q. In fact, each year it was paid off and new monies borrowed. On the 2nd September 1980, $\text{£}41,490.40$ was paid. That was the capital and the interest that was on the $\text{£}35,000$ that had been borrowed. And then on the 29th September 19 on the 2nd September 1980, $\text{£}50,000$ was borrowed, a new stocking loan. On the 2nd September 1981 $\text{£}58,490.58$ that was repaid; that was the capital and interest. On the 2th September 1981, $\text{£}75,000$ was borrowed. On the 2nd September 1982

£88,568.14 was repaid. On the 8th September 1982,
£75,000 was borrowed. On the 1st September 1983,
£87,187.47 was repaid. And on the 9th September 1983,
£80,000 was borrowed. And on the 5th September 1984,
£91,420.94 was repaid and on the 24th September 1984,
£90,000 was borrowed. Then on the 28th August 1980,
£12,544.08 was paid. That appears to have been the
interest. The loan was rolled over. On the 4th
November 1986, £15,901 was repaid. That was the
interest again. The loan was rolled over and on the
3rd December 1987, £105,000 was repaid. That was the
final repayment in relation to that.

Now, I think just a few questions arising from that,
Mr. Haughey, I think you always dealt with Agricultural
Credit Corporation yourself, didn't you?

A. I did, yes, until the, I think until the end, I don't
think I I think Des Traynor arranged the paying off
of the final

Q. The ultimate paying off, yes, but otherwise it was you
or through your secretary communication was with
Agricultural Credit Corporation, isn't that correct?

So you handled that aspect of your own financial
affairs yourself, isn't that correct?

A. Yes.

Q. Now, I think in respect of the 1981 loan - perhaps I
should preface this by indicating that the security

which the Agricultural Credit Corporation had up to

1981 was a floating chattel mortgage?

A. Yes.

Q. Isn't that correct?

A. I think that's correct, yes.

Q. And in 1981, I think you asked them not to register the

floating chattel mortgage as this could lead to

undesirable publicity. Do you remember that?

A. Yes, well I don't think it was ever registered.

Q. I see. You believe it was never registered, whilst

they may have believed they had a floating chattel

mortgage up to then, it's your belief that it wasn't

registered?

A. I don't think it was ever registered. That's my

belief.

Q. But in any event, do you remember a conversation around

1981 with an official from Agricultural Credit

Corporation requesting that the floating chattel

mortgage should not be registered as it could lead to

undesirable publicity?

A. I don't remember it as such and I am just a bit puzzled

about it because I don't see why I would have asked in

1981, because my view was that it had never been

registered, if you follow me.

Q. Well, could I ask you this, and this is probably the

pertinent question I wish to ask you about it: if you

made such a request, and it's recorded in the documents

of Agricultural Credit Corporation as being contemporaneous notes of conversations with you by telephone, would the idea for that come from yourself or would it have come from Mr. Traynor?

A. I just couldn't say. Perhaps I might have been more conscious of the publicity involved, political publicity involved.

Q. Yes, I can understand that, but from your own evidence you weren't intimately involved in your financial affairs.

A. No.

Q. And down to a detail of not having a chattel mortgage registered, it's getting into the minutiae of your financial affairs, would you agree?

A. No. You see, the Agricultural Credit Corporation was a State body.

Q. That's right.

A. And therefore, there might have been some political fall out if somebody like myself was borrowing from a State company though looking back on it, I can't see why, unless we were getting favourable terms and I never got any favourable terms from the Agricultural Credit Corporation.

Q. And in the normal course of events, somebody engaged in farming regularly avails of chattel mortgages. It's the way business is done.

A. Somebody told me since, that quite a few other farming

politicians would have been customers of the ACC in the normal course of events.

Q. But just to tease that issue out with you. If you were engaged in farming, it would be run-of-the-mill in a farming business to have a mortgage, a stocking loan from somebody like the Agricultural Credit Corporation and it would be run-of-the-mill to have a chattel mortgage registered as well I think?

A. I think you could exaggerate that, Mr. Coughlan. That would seem looking back, that would seem to be the way, but on the other hand, I could see, looking back, that at the time I might have been conscious of the need, of the need of confidentiality because nothing about me was ever run-of-the-mill, Mr. Coughlan. I am not saying that in any boastful sense, but the newspapers, media were always interested in anything I did of any sort and it may have struck me, though, there is a little dichotomy there, but it may have struck me that it would have been a matter of there would have been political fall out if I were obviously borrowing from the ACC which was a State company and in that regard, I even though I was not receiving one slightest iota of favour from the ACC, I was paying them the full mortgage interest and as those figures you have read out would disclose, that mortgage interest was very high in those days, was very crucifyingly high, so there was no element of

preference or anything like that being given to me as an individual by ACC, but I may have felt that it was better to try and maintain complete confidentiality about it.

Q. And do you think you would have done that without discussing it with Mr. Traynor or?

A. I don't no, I think on a few occasions Mr. Traynor may have provided funds on a roll-over basis, like, if I were paying a mortgage off in September and not reborrowing until the spring, there may have been bridging finance arranged by Mr. Traynor.

Q. Well, it's something I'll deal with in a moment. There does appear to have been money that came out of Guinness & Mahon which went to the Agricultural Credit Corporation and when loans were drawn down from the Agricultural Credit Corporation, they went into Guinness & Mahon into either your account or a Mr. Traynor account?

A. I think that would have been the way, yes, but sorry, what was your question?

Q. The question I suppose: why would you have dealt with Agricultural Credit Corporation yourself face to face and not Mr. Traynor?

A. It just happened. Possibly because it was a local farming Abbeville matter and I had a good relationship with the ACC on a personal basis and maybe that was probably why.

Q. And when you say you didn't get favourable terms, of course you paid the full interest at the going rate, there is no doubt about that. But would you accept now that by not having a chattel mortgage registered, it was conferring some favouritism on you?

A. Ah I wouldn't think so. Not really no, Mr. Coughlan. It would be a detail. It wouldn't have affected things very much one way or another. If the mortgage I don't know what the actual legalities would be, but if the mortgage was there, wouldn't that protect the ACC even though it wasn't registered?

Q. Well, no, sorry, there could be a legal argument involved in the matter I suppose

A. I don't think there is any real point there, particularly, Mr. Coughlan, as I was borrowing and paying back and borrowing and paying back religiously.

Q. It was done every year, there was no doubt about that.

A. Every year. And I paid interest in full so I don't think there was any element of favouritism in the not registering the chattel mortgage, as long as the mortgage was executed.

Q. Well, I think I suppose from the Agricultural Credit Corporation's point of view, they didn't have tied up security. They were depending on you repaying it or else they'd have to take broader steps I suppose?

A. I would have had the stock I mean, it was a stocking loan and they would have had the stock and they would

have had the legal document which, as I say, even though it wasn't mortgaged, it was still a legal mortgage and I don't think they would have been in any problematic situation.

Q. Did you know that your file was kept in coded form by Agricultural Credit Corporation?

A. No, I didn't, no.

Q. Or that it was retained in the office of

A. No. I knew that either myself or my secretary dealt year after year with one man, I forget his name now, but he was personally known to me. Was he the Chief Executive or the Secretary?

Q. Well, the file was retained in the office of the deputy Chairman of the bank, did you know that?

A. Who was he now?

Q. Mr. I think it's Mr.

A. Culligan?

Q. Mr. Culligan?

A. Mr. Culligan.

Q. Is that the man you dealt with?

A. No, I didn't know that he kept it but I think that would be the normal practice for the, for a bank dealing with somebody like myself who was very much in the public eye. But I didn't know it was there.

Q. And was it Mr. Culligan you believe you probably dealt with?

A. I think I dealt with Mr. Culligan, yes. Or if I

didn't deal with him, my secretary would.

Q. Yes. Now, the purpose of the loan each year was, as you say, a stocking loan. It was to purchase cattle I think, isn't that correct?

A. Or maybe horses.

Q. I see.

A. Maybe horses.

Q. Because you weren't carrying on farming business in name anyway from 1979 on, isn't that correct?

A. I am not sure I wasn't. I mean Abbeville was there as a farm.

Q. Well, I think the farm had been transferred to the business of the farm had been transferred I think to your daughter Eimear probably around the time you became Taoiseach. Would that be correct?

A. The bloodstock was anyway, yes.

Q. Well, it's of some significance because accounts were submitted in the early 1980s, farm accounts were submitted in the early 1980s by Haughey Boland on your behalf and it indicates that your daughter Eimear was taking over the farming business, it was being transferred to her and the accounts which were submitted were up to the end of 1979.

A. Submitted to?

Q. The Revenue.

A. Right.

Q. By Haughey Boland. Did you know that?

A. Well, I am trying to recall, but perhaps you can help me. Were they submitted as her accounts or as from me to Revenue?

Q. They were submitted as farm accounts for you and there is a significance which attaches to those accounts because those accounts disclose the borrowings from Allied Irish Banks on them and then they cease in 1979, the business having been transferred to Eimear.

A. I am lost. I can't follow you, Mr. Coughlan. Eimear, at some stage, took over the bloodstock.

Q. Yes.

A. And I think did I, I read, saw from the papers recently that this was discussed by the Tribunal in dealing with the Revenue quite recently?

Q. Yes, that is correct.

A. In fact, one newspaper, in their anxiety to be detrimental, tried to create the impression that Eimear got $\frac{1}{2}$ 190,000 money, in money, in cash terms. Whereas what really happened was that she took over the bloodstock at that value. That not

Q. I think that was a loan that was attributable to Eimear in the accounts.

A. You see, it arose because she took over the bloodstock. Naturally she didn't pay cash for them, so it was the loan.

Q. Perhaps I can come at it this way: in 1979, was the transfer of the farming business which was declared to

the Revenue an accountancy exercise and in real terms did the farming business continue as yours or was the farming business actually transferred to Eimear in real terms, if you understand me?

A. Well, it certainly was it certainly, the accountancy side of it was carried out and Eimear, from that time on, was running the farm, was doing the actual farming operations, but whether I still had an interest, apart from - it was probably a loose arrangement between Eimear and myself because wouldn't it be true that at that time, I would still own the land, Maureen Haughey and myself would still be the land owners?

Q. Yes, right up to 1989.

A. So to that extent, the transfer wasn't total and complete.

Q. No, it was the business of the farm that was transferred.

A. I think it was the bloodstock that was transferred over, yeah.

Q. Now, did you continue to receive any benefit so from the farm?

A. I wouldn't think so. I don't know exactly what you have in mind, Mr. Coughlan? What do you mean benefits - money, or?

Q. Yes, was the farm generating an income?

A. What do the accounts show? I don't have the accounts.

Q. Well, you were purchasing cattle, according to the

stocking loan application, would have been sold and was a profit being made on it?

A. Hardly. Hardly ever.

Q. Hardly?

A. Hardly ever, because the one thing about Abbeville always was that we, whether it was Eimear and myself or myself alone, farming at Abbeville was never very, never profitable because we didn't have quotas, and as you know in modern times, you have no hope of making a profit in farming unless you have quotas, quotas for beef, for milk or whatever it was and we never had any and we daren't apply for them because there would have been more hoo-ha about that. So I wouldn't say that the actual farming side, apart from the bloodstock, was ever very profitable, but the accounts will show that.

Q. Well, the loan application shows the purpose as being the purchase of cattle?

A. Only?

Q. Well, I am looking at the one for 22nd September, 1980.

A. I thought it might have I am not contradicting you, Mr. Coughlan, but I thought it might have included horses from time to time.

Q. You may be correct in some of the later ones, Mr. Haughey, but this particular one is for the purchasing of cattle. Yes, Mr. McGonigal is correct, if you go along, bloodstock and cattle are referred to, mares. Do you know if stock was actually being purchased, is

what I want to know or was this some sort of an accounting exercise?

A. There would be some, yes, there would be some purchases but, well a stocking loan would have been a loose term, let me say it that way.

Q. The way we see it

A. There were bloodstock.

Q. The way we have seen the transactions occur appear to be that money is borrowed from Agricultural Credit Corporation, it's repaid with interest the following year. It's repaid out of Guinness & Mahon and I am not going to draw a distinction at this stage because you say you didn't know that you had an account in Guinness & Mahon, but it came either out of an account which was designated as your account or out of a Mr. Traynor account. That's how it was repaid. Then when the new loan was drawn down from the Agricultural Credit Corporation, it went into Guinness & Mahon to cover

A. Isn't that all very clear, Mr. Coughlan, from your point of view? There is no net money produced. It was just

Q. The money seemed to have been going around?

A. Yes, from year to year.

Q. That's really

A. There was no big donating new money.

Q. What I am trying to ascertain was this: was anything

being purchased?

A. Hmm?

Q. Was anything being purchased and if so, with what money? Because the money was coming out of ACC and going into Guinness & Mahon and going back out again.

A. One of the things was, wasn't it, that the amount of money borrowed went up.

Q. Yes.

A. By the year, so obviously there was that amount of fresh money to buy horses or cattle or whatever.

Q. Well, other than the time

A. Isn't that so now?

Q. It doesn't seem to well, perhaps it is so. That's what I am trying to find out from you, Mr. Haughey, because you see, we see the money coming out of ACC and going into Guinness & Mahon and it's the same money that is used to - or monies drawn down from Guinness & Mahon to repay the loan and the money that comes back out of ACC goes back into Guinness & Mahon to fund the money which was borrowed or drawn down from Guinness & Mahon. That appears to be the position as far as we can see it. Do you know if it was any different?

A. All my recollection of it, for what it's worth, is that some money was borrowed from ACC for farming purposes or bloodstock breeding purposes. At the end of the year, it would be repaid possibly with funds from Guinness & Mahon to repay it and then it would be

reborrowed again but more and Guinness & Mahon would be paid off then. What I am trying to say to you, Mr. Coughlan, apart from a little, a certain amount of extra money each year as the borrowing went up from year to year, it was basically the same loan that was being rolled over year after year.

Q. Now, I think you know, Mr. Haughey, that we have been dealing with accounts in the course of evidence at this Tribunal and in correspondence with you and the name of the accounts were Amiens Securities Accounts. These were accounts of Mr. Traynor's in Guinness & Mahon.

A. Yes, I have come across it in the Tribunal documentation, yes.

Q. And there were a number of different Amiens Accounts and they had a different designation and there was one of the accounts which was called an Amiens Securities Limited No. 1 Current Account and Ms. Sandra Kells, an official of Guinness & Mahon at the time, gave evidence that there was lodged in cash, to that account, a sum of £106,800 between the 13th February, 1987 and the 26th March, 1987 involving eleven separate cash lodgements. Now, I think that was around the time of the General Election of 1987?

A. I would say without hesitation that that had nothing to do with me, Mr. Coughlan. I can almost certainly assure you of that. I wouldn't have known anything about it and I can't see how it could be connected with

me in any way.

Q. You don't ever remember receiving any cash political contributions or donations around that time that you would have given to Mr. Traynor?

A. You would receive, at election times, maybe cash, but nearly always cheques, but certainly no such process of a number of small-ish amounts, were they? Whatever they were.

Q. Yes, well i;½106,000 in eleven not even sums.

A. That wouldn't make any sense to me, Mr. Coughlan.

Q. And do you ever remember receiving, say, over i;½100,000 in cash?

A. No.

Q. Around this time?

A. No.

Q. That you would have given to Mr. Traynor?

A. No, never, no.

Q. To the best of your knowledge, would Mr. Traynor have sought cash around the time of an election time for you?

A. No. I told you before, Mr. Coughlan, and it's one factor I think you'll have to agree with me on, that Mr. Traynor never raised money for Party, for Fianna Fail or Party political purposes.

Q. But he would have received money from you, if you had received money, it was Mr. Traynor would have managed it on your behalf, if you had?

A. No. I think I already told you, Mr. Coughlan, that I don't ever remember giving cash to Mr. Traynor, ever.

And also, if I can repeat for you, I think I have said it before - sorry, I have forgotten what it was.

Q. If I might just pause there for a moment because there is something I just want you to go back over again and if you can deal with it at this stage. You are adamant that Mr. Traynor was never involved in the political process, that is on behalf of Fianna Fail?

A. Yes.

Q. You remember the payment that came from Mr. Smurfit which, on the evidence of Mr. Smurfit, of a donation to Fianna Fail.

A. Yes.

Q. But ended up in an Ansbacher Account, apparently on the instructions of Mr. Traynor.

A. I told you, Mr. Coughlan, I am sure I told you that Mr. Traynor would not have collected money for Fianna Fail from Mr. Smurfit or anybody else.

Q. And, I just want to get your evidence on this

A. I am quite clear on that.

Q. Because it's essential type of evidence for us to understand if we are dealing with other people, that if Mr. Traynor directed money to be paid, a route of money to be paid, to the best of your knowledge, it would have been on your behalf and not on behalf of the Fianna Fail Party?

A. I am not saying that I am not saying whose behalf it was on, Mr. Coughlan, but I would be as certain as I can be that Mr. Traynor would not have sought a donation for Fianna Fail from Dr. Smurfit or from anyone because that was

Q. Well, the evidence I just want to, I am sorry to come back to this, I am just trying to get it clear in the Tribunal's mind about that particular money.

A. Mr. Coughlan, we did go into this a few days ago.

Q. I know, Mr. Haughey. I just want to try and tease out a few matters if I may. Leave aside the fact that Mr. Smurfit gave evidence that you requested the donation, I want you to leave that aside for the moment. It's Mr. Traynor's involvement in the matter that the Tribunal is interested in at this stage.

A. Very good.

Q. You are absolutely certain that Mr. Traynor had no role in Fianna Fail at all?

A. Absolutely certain. I will repeat that, that he would not have been authorised by anybody to seek or collect subscriptions for Fianna Fail. I think I conceptualised the thing for you in this way, that Mr. Traynor did not have any interest in normal, routine politics, in the political process and he felt that the best way he could contribute to the country was by supporting me as a political person and making life as smooth for me as he could. And that would have been

his philosophy. And I think you can accept that.

Q. Yes, and Mr. Paul Kavanagh gave evidence to the Tribunal that to the best of his knowledge, Mr. Traynor had no role in the fundraising for Fianna Fail at all.

A. That's true, yeah, well I accept I mean, I don't know that he did, but I accept that.

Q. Now, moving on from this cash which was lodged to this Amiens Account around the time of the '87 General Election, there were there was another lodgment there were two other lodgments I'd like to ask you about, if you can assist the Tribunal, and one was a sum of $\text{€}1,500,000$ was lodged to the account, this Amiens No. 1 Account, on the 18th February, 1987 and it was drawn on the account of a company called Skellig Investments which was a family company of Mr. John Byrne. That was lodged to the account.

A. I never heard of Skellig Investments.

Q. I'll just tell you, it was well you can leave Skellig Investments, it was Mr. John Byrne.

A. I don't know anything about that.

Q. Very good. I just want to move on. Then there was another lodgment to the account on the 23rd July, 1987 of $\text{€}260,000$

COMMISSIONER: The date again?

Q. MR. COUGHLAN: That was the 23rd July, 1987, Sir, of $\text{€}260,000$ by way of an AIB banker's payment which was

funded by debits to Princes Investments Account with a branch of Allied Irish Banks in Tralee. Now, that particular movement of money was the subject of a long inquiry at the public sittings of the Tribunal. I know you wouldn't know and I am not asking you to comment, but I'll just flesh it out for you. That this company called Princes Investments was a company with which Mr. Byrne had an association, along with others, and it had a loan from Guinness & Mahon which was backed by Cayman money. The loan in Guinness & Mahon was paid off by the backed money and then Princes Investments sent this particular cheque or bankers payment to Guinness & Mahon for $\text{€}260,000$ and it ended up in an Amiens Securities Limited No. 1 Account, in other words, it didn't go into Guinness & Mahon to pay off any loan that this company had with Guinness & Mahon, the loan already having been paid off. Now, can I ask you, do you know if first of all, do you know anything about the $\text{€}260,000$ going into the Amiens Account?

A. No, Mr. Coughlan. And in this documentation that you very helpfully give me from time to time, I saw these references to Princes Investments, and I just can't understand why they are there. I mean, they are nothing to do with me whatsoever.

Q. What I want to ask you is, do you know if Mr. John Byrne was ever approached by Mr. Traynor to assist with

your finances?

A. No. I don't know that, but I don't think that he ever was and I think Mr. Byrne has said from time to time publicly and definitively that he never subscribed personally to my finances, never subscribed to my personal finances at any stage. But, I mean, I don't understand why these I never heard of Princes Investments in my life and I know nothing about these transactions. As I say, I just when I saw them here in these documents as matters you were going to raise, I was baffled. Because I don't know or see how you can suggest that these had anything ever to do with me.

Q. Well, let me tell you the evidence of Mr. Byrne, first of all, was that it was a total mystery to him how a loan, which his company, Princes Investments had with Guinness & Mahon was paid off by an offshore backing deposit. It's a complete mystery to him. He doesn't know how or why $\frac{1}{2}$ 50,000 was paid to Mr. Traynor or went into an Amiens Account. And I am just wondering do you know if Mr. Traynor might have received monies without you knowing the source of them for your benefit?

A. Oh I think, yes, I think it's possible, yes.

Q. And there was also this is just money we are trying to see if anyone can assist us on there was also lodged to this Amiens No. 1 Account on the 22nd

February, 1988, i;½195,000 and on the 24th February, 1988, i;½49,700 and those are the proceeds of inter-bank transfers from Bank of Ireland. Can you be of any assistance to the Tribunal about those?

A. No, I can't, Mr. Coughlan, and again I have to reiterate, that none of these things would have anything to do with me.

Q. Now, Mr. Haughey, I want to turn to an account in National City Brokers and the Tribunal first became aware of this account and it arose from a credit to the S8 Sterling Account of a lodgment of i;½168,036.81 to that account on the 29th September, 1995 and the entry on the statements described the lodgment as "Lodged from NCB" and this lodgment was also recorded on the memorandum furnished by Padraig Collery to Jack Stakelum [EXHIBIT 2] which was indicated by Mr. Collery to be a statement of your account, the S8 Account. Now, do you ever remember Mr. Stakelum showing you this particular memorandum?

A. No, I don't. Maybe if you showed it to me.

Q. Yes, I will. It's similar in form to the other memoranda which we had the other day and I'll get it now for you in a moment. (Document handed to witness.)

That's one of these memoranda accounts again, Mr. Haughey, and you can see on the top of it there, the legend "Transfer from NCB."

A. Again I have to comment about this statement, that my name does not appear on it and I have it seems to be very sparse in any form of identity to anybody. I mean, the initials up there are presumably JJS is J.

Stakelum.

Q. Yes, and DPC is Pdraig Collery. It was designed to be sparse, Mr. Haughey.

A. Well, it doesn't convey anything to me, Mr. Coughlan, I am afraid.

Q. Well, if it was shown to you, would you have remembered it?

A. Not necessarily.

Q. Now, the transfer of these funds arose from the closure of a nominee account in NCB called the Aurum - A-U-R-U-M - Nominees, No. 6 Account, and this was an account held by NCB's nominee company in the name of Overseas Nominees Limited which was itself a nominee company of Ansbacher Cayman Limited. And the instructions to close the account initially came from Mr. Traynor in February, 1994 and subsequently on the 12th September, 1995, specific instructions were furnished from Pdraig Collery to transfer the funds to Irish Intercontinental Bank Account Hamilton Ross and an account number was given. Pdraig Collery stated in evidence that he was acting on the instructions of Mr. John Furze in carrying out that particular transaction.

So to recap, the investments which were cashed to yield the 168,000-odd sterling which was lodged to the S8 Account came as a result of an instruction by Mr. Traynor initially to close the account and after his death, an instruction from Mr. Collery to transfer the proceeds of that account to the Ansbacher Account or into the Hamilton Ross Accounts and ultimately into the this S8 Account. Now, did you know anything about an investment account in NCB which had been arranged for you?

A. No, no, I did not, Mr. Coughlan, and I add to that, I never heard of Aurum, Aurum Securities, is it?

Q. Aurum Nominees.

A. Aurum Nominees. And I am volunteering this to the Tribunal or to the Commission, I don't know if you are aware of correspondence between my agents and the Revenue Commissioners in this connection?

Q. Some.

A. Well, anyway, the Revenue Commissioners were interested in this account and they were in touch with my agents about it and at their request, I supplied them with a waiver, the sort of things that you look for yourself from time to time, and NCB wrote back to me and said, we have your document or whatever, and we would be grateful if you would confirm if you are the beneficial owner of this account as heretofore we have no indication that you have any connection with this

account. So that's all I know about it, but NCB said to me, which I duly passed onto the Revenue Commissioners, I don't know why you haven't access to these, but

Q. We probably have that document, yes.

A. But that's what they said to me.

Q. They gave a lot of evidence here about it, and what we are trying to do is put the whole picture together of how the account was opened, where the money came from and where it ended up.

A. But I am just pointing out to you, Mr. Coughlan, that they, NCB, said in letter to me that, in effect, I had nothing to do with the account.

Q. Yes, well that, of course, would be NCB's understanding of matters, yes. But the money, or sorry, the account was closed on the instructions of Mr. Traynor, it was opened that way as well as we will see, but it was closed on the instructions of Mr. Traynor, but after Mr. Traynor died, the proceeds were transferred to Irish Intercontinental Bank for the account of Hamilton Ross on instructions of Mr. Padraig Collery who had received those instructions from Mr. John Furze. Now, they ended up in an account which Mr. Collery furnished to Mr. Stakelum as being a statement of your account and Mr. Stakelum has given evidence of bringing it to your attention, perhaps you only looked at it in a cursory way and wouldn't have had much interest in it,

but do you know how Mr. Furze could have instructed Mr. Collery as to where the proceeds of this account should be credited?

A. No. As I say, the only thing I can tell you about it all is, insofar as I am concerned, the only relevant thing I know about it is the letter from NCB to me saying that they had no indication that I was, I think, the beneficial owner, was what they said.

Q. Did Mr. Traynor ever discuss with you that he had an investment portfolio on your behalf?

A. No.

Q. Never?

A. No.

Q. Well, perhaps, it's something now Mr. Stakelum gave evidence that after the McCracken Tribunal had commenced, he contacted Mr. Collery and asked him what the lodgment to the S8 Account was and Mr. Collery told him that it was from an investment account of yours which would be in conformity with the memorandum account that you had before you and Mr. Stakelum gave evidence that he then contacted you and asked you what the lodgment was in respect of and as far as he can recall, you answered, and I am using Mr. Stakelum words now, "Isn't that from an investment account?"

A. I don't know anything about that. I don't know why I don't know exactly what Mr. Stakelum said or why he I cannot recall any conversation with

Mr. Stakelum about an investment account.

Q. Well, in fact, the way I am reading the note, it's, "Isn't that from an investment account" question mark, it's raised in the form of a question.

A. That doesn't mean anything to me.

Q. You don't ever remember having that discussion or conversation with Mr. Stakelum?

A. No, I don't. Can you tell me when it's supposed to have happened or?

Q. Well, it seems to have been around the time of the McCracken Tribunal.

A. No, I still can't be of any assistance to you.

Q. Now, NCB have provided information which shows that the account was opened in July of 1988 and that in all, a sum of £338,000 was made available and that the sources of the funds were that £175,000 was transferred by Guinness & Mahon to NCB Sterling Account with Royal Bank of Scotland on the 7th June, 1988 and that transfer was debited to the Cayman, what is known as the 602 Account which was the main hub account for Cayman in Guinness & Mahon. So £175,000 came out of the Cayman Account and it was then credited to NCB's Sterling Account and that commenced the investment.

Did you know anything about that at the time?

A. No, certainly not, no. Did you mention Bank of Scotland or something?

Q. Well, Bank of Scotland happened to be

A. They keep cropping up and I never had anything to do with the Bank of Scotland in my life.

Q. These are the banks in which companies or banks, stockbroking companies or banks would have their Sterling Accounts, they were entitled to hold such accounts for the purpose of dealing and they'd hold their Sterling Account. They may have a Dollar Account in some bank in New York or something like that. But you didn't know that an investment was being planned for you as of June of 1988?

A. No. I certainly did not and I don't know that it was for me, any such account, investment or otherwise, and I don't know that in view of what NCB said to me by way of letter, that you can suggest that.

Q. But sure, Mr. Haughey, what I am showing you is the route of the money into it and the route of the money out and the route of the money in comes from Mr. Traynor in Guinness & Mahon from Cayman and it comes out back into Cayman into an account for you, Mr. Haughey.

A. You know, Mr. Coughlan, that Mr. Traynor had, as well as looking after my affairs, he looked after the financial affairs of many other people.

COMMISSIONER: Right. I think we are just on twelve.

Thank you very much, Mr. Haughey.

THE COMMISSION THEN ADJOURNED UNTIL THE FOLLOWING DAY,

THURSDAY, 8TH MARCH 2001 AT 11AM."

DAY 17 OF THE DEPOSITION OF CHARLES J. HAUGHEY WAS READ
INTO THE RECORD BY THE REGISTRAR AS FOLLOWS:

"THE COMMISSION RESUMED AS FOLLOWS ON THURSDAY, 8TH
MARCH 2001 AT 11AM:

Q. MR. COUGHLAN: Mr. Haughey, I think yesterday we were discussing this investment account in NCB Stockbrokers, which was held in their, by a nominee company of theirs for the benefit of a company called Overseas Nominees Limited which was the nominee company of Ansbacher Cayman, and I think I, first of all, had dealt with how it was opened, that there was a movement of stg£175,000 on the 7th June, 1988 out of Guinness & Mahon and that was debited to the Ansbacher Account and then there was a transfer of sterling £125,000 by Guinness & Mahon to the same NCB Account on the 18th August, 1988 and this was also funded by a debit to the Cayman Account.

Now, this account into which the money was received by NCB was not an account that was ordinarily used for the receipt of funds on behalf of clients but was an operating account used by NCB to fund expenses connected with its membership of the London Stock Exchange and that's why it was a sterling account in the Royal Bank of Scotland.

Now, did anybody discuss with you at that time or since

the question of any investments that there may have been made for you?

A. No.

Q. Now, apart from the final withdrawal from the account which I dealt with and is shown on the Memorandum Account which I showed you yesterday, that is the account, the memorandum of the account which Mr. Collery had given to Mr. Stakelum showing the final transfer of the proceeds of that investment account when it was closed. There was also, or there were also withdrawals from that investment account as follows: On the 18th May, 1990, i£½206,613.57, and this was used to purchase a sterling draft for i£½200,000 payable to Overseas Nominees Limited and the proceeds of this draft were lodged to the Cayman Principal Sterling Account with Guinness & Mahon. Do you know of any monies being lodged to Guinness & Mahon, in the first instance, on your behalf around May of 1990?

A. No.

Q. Now, that was the same account, and I am only going to touch very briefly on the Dunnes matter, that was the same account into which Dunnes money was lodged. Did Mr. Traynor have any discussions with you about any other lodgements to the account?

A. No.

Q. Now, on the 15th March, 1991, Ir£½95,000 was withdrawn from the investment account and this funded a draft for

Sti;½85,640.24 and this again was lodged to the principal Cayman Account with Irish Intercontinental Bank, the business having been, was in the process of moving over from Guinness & Mahon to Irish Intercontinental Bank in March of 1991 and it appears that this withdrawal was arranged between Mr. Traynor and Mr. Dermot Desmond and by letter dated 19th March, 1991, Mr. Traynor acknowledged receipt of and thanked Mr. Desmond for this draft. This left the account, the investment account significantly overdrawn for a number of months.

Do you ever remember Mr. Traynor discussing with you any dealings he had with Mr. Dermot Desmond in a professional capacity on your behalf?

A. No, I don't know anything about all these different transactions that you are talking about.

Q. Now, were you aware that Mr. Traynor had approached Mr. Desmond back in 1987 to seek assistance for you?

A. To seek assistance?

Q. Assistance, financial assistance, for you personally?

A. Did he though? I mean, I don't know.

Q. Mr. Desmond gave that evidence.

A. Hmm?

Q. Mr. Desmond actually gave that evidence.

A. I would be fairly sure that I wasn't aware. I don't know what the context was or

Q. Well, it was the evidence which has been in the public domain for sometime now, since the time of the

McCracken Tribunal and subsequently during this

Tribunal, of the approach to

A. I think I know what you are

Q. And a number of people was intended

A. I think this was yes, the Noel Fox.

Q. Yes, Noel Fox went to Mr. Dunne and Mr. Desmond gave evidence of Mr. Traynor approaching

A. I don't think I am fairly certain I wasn't aware that Des Traynor actually approached Dermot Desmond at that time or anybody else indeed.

Q. Did you find out subsequently whether he had approached anybody else other than Mr. Fox approaching Mr. Dunne?

A. No, I didn't this all only came to light, to my attention when the Tribunal started.

Q. Yes, well I think you did know earlier that Mr. Dunne had been approached. I am not touching on the actual Dunnes payments at the moment, but you did know back in about 1993 after you left Office that Mr. Dunne had been approached, isn't that right? Mr. Desmond told you or Mr. Traynor told you. I just want to know at the time that you had a discussion with Mr. Traynor about him having approached somebody, did your discussion go any further? Did you ask him had anyone else been approached?

A. I don't remember, I don't remember. Whatever evidence I gave to the McCracken Tribunal stands and that's what I said.

Q. Yes, but we will leave what you said to the McCracken Tribunal to one side so. You weren't asked this at the McCracken Tribunal. When you were having a discussion about what you told the McCracken Tribunal, did you have any further discussion with Mr. Traynor as to whether any other potential contributors or donors were approached?

A. No, I am sure I wasn't. I didn't, but I mean, as I said to you before, Mr. Coughlan, is there any finality to these things? I mean, these questions were asked in the minds of the McCracken Tribunal and dealt with and I don't know why you are re-opening them now in this way.

Q. I am not re-opening that which was discussed at the McCracken Tribunal, Mr. Haughey. I am asking you something new

A. Well, it's not really new, Mr. Coughlan, is it?

Q. Well, the McCracken Tribunal was specifically directed to Dunnes.

A. You could have asked me did I ask Des Traynor about the weather or something, you know. The McCracken Tribunal dealt with the matter as they saw fit to deal with it and you either accept that or you don't.

Q. But I am asking you over and above that, Mr. Haughey, whether you had any discussion with Mr. Traynor whereby you asked him or he informed you of anyone else being approached?

A. No.

Q. You never had such a discussion?

A. No.

Q. Was your interest not even excited to make a

A. I refuse to discuss my feelings. You keep trying to ask me was I surprised? Was I this? Was I that? I am here to try and and I am not in very good shape today actually, but I am trying to answer the questions as best I can and I am not interested in going into whether I felt that or whether I had - what my emotions were. This is a Tribunal, as I understand it, to establish questions of to objectively establish questions of fact. Not my feelings.

Q. Well, I wasn't asking about your feelings, Mr. Haughey.

A. Well, you were. You were asking was I excited. Isn't that a feeling?

Q. Was your interest excited?

A. I don't remember.

Q. So can we take it that you weren't even curious as to whether any

MR. MCGONIGAL: Come on, come on, come on.

A. Commissioner, I can't answer these questions, whether I was curious or excited or I am excited now, Mr. Coughlan.

Q. MR. COUGHLAN: All right. Well, Mr. Haughey, I'll let matters calm down for a moment so.

A. The document I got from you, Mr. Coughlan, a letter which I got from the Tribunal yesterday evening doesn't mention these matters at all.

Q. No, it was the previous matter I was taking up stuff we had been dealing with yesterday, Mr. Haughey, it was dealt with in previous correspondence with you.

Now, perhaps we could just establish these facts, that before Mr. Traynor made approaches to anybody to raise funds on your behalf in 1987, I think he had previously had a general discussion with you that there was a certain stringency, that there was a need for money?

A. Has there been evidence to that effect?

Q. I think you yourself said that?

A. Why are we reiterating it again? If you want me to reconfirm it, I just reiterate whatever I said the last time I was asked about it.

Q. Yes, very good. And do you know where money could have become available for the purpose of making investments?

A. No. Are you referring to this NCB?

Q. Yes, I am referring to the money into NCB.

A. I think I have already told you that I wasn't aware of this NCB Account at all or any of the transactions that took place in regard to it.

Q. But your counsel in this Tribunal, on your behalf, accepted on the basis of the evidence at this Tribunal,

that a cheque which became known in this Tribunal as the Tripleplan Cheque was received for your benefit.

That was one that came out of the Dunnes Stores in the North of Ireland, and that occurred in May or June of 1987 and it was used to discharge an overdraft facility which was there for you in Guinness & Mahon. On the basis of what the McCracken Tribunal found, the next payment which came out of Dunnes Stores was used to discharge an indebtedness that Celtic Helicopters had in Irish Intercontinental Bank sorry, I beg your pardon, the £100,000 indebtedness that you had in ACC and the balance was drawn down in cash and then - if you just bear with me for a moment - and then this investment commenced on June, 7th June of 1988 with a transfer of money of £175,000 to Guinness & Mahon, or from Guinness & Mahon to NCB's bank account, when on the face of it, there would appear to have been no funds available from known sources at that stage. So what I am really trying to ascertain, Mr. Haughey, is if you can be of assistance to the Tribunal of where this money may have been sourced?

A. What money?

Q. The £175,000 that was used to start the investment?

A. I have no idea. I have told you that I don't know anything about the transactions in regard to this NCB Account. You can keep on asking me all day and I still will not be able to tell you anything about that

account.

Q. Well, on the face of it at least, it would appear that notwithstanding the earlier stringency, there was at least $\frac{1}{2}$ 175,000 available to put in this investment account in June of 1988, Mr. Haughey.

A. I don't know. If it appears to you, it appears to you. But it doesn't appear to me, because I don't know.

Q. Now, Mr. Haughey, if I might turn to what I described as the S Accounts and in the first instance, the Tribunal, in the course of evidence, traced certain sums of money which were debited to these offshore accounts which are referable to the bill paying service which was being operated by Mr. Stakelum on your behalf. Now, that evidence occurred I think around December of 1999. Now, Mr. Stakelum's evidence that he operated these accounts solely for the purpose of administering the bill-paying service and no other monies were credited or debited to the accounts. Do you know that?

A. I have to ask you to just repeat that again. What precisely are we talking about now? Mr. Stakelum's evidence, is it?

Q. Mr. Stakelum's evidence that he operated these accounts solely for the purpose of administering the bill-paying service and that no other monies were credited or debited to the accounts.

A. This is an account of Mr. Stakelum?

Q. These are the bank accounts.

A. Of Mr. Stakelum's?

Q. Mr. Stakelum's, yes.

A. And they were used for the bill-paying service?

Q. Used for the bill-paying service.

A. If Mr. Stakelum said that, I will accept that.

Q. You must have had discussions with Mr. Stakelum - apart

from Mr. Stakelum giving evidence, you must have had

discussions with Mr. Stakelum over the years, Mr.

Haughey, you must have attempted to establish this?

A. I am not too clear what you are talking about.

Mr. Stakelum operated a bill-paying service for me.

Q. Yes.

A. Took over from Haughey Boland & Company.

Q. Yes.

A. Now, I wouldn't know the mechanics of his internal

situation. I wouldn't know whether he had, what bank

account he had, where he had it. All I would know is

that we would send him these bills and he would pay

them.

Q. But you know now that he operated these accounts solely

for your these bank accounts solely just bear

with me for a moment please solely for your benefit

and that he made no other credits or debits to the

accounts. Would you accept that?

A. What I am accepting is, as you are putting it to me,

that Mr. Stakelum gave evidence to the effect that he

had a bank account of which he paid bills on my behalf and that that bank account was reserved exclusively for that purpose. I am accepting that, yeah.

Q. And he received the money which he put into that bank account, in the first instance, through Mr. Traynor, if I might use that in its widest connotation, and then subsequently through Mr. Collery. Do you accept that?

A. Is that what he said?

Q. Yes.

A. Well then, I accept Mr. Stakelum's statement on that.

I wouldn't have been aware of I wouldn't have been specifically aware, I think, of Mr. Collery being the source of funds after Des Traynor had died but if Mr. Stakelum says that that's what the position was, I will accept that.

Q. Of course there was one minor exception to that, it was a $\frac{1}{2}$ 25,000 payment he received from Mr. Desmond in 1996 which he paid into a different bank account of his which was I think in Jersey.

Now, from February 1991 to September of 1992, a Mr. Tony Barnes from Irish Intercontinental Bank gave evidence that instructions were received from Ansbacher Cayman Limited to provide cheques payable to BEL Secretarial Services and that in each instance, the bank was instructed, that is Irish Intercontinental Bank, were instructed to debit the principal Ansbacher Sterling Account with them. Now, BEL Secretarial

Services was Mr. Stakelum's firm. Now, there are no, at the moment there are no Memorandum Account statements available for that period. They appear to have been returned to Cayman or copies of them destroyed here in this jurisdiction. Now, on the basis of that evidence, all of the money furnished to Mr. Stakelum to pay the bills between September of 1991 and September of 1992 came from Cayman. Did you know that?

A. I didn't know at the time naturally, but if that's what the Tribunal has established, that's the situation.

Q. And as far as you know there could have been no other source, this is obvious, Mr. Stakelum received them from Irish Intercontinental Bank and Intercontinental Bank received the instruction from Ansbacher Cayman. There was no other monies available as far as you knew anyway?

A. I can't say yes or no to that, Mr. Coughlan. I am not disputing it.

Q. Very good.

A. But I should remind you, I think, that in order to be of assistance to the Tribunal, I employed an accountant specially to go into all these matters and try and be of any assistance he could on my behalf to the Tribunal.

Q. That's Mr. Peelo, is it?

A. Des Peelo, yes. He was available at all times to help

the Tribunal with these matters on my behalf which I thought was the appropriate thing for me to do in my relationship with the Tribunal. He is a very skilled accountant and used to this sort of work and I don't know if he has been any help to the Tribunal at any stage, but I'd just like to point out that I went to the trouble of employing him and making his services available to the Tribunal on all these matters.

Q. And I take it in the course of dealing with these matters with Mr. Peelo, you would have had broad discussions at least with him?

A. No, I wouldn't necessarily I would have told him that to find out as much as he possibly could about all these matters and make himself available to the Tribunal to help the Tribunal.

Q. And to the best of your knowledge, does Mr. Peelo have access to any more information than the Tribunal has access to?

A. Well, I think I saw a letter from the Tribunal to that effect, that he didn't really have any more, much more information than the Tribunal had but, you see, the point I make about that is that with his experience, he might have been able to point out things to the Tribunal on the basis of the information that the Tribunal had supplied to him. I am not making myself very clear

Q. Yes, I understand what you mean. That if Mr. Peelo had

information, that he may be able to give an opinion or view on something.

A. He was in receipt of all the documentation as it emerged from the Tribunal, my solicitors made it available to him on the basis that if he could interpret or decipher any of the matters which was contained in the Tribunal's documentation, that he would assist the Tribunal in that regard.

Q. And if Mr. Peelo has anything over and above what the Tribunal has available to it or the inquiries made by the Tribunal, of course, he can make contact with the Tribunal in that regard?

A. Oh yes, of course, yes. I mean, he would do that as a matter of correctness.

Q. Now, as I say, from October 1992, the instructions to issue cheques payable to Mr. Stakelum's firm, BEL Secretarial Services, were furnished by a firm called Hamilton Ross and were signed in the ordinary course by Ms. Joan Williams. We needn't go into great detail. There was a lot of evidence about how Hamilton Ross came into being and how, when changes were taking place in the Cayman, Mr. Traynor moved certain funds belonging to people into this firm called Hamilton Ross, but were you aware of the existence of any such firm or entity or?

A. No. No. I never heard of Hamilton Ross or any such name until it emerged in the course of the

Tribunal I am not sure whether it was this Tribunal or the McCracken Tribunal, probably both of them.

Q. Probably both, but the McCracken Tribunal in the first instance. And the evidence has been that the payments in October and November 1992, that is to Mr. Stakelum, were funded by debits to what was known as the Hamilton Ross S8 Deutschemark Account and there is an account number, but I am not going to go into that in detail.

And that this was an account which had been opened on the 5th October, 1992 on the instructions of Mr.

Traynor and a sum of Deutschemark 165,957.02 was credited to the account. Did you ever know that Mr.

Traynor was holding Deutschemark for you?

A. No, I don't I wouldn't have been aware of that, no, I don't know why he would. I think I remember discussing this somewhere before, whether it was at the McCracken Tribunal or not, I think I remember informing some Tribunal that in those days, there was a great amount of turbulence, if I may use the word, in the exchange.

Q. That's correct, yes.

A. And I don't know, Mr. Traynor might have been in his general operations, might have been - the German D-mark would have been a very, would have been the strong currency in those days as far as I can remember.

Q. I think that's correct.

A. In most of my time in government, the D-mark, the

D-mark was the big strong currency, so Mr. Traynor, as a banker or financial person, may have been using the D-mark, may have been using D-marks as a hedge against inflation or devaluation or whatever.

Q. Yeah, I think that's probably correct, Mr. Haughey.

But just in relation to these, what are known as currency accounts, that's foreign currency accounts, or non-sterling accounts, that is whether they were in D-mark or Yen or American dollars, it has been the evidence that there was no Memorandum Account, that is kept in respect of those particular accounts, because they were not pooled monies and they were designated as to have been available for a particular person or entity. In other words, that they represented the funds of an individual customer, Mr. Traynor knowing the identity of course of that customer. Do you ever remember any discussion with Mr. Traynor about such issues?

A. No. He wouldn't discuss those sort of things with me.

That was his province. Complex currency transactions wouldn't be my area at all.

Q. Now, I think from December, 1992 to August, 1993, the monies which were given to Mr. Traynor or to Mr. Stakelum arose whereby the sterling equivalent was debited to the Principal Hamilton Ross Sterling Account and corresponding debits were made to the S8 Sterling Account, that is one of these Memoranda Accounts or

Memorandum Accounts which were the accounts held by Mr. Traynor at 42 Fitzwilliam Square, where Mr. Collery attended and on the instructions of Mr. Traynor, made memoranda showing the transactions which were reflected on the main account in the bank, but of course this was kept secret both from the bank and from anybody else as well, but that the funds going to Mr. Stakelum were dealt with in this way. In other words, there was a memorandum of an account for you maintained by Mr. Traynor, the transactions being passed over it by Mr. Collery.

Did you know that this was being done?

A. What?

Q. That there was a memorandum or a secret account being kept by Mr. Traynor at 42 Fitzwilliam Square reflecting transactions on the main account which was held in Irish Intercontinental Bank and that these were referable to you insofar as debits were occurring to provide money to Mr. Stakelum to pay the bills?

A. I can't follow that.

Q. Well, I'll go through it slowly.

A. Hmm?

Q. There was a main account, a pooled account, a sterling account in Irish Intercontinental Bank in the name of Hamilton Ross.

A. I didn't know anything about Hamilton Ross.

Q. And instructions came to Irish Intercontinental Bank to

debit that account to make payments to Mr. Stakelum for the purpose of the bill-paying service and then another transaction occurred at 42 Fitzwilliam Square where a memorandum was kept in respect of individual customers of transactions which occurred on the pooled or main account in Irish Intercontinental Bank and that the transactions which were kept on the memorandum relating to you showed the debits which were given or made payable to Mr. Stakelum. Did you know that was going on?

A. No, I wouldn't have been aware of any of that. I mean, I don't follow most of what you are saying, but the situation was that Mr. Traynor made funds available to Mr. Stakelum to meet expenses on my behalf. That was the position.

Q. Now, Mr. Traynor, of course, was not a banker at this time. He hadn't been a banker since 1986/'87 or thereabouts. He was Chairman of Cement Roadstone Holdings and he may have had other important directorships as well?

A. He was a lot of things. He was a member of the board of Aer Lingus, was he?

Q. Oh yes, he was on many boards.

A. And he was also Chairman of a State organisation IFS, you know the big fertilizer company which was owned by the State.

Q. IFI, I think, is it? I am just being prompted, is it

IFI?

A. IFI maybe, Irish Fertilizer Industries. It was a very problemed company and he was brought in by Des O'Malley, who was the appropriate minister at the time, to take charge of that and try and sort it out. I am just mentioning that because that's the sort of he had a very broad spectrum of financial interests.

Q. Oh yes, I understand that, but he wasn't a banker and hadn't been a banker since '86/'87?

A. Well, I don't know that I am not too sure of that now. Was he not he left

Q. I think he left Guinness & Mahon in the first instance sometime in mid-1986, maintained an office around the corner for some months thereafter until he went in, I think, to CRH?

A. Again I am just drawing on some stuff I have read, I think I have read from Tribunal sources that was he not a banker out in the Cayman?

Q. He was, oh he was, he definitely, he had a banking position in the Cayman and that was the only banking position he appears to have had.

A. Sorry. Mr. Coughlan, you said he wasn't a banker.

Q. Well, if he was a banker, he was only a banker in the Cayman and he wasn't in an executive position, but that raises an interesting question, Mr. Haughey. Was it your understanding that Mr. Traynor's banking relationship rested with the Cayman all during this

time?

A. No. You are asking me questions about Mr. Traynor and you said he wasn't a banker.

Q. Yes.

A. And I thought from my memory, that having come across somewhere that he was a banker in the Cayman. I am not sure, did we not have some discussion along these lines arising out of the AIB in the public sessions?

Q. Yes, we did. We did.

A. I can't

Q. He wasn't a banker in Ireland. I think you'd accept that and the only place, that if he was a banker, was in the Cayman?

A. Well, I don't know that either, but that's if you say he wasn't a banker in Ireland at that time, I accept that.

Q. And as matters have now emerged, the banking arrangements he became engaged in on your behalf related to the Cayman, isn't that correct?

A. Just elaborate that for me please, I am not sure why you are saying that.

Q. As funds became available to the, for the bill-paying service, first of all, with Haughey Boland and then with Mr. Stakelum, the only place they came from was the Cayman accounts.

A. Well, I don't know that of my own knowledge. But I mean, if that's what the Tribunal has established, then

that's what the Tribunal has established.

Q. And did you ever have any discussion at all with Mr. Traynor over the years, say from the mid-1980s up to the time of his death, as to where he may have been keeping funds for you?

A. No. I think you asked me this before several times.

Q. Now, unless you wish me to, Mr. Haughey, I do not intend going through every single debit, sorry credit to Mr. Stakelum's account and debit to the other accounts taking them right across into the Memorandum Account, unless you wish me to?

A. For this relief, much thanks.

Q. Mr. Haughey, you should have been involved in trying to put it together as we were and you'd have seen how tedious it was.

A. Sorry?

Q. You should have been involved as we were in putting it together and you'd have realised how tedious it was.

A. I have no doubt.

Q. That's just a comment.

MR. McGONIGAL: Well he's been here for three years so we understand what you are saying.

A. Well, Mr. Coughlan, the documentation that you send on to me or you cause to have sent to me from time to time is, I think, intimidating to anybody.

Q. MR. COUGHLAN: Now, as of the 30th September, 1992, we have copies of the statement, copies of the statements which are your account and we have those because

A. Mr. Coughlan, could I just say, which purport to be my account. I mean, I pointed out to you before, my name does not appear on any of these. They are on unheaded paper and I don't quarrel with your making an assumption that they are my account, but I don't think you can ask me to agree with that assumption on your part, on the basis just of these single sheets of unheaded nameless pieces of paper.

Q. Now, Mr. Haughey, the reason why I ask you the question in that form is that these are the statements of account which were furnished by Mr. Collery to Mr. Stakelum.

A. Did you say also, Mr. Coughlan, that these were these memoranda, is that what we are talking about now?

Q. Yes, they are referred to by them as memoranda.

A. These memoranda were prepared by Mr. Collery on instructions from Mr. Traynor.

Q. In the first instance.

A. And then they were given by Mr. Collery, who hadn't composed them himself, who composed them on the basis of what Mr. Traynor told him. Then they were given by him to Mr. Stakelum and they are all in initials I am just saying that, I don't think you can ask me to

accept that these particular pages are necessarily statements of my account. I mean, I am not saying I am not suggesting that you aren't entitled to make that assumption, but that's it's your assumption and I don't think you can ask me on the basis of what you are putting before me either here or elsewhere, that these are, as you keep saying, my account. They might be Des Traynor's account or they might be Padraig Collery's account or they might be anybody's account, but that's all I have to say about it.

Q. But these accounts were used exclusively for your benefit. That's the evidence that has been given to the Tribunal.

A. What you said to me a moment ago - you are confusing me now, Mr. Coughlan - what you said a moment ago was that there was an account in Jack Stakelum's that Jack Stakelum had a bank account which was used exclusively for my, paying my bills and I am accepting that that was, as you have established, and that Jack Stakelum said that.

Q. And these

A. This is not the account you are talking about now. You are talking about these blank sheets of paper, or these unheaded sheets of paper, memoranda?

Q. No. Perhaps I'll go through it so, Mr. Haughey, and it might take a little bit more detail. These

memoranda are the documents which were created to back what was happening on actual statements which were issued, first of all, by Ansbacher Limited Grand Cayman and then subsequently by Hamilton Ross. These memoranda were then prepared to summarise the position on the actual statements, the bank statements, which were on the headed paper of Ansbacher, in the first instance, and then Hamilton Ross. And they were given to show the state of your account and they were shown to you by Mr. Stakelum and I know you didn't pay much interest or much attention to them. Now, if you wish, we did furnish you with all the statements, the statements of account and they have been furnished on a number of occasions. Now, unless you wish me to go through them in detail, I do not intend to.

A. No, I am quite happy that you shouldn't.

Q. And those particular bank statements record the transactions

A. Sorry, bank statements?

Q. Bank statements. Actual bank statements.

A. Not memoranda now.

Q. No. Actual bank statements and they show transactions which are then reflected in the memoranda.

A. So the memoranda is not a copy of the bank statements?

Q. No. No, it's not.

A. It's a reflection of a bank statement?

Q. Yes.

A. Well, that's a new term for me, 'a reflection of a bank statement'.

Q. But, Mr. Haughey, what these memoranda do is they summarise the positions of the various accounts at different stages and they show the, in detail, the actual tracking, the bank statements show the actual tracking or tracing of the credits to Mr. Stakelum's accounts back to the debits in these offshore accounts.

And it was all done for your benefit.

So, do you accept that there was money for your benefit in these offshore accounts as the tracing indicates?

A. What I accept is that there was money provided by Des Traynor to Jack Stakelum who kept it in a bank account which you have identified, which was devoted solely to me, to my purposes and used to pay bills sent in.

Q. Yes. Mr. Traynor I just want to be clear about this, Mr. Traynor had no power of attorney from you, isn't that correct?

A. That is correct, yes.

Q. Mr. Traynor had no authority to raise a loan which would commit you, isn't that correct?

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

Q. That would commit you legally?

A. Hmm?

Q. That would commit you to repay it legally?

A. If he borrowed money on my behalf and handed it over to Jack Stakelum or somebody for my benefit, he would be

entitled to do that. I think I made that clear before.

Q. Yes, but what I am asking you, Mr. Haughey, to have a legally enforceable loan agreement against you, you would have had to enter into the agreement or at least to have known about it and authorised somebody to enter into an agreement on your behalf, isn't that correct?

A. I think that would be the general position, but in view of what I am not really in dispute with you, Mr. Coughlan, but what I am saying is that because of the special relationship between Des Traynor and myself and his brief to manage my financial affairs on my behalf, that brief - and I think I have told you this before - that brief would entitle him to raise money for my purposes without my without coming to me specifically for authority and that I trusted him so totally that if he came to me and said, "I raised so-and-so, such and such a money on your behalf," then I will accept that.

Q. That would be a matter of honour between yourself and Mr. Traynor, absolutely.

A. But it wasn't legally enforceable, is that what you are saying?

Q. No, I am not talking about Mr. Traynor. I am saying if Mr. Traynor raised a loan from a bank or a third party.

A. That wouldn't be legally enforceable against me?

Q. Against you.

A. Ah yes, of course I accept that. Sorry, I got

Q. And unless you knew specifically about it and authorised him to enter into that particular agreement and acknowledged it in some way, isn't that correct?

A. That would be correct.

Q. And that never happened?

A. I am almost certain it didn't, no. I mean, I can't recall or don't know of any such instance that it ever happened.

Q. Well, there were one or two instances where you yourself were involved in loan transactions, but we can see that documentation. The Agricultural Credit Corporation being an example of that.

A. That was my own doing, I did that, because of my relationship with them.

Q. And we have seen a document where Central Bank clearance was obtained for a loan where you signed a document as well from Cayman back in the early eighties.

A. Again, on that one, on that foreign exchange one, I think didn't Des Traynor do all the paperwork and the negotiations?

Q. He did, but you actually signed you signed documents which would have created a liability on your part.

But

A. No, no, that wouldn't be a liability. That was only

to get exchange control, I think.

Q. No. I think the application was for a loan to Cayman.

I think you may have signed documents. You did sign documents about that. Now Mr. Traynor may have prepared all the documents or had them all prepared.

A. Yes, yes, I see what you mean.

Q. But there is no other occasion whereby Mr. Traynor ever informed you or sought your authority to raise a loan on your behalf, to the best of your knowledge?

A. That's a sweeping sort of question, Mr. Coughlan, and you are asking me to say that there was never ever any such instance?

Q. Well, anything significant. I am not talking about

A. I can only give you the best of my recollection, there wouldn't have been, there wouldn't have been any such occasions but the fact that there was a Cayman Island loan account would suggest that there might have been others. That's the only thing, that was at the back of my mind.

Q. That's in the back of your mind?

A. Yes. But I mean, I don't know of any.

Q. And if Mr. Traynor raised a loan, he may have had a liability in respect of a loan if he hasn't come to you and specifically had authority from you but in the area of an honourable settlement between you and Mr.

Traynor, no request has been made of you by the Traynor estate, for example, to pay anything to them?

A. No, no, they didn't, no.

Q. And since Mr. Traynor's death, nobody has come to you and said, "Look, Des Traynor took a loan out on your behalf, would you look after it?" or words to that effect?

A. Oh, almost certainly not.

Q. I think it's

COMMISSIONER: It's probably a suitable time for us to terminate early, Mr. Haughey. That concludes matters. Thank you very much.

THE COMMISSION THEN ADJOURNED UNTIL TUESDAY, 13TH MARCH 2001 AT 11AM."

DAY 18 OF THE DEPOSITION OF CHARLES J. HAUGHEY WAS READ INTO THE RECORD BY THE REGISTRAR AS FOLLOWS:

"THE COMMISSION RESUMED AS FOLLOWS ON TUESDAY, 13TH MARCH 2001 AT 11AM.

Q. MR. COUGHLAN: Now, Mr. Haughey, if I might just briefly deal with a few matters we dealt with last week and the first one, if I might just deal with the question of Mr. Stakelum bringing the memoranda which were statements of the account which he had received from Mr. Collery. Now, you have some recollection that that happened, but you didn't pay any much attention to them.

A. No, that's correct.

Q. And likewise, I think that prior to Mr. Traynor's death, he may also have brought statements of account and again I think you have given evidence in the past that you wouldn't have paid much attention to those either, isn't that correct?

A. Well, the only thing I would say about that would be that whatever about Mr. Stakelum bringing them or bringing statements to me, I don't think Des Traynor would be, would have been of the same approach. I mean, I don't think he would necessarily bring me any detailed statements.

Q. Now, it's just that I think just reviewing the evidence you gave at the McCracken Tribunal, I think in response to a question put by Mr. McCullough at one stage, I think you felt that Mr. Traynor may have brought statements and then in response to a question put by Judge McCracken at the end, when he asked you in your discussion with Mr. Traynor, whether you ever had inquired whether all the Dunne money had been spent, a discussion along those lines and I think, and it appears in the report as well, this particular the McCracken Report that is, this particular quotation from evidence given by you on page 49 of Day 17, that was the 15th July 1997 [EXHIBIT 1], of the McCracken Tribunal. I'll, first of all, read you, and I'll give you a copy of the transcript of the evidence, if I may, as well. The Chairman asked:

"Did you discuss with him whether the money was all spent or whether some of it was still there?"

Answer: No. I mean, he would have been supplying the statements of account in that regard."

And then if you go to the report of the Tribunal, I think at page 60 of the report of the Tribunal, [EXHIBIT 2] paragraph number 10, do you see that?

A. Yes.

Q. And it's in italics and quotation marks, is that portion of evidence taken from the transcript.

"No, I mean he would have been supplying the statements of account in that regard."

So can we take it that whilst Mr. Traynor wouldn't have been doing it in the same way that Mr. Stakelum may have been doing it subsequently, he was supplying you with some statements of account. As to whether you paid much attention to it or not, is another day's work.

A. Yes, that would seem to be that would seem to be the import of the quotation there, "No, I mean he would have been supplying the statements of account in that regard." I didn't actually say he would have been supplying them to me, but, anyway, that's what Mr. McCracken found.

Q. It's just, I am more interested in your response, because we are hearing evidence on commission in relation to your version of events now. I just wanted

to check with you if Mr. it's your memory that Mr. Traynor would have been providing some statements of account, perhaps not in the same format or with the same frequency that Mr. Stakelum may have provided them but that he would have been providing them in some format, to the best of your knowledge?

A. I can't say specifically that that was the position, but on the other hand, it would seem normal that he would give me some indication from time to time.

Q. Of the state of affairs?

A. Well, I think more than anything else, if he were coming to me to talk about my finances, it would have been to remonstrate about the expenditures and the cost of Abbeville and matters of that sort. I think that would have been more his

Q. And I think Mr. Traynor would have attended you more regularly than Mr. Stakelum would have?

A. Oh no. No. They'd be about the same. There would be nothing routine, nothing fixed or routine.

Q. I understand that. Mr. Tony Traynor, Mr. Traynor's son, gave evidence that it was his recollection and the recollection of the family that he would have seen you regularly at Abbeville, perhaps about twice a month or so?

A. I saw that in the papers but that wouldn't be so. I would have to say that he would be mistaken in that regard. It certainly I think he said something

like every three weeks or something?

Q. About twice a month he thought, you know, around that.

Perhaps not religiously but

A. It was certainly never anything like that. I mean, I wouldn't necessarily be there at weekends, I think he mentioned weekends, did he?

Q. Yes.

A. I mean, a lot of weekends I would be away travelling the country or whatever, but I'd be quite certain that it was nothing of that frequency.

Q. Now, the statements that were shown to you either by Mr. Traynor in the first instance or by Mr. Stakelum subsequently, can I take it that because of your professional, your initial professional training in accountancy, that you wouldn't have to peruse them in great detail to have a broad understanding of what the bottom line figure was on the statements?

A. I find it difficult to recollect what my specific attention, or span of attention to any particular statement would have been. I don't know what I should say to you at this stage, Mr. Coughlan, that I accept that Des Traynor and others did succeed in approaching people and interesting them in my financial problems and raising funds which were subsequently disbursed for my benefit and secondly, that Judge McCracken found that there was no question of any favours or concessions given in return by me and really, as far as

I am concerned, that sort of sums up the whole matter,

Mr. Coughlan. I don't know that I can take it any

further at the very minute.

Q. I was just wondering that because of your previous professional training

A. I think I already pointed out to you, Mr. Coughlan, I

hadn't, at that stage, oh I hadn't been in practice as

an accountant from 1960. And the whole scene had

changed, the whole I couldn't

Q. Ah yes, I understand that. But you had a professional

training. You had held various portfolios including

Minister for Finance, Taoiseach.

A. I mean, Mr. Coughlan, you are not talking about reality

now. There would be absolutely no relationship

between what one would be dealing with in the

Department of Finance, for instance, and what the

person in practice as an accountant would be doing.

They would be two different worlds.

Q. Yes, I understand that, but you would have been used to

having to familiarise yourself with complex financial

matters I suppose?

A. Not really, no. At the point you are talking about, I

would have been, I suppose I could claim I could be

quite adept at reading and assessing and analysing

complex political, legal, even constitutional sort of

type of documents, and trade agreements and all that

sort of thing, but I would no longer be any way I

don't know what it's all about anyway but I would no longer, the time you are talking about, have been up to speed with accountancy matters. I mean, all my training would have been away from that. My training in government and government departments would be a totally different scene if I could I mean, in a government department you have skilled experts coming to you and advising you and analysing things for you and directing your attention to things. It's a totally different world from the ordinary accountancy world.

Q. Yes, I am just trying to ascertain in this context, that these memoranda were fairly brief documents. It wouldn't have involved a huge amount of study to know what the position was in relation to the accounts by perhaps just a quick glance through them. Would you agree?

A. No. I think I could say to you that I don't think that they were ever handed to me formally on the basis of sort of a presentation of accounts and the main thrust of the conversations I would have had with either Des Traynor or Jack Stakelum from time to time, and reasonably infrequently I might add, the main thrust would have been advice to try and cut down the expenditures, particularly in regard to Abbeville.

Q. Sorry, did I misunderstand you there, Mr. Haughey, when you said that you accepted that Mr. Traynor approached

people on your behalf, or to support you on your behalf

or to interest themselves in your finances?

A. No. What I was endeavouring to say was that I accept

the evidence which has been produced that

Q. But you knew he was approaching people, didn't you?

A. Yes, no excuse me, that he had approached.

Q. That he had approached people and you also said, I

think, I just want to ask you about this

A. Did I say this just now?

Q. You said Des Traynor and others did succeed in

approaching people. Who were the others who

approached people on your behalf?

A. Wasn't Noel Fox, didn't Noel Fox go to Des Traynor

or

Q. To Mr. Dunne.

A. Or to Mr. Dunne, yes, sorry. I think that's what I

had in mind.

Q. And I am just asking you, could anybody else, to your

mind, have approached people to interest themselves in

your financial affairs other than Mr. Traynor and

Mr. Fox?

A. No. I think that's who I would have had in mind.

Q. Did you ever have any discussion with Mr. Fox about it?

A. No.

Q. Did you know at the time or sorry, when Mr. Traynor

informed you about Mr. Dunne - this is after you left

Office - did he tell you about Mr. Fox's involvement in

the matter?

A. I can't recall. I'd have to, Mr. Coughlan, I'd have to go back and read some of these documents again.

But what I am I thought I was being helpful, Mr. Coughlan. What I was saying to you is that I accept, and maybe my language was a bit loose, what I was trying to say to you, I accept that funds were raised on my behalf, that they were expended for my benefit but that Mr. McCracken found that there were no strings attached to them. That's what I am trying to say to you and I thought that that was being helpful to make that statement.

Q. It is helpful, Mr. Haughey, because we are inquiring and every piece of information is helpful.

A. I mean, if I gave the impression that I knew an enormous number of people were out there knocking at doors raising funds for me, that's incorrect. That's not what I was trying to tell you.

Q. I don't think that either the inquiry would lead one in that direction.

A. What I am saying is that I accept the thrust of the thing.

Q. Well, what we are trying to just clarify, if I might encapsulate it is, if anyone else, other than Mr.

Traynor, was involved in approaching people and the only person you point to was Mr. Fox and that is because of his role which you now say you know in

approaching Mr. Dunne, is that correct?

A. Yes, yes. I think haven't we been over this ground in public session, Mr. Coughlan?

Q. Not this particular aspect of it, but Mr. Fox was a close friend and confidant of yours also, wasn't he?

A. Well, he was certainly a close friend and neighbour.

But I mean, I think he didn't you have his evidence

I think, as to what the relationship was.

Q. Well, the relationship that we have seen or inquired into was his relationship with Dunnes Stores and

Mr. Ben Dunne. We haven't really gone into much, his relationship with you other than we know that he was a

friend and would have spoken to you on a

A. There are so many things being said by so many people,

Mr. Coughlan, at this stage, but am I right in thinking

that Mr. Fox, at some stage, gave evidence to the fact

that he was not concerned with my financial affairs?

Q. Yes.

A. That he wasn't involved in them.

Q. Yes.

A. Am I right on that?

Q. I don't know if he went that far. He never said that he was, but Mr. Traynor was the one who approached him,

according to the evidence, to approach Mr. Dunne. But

I am just wondering, do you know if Mr. Fox approached

anybody other than Mr. Dunne

A. No.

Q. yourself?

A. No.

Q. Do you know if Mr. Traynor approached anyone other than Mr. Fox?

A. Sorry, Mr. Coughlan, I am trying to concentrate on what you are saying and the questions you are asking me and I can hear Mr. Healy asking you questions and it's a bit confusing. I see Mr. Healy writing copious things there. As I said to you before, Mr. Coughlan, you are a sufficiently formidable personage.

Q. Perhaps that leads me into a matter that we wrote to your solicitors about over the weekend, on Friday last, we put it in writing because it's complex enough and we were looking for your assistance on it and examining the accounts, that is the S Accounts, and perhaps I'd give you a copy of the letter [EXHIBIT 3].

A. I have your letter here.

Q. You have it there.

A. This is the letter of

Q. The 9th March.

A. Yes, I have it here.

Q. And from your analysis we put it down on paper this way.

"It appears from the evidence heard by the Tribunal that from facts found by the Tribunal of Inquiry (Dunnes Payment), that funds amounting to $\text{€}3.31$ million were available for your client's benefit between 1988

and October 1992. This Tribunal has arrived at the figure as follows:

1. Estimated outgoings of Haughey Boland on bill-paying service from January 1988 to January 1991
i£½837,000.
2. Outgoings of Mr. J.J. Stakelum on the bill-paying service from February 1991 to September 1992, i£½612,000.
3. Funds invested in NCB Account, i£½338,000.
4. Funds expended on the acquisition of yacht Celtic Mist and the payment of VAT, i£½120,000.

Total expended January 1988 to October 1992,
i£½1,907,000.

In addition to the above expenditure, it appears that as of October 1992, there were funds amounting to Stg i£½1,386,000 available for your client's benefit and held in Hamilton Ross or Ansbacher accounts with Irish Intercontinental Bank.

The Tribunal has computed this sum as follows:

1. S8 Sterling Account which the report of the Tribunal of Inquiry (Dunnes Payment) found as a fact was held for the benefit of your client, Stg i£½83,000.
2. S9 Deutschemark Account which the report of the

Tribunal of Inquiry (Dunnes Payment) found as a fact was held for the benefit of your client, Stg. 1,203,000.

3. S8A Sterling Blocked Account found by the Tribunal of Inquiry (Dunnes Payment) to represent funds which were hypothecated as security for loans to Celtic Helicopters, Stg. 100,000.

Total: Stg. 1,386,000.

Total of funds which appear to have been available for the benefit of Mr. Charles Haughey between January 1988 and October 1992, Stg. 3,293,000.

During the year 1988 to 1992 the exchange rate between sterling and Irish punts fluctuated and for the purpose of this exercise, the Tribunal assumed that the currencies were equivalent.

From January 1988 to October 1992, the funds which had been identified as available for your client's benefit amounted to 1,300,000.

This figure has been computed as follows:

1. Funds from Mr. Bernard Dunne, Dunnes Stores identified by the Tribunal of Inquiry (Dunnes Payments) less 100,000 applied in discharge of the ACC loan, 1,100,000.
2. The proceeds of the Wytrex payment, 200,000.

Total of known funds available for your client's benefit January 1988 to October 1992, is \$1,300,000.

On the basis of the above computation, funds amounting to \$1,993,000, the sources of which are unknown, appears to have been available for your client's benefit between January 1988 and October 1992."

Then we took out the NCB money for the moment and I'll explain.

"If funds placed on the NCB Investment Account, which your client does not accept were held for his benefit, are excluded, the deficit is \$1,655,000."

Now what the Tribunal wishes to raise with you at this stage is to ask your comment and, in particular, your assistance and your knowledge, direct or indirect, of the sources or potential sources of those additional funds.

So first of all, including the NCB money, we are talking about \$1,993,000. Excluding it we are

A. Could I raise a question with you first?

Q. Yes, indeed.

A. Well, first of all, in the first page, it's 'estimated outgoings'. Number 1 item, 'estimated outgoings of Haughey Boland'.

Q. Yes.

A. I am just pointing out that it's estimated.

Q. Yes.

A. Now, on the next page, half-way down the page, there is 3 items. 1 is, "S8 Sterling Account which the report of the Tribunal of Inquiry (Dunnes Payments) found as a fact was held for the benefit of your client." They are your words in your letter.

Q. Yes. Those are taken from the Tribunal of Inquiry (Dunnes Payments)?

A. That's what I want to ask you because somebody has, one of my advisers has pointed out to me that that's not what the report says. And I am looking at page 41 of the McCracken Report [EXHIBIT 4]. It says, "While the S8 Memorandum Account may have included monies held beneficially for Mr. Charles Haughey and others..."

Q. Mm-hmm.

A. I mean, I find it difficult to reconcile those two statements. In your letter you say, "Found as a fact" and the actual thing is "While the S8 Memorandum Account may have".

Q. Well, if I might just take you to the summary of conclusions at chapter 11 of the report

A. That's the only one I looked at at the moment. And I think that's the report, Mr. Coughlan.

Q. This is the yes, and, Mr. Haughey, I am reading from the report as well.

A. Page 41.

Q. Page 71. Have you looked at page 71?

A. Page 41 I am looking at.

Q. Look at page 71, please. Paragraph number 26.

[EXHIBIT 5].

"During his lifetime Mr. Des Traynor controlled monies deposited in this manner on behalf of Mr. Charles Haughey with Ansbacher Cayman Limited. Each of the last four payments made by Mr. Ben Dunne, namely the payments of $\text{£}471,000$ sterling, $\text{£}130,000$ sterling, $\text{£}200,000$ sterling and $\text{£}210,000$ sterling were paid into accounts in the name of Ansbacher Cayman limited and formed part of the monies deposited by Ansbacher Cayman Limited with Guinness & Mahon (Ireland) Limited and Irish Intercontinental Bank. At least two of the memorandum accounts or sub-accounts in Ansbacher Cayman Limited were held for the benefit of Mr. Charles Haughey, being those designated S8 and S9."

A. Well, when I got your letter I went to look up the report and I actually, I was advised that that page 41, which is the body of the report, is quite specific, it's quite specific in its uncertainty. "While the S8 Memorandum Account may have included monies held beneficially for Mr. Charles Haughey and others".

There is no question of firm fact being found there.

Q. Would you go to page 71, the summary and the conclusions where it is found as a fact. But

MR. McGONIGAL: It's not finding of fact if it's only the conclusions of the body of the fact which finds

that it wasn't specifically confined to him. That's the only point he is making.

Q. MR. COUGHLAN: Well let's forget about that, Mr. Haughey. Leave it aside for the moment

A. I said to you, Mr. Coughlan, at the beginning, in order to avoid, if we could, all this detailed and complex stuff which I am not familiar with off the top of my head, I'd have to go back and read up a lot of stuff because I am very reluctant to because I have been around the course once and I don't think I should be driven around it again, but in one way or another, in an endeavour to help, I said to you that I accept that monies were raised and used for my benefit.

Q. Very good. What I want to ask you is, can you be of assistance to the Tribunal as to accepting for the purpose of the exercise engaged in by the Tribunal of identifying the sources of the monies found in the McCracken Tribunal Report as having a source, that was Mr. Dunne or Dunnes Stores or whoever that may be, but over and above that, can you be of any assistance to the Tribunal of the sources of what appear to be in excess of one and a half million pounds?

A. Well, first of all, I am not accepting that figure, but on the basis that it is your figure, no, I can't be of any assistance to you.

Q. And apart from being told by Mr. Traynor that Mr. Dunne

had been the source of funds, you were never informed of anyone else?

A. Mr. Coughlan, I think I don't know that you are doing it deliberately, but you are trying to lead me into contradicting myself because I think I have told you in public session that Mr. Traynor said something to me about PV Doyle.

Q. Yes, that was and that was

A. You see, you are asking me

Q. Well, I am sorry, Mr. Haughey, and I apologise if you think that I am trying to get you to contradict yourself. Of course not. We dealt with the PV Doyle matter, the loan raised and that was in the early eighties and yes, we dealt with that in public sessions, but apart from Mr. Doyle, leave Mr. Doyle out of the equation and Mr. Dunne, Mr. Traynor never gave you any indication or inkling of who else might have been the source of money?

A. No. And I think - again I think we have dealt with this before and I can only reiterate what I said before.

Q. Now, apart from Mr. Traynor informing you, can you be of any assistance to the Tribunal to allow the Tribunal to take up an inquiry with anybody else who might have been the source, you yourself, who might have been the source?

A. Sorry, am I?

Q. Could you be of assistance to the Tribunal

A. I have no objection to you approaching anybody,
Mr. Coughlan.

Q. Yes, but to assist the Tribunal

A. And you have asked me, as you know, for some waivers
from time to time and if you want any more waivers, I'd
be happy to give them to you.

Q. No, that's and I appreciate that, Mr. Haughey. What
I am asking you, can you be of any assistance to the
Tribunal as to who might have been approached, who were
the people Mr. Traynor might have approached, in your
own mind just?

A. That would be suppositions, Mr. Coughlan. I don't
think you should be asking me to suggest or try and
suppose who might have been approached.

Q. Well, Mr. Haughey

A. You have all the powers, I keep saying this to you,
Mr. Coughlan. This Tribunal has all the powers. It
uses them very comprehensively and if you cannot come
across any other evidence of contributions made to me
or to somebody on my behalf, I can't help you.

Q. Well, what I was looking for was your assistance, Mr.
Haughey, because even speculation is helpful to a
Tribunal on occasion, that it enables them to approach
a person and ask them could you have been the person?

A. Well, it wouldn't be fair of me now. I think most
people these days are in total horror, most ordinary

people are in total horror of the idea of being brought before a tribunal or approached by a tribunal or involved in any way with a tribunal.

Q. Well, of course in the first instance

A. Sorry, Mr. Coughlan, and therefore, if I were to just, off the top of my head, suggest names to you, that would immediately bring them within the encompass of the Tribunal.

Q. If I just explained. In the first instance, if you thought you could be of assistance to the Tribunal in that regard, of course the Tribunal would carry out its investigation privately in the first instance and people would not be exposed to having evidence led in public in relation to them if they were not the source.

That is

A. That would be no consolation to an individual who would be very terrified, Mr. Coughlan. If you know what's going on out in the world around us today, most citizens would be totally in a state of horror if they thought they were going to be in any way involved with the Tribunal and its affairs. They wouldn't know that and I accept that you would be scrupulously diligent to ensure that they weren't that it was being done as privately as possible, but well, I think you know yourself in the case of some people who are associated with me either in a professional or other capacity, that when the idea of them being involved in the

Tribunal was first mooted or hinted, they were frightened actually. I mean, that's the real world, Mr. Coughlan, that we are living.

Q. Yes, and I understand that, Mr. Haughey, of course, but can I take it that you could possibly speculate, and I use the word 'speculate'

MR. MCGONIGAL: That's an improper question at this stage. He already said he doesn't know who these people are. How many times do we have to go around the mulberry bush?

Q. MR. COUGHLAN: I just want to ask you if you could possibly speculate but you are loathe to do it because you don't want to involve people?

A. I am not saying that, Mr. Coughlan. I have no way of knowing what other people might have been approached or yes, approached. I have no way of knowing that. It's not just that I am reluctant to speculate, which I am very reluctant to speculate and I think you understand that if that were so, it's not that. It's both. It's both that I don't know who they might have been and secondly, I wouldn't I'd have to refuse to speculate.

Q. Because you don't want to involve people unnecessarily in the business of a tribunal. That's your reasoning.

A. Two reasons: One, because if I speculate, I will be involving people possibly totally unnecessarily with

the Tribunal and all that that means. And secondly, because I have no inkling as to where or how I might start speculating.

Q. Well, if I might just take this matter to its final logical conclusion. Would you be prepared yourself to approach people whom you might speculate about and ask them would they be prepared to assist the Tribunal if they were involved?

MR. MCGONIGAL: That's quite an improper question, Mr. Commissioner. It's really outrageous. Mr. Haughey has not been appointed to carry out any inquiry. He has been asked to cooperate with the Inquiry. He has done that. So now, can we now move on to a relevant question under the Terms of Reference.

MR. COUGHLAN: Would you be prepared to assist in that regard?

COMMISSIONER: I note your objection.

Q. MR. COUGHLAN: Would you be prepared to assist in that regard, Mr. Haughey?

A. In what regard?

MR. MCGONIGAL: To go out in the highways and byways, Mr. Haughey, and see if you could find anybody who might have been a contributor to the $\frac{1}{2}$ 1.6 million that Mr. Coughlan has been unable to find a source for. That is the question.

Q. MR. COUGHLAN: Would you be prepared to assist the Tribunal to the extent that you yourself might approach people whom you might speculate about to see if they made a contribution?

A. You mean I might have done that in the past?

Q. No, no, Mr. Haughey. Would be prepared to do it now is what I am asking?

A. That I would go out now and approach people?

Q. And ask them - people - you might ask them?

A. Not ask them for money?

Q. No.

A. I am sorry, we are at total cross purposes. I thought you were suggesting I ask for money now. Mind you, it wouldn't be a bad idea. But, no. I think I see what you are suggesting, that I might now go out and go round and ask people, "by the way, did you ever subscribe to me in the past?"

Q. Yes.

A. No, I wouldn't be prepared to do that, Mr. Coughlan.

If you ask me a specific question about a specific person, but otherwise I am not, I wouldn't I don't think I should be asked to do that.

MR. MCGONIGAL: I think they used that in the McCarthy era, didn't they?

Q. MR. COUGHLAN: Now, may I just very briefly turn to a

slightly different topic but there is some relation to that which we have been dealing. And that is that Mr. Ben Dunne gave you a cheque for $\text{€}20,000$ in mid-1993 at a lunch in Abbeville. Do you remember that?

A. No, I don't remember anything of that time, but if you refresh my mind but I do know that Mr. Ben Dunne, during an election, gave Mrs. Haughey, my wife Maureen, a cheque for an election subscription. Is that what we are talking about?

Q. No, no. That's another matter and Mrs. Haughey has, through her solicitors, have furnished an account in relation to that. No. Mr. Dunne had been a patient, I think, in, I think the Mater Hospital, he had broken his leg or two legs and he was recuperating and he was invited to lunch in Abbeville - this is after you left Office, this is in 1993 - and he was driven there by a friend and he had lunch and he gave you a cheque for $\text{€}20,000$. [EXHIBIT 6]. I'll just get it now if I may.
(Document handed to witness.)

A. I have complete forgotten about this, Mr. Coughlan. I can't recall anything of that nature, but perhaps you could give me some further background to it.

Q. Well, the cheque, and I am sorry about the poor quality of the photostat there, Mr. Haughey, but that's the front and the back of the cheque.

A. Has this surfaced before anywhere, Mr. Coughlan?

Q. Mr. Dunne gave evidence about it last November, it came

to us quite late. But it is a cheque drawn on the account of Bernard Dunne at Allied Irish Bank, O'Connell Street. It's made payable to cash in the amount of £20,000 and the back of the cheque was endorsed by you and it was lodged to the Northern National Irish Bank as it's called now, account in Malahide, the account that was in your name in National Irish Bank in Malahide and Mrs. Haughey made the lodgment.

MR. MCGONIGAL: Is this part of the correspondence of Mrs. Haughey?

MR. COUGHLAN: No.

A. I am at a total loss here, Mr. Coughlan. You will have to give me time

Q. Absolutely

A. Has there been any reference to it previously?

Q. Yes. Mr. Dunne gave evidence about it.

A. At what stage? He gave a lot of evidence from time to time.

Q. He did. It was towards it was November of, around November of last year, 2000. And if you need time to consider it, of course.

A. I certainly do, because it doesn't look I mean, well, it wouldn't anyway, look familiar, but I just have no recollection of it at all. I mean, I do remember the other cheque which was at an election time. I just can't come up with any information about

this one. '93?

Q. Yeah, it's it seems to be the 29th May
1993 29/5 and I think it was lodged around the
2nd June of 1993.

A. No, I am completely at a loss. I see the signatures
on the back aren't very clear.

Q. Well, can I ask you this: do you remember Mr. Dunne
coming to lunch in Abbeville? He'd come out of
hospital. He may well have been on crutches I think
because he had to be driven.

A. I do, yes, but I couldn't tell you what year it was.
But that could be ascertained I am sure. But I think
the I don't think he came for lunch, I am not sure
about that but I don't think he came to lunch. I
think, like any other patient in hospital, he was bored
being confined to a hospital room and I think this
friend of his would bring him out for drives and I
think he brought him along to Abbeville just in that
context.

Q. Mr. Dunne even remembers what he had for lunch on the
day.

A. I don't remember what I gave him, but I think have
you his evidence there?

Q. Yes, Mr. Bernard Dunne gave evidence on Day 77 about
this and I don't want to rush you about this particular
matter, if you think you should consider

COMMISSIONER: If it's your preference, Mr. Haughey, if

we should defer this until you have, perhaps overnight, until you have looked at things a little more fully, of course, Mr. Haughey.

MR. COUGHLAN: I think in those circumstances, Sir, it might be preferable if I waited until tomorrow so to continue with Mr. Haughey.

COMMISSIONER: I do surmise, Mr. Coughlan, we appear to be on track for a conclusion of this process in the course of this week. We will rise a little early so. Thank you, Mr. Haughey.

THE COMMISSION THEN ADJOURNED UNTIL THE FOLLOWING DAY, WEDNESDAY, 14TH MAY, 2001 AT 11AM."

CHAIRMAN: Thank you, Mr. Lehane for that fairly Olympian feat of reading. The last two volumes of transcript may be deferred until the Tuesday sitting, because it is proposed, on the lines of what both Mr. Coughlan and myself stated earlier in the week, to call certain of what might be called, the professional financial witnesses, to have an opportunity to deal with matters raised in Mr. Haughey's examination on that day, we will commence sitting on Tuesday at half past ten rather than eleven. Thank you.

THE TRIBUNAL THEN ADJOURNED UNTIL TUESDAY, 29TH MAY 2001 AT 10.30AM.