

THE TRIBUNAL RESUMED ON THE 25TH OF JUNE, 2009, AS FOLLOWS:

CONTINUATION OF EXAMINATION OF CHRISTOPHER VAUGHAN BY

MR. HEALY:

Q. MR. HEALY: Thank you, Mr. Vaughan. Do you remember the last thing we were discussing yesterday was your dealings with Mr. Vanderpump concerning the letter of the 25th September, 1998, and your understanding of the transaction, and of Mr. Lowry's involvement in it, do you remember that?

A. I do, yes.

Q. You will recall that around that time you also had a number of discussions with Kate McMillan of Messrs. Peter Carter-Ruck, and we have already discussed them and outlined parts of them in detail, but I just want to go through a number of specific parts of her notes at this point.

A. Okay.

Q. Now, I want to go to firstly, her notes of the meeting of the 22nd October, 2002, which are contained in the supplemental book at Tab

A. 15, I have 15, 1-5. I have a type written version in front of me.

Q. Yes. Well, you should have both a type written and a manuscript, a photocopy of a manuscript version.

A. I think I have possibly got the wrong book.

Q. I think you have. It's Tab 30 in the supplemental book.

Do you have the supplemental book?

A. This is the wrong book, unfortunately.

Q. Take your time, just to make sure you have got the correct book.

A. Coincidentally, it's in this book.

Q. Is it? Well, if you have it, let's try to see that we are looking at the same thing?

A. This says "Witness Book 3" on it, and I have a Tab 15 on Witness Book 3.

Q. Well, just that's the attendance note, okay? Let's just see if you have got the document. This saves you having to have too many books in your hand at one time. Does that have a handwritten transcript of a telephone conversation with you on the 22/10/2002?

A. No.

Q. Okay. At Tab 30, I think, the first document is the handwritten transcript. I don't want to go through that, because behind it is a type written transcript, all of these have been confirmed by Ms. McMillan in her evidence.

Now, again just so you can orientate yourself, do you remember having a telephone conversation with her?

A. I certainly had a conversation with her, yes.

Q. And you remember that you remember the time of the conversation, the rough time, it was 2002, October 2002?

A. Well, I accept what Ms. McMillan put in her book as to, is a contemporaneous note.

Q. All right. And you recall that in the course of the conversation, you appear to have been reading or referring to your detailed note of your conversation with Mr. Weaver

of the 18th October?

A. Yeah.

Q. Because, if you look at the note where she has a heading,

"Page 1 of 5 pages of notes.

"1. Mr. Weaver" the first bullet point is Mr. Weaver.

The second bullet point is: "I have done a detailed note about this hold on one second."

So you have obviously gone to get a note or turn it up on a file or something?

A. I don't mean to be difficult about this. I suddenly realise, if you look at her handwritten version it says "I have done a detailed file note about this," whereas the type written version says I don't want to nitpick, but I've just suddenly notice

Q. Yes, and it's important for you to be able to turn back to it, when I draw to your attention - I am not going to go through the whole thing now - and I draw to your attention any specific parts, it would be no harm to check back. I take your point.

I want you to turn now to the next page of the handwritten notes, of the typed notes, I beg your pardon, of the typed notes. And do you see where there is a heading "Page 4 of 5 pages of notes"?

A. Yes.

Q. You go to the second-last bullet point, "Para 2 said."

Now, that's a reference, I think, to paragraph 2 of your letter of the 25th September, 1998?

A. Ah, right, okay. I accept that's what it

Q. And then she has a note of you saying: "Look at it in context a month after purchase. Meet man for 1st time and said that he was involved in Doncaster Rovers politicians' puff."

Under the next page: "Latching on to some transaction which might have been successful."

Now, I think now, I think earlier I think you had in your hand the attendance note, am I right it in that?

A. It was, I have given it back to Mr. Brady. If it's in here.

Q. I was hoping to avoid you having to look at two pages at the one time, but in any case you have the attendance note?

A. Can I just clarify which note we are talking about?

Q. Yes, if you go to Tab 15 on the supplemental book?

A. It's here.

Q. Book 81, Tab 15. So now, just to put the three documents, to make sense of the three documents. The first document that we looked at briefly was the manuscript note that Ms. McMillan made at the time of her telephone conversation?

A. Correct.

Q. The next document we looked at was the typed transcript of that made for the purposes of assisting the Tribunal. The document I have just referred you to is her attendance note which she made based on her notes of the telephone conversation, all right?

A. Correct, yeah.

Q. Now, if you go to the second page of those notes, about halfway down the page in what is, I think, perhaps the longest single section of text, she has an entry which says: "CV said it was important to look at his letter to ML of 25 September 1998 in context." Do you see that?

A. Correct, I am with you.

Q. All right. I'll read that, I'll continue with that.

"The letter was written a month after the purchase on the day that CV had met ML for the first time. ML had said that he was involved in Doncaster Rovers Football Club Limited. CV said that perhaps was" - I suppose that should be "what" - "ML had said to him about Doncaster Rovers Football Club Limited was politicians' puff. Perhaps he was latching on to some transaction, which might have been perceived at the time as successful and therefore considered it was advantageous for him to be connected to it. CV said that he had never taken instructions from ML in relation to Doncaster Rovers Football Club Limited. CV said that he believed that ML was not involved in Doncaster Rovers Football Club Limited at all."

Now, that, would you agree, to be reasonably consistent with the handwritten or with the typed version of the handwritten notes?

A. It appears to be, yes.

Q. So do you agree that what you said to her, or is it perhaps I'll put it that way first: Do you agree that what

you said to her was "Look, you have to look at that second paragraph in context. Here I was meeting this man for the first time and he said that he was involved in Doncaster Rovers Football Club"? Then you went on to explain that was politicians' puff. Now, at the time that you wrote the letter on the 25th September, 1998, you didn't think it was politicians' puff, isn't that right?

A. On the day I wrote the letter, no. As I explained in my previous appearance here in April, what I had really latched on to was the fact that we had somebody who I spoke to in my car driving from Northampton to Leicester, and he clearly indicated to me that he could help resolve some of the outstanding issues relating to the acquisition of Doncaster Rovers. And as I explained last time, you know, it proved that that was incorrect. And I think one of the key points was that I needed, and I have said all this before, but I needed

Q. You needn't say more than you need to say, Mr. Vaughan, because I am simply trying to distinguish between the expression "Politicians' puff" and the rest of the entry?

A. Right, okay.

Q. And it seems consistent with you having written the letter and some of the other evidence that you have given, that you met this man for the first time, I think you have told the Tribunal that?

A. Yeah.

Q. He said that he was involved in Doncaster Rovers. At that

time you acted on that. Later on is where you come with the characterisation of it as "politicians' puff", because you had been told he was not involved, isn't that right?

A. Correct.

Q. That's all I want to get at.

A. Right.

Q. I want to distinguish between what you subsequently thought about it, having been told he was not involved and what prompted you to write it in the first instance.

Now, Ms. McMillan had another telephone conversation with you on the 28/10/2002.

MR. NATHAN: May I just ask, sir, why we are treading over the path that had been well trodden on the last occasion?

MR. HEALY: I am coming to something else, if you just bear with me.

MR. NATHAN: Can we perhaps get to it rather than ask the same questions that have already been answered.

CHAIRMAN: I understand the scene is being set for moving on to another matter. I don't anticipate digressing back on to Ms. McMillan's notes at any length.

Q. MR. HEALY: Now, if you go to supplemental book Tab 31, you will come to the manuscript transcript followed by the typescript of the manuscript note of Ms. McMillan's second telephone conversation with you.

A. Yes.

Q. Now, you will recall that you had written a letter to Mr. Vanderpump about five days before this, or thereabouts?

A. If that's when it fits in, yes.

Q. And if you go to the second page of the typed transcript, you will see the top of the page begins with:

"Struggling on these points after that I never heard from him again.

I wonder if I spent some time with him on the 25th because in car with him for hour.

lift to Leicester.

never involved" meaning he was never involved in the transaction, presumably.

"Sole purpose of meeting him was to talk re Mansfield."

A. Mm-hmm.

Q. "I have looked at copy file letter refers to amended contract on 25th.

Didn't have authority.

Westferry mouthpiece was KP.

AP/Helen Malone transferred money but had no input."

Question seems to come from Ms. McMillan.

"Weren't you worried about disclosing sensitive info?

No, we met on 24th to discuss Mansfield.

He was late, stayed for a few minutes, adjourned to late another evening.

Met with KP on 24th September.

Discussed Mansfield site.

KP also discussed DRFL in ML's presence ML indicated that he was involved."

Just to mention two things about that. As far as you were

concerned, the sole purpose of the meeting was to discuss Mansfield in your conversation with Kate McMillan on that day seemed to follow from this, isn't that right, that's the frame of mind you were in?

A. Sorry, you said Kate McMillan, and I think

Q. On that day you had a telephone conversation with Kate McMillan and you told her that the sole purpose of meeting Michael Lowry, as far as you were concerned, was to talk about Mansfield?

A. Correct, yeah.

Q. But you pointed out sorry, you say that the Mansfield site was discussed, but that KP also discussed Doncaster Rovers Football Club in Michael Lowry's presence?

A. Yeah.

Q. Then you say: "Michael Lowry indicated that he was involved." Now, if you go on to the next section:

"Conversation with KP present. Paul May also there in evening.

At Paul May's house on evening of 24th September

KP/ML/myself/PM at PM's house."

Then if you arrow down to where the word "Arrow" or if you jump down to where the word "Arrow" appears in the third

next section of text, you will find after that: "Was

mainly about Mansfield but covered a number of issues I

wasn't there long. They went out and had supper somewhere.

ML was late turning up.

Went on way home popped in briefly."

If you go on to the next page, you see a heading "Page 4 of 5 pages," the second section of text under that, first of all, is "Late", this is a repetition, I think, of what you said earlier, it seems to be a summary.

"We met at PM's house.

Talked in office to Leicester."

Does that seem to summarise the chronology of what happened?

A. Yeah.

Q. Michael Lowry was late, you met at Paul May's house?

A. Well, my evidence last time was that I think they met at Paul May's house. I wasn't there at that time.

Q. Let's come to that. "Talked in office," that was presumably the following morning, and "To Leicester."

Then if you go down, you are referring to a conversation with Denis O'Connor. Then you say: "I was genuinely surprised when he said in presence of PM/KP."

Now, just to clarify one thing that, in your statement you referred to Paul May's presence at the discussions that you had which prompted the letter of the 25th September?

A. Yes.

Q. And I then think you said that it was only possibly that he was present?

A. I think you'll have to take me back to where it was, but again, it was a long time ago, but without looking at what I said previously, I can't really comment on it. The meeting I think was characterised by the fact that we met

initially in my office. I don't remember ever going to

Paul May's house, and I seem to remember that Michael

Lowry's evidence was that he went to a hotel or something.

But the next day he was in the office.

Q. I think there is no dispute between you and Michael Lowry but that the next day he met you in your office?

A. Correct, yes.

Q. And that you drove him to Leicester, because Kevin Phelan was not available?

A. Or whatever happened, yeah.

Q. But in this account that you gave Kate McMillan sometime much closer to the events than we are now, you refer repeatedly to the involvement of Paul May in the discussion?

A. Yes, I think her statement, it's got "We met at Paul May's house." I understood that they went to his house to meet.

I am quite positive I didn't go there. I mean, I know where the house is. I am sure my evidence last time was I actually gave its address and I knew him because he was a client of mine. But they all met and they had a meeting, but I wasn't party to that.

Q. In your in the first statement you provided to the Tribunal, I think in advance of your April attendance, at page 7, in paragraph 17, you refer to this matter. Have you got a copy of it?

A. I haven't.

Q. I'll read it out and put it on the overhead projector.

A. Yes.

Q. Paragraph 17: "There is a minor discrepancy between my version of the date of my first meeting with Michael Lowry and Michael Lowry's version of the meeting. What there is no doubt about is that we met in my office on the morning of the 24th September, 1998, and discussed the purchase of Mansfield. What was in dispute is whether we met in my office, as I maintain, or in a hotel, which Michael Lowry maintains, the night before, 23rd September, is probably irrelevant. But I am quite positive that we did meet late afternoon/early evening on the preceding day and detailed open discussions took place between myself and Kevin Phelan, in the presence of Michael Lowry about the outstanding issues that needed to be resolved as to the acquisition of DRFC as set out in my letter of the 23rd August, 1998."

Now, I think originally you had inserted in that statement that you understood that the discussions involved yourself, Kevin Phelan and possibly Paul May.

Yes, I think what's confusing me is that there are, between the morning that you gave evidence at the time of your last sittings and the previous afternoon, there was a slight change in your statement. I think the statement that you actually provided is the one that's on the overhead projector. No doubt I'll be corrected on that. It says:

"Detailed open discussions took place between myself and Kevin Phelan, and possibly Paul May, in the presence of

Michael Lowry about the outstanding issues that needed to be resolved as to the acquisition of DRFC".

MR. NATHAN: May I ask, sir, that the witness could also perhaps have shown up on the screen paragraph 18B.

Q. MR. HEALY: You go on in paragraph 18B to say: "I have mentioned in

"A) Correspondence and

B) Possibly in a telephone conversation with Kate McMillan of Peter Carter-Ruck & Partners that the evening meeting took place at Paul May's house at Shutlanger,

Northampshire. Kevin Phelan and Michael Lowry came to my office in Northampton on the evening of the 23rd September.

A discussion took place about DRFC. Because of the lateness of the hour Kevin Phelan and Michael Lowry left and went for a meal somewhere, possibly via Paul May's house. I did not definitely accompany them. I was not involved in any further discussions with them that evening."

What I am suggesting is that the account you gave to Kate McMillan is more probably likely to be an accurate recollection, since it's much closer to the events, isn't it?

A. It's four years after the event and when she took her note I am quite sure I didn't go to Paul May's house. Of course I didn't see these notes until recently. It wouldn't take much to, for her to misunderstand we went rather than they went to Paul May's house. I don't really see how

desperately important it is, but it was I certainly wasn't I didn't go to a hotel, I didn't go to his house, they came to the office and went.

Q. I think what is important about it is, it's important on two fronts: Firstly, in that conversation with Kate McMillan you allude to the fact that Michael Lowry was late?

A. Correct.

Q. Subsequently in discussions with the Tribunal legal team in London, you were insistent, I think in the extract that has already been read out, that the meeting with Mr. Lowry on that day took place within office hours in your office, isn't that right?

A. I think so. I think I have accepted that it was later than that now, but

Q. Well, there seems to be little doubt that Mr. Lowry arrived late because we have the ticket

A. That's right, I have seen that.

Q. showing when he arrived. But it would also appear that what your, what you were telling Kate McMillan was consistent with what we know to be the fact, i.e. Mr. Lowry arrived late?

A. Yeah.

Q. So what you told her about his arriving late was correct. And I suggest that you had the correct memory of it at that time because it was closer to the events, and I suggest that when you allude to Mr. Paul May's involvement in the

discussions in the presence of Mr. Lowry, that that was also correct, because it was closer to the date upon which the events took place?

A. I mean I hear what you say about it, but I just don't think I ever went to his house.

Q. Now

A. And, of course, I don't think Michael Lowry thought that either, did he?

Q. When the question of the location of the meeting arose in the course of the London discussions, you, as I said, insisted that it took place in your office and within office hours, and some time was devoted to establishing that took place in your office and that the time was within office hours. We can pass from that. But do you recall that part of the discussion?

A. It depends what the definition of "office hours." It certainly took place in the office. I was there waiting in the boardroom for them.

Q. I hesitate to weary you with going over this document again, Mr. Vaughan, but there was actually what seemed to me at the time somewhat lengthy discussion about what was office hours, and what was made absolutely clear is that it was before six o'clock.

A. Well, I think

Q. That's not the issue I am focusing on, it's the fact that you were insistent that the meeting took place in your office. Now, the reason that the matter was pursued was

because of what you had informed the Tribunal in a letter of the 6th March of 2003 concerning the meeting. Do you remember that letter?

A. No doubt it will be put up on the screen.

Q. It's in Book 81A, Tab 8. We'll put it on the overhead projector. If you just go to the second page of that letter sorry, maybe just so that you'll if you haven't seen the letter in a while, it might be no harm if you familiarised yourself with it. I think if you go to the last paragraph on the first page, you should be able to read yourself in fairly quickly.

"The completion of the acquisition of DRFC was on the 18th August, 1998. And following that completion I had been pressing Kevin Phelan to arrange a meeting with Aidan Phelan and myself in connection with a number of outstanding issues. Therefore, when Kevin Phelan arranged the meeting for the 24th September, 1998, I initially assumed it was in connection with DRFC and that Aidan Phelan would attend.

"Accordingly I wrote to Aidan Phelan on the 23rd September, 1998, enclosing an agenda of the items I wished to discuss at that meeting. I attempted to fax the letter to Aidan Phelan the day before the proposed meeting but was unable to do so. The letter was posted to Aidan Phelan with the enclosures referred to at a later date.

"Subsequently it transpired that the meeting was not to be in connection with DRFC but in respect of the purchase of

the land at Hilltop Farm, Mansfield (the Mansfield property) by Michael Lowry.

"I met Kevin Phelan and Michael Lowry on the 24th September. We had a general discussion about the Mansfield property. I believe that Kevin Phelan broadened the discussion by raising queries on other projects which he was involved in. I would certainly have raised with Kevin Phelan the issue as to outstanding matters in DRFC and the need to have a meeting with Aidan Phelan to consider those matters, and I gave him a copy of my letter dated 23rd September, 1998, which I had unsuccessfully attempted to fax to Aidan Phelan the previous day."

And you go on: "Michael Lowry was present throughout the whole of those discussions."

Now, that seems to be consistent, to some extent, with what you informed Ms. Kate McMillan, that the discussion was to be about Mansfield but that it was broadened to include DRFC, do you see that?

A. Yeah, I haven't got the letter in front of me. Would it be possible to just see the end of it?

Q. Will I read the whole letter out?

A. Okay.

Q. "Michael Lowry was present throughout the whole of those discussions, and I formed what I subsequently discovered to be a totally incorrect view, that because of the frank manner in which Kevin Phelan was discussing the outstanding issues relating to DRFC, Michael Lowry was somehow involved

in the DRFC project.

"Michael Lowry and Kevin Phelan then wanted to go on to have a meal somewhere, but I returned to my home. It was arranged for Michael Lowry to come to my office the following day to finalise some of the details relating to the Mansfield property and for me to speak to the vendor's solicitor in respect of the property.

"Michael Lowry was brought to my office early in the morning of the 25th September, presumably by Kevin Phelan, but I have no note or recollection of meeting Kevin Phelan on that day. It had been arranged that a car would come to my office and collect Michael Lowry during the course of the morning and take him to Leicester for an appointment at the BUPA hospital. The car failed to arrive. (I cannot recall what went wrong) and I then offered to take Michael Lowry in my car to the BUPA hospital in Leicester, which is about 30 miles north up the M1 motorway from my office.

"Following Michael Lowry arriving at my office on the morning of the 25th September, we examined the Mansfield property file. I contacted the vendor's issues as to issues that had arisen from our discussions as to the purchase of that property.

"No one else travelled in my car to Leicester other than myself and Michael Lowry.

"So far as I can recall the discussions in the car related to the general property market in England, sport and Irish politics.

"Based on my incorrect assumption from the previous day's meeting, the outstanding issues relating to DRFC were again touched on again by me. It is my recollection that Michael Lowry offered to assist me in resolving those outstanding issues by agreeing to try to arrange a meeting with Aidan Phelan whom he led me to believe he knew.

"I have found no handwritten notes of the DRFC file in relation to the meeting on the 24th September or the discussions in the car the following day, which is not surprising, as Michael Lowry had come to Northampton to discuss the Mansfield property.

"In hindsight, it does seem unusual that I believed Michael Lowry to be involved in DRFC, as throughout the whole of the discussions and negotiations relating to the acquisitions of DRFC over a period of some nine months I had never heard Michael Lowry's name mentioned nor met him with Aidan Phelan nor any other person in connection with the acquisition of DRFC.

"When I returned to my office in the afternoon of the 25th September in an attempt to try and move matters along (as can be seen from the tenor of my letter) I wrote the letter of the 25th September to Michael Lowry.

"Over the course of the next days (which was the weekend) I spoke to Kevin Phelan, who inquired of me as to how my journey to Leicester with Michael Lowry had gone. I outlined to Kevin Phelan that we had discussed the purchase of commercial property in England in general and the

Mansfield property in particular, which I understood had been Michael's main purpose in visiting me in Northampton.

"I must have told Kevin Phelan that I thought that Michael Lowry could assist in resolving the outstanding issues in DRFC and that I had written the letter of the 25th September to Michael Lowry. I had also written a letter to Aidan Phelan advising him that I considered that Michael Lowry could arrange a meeting.

"Kevin Phelan then informed me that Michael Lowry was not connected in any way whatsoever to the DRFC project and that it would be very embarrassing for him if Aidan Phelan had been informed by me that any documentation had been sent to a third party (Michael Lowry).

"Kevin Phelan asked me to write to Aidan Phelan to clarify the situation, and it was at this stage that I informed Kevin Phelan that although the letter had been dictated and typed, it had not gone through my fax machine, neither had it been posted, and a copy of that letter which has a line through it still existed on my file, the top copy I assume was destroyed by me.

"As regards the involvement of Paul May, he was brought into the DRFC project by Kevin Phelan to be possibly for the day-to-day management of the football club. I do not believe that Michael Lowry had any involvement with Paul May or with the management of the Club.

"As part of the agreement to purchase the shares in DRFC, Westferry Limited had agreed to pay an additional sum of

£1,250,000 upon the production of an extension to the lease between Doncaster Metropolitan Borough Council as landlord, and DRFC as tenant, in respect of the car-park adjoining the football stadium.

"It subsequently transpired that the vendors of the shares in DRFC, a Mr. Richardson and a company and a trust associated with him had totally misrepresented the situation, as in fact the lease extension was already in place and within the ownership of DRFC. This was perceived to be an extremely embarrassing situation, that there was in existence an extension to the lease but that fact had been missed when a due diligence examination of the documentation relating to DRFC was carried" - "out" I suppose it should read - "prior to the exchange of contracts by the purchasers.

"I can categorically confirm that I never acted for or had any dealings with Mr. Richardson, (a man whom I never met or even spoken to) or his company, trusts or nominees. The reference in my letter to 'conflict of interest' does not relate to Mr. Richardson and his associates, but relates to my concern that if a dispute arose or even an allegation of negligence was made between or by Westferry, DRFC and its Directors, I could have been placed in a difficult position, which could have given rise to an allegation of conflict of interest, especially as by this time I was the Company Secretary of DRFC."

Do you remember the letter?

A. Oh, indeed, yes, yeah.

Q. In the course of the London discussion, you will recall that one of the things that was puzzling about this letter, was that it said that you had had a general discussion about the Mansfield property, but that it broadened out into a discussion about other matters. And then, obviously, it seems strange that you would have had all the documents relating to one of those other matters, a number of documents relating to them to enable you to hand documents around and bring important details on those documents to the attention of the people that were with you. And I think you were anxious to point out that the file in relation to Doncaster was available, because the meeting had taken place in your office?

A. Correct, yeah.

Q. Now, do I take it that you assumed the meeting had taken place in your office because otherwise you wouldn't have had access to the Doncaster file in the course of a discussion that was supposed to be about Mansfield?

A. I certainly didn't assume. It quite definitely took place in my office in the evening, late afternoon, whenever it was, of that day. I had set up that meeting with the paperwork to discuss the various issues. It was

Q. To discuss them, the DRFC issues. But the purpose of the meeting was to discuss the Mansfield property?

A. Well, that's what Michael Lowry element to it was, yes.

Q. I think what Kate McMillan noted is that you said the sole

purpose of the meeting was to discuss the Mansfield property and that the other matters only arose incidentally?

A. I think you have to go back a little, because we were the evidence I gave last time was that I was getting very concerned that we hadn't had a meeting and this meeting had been set up to discuss the post-completion matters arising from the acquisition of DRFC. That's what it was all about. So I was desperate to get this meeting going. And if I can just move on slightly. I was disappointed that Aidan Phelan didn't attend the meeting. I had never met him at all. One of the points that made the Michael Lowry proposition, if I can put it like that, I can help, attractive to me was in the car he clearly knew Aidan Phelan and offered to, you know, try and help get this meeting going.

Q. Now, you know that Mr. Lowry says the meeting took place in a hotel?

A. I know that's what he says, but all I can suppose is that after they met me, and I think in the letter it says they wanted to go and have a meal, they went to a hotel or somewhere to have a meal. I was certainly not there, absolutely positive about that.

Q. I think, on your evidence, and on the basis of your letter of the 25th September, 1998, and indeed, even on the basis of this letter, you were fully armed at the meeting, wherever it took place, to discuss all the Doncaster Rovers

issues?

A. I was, yeah.

Q. Now, I want to refer you to some of Mr. Lowry's evidence concerning these matters. First I want to refer to Day 346, page 104.

A. Do I have that or are you putting it on the screen?

Q. If necessary, if there are any sections we need to get for you, we'll get them.

A. No, I am quite happy to look at it on the screen.

Q. Day 346, page 104. This is a reference to a part of Mr. Lowry's Statement of Evidence. If we go on to the next page, I think the thing becomes clearer. You see where it says: "I'll just read that again, Mr. Lowry" this is reading from his Statement of Evidence, which is now, of course, in the evidence.

"Mr. Lowry did not on the 24th September, 1998, take or receive any documentation or correspondence from Mr. Vaughan. If any correspondence or documentation passed at the meeting on the 24th September, it was between Mr. Vaughan and Mr. Kevin Phelan. Mr. Lowry accepts that he was present at the meeting on the 24th September, 1998, and there was considerable involved discussion as between Mr. Vaughan and Mr. Kevin Phelan, but Mr. Lowry would have had a peripheral interest only. In the course of the meeting on the 24th September, and indeed, whilst in Mr. Vaughan's presence on the following day, any discussion that took place involving Mr. Lowry was of a general

nature, and Mr. Lowry is emphatic in stating that he could not have discussed items in any detail, as he had absolutely no knowledge of any specific details in relation to the matters being mentioned or discussed."

Now

MR. NATHAN: I am afraid, I have been provided by the Tribunal we have been provided with extracts from Tribunal transcripts. If I look at page 104 of this, it's something completely different.

MR. HEALY: Day 346.

MR. NATHAN: This is the extracts that you have provided.

It says "Day 346, Mr. Owen O'Connell, Mr. Michael Lowry."

I look at page 104, and I look at line 18, for example,

which is up on the screen, I have got the single word

"London." Have you got the word "London"?

MR. HEALY: Yes, I have gone on to the next page.

MR. NATHAN: Oh, I see, I am sorry, I do apologise.

Q. MR. HEALY: Now, the passage that I just read out to you, I

read out by way of an introduction, because throughout his

evidence, Mr. Lowry has adopted the position that nothing

he said or did, nothing in his behaviour could have

prompted your letter of the 25th September. That's just by

way of overall statement. But just in relation to this

part of the statement, he says he received he neither

received nor took any documentation from you that day.

That's flatly in contradiction to your letter, isn't it?

A. It is, yes.

Q. In which you say that he did take documents.

A. Could you just remind me of the date of this evidence?

Q. The date of this evidence was the 27th March, 2007?

A. So it's nine years after the event?

Q. Yes.

A. So he is saying nine years later "I can't remember or I didn't remember taking any paperwork."

Q. Yes. Now, I think in fairness to Mr. Lowry, I am not sure that I have this absolutely correct, but I think that is consistent, in general terms, the general statement I have made, with a position he had adopted since about 2004, 2005.

Now, if I could ask you just to look at a passage at page 123 on that day. Just go to the end of the page again.

"And at that meeting obviously Kevin Phelan availed of the opportunity to have Christopher Vaughan there to deal with the matters which he intended to deal with, and in my presence there was a general discussion about several projects that Kevin Phelan was involved in, and it's important to understand that it was my understanding at this stage that Kevin Phelan had several projects other than the ones that I was involved in with Christopher Vaughan, and they had a relationship going back some time. And that was that particular night. And the morning after, Kevin Phelan dropped me, on his way to his meeting, wherever it was, at Christopher Vaughan's office. I went through the Mansfield project with Christopher Vaughan, and

then Christopher Vaughan obliged me by taking over from Kevin Phelan, who was to bring me back to the BUPA Centre, but, in fact, Christopher Vaughan obliged me by filling in for Kevin Phelan and bringing me to the BUPA Centre in Leicester."

A. Just so that I get that's a reply by Michael Lowry to one of your questions, or a question from one of the Tribunal?

Q. Yes. He is describing what he says is simply a general discussion in his presence.

A. Yeah, I understand, I didn't know whether it was a statement or

Q. I am just going to build-up his view of it before I ask you a question about it.

If you go on to the next page, page 125, at question 397:

"Question: It was a pure business meeting with him?

Answer: It was a business meeting, I suppose, in a social setting, is the only way I could describe it. There was probably drinks on the table. There was a discussion going on. There was documents going between them. They were discussing different projects."

Now, firstly, can you remember what projects were being discussed, if projects other than Doncaster were being discussed?

A. The only matter I had on at that stage with Kevin Phelan was Doncaster Rovers Football Club. Well, other than Mansfield was there as well, but there was nothing else

happening that I recall. You see, the answer is a thing that makes me even more positive that I wasn't at this later meeting. It says: "There was probably drinks on the table. There is a discussion going on. They are discussing different projects." It doesn't

Q. You weren't at any meeting with drinks on the table?

A. There would certainly have been water on the table in our office, but there would not, I don't know what he means by "drinks"

Q. Well, I think we may take it from the fact that he described it as a social setting, he means an alcoholic drink or other than water anyway?

A. I don't recall any other projects. I was very much focused on DRFC. I don't remember anything else.

Q. Now, at page 129, the last sentence in question 419:

"He suggests that" this is a reference to you "that he gave you a copy of a letter in the course of your meeting, or either of your meetings?"

Answer: Absolutely not. The only documentation, the only discussion that I had with Christopher Vaughan at that meeting was in respect of Mansfield. The only documentation that I would have taken with me from that meeting was in respect of Mansfield. And it is my view that this letter, which was written to me, was obviously meant for Kevin Phelan or Aidan Phelan, but I certainly never got the letter. I don't know what confusion is there, but I certainly didn't get the letter and took no

enclosures or got nothing from Christopher Vaughan on that particular day.

Question: Right. Well, let's just take that slowly then.

During the course of your meeting in the Northampton hotel, they were discussing, you say, not only Doncaster but also other projects. I think Christopher Vaughan had his files with him to enable him to conduct those discussions?

Answer: I don't know. There certainly was paperwork between them, because my recollection is that there was a number of projects, and I don't even know if Doncaster was one of those, I presume that it was, but there was a number of projects under discussion. They definitely had documents on the table. As to what they were, I don't know. I only had a passing interest in what was happening."

Just to clarify one thing about the Mansfield project. Am I right in saying that you didn't write any letters to Michael Lowry concerning the Mansfield project at this time?

A. I honestly can't remember whether I had written to him about Mansfield or not.

Q. I think we have already clarified you kept no attendance note concerning Mansfield?

A. This was the early days of Mansfield. I was fully aware of the intention behind the purchase of Mansfield. I have seen, actually this morning, Mr. Brady handed some extra papers out, and in those extra papers is a copy of the file

plan, the Land Registry file plan relating to Mansfield.

And if you one of the concerns I had about Mansfield, and this is what Michael Lowry and I spent some time talking about, was the fact that if you look at the file plan, you will see that the roadway to Hilltop Farm joins the public highway as a sort at a sort of perpendicular angle, it was straight up. And I explained to him that if it was going to be developed, this site, then there would have to be visibility splays and we would have to acquire extra land. And you are aware from yesterday, when we were talking about sending the documentation to the solicitors for Berwood, I have said "And the option agreement," because we entered, we, Michael Lowry entered into an option with Jephson's to acquire extra land to provide for that visibility splay. This is the sort of technical area I wanted to talk to him about, and that was important to me to make sure he understood that the project couldn't go ahead unless we had this extra land and other issues as well. So you asked me a question a minute ago about had I written to him? I don't think I had.

Q. And apart, perhaps, from giving him the map, you didn't give him any other documents?

A. Oh, I don't know, I don't know. My file, of course, is here with the Tribunal. If I looked at it, it might jog my memory.

Q. If you go to page 132, question 429:

"Question: Well, neither Mr. Vaughan nor Mr. Phelan had

any concern about you being present during this discussion?

Answer: Absolutely none, no.

Question: And did you participate in the discussion in any way?

Answer: I don't think so. Maybe I don't recall. How many years ago is that meeting?

Question: I am just wondering did you? Did you participate in it?

Answer: I don't recall participating. I doubt it."

Now, would that accord with whatever prompted you to write your letter of the 25th September, 1998?

A. If I look at what's written here, the question: "Did you participate in the discussion in any way?

I don't think, maybe."

So, maybe he is saying possibly he did. In the next line he is saying "I don't recall." He is uncertain, as he says, you know, years later.

I think the real element of my discussion with Michael Lowry is that, as I have set out in the letter I think to John Davis, is that it's the car, where it's the two of us together in the car. We are driving to Leicester. And we discuss these various things. And I have no doubt whatsoever that I discussed with him my frustrations about not getting on with the DRFC project.

Q. Before we ever come to the car, at the meeting, to judge from your letter, you handed him documents?

A. Well, there were it's a long time ago

Q. I am not, I am only asking you to consider the logic of the situation as you described it yesterday when we were endeavouring to ascertain how the letters of the 5th September were altered. But the logic of the situation, if you handed him a document, I would suggest, is that you must have seen him as a participant?

A. I think we have established that there was a full and frank discussion about DRFC when Michael Lowry was present. I had prepared for this meeting and I had prepared an agenda for the meeting, and the key components of that agenda were set out in my letter, I can't remember the exact date, but I think it's the 23rd August, when I wrote this long letter to the Directors saying we have completed, these are the outstanding issues. Of course I was disappointed that that meeting didn't take place as anticipated, because the main player in this transaction, Aidan Phelan, wasn't present. There would have been spare copies of all these documents that I had prepared for the meeting, and when I have answered these questions before, I certainly had the impression that Michael Lowry had a set of them. I mean... yeah, that's what I believed then and I certainly believe it now.

Q. You told Kate McMillan that he had said to you he was involved in Doncaster?

A. Well, I think this goes on to the car journey. This is, you know, when I would talk to him more than. You know, I gained the impression that he could help.

Q. Which was presumably from things he said?

A. If I just go back a few minutes. You know, one of the important issues to me was he seemed to be somebody who could make contact between Aidan Phelan and me, which I was previously failing to do.

Q. We'll be coming to that in the context of what Mr. Lowry says about it later on. But do I correct me if I am wrong you are not saying simply because he said "I know Aidan Phelan, he is a good pal of mine, I know his telephone number," you assumed he could sort out all your Doncaster Rovers problems?

A. He gave me

Q. No, no, you are not saying that because he casually said "I know Aidan Phelan"?

A. It goes slightly beyond that, doesn't it, which is what I have said already.

Q. Does it go just slightly beyond that? And if so, what is "slightly beyond" it?

A. Well, it goes beyond that, but then, of course, I have distanced myself from that by using the phrase in the Kate McMillan note of "politicians' puff," and I think I have also used the words "political ego" in another context. That's all I can say about it really.

Q. That's your view of the matter with hindsight. You didn't form that view at the time?

A. No yeah

Q. "Politicians' puff" is your way of describing Michael Lowry

involving himself in your meeting or in what you were discussing in your car journey, is that correct?

A. I think

Q. Well, am I right in that, that that's what the expression "politicians' puff" is used to describe?

A. You are absolutely right when you say "in hindsight," but the hindsight was only 48 hours later. It wasn't months or years later. It was if we just sort of put this in segments. Up until the day I met Michael Lowry for the first time, I had never had any contact with him whatsoever in connection with Doncaster Rovers Football Club. We then have the section where suddenly he is the man who can help. And then immediately afterwards

Q. I just want to be clear about this, Mr. Vaughan

A. Let me just finish this. Immediately afterwards I am told, as set out in evidence, that he has got nothing to do with it at all. I never hear from him again on it. So he comes into the situation and he is offering to help, possibly encouraged by me, you know, can you help? And he says, in his statement, "I didn't have any papers." I say in my statement he did, I am pretty sure I gave him papers to look at, but if he had nothing to do with it, he probably chucked them away the next day. So he was

Q. It's just your expression you used a moment ago when you said, you know, we have, or we know. I just want to be clear about that. What we know from the time is that you wrote a letter saying that you were, you know, you hadn't

realised, or hadn't appreciated his total involvement?

A. Correct.

Q. Now, we have seen a lot of your correspondence in the course of these days examination and you don't appear to write flowery letters, they are fairly business-like, straightforward to the point. The expression "Total involvement," I suggest to you, embraces rather more than a casual remark or even something that goes slightly beyond a casual remark?

A. I think I answered this at some length last time, and said then I think the word "Total" was an unfortunate word to use. I don't know what I said the last time, but that's the way I conveyed it.

Q. If we just go on to page 134 on that day, 346:

Question 437: I see. Go on to the next one, the next paragraph in your letter of the 25th September: 'You will see that in that letter I make reference to the divesting by Westferry of all its assets. This is a matter that I discussed with you on the 24th September and it is absolutely vital that this process is initiated urgently.

Now, did you discuss that and forget the 24th at the present time for a moment did you discuss that with him on either day?

Answer: There was absolutely no discussion whatever on I never had any discussion with Christopher Vaughan the previous night or the day that he drove me to the airport, I had no detailed discussion about Doncaster Rovers because

I knew nothing about it, and I simply it's totally illogical to contend that this kind of discussion took place with me. It didn't. It simply did not happen."

Mr. Lowry is saying there that the part of your discussions, which I think in evidence you are now saying drove you to write your letter, never took place at all?

A. I think the contemporaneous evidence is correct, which is my letter. So...

Q. If you go to page 136, again on Day 346, this is again a quotation from the letter at the top of the page.

"I understand that you are trying to organise a meeting between myself and Aidan Phelan.

Now, that's a reference to

Answer: Is that to me?

Question: An involvement of yours again. It's a complete nonsense?

Answer: That letter

Question: Let's just deal with that line.

Answer: That line that letter makes absolutely no sense whatsoever. That letter, I can't explain to you why that letter was written with my name on top of it. All I can say to you for definite is that I didn't get the letter.

That letter wasn't intended for me. It was obviously intended for somebody, but it wasn't intended for me. The only reference to Aidan Phelan in the course of my conversation was on the way back to the airport in the car, there was two of us in the car and we discussed Leicester

I don't know what the journey took us, 45 minutes, maybe a bit longer or down to Leicester from his office, and the only topics that were discussed in the car were in general terms. We discussed politics in Ireland. He discussed my resignation as a Minister. He discussed and asked me about the Tribunal system. He discussed about British Revenue politics at the time and as he saw their position. We discussed rugby. It was general matters.

Now, at some stage or other in the car, at some stage or other in the car Aidan Phelan's name came up in relation to he was talking about general property development, and I do remember telling him that I knew Aidan Phelan, and I remember him also saying to me that he had difficulties in making contact with Aidan Phelan and the only thing that I probably said was, that if he had a difficulty, well I'd ring Aidan Phelan for him. But I didn't get involved. I came home and that was the end of it.

Question: What involvement did you think Aidan Phelan had in the Doncaster business?

Answer: What did I?

Question: What involvement did you think Aidan Phelan had in the Doncaster business?

Answer: I actually didn't know. I didn't know. It was only years later when it unravelled, initially I thought Aidan Phelan owned Doncaster. I am talking now about when all this became public and then it transpired that he was acting for Denis O'Brien and that was a result of Denis

O'Brien's evidence to this Tribunal. So, I wouldn't have been aware of any specifics or details in relation to Doncaster.

Question: So the name Aidan Phelan came up, as far as you are concerned, in the context of general discussion that wasn't related to property, was it?

Answer: Yeah, I would think it was. I presume that it was. Maybe it even related to Doncaster. All I know, I can recall him saying I think at that stage there was a picture emerging that he had conflicting instructions from obviously I am only talking with the benefit of hindsight it looked like he had conflicting instructions from the like of Kevin Phelan and then he found it difficult to get Aidan Phelan to get clarifications. That's as I understand it now. But I do recall, I have to say that, that he did mention that he had a business relationship, and I am right in saying that Aidan Phelan had previously done business with Christopher Vaughan or am I wrong in that?

Question: I don't know.

Answer: I think he had, I am not sure, but I am nearly certain he had. So his name came up and Bryan Phelan's name, the Phelan brothers or Aidan Phelan came up, and I said, which I did, that I knew him and if I could assist, I would. And that's where the matter rested. I wasn't asked to do anything. I was simply, I suppose, being courteous.

Question: Did you have any discussions with Kevin Phelan

about organising a meeting with Aidan Phelan?

Answer: About?

Question: Did you have any discussion with Kevin Phelan

about organising a meeting with Aidan Phelan?

Answer: No. Because, you know, I had no discussion in relation to that.

Question: I am not suggesting that you had a discussion with him, I am simply inquiring whether you might have had any discussion with Kevin Phelan concerning setting up a meeting with Aidan Phelan, having nothing to do with Doncaster whatsoever?

Answer: At that stage I had no contact, you know, with Aidan Phelan in that sense, so I doubt very much if anybody could suggest that I did. And as far as I know, Kevin Phelan and Aidan Phelan, in looking back and, as I say, I am only reading documents, they obviously had had a lot of contact. I don't think they had any difficulty at that stage communicating with each other. They didn't need me to do it for them."

So, there, again, there is a stark contrast, I think you'd agree with me, between your evidence and Mr. Vaughan's (SIC) evidence as to what happened in the car?

A. Mr. Lowry.

Q. And Mr. Lowry's evidence as to what happened in the car?

A. There is a contrast, but I notice at the top of the previous page, initially no phone number. Then, secondly oh, well, yes, perhaps I did...

Q. Mr. Lowry says he knew the man, he was being courteous.

You say that you had a discussion, you touched on the problems you had, and you believed he could assist you.

Now, in the discussion, I presume you weren't the only person talking?

A. Well, I would have been the only person setting out the problems because only I knew them. And interestingly enough, one of my difficulties was trying to get a meeting running with Aidan Phelan. I had failed I had hoped that he was going to be there the day before. And it's clear from Mr. Lowry's evidence that he did make an offer or had his phone number, which is the same as my evidence.

Q. You are surely not suggesting to the Inquiry that because Mr. Lowry had Mr. Phelan's phone number, Mr. Aidan Phelan's phone number, that you felt at liberty to disclose the most confidential information concerning your client's affairs to him for the purpose of him contacting Aidan Phelan to ring you up?

A. Well, I think we have dealt with this already, because he was there when there was a, I think quoting, "a frank and open discussion about the problems relating to DRFC with Kevin Phelan". And one of the points that I have made, of course, is that - several times - is that in the car Michael Lowry said "Aidan Phelan: I know him. I can help to get a meeting." If you look at his evidence here, he confirms that he had got his phone number.

Q. You are saying that - let's be clear about this - Mr. Lowry

said "I know Aidan Phelan. I can help to get a meeting."

Just that?

A. That's my evidence, yeah.

Q. Nothing more?

A. He knew of my problems because I explained to him.

Q. Had he engaged with you when you were explaining your problems?

A. Oh, I can't remember, no.

Q. I am suggesting you, Mr. Vaughan, I want to give you an opportunity of answering this question; that no experienced solicitor would think that because a person merely said he knew somebody, or he knew his phone number, that he was totally involved in this transaction and that you could ask him to get in touch with somebody else and you could ask him to advance a number of extremely serious difficulties that you were encountering in moving the project forward?

A. I think there is a number of points there. I think, as I have said repeatedly, the word "Totally" is really the wrong word to have there. But if we go back to my letter which was written, which I haven't got in front of me, but it was immediately after the car journey; as I have said previously, I regarded Michael Lowry as a man who could help me with the difficulties. That impression lasted for a short period of time only, and I wasn't divulging any information to him that wasn't already, hadn't already been discussed in front of him by Kevin Phelan. So, I felt free to be able to discuss this with him, as I said last time.

I didn't feel that I was divulging or breaking a client's confidence.

Q. Aren't I right in saying that it wasn't an impression that lasted for a short period of time but for the intervention of Kevin Phelan, isn't that right? You say you formed an impression that Michael Lowry was involved

A. Mmm.

Q. in this transaction?

A. Yeah.

Q. You said it lasted for only 24 hours. If Mr. Kevin Phelan hadn't had a discussion with you over the weekend, it would have lasted longer than that, wouldn't it? It wasn't in other words, it wasn't an impression that was going to disappear out of your head unless somebody intervened?

A. I don't really follow that question. I hear what you're saying, but something what you're saying is something continues until it stops. Well, it was stopped when Kevin Phelan said "He's got nothing to do with it. End of..."

As I said several times, never, ever did I hear from, communicate with, receive instructions from Michael Lowry in respect of Doncaster Rovers Football Club. Nothing.

Q. Yes, and you never wrote to him either. We have gone over that, you never wrote to him to tell him "I am terribly sorry this has been very embarrassing"

A. No, I see what you mean. No. No.

Q. And you have no idea whether any steps were taken to clarify this with him?

A. Well, you asked that question the last time and I think I said I assume Kevin Phelan sorted it out.

Q. Mr. Lowry, in his statement, at Day 347, page 31, question 39

A. Sorry, can I have the question number?

Q. We are going to put it on the overhead projector.

A. All right, thank you.

Q. Now, Mr. Lowry is saying that he is responding at this stage to questions, I think, about your letter of the 6th March, 2003, which I read out a moment ago. And the question, I am quoting from the letter: "He goes on to say" - meaning that you go on to say - "Michael Lowry was present throughout the whole of those discussions and I formed what I subsequently discovered to be a totally incorrect view that because of the frank manner in which Kevin Phelan was discussing the outstanding issues relating to DRFC that Michael Lowry was somehow involved in the DRFC project."

Question: Now, do you agree that you were present throughout the whole of the discussions?

Answer: Yes.

Question: And I think we were discussing yesterday the extent to which you participated in or in any way engaged with Christopher Vaughan?

Answer: Yes.

Question: You may correct me if I am wrong you may have said something, but you felt that you were mainly a

listener rather than a participator?

Answer: Correct."

Now, is that consistent with your view?

A. I think it is, because he agrees here that, if I look at the question it says: "Now you do agree that you are present throughout the whole discussions?"

Answer: Yes." Which is consistent with my evidence.

But then it moves down and when it says: "You were mainly a listener rather than a participant?"

Answer: Correct." That must be correct.

But then, of course, I don't know whether it comes on to this, I haven't seen the transcript, but it's the car where the just of two of us discuss things. So this confirms what I have been saying, that he was there, he knew what we were talking about, and it confirms, and what I said a moment ago, that I have no problems in discussing what might seem to be client business in front of him because he had been there the day before.

Q. And you had handed him a document, or several documents?

A. My evidence has been that he had some of the documents that were available, yeah.

Q. Well, you gave them to him?

A. My impression was that he had the documents. Whether I actually physically said "Here you are" or whether he picked them off the table. If I can just go back. I said we set this meeting up. There were a number of copies of the agenda items there. I was sure that he had some of

these documents.

Q. When you said in your letter "You did take them, I want you to replace one with one I am now giving you"?

A. That's right. There is a completion statement that was wrong somewhere.

Q. In order to progress this matter, do I take it you had your whole on the evidence that you wrote your letter and so on, that you had your whole Doncaster file with you, or the relevant parts of it, I suppose?

A. Probably, I mean the meeting took place in the boardroom in our office, so I would have had the relevant parts. I doubt that I had "The whole file" because that would have been in my particular room. I can't imagine me bringing - I think it's sort of seven or eight ring-binders of paperwork - I can't imagine bringing it down. But I would have, to use your words, "the relevant parts" that's right.

Q. Now, of course the big difference between you and Mr. Lowry is that you say this meeting was taking place in your boardroom?

A. Yeah.

Q. With documents on the table?

A. Mm-hmm.

Q. And to judge from your letter, detailed aspects of the documents being alluded to, isn't that right? Also, to judge from your letter, there was a fairly lengthy agenda for the meeting, isn't that right? There were a number of items that you needed to discuss?

A. There were. I mean, what I can't help you with, and I have tried to do this before, I can't tell you how long this meeting lasted. It was obviously intended, and my hope was it was going to last sometime. You have seen my agenda about signing Form 288, Company Forms 288 and all those sorts of things. Obviously that never happened. So I had hoped it was going to be a long meeting. It wasn't, because...

Q. I suppose you did go through the matters that you subsequently alluded to in your letter of the 25th September?

A. It wouldn't have been a detailed meeting because one of the aims of the meeting was to have Aidan Phelan present. He was to be an officer of Doncaster Rovers Football Club Limited. Nobody else was going to be an officer. So Kevin Phelan wasn't an officer. So I needed him to sign various documents, this is Aidan Phelan. So obviously the meeting was substantially shorter than it was going than it had been planned for.

Q. One of the big differences between your account of the meeting, leaving aside what transpired, is that Mr. Lowry says that it was social in character in a hotel, things being discussed in a relaxed way. But you say it was quite formalised, in the sense it was in your office and there were copy documents available?

A. Well, I think we have two separate meetings here. We have the meeting in my office, and, as I say, he and Kevin

Phelan then go. We are, or I know they went to see Paul May, and Michael Lowry's evidence is they went to a hotel. I assume that Paul May was at the hotel. He, of course, at this time was as involved in the DRFC acquisition as Kevin Phelan. In fact, he was more involved and probably more concerned about it. If we just go back to the evidence again. The long letter, the post-completion letter that I wrote, if you remember I think it's dated I don't want to be picked up for getting the date wrong, but I think it's the 23rd August. The next day, once Paul May has got this letter, he comes to see me. We have a long discussion. He was as concerned as I was about things not moving forward, and all I can imagine, I wasn't there, is that the concerns about DRFC continued at the "Social meeting" where there were drinks available. Paul May is a very good and very clever businessman. He could see the problems that arose. And I am sure he was as I am guessing this, but I am sure he was as disappointed as I that Aidan Phelan hadn't come to this meeting. He wanted to get things moving as well. And he had a personal, financial interest in getting the thing moving.

Q. It was then you broke up, you say, you went back home. Had you gone to your home already following the day's work and then come back to meet them?

A. No, no, that wouldn't have been possible. I live too far away.

Q. Why did you say "I returned to my home" in your letter of

the 6th March?

A. In the office, and I returned to my home; I live 25 miles away.

Q. Is it your evidence, therefore, that it's a combination of what transpired the night before and whatever happened in the car the next day that prompted you to write the letter?

A. Correct.

Q. You say that in the car you touched, again, on the issues. Are those the issues that are alluded to in your letter of the 25th?

A. I think I'd just like to look at my letter of the 25th again, because...

Q. Yes. We'll get the office copy, it's easier to read.

Tab 3, Book 81 is the office copy, which is easier to read.

A. Yes, I have it in front of me. This, in fact, is the copy that I had last time that Mr. Brady has given me, because I can see that I have changed the dates in my own handwriting. This is the letter that he says he didn't get, isn't it?

Q. Yes. Let's just try to work out what was discussed and when therefore.

You say that: "I am enclosing:

"1. Copies of my letters of the 23rd and 25th September, 1998, to Aidan Phelan. You did take a copy of the letter of the 23rd with you on the 24th. However, you will recall that two of the figures were wrong on the Completion Statement and those have now been amended, and I would be

grateful if you would destroy the incorrect copy and substitute this one."

Now, that is, presumably, an allusion to something that was discussed the night before, would that be right? Maybe it's not?

A. Well, yes, I mean the letters when I say "agenda", these were part of the documents were the agenda of the meeting.

"You did take a copy with you."

Q. Well, you don't mention agenda here at all. I am slightly confused?

A. I have used the word "Agenda" meaning not only a piece of paper with the word "agenda" written on it. I think you have seen the agenda there as the items we need to do. But linked to the agenda were letters, the copy letter. I think...

Q. Right, okay. "You will recall that two of the figures were wrong." I suggest that this would appear to indicate that there had been discussion about that the night before, or else in the car?

A. I think it's more likely it was the night before, because it would have been a figure given to Kevin Phelan.

Q. And you go on: "I had not appreciated your total involvement in the Doncaster Rovers transaction, and I am therefore enclosing a copy of my colleague's letter which was sent to Kevin Phelan, Paul May and Aidan Phelan on completion.

"You will see that in that letter I make reference to the

divesting by Westferry of all its assets. This is a matter that I discussed with you on the 24th and it is absolutely vital that this process is initiated urgently."

Now, that's a reference to the tactical stance that you were proposing to adopt in relation to the potential dispute, I suppose an inchoate dispute with the vendors of the Doncaster Rovers site, isn't that right?

A. It very specifically related to the supplemental lease of the car-park.

Q. Yes. But the discussion that you are referring to, "You will see in that letter I make reference to the divesting by Westferry of all its assets. This is a matter that I discussed with you..."

A. Yeah.

Q. On the face of it, that would suggest that you discussed those matters with Michael Lowry

A. Yeah.

Q. on the night of the 24th September?

A. I think it's a bit dangerous to say I think it's more likely that was discussed in the car, because we have already established that I have got my dates wrong in this letter.

Q. We know you have your dates wrong because you are talking about 24th/25th, when it should be 23rd/24th, all right, isn't that right?

A. Yes, yes, 23rd/24th, yeah.

Q. So I am assuming that when you refer to the 24th, you meant

the night before?

A. No, I don't think so. I think that the dates, if we look at the first line, I am just looking at the book that Mr. Brady gave me. When we were here last I had crossed it out in my handwriting, 24th/25th, and substituted 23rd/24th. The 24th would have been the day I took him to the BUPA hospital. So 24th, "This is a matter I discussed with you on the 24th September." So, I think that's my discussion in the car with him. I don't think it's the night before, although it's in the letter, it's in the completion letter.

Q. But can you see where I formed the impression that it must - well, at least on the face of it - mean the night before.

Because if you look at the opening line again, "I was very pleased to meet you on the 24th and 25th," that should be 23rd and 24th?

A. Correct.

Q. So references to the 24th should read 23rd throughout the letter, I suggest?

A. I follow that, but I think if the date is now right by the time I get to the last paragraph, I think it's far more likely that it was discussed, because I have quite clearly said "This is a matter I discussed with you" and not with everybody, and I am quite sure that "Discuss with you" means face-to-face or side-to-side because we were in a car, rather than in general discussion.

Q. I see. That would be markedly in contrast with Mr. Lowry's

recollection of what happened on the journey?

A. It is, yeah.

Q. That there was no discussion at all of any of these matters?

A. But I look at the date of my letter

Q. Again, I'll try to summarise rather than go through all the details of what Mr. Lowry said. But at Day 347, page 61, Mr. Lowry made it clear that he doesn't think he offered to assist you, but he may have said, "Well, you know, if I can help you, let me know." This is page 61, Day 347, question 111.

"Question: All right. Well, you agree that there was some discussion of contacting Aidan Phelan, so you are in agreement with him on that?

Answer: Yes, I do think that he said to me that Aidan Phelan's name came up and I said that I knew Aidan Phelan, and if my memory is right, but I stand to be corrected I think I don't think I offered to assist him, but I think he may have said to me or I may have said to him 'Well, you know, if I can help you, let me know,' but that's where it started and that's where it finished.

Question: You say he didn't discuss Doncaster issues with you?

Answer: Absolutely not.

Question: So you differ with him on that?

Answer: Yes, I would."

So, you see, Mr. Lowry is saying there we may have

discussed my knowledge of Aidan Phelan but not in the context of anything to do with Doncaster, do you see that?

A. I do, yeah.

MR. NATHAN: Can you just go back one page and read from line 26 ?

Q. MR. HEALY: Yes, on page 60. This is an answer: "And then there was a general discussion and I, maybe as part of the a conversation, looked for a better understanding of what was involved in conveyancing. I have some idea myself from my political background, and I think it was at that point he said something to me that Aidan Phelan was breaking his heart and that he couldn't get him to do this, that or the other. I don't know what it was. And the only conversation that we had in relation to it was I said 'I know Aidan Phelan and if I can assist you, give me a ring and I will.' Now, at that stage I didn't know Aidan that well but I did know him. And that's the only it was in that context I think that he is saying this because there certainly was nothing specific in relation to Doncaster, and I certainly had no documentation in relation to Doncaster.

Question: All right. Well you agree there was some discussion of contacting Aidan Phelan, so you are in agreement with him on that"... and so on.

A. I am sure I didn't say that Aidan Phelan was breaking my heart, but perhaps that's a Northern Irish expression for causing me frustration.

Q. Well, if you go on to the next page, again he says that there were discussions about conveyancing, and it was in that context that Aidan Phelan's name was mentioned.

Question 116:

"Question: I just want to see what the difference is between you and him. He says he brought up Aidan Phelan in the context of the difficulties or in the context of outstanding issues he was having in relation to Doncaster, he says it was in that context he brought up Aidan Phelan's name. You say Aidan Phelan's name came up but not in the context of Doncaster, and that you did agree, you said, I think you said 'Give me a ring and I'll try to contact him,' is that it?

Answer: It's very hard, I have to be fair, you know. I can't be specific about it, but my overall memory of it was that the trip was mainly the time was mainly consumed with the discussion on general things and what have you. And maybe at some stage when he was talking about his business or developments or what have you in Ireland, I don't know how, but I have to accept that Aidan's name came up in some shape or form, and I do recall telling him that I knew Aidan. But it certainly was not in respect of anything specific to do with Doncaster. Maybe he was thinking of Doncaster when he asked me about Aidan Phelan. I don't know."

Now, just go to one more passage, page 65 two more

MR. NATHAN: Sorry, is there going to be a question?

Q. MR. HEALY: Yes, I am going to ask a question. I want to go to we can ask a question after each one, it will slow down the process completely. I am quite happy to do it after each one.

A. I think it would make it easier for me, because I don't have the text, I only have the screen, so

Q. That's fair. I understand your point. In that discussion you see that Mr. Lowry says that Aidan Phelan's name came up but not in the context of Doncaster?

A. Yes, I see that. Do you want me to comment on that?

Q. Well, the difference between you seems to be that you are saying it was only in the context of Doncaster?

A. Well, perhaps he is just talking about the car journey.

But he has told us, it's in the transcript we saw a few minutes ago, that he was there when a full and frank exchange took place about the problems I was having with DRFC. He would have known about me wanting to have a meeting with Aidan Phelan. So, perhaps he is talking here about the car journey where he doesn't think it occurs.

But our view is different, I am afraid, on that.

Q. Right. But your view is that you both agree that his name was mentioned?

A. Correct.

Q. It seems...

A. And the ability to contact him on the telephone.

Q. Yes. But your view is that it was in the context of the problems you were having in Doncaster which you explained

in some detail?

A. My view is that he was offering to help, yeah.

Q. Yes, but it's the context, it's in the context of

Doncaster, according to you, but not according to him?

A. Yes, I see that, yes.

Q. You wouldn't have written your letter, you say, in such strong terms but for the conversations you had in the car?

A. No, as I said in I have written in various documents and letters and said from here that I formed an erroneous impression that he could help.

Q. If you go on to page 65, at question 126:

"Question: What I am suggesting to you is that I am trying to tease out what happened in this car journey where Mr. Vaughan says he mentioned Aidan Phelan's name in the context of the Doncaster transaction and that it was in that context, according to his letter of the 16th March, 2003, or is it the 6th March, 2003, it's in that context that you, according to him, agreed to try and arrange a meeting with Aidan Phelan. That, in other words, prior to that, he would have had no dealings with Aidan Phelan in relation to anything?

Answer: But the net issue or the net point you are making is what context did Aidan Phelan's name come up?

Question: Doncaster, yes.

Answer: What I am saying is what I am saying to you, I have already said it to you is that during the course it is my view, and I can't be certain this far removed from

it, but it is my view that during our discussion on I asked him about his legal practice, what his speciality was. He told me it was conveyancing. We had some discussion on it and he gave me some insight into, how would I put it to you, complex and burdensome it can be.

And I think it was in that context he said he was doing some kind of deal and he asked me I don't recall him talking about Doncaster he asked me simply did I know an Irish guy called Aidan Phelan? And I said I did. I think it's in that context. That's the only recollection I have.

I know that Aidan Phelan's name was mentioned, but I think it was in that context.

Question: And what did you think you were going to do for him in relation to Aidan Phelan?

Answer: Nothing. I didn't..."

And so on.

Now, again he suggests there, I think, that the discussion was purely casual, as casual as did you know a guy named Aidan Phelan?

A. I read what's here.

Q. That would appear to be, again, starkly in contrast with your recollection?

A. It is in contrast, yeah.

Q. Now, in the car do you recall asking him "Can you contact Aidan Phelan? I'll write to you about it"?

A. I obviously can't remember the exact words that were spoken in the car. But, as I have already said, I have a clear

impression, and it is somewhat backed up from what we have seen on the screen here from Michael Lowry, that he had the ability to make contact with him. And that's what I needed.

Q. You were hardly suggesting there was simply, as Mr. Lowry himself pointed out, it was simply it wasn't, surely, as casual as "I know Michael Lowry" (SIC) and you say "Oh, good, I want you to get a hold of a very important matter and sort it out with Michael Lowry (SIC) for me." It can't have been as casual as that, can it?

A. I think you have to go back to the next day when he knew exactly what the problems were, because he was present and he would have heard me talk about the problems. So, when we say "It wasn't as casual as that," he would have known from the preceding day that we needed to have a discussion with Aidan Phelan. So, when you say well it's just a casual discussion, he, Michael Lowry, in his own evidence has said it was discussed openly, the agenda, and I have little doubt that when he went on to his other meeting, social, whatever, he was with the two main players other than Aidan Phelan in the acquisition of DRFC, namely Paul May and Kevin Phelan. And, as I have said in a couple of letters, you would have seen, Paul May was getting slightly disaffected by this time and I am sure he would have explained the difficulties as well. So Michael Lowry has said

Q. Do you think that Mr. May would have a lengthy discussion

with Mr. Phelan about Doncaster?

A. I don't think he would have a discussion, but I have little doubt that his views would have been aired, going back to my letter of the 23rd August. The next day Paul May comes to see me and we have a discussion about it. He was concerned about it.

Q. I wasn't aware of this before. Is this from something somebody has told you that you think there was a discussion?

A. No, no, what I am saying is I have little doubt that when they went on to their discussion in a hotel, where it was, where there were papers and drinks on the table, which I was not present, I find it extraordinary that the DRFC problems weren't discussed. I mean, I wasn't there, so I don't know. But it seems so logical to me that we had to have this meeting. Paul May would have wanted to have the meeting, he is an incredibly responsible businessman. He would have wanted to make sure it was all going right. And he probably he would have had the same frustrations as me. So...

Q. In your letter you say: "I understand that you were trying to organise a meeting between myself and Aidan Phelan." So you were satisfied of that before, or before you wrote the letter?

A. Yeah, I wouldn't have put it my impression was that he could organise this meeting.

Q. How did you get that impression?

A. Well, he obviously said it to me.

Q. Yes. In the context of this Doncaster Rovers transaction?

A. Yes, it wouldn't have been anything else, yeah.

Q. So he wouldn't have needed your letter to organise that meeting, he'd have known anyway from what you had said in the letter that he was just bear with me would he not have known from what you said in the letter that it was going to be his job, or his duty, to organise the meeting with Aidan Phelan?

A. I think he had offered to organise the meeting, or help organise it. I don't see I can take it any further than that.

Q. It's just that you said: "I understand that you are trying to organise a meeting between myself and Aidan Phelan." That is a description of something that is actually happening independently of the letter?

A. Obviously my belief at the time when I wrote the letter, yeah.

Q. So from the discussions you'd had with him, you understood he was trying to organise a meeting with Aidan Phelan?

A. Mmm.

Q. In the context of Doncaster. To be absolutely clear of that, it could only have been in that context?

A. I am not in any way saying it wasn't. If I just go back to my evidence and the letter I wrote to Mr. Davis; I mean it's quite clear in my own mind, you know, what the effect of the conversation was.

Q. But he never did organise that meeting?

A. No. I mean that was it. We go back to well, I firmly believe now, having not having been involved before or not being involved after, he was just trying to be helpful, a facilitator, you know. He is a politician, I can do this.

Q. He is saying nobody asked him to arrange any meeting?

A. Well, I can understand his situation because this is some considerable time, some years afterwards, isn't it, and I see at the beginning of one of his answers he says something like "I have some difficulty here..." and I know exactly how he feels, where we are going back a number of years and it's difficult. We want to try well to try and help the Tribunal, and speculating and guessing is quite difficult sometimes. I don't mean to speculate. I mean it's quite difficult to be absolutely precise and exact. And he is sort of distancing himself possibly from what I have said in my contemporaneous, well contemporaneous letter.

Q. At page 70 on Day 347, he says, at the top of that page - I don't think I need to go through the question - he says:

"Answer: I didn't I absolutely had no request to arrange a meeting and never did arrange a meeting."

Again, that's in stark contrast to the view that you had at the time, isn't that right?

A. Well, it's 50% correct, because he never did arrange a meeting, so that is absolutely right. He had no request to

arrange a meeting. I formed the impression that he could arrange a meeting.

Q. Now, as you said a moment ago, you were trying to understand what happened from the logic of the letter and the logic of what must have driven you to write the letter.

And I want to see where, just to try to refine the differences between you and Michael Lowry. It's agreed you were in Michael Lowry had a meeting with you, isn't that right? It's agreed he had a meeting with you?

A. He was I met him on two consecutive days, yes.

Q. And you agree that at that time Doncaster, which I think was then one of your biggest projects in a long time, is that right?

A. It was I don't know if you could describe the word "biggest". You can have a lot of jobs that there is not much money involved and they are far more complicated, but it was I think the important thing about Doncaster was it had been an extremely frustrating job, and once you complete, hand the money over, then in fact there were more problems that had to be solved after completion than there were before, and that is what my letter that sets out, doesn't it, the letter of the 23rd August says "We now have to address..." and there is a list of things there.

Q. Your practice is, is it primarily or exclusively conveyancing?

A. I don't I didn't at that time and I certainly don't do it now, I don't do anything litigious. So conveyancing

encompasses company work. So, non-contentious would be better.

Q. All right, okay. Would conveyancing at that time have been a significant portion of your daily work?

A. Well, conveyancing, company work. Well, non-contentious work would have been the whole of my practice, yeah.

Q. And in non-contentious work, in particular in company work and in conveyancing, it is the whole point of having a solicitor is having somebody writing letters for you to the person on the other side of your transaction or negotiating with the person on the other side of your transaction to make sure that everything is done legally and that your interests are protected, isn't that right?

A. I don't quite understand what you mean. But can we just sort of go through that again. Everything is done legally is quite clear; solicitors wouldn't undertake anything that's not legal, yeah.

Q. Your job is to protect your own client's interests in the discussions?

A. Yes. Yes, I mean the way that the system works, it's probably the same in Ireland as well, that conveyancing is almost an adversarial system.

Q. And it's a system where careful letter writing is de rigour, isn't it?

A. Hopefully.

Q. And it's one of the skills of conveyancing solicitors, that they acquire the ability to communicate succinctly and

carefully with their opposite numbers?

A. We hope so.

Q. And I suggest to you that that's not a skill that you lose just because you are writing to your own client? Your letters to your client, again, are usually the letters of a person practised in the art of skilful and careful letter writing?

A. Yeah, we communicate to them a correct set of facts.

Q. And if you write to somebody on the other side of a transaction, then what you write may be based on discussions you will have had with that person or an account of discussions relayed to you by your client that he will have had with the compliant on the other side, isn't that right?

A. Well, I'd certainly hope that the letter recorded the true situation.

Q. Yes, but it's not just a question of recording the true situation, it's recording the situation carefully, isn't that right?

A. Well, one would hope so, but obviously, you know, errors are made sometimes, as we have seen.

Q. Of course, yes. But, you see, in this case you wrote you had just had you come back from your holidays and you'd prepared the various letters you prepared with a view to bringing this matter to a conclusion? Do you remember you described the last day you spent what was presumably a number of days of your holidays dealing with this, faxes

going from Devon to wherever, Northampton?

A. Actually it's Malton in Yorkshire. Sorry, Reg Ashworth, who was the solicitor who acted on behalf of the vendors of the shares was at Malton in Yorkshire, but I described in detail I think how it came about that I drafted the letter.

Q. And I suggest to you that the logic that explains how you came to write this letter, which you were told subsequently was erroneous, is that Mr. Lowry said things to you in the car and behaved in the meeting in such a way as to lead you to write those things?

A. Can we just establish which letter we are talking about?

Q. The 25th September?

A. Right, that letter. What caused me to write it

Q. Was what Mr. Lowry said to you in the car?

A. Correct.

Q. And what he said the night before?

A. Yes, whether he said anything yeah, the fact that he was at a meeting the night before, and he admits himself in his statement, doesn't he, that there was a full discussion of the issues.

Q. But he said he has no grasp of whatever was discussed the night before, he says.

A. Well, I can't answer for him.

Q. As far as you were concerned, he must have?

A. He was physically present.

Q. And as far as you were concerned, when you were discussing the matters with him in the car, you had no need to

reexplain any of the things you had been discussing the night before?

A. Well, I don't know that. I think I would have mentioned the main sort of subheadings and issues arising, because I see in the letter I mention the problem of the Westferry lease. Obviously it's in my letter of the 23rd August. I mention it again in the letter to Michael Lowry, don't I?

It was an important issue, for the reasons I discussed in April when I was here.

Q. As far as you were concerned when you wrote the letter, you hadn't got anything wrong from those discussions in the car or the night before?

A. No, I formed the impression he was a man who could help.

Q. Well, you formed the impression he was a man who was involved?

A. I used the word "involved," yes. But, you know, that's the word I have used, but it may be that well, as I have said, I obviously picked up wrongly on this. And interestingly enough, that the comment that I made a little while ago, Michael Lowry reports sorry, in answer to a question where he says he is breaking "Aidan Phelan is breaking his heart." Well, it's not an expression I would use, and, you know, I think this is what has gone wrong in the car. He has given me the impression, through what he said, is that he can help. I was wrong, I discovered.

Q. Would you say that you wouldn't have used the expression "Aidan Phelan is breaking my heart" but you'd have are

you saying that that resonates with you in some way as

regards what you were saying in the car?

A. I can imagine saying something quite strong about the fact that we weren't getting this matter on the road.

Q. But you must have been discussing the details of what was involved?

A. Yeah. And I think that follows on to "I know his phone number, I can contact him."

Q. Surely there was a little more than that, Mr. Vaughan?

That's the part I think that

A. You say

Q. Can you let me pose the question. That seems to me to be the strangest part of all, that you say you were having a detailed discussion in the car?

A. Yeah.

Q. It wasn't a one-way discussion, I take it?

A. I can't really answer that. I mean, I think the letter is the key thing as to, you know, here is a man who can help.

I can't really go further than that, can I?

Q. Well, sorry, I don't think that's of much assistance,

Mr. Vaughan. You say, "Here is a man who can help." If

the letter is the key thing, the letter says "I hadn't appreciated your total involvement." I suggest to you that

means rather more than here is a man who can ring up somebody for me?

A. Yes, I mean we have been I am sorry to say this, but we have been over this point endlessly.

Q. I agree, but I am simply trying to suggest that you are distancing yourself from that, to use one of your own words?

A. I can't really sort of go any further.

MR. NATHAN: I do think, sir, he has been over this endlessly. I think there is a moment where one must actually say enough is enough to go round and round and round yet again.

MR. HEALY: I want to deal with one or two matters on the transcript from yesterday, sir, and something has been drawn to my attention. And perhaps if we rose early and sat early again.

CHAIRMAN: Well, I'll make it ten to two then because I am very anxious we make maximum dispatch.

THE TRIBUNAL ADJOURNED FOR LUNCH

THE TRIBUNAL RESUMED AFTER LUNCH AS FOLLOWS:

CHAIRMAN: As I understand, Mr. Healy, Mr. Healy is coming reasonably close to concluding his examination, and as I also understand there to be guarded optimism that we may contrive to conclude Mr. Vaughan's evidence today, I have arranged with the kind cooperation of Ms. McKeon, our stenographer, that she will be prepared to sit, within reason, somewhat late, and I accordingly propose we proceed now, and perhaps in ease of Mr. Vaughan primarily, take a ten-minute break at half past three and then reappraise matters.

MR. NATHAN: May I say thank you, sir.

CONTINUATION OF EXAMINATION OF CHRISTOPHER VAUGHAN BY

MR. HEALY:

Q. MR. HEALY: Thank you, Mr. Vaughan. Just one or two matters about the letter of the 25th. I'll just put a copy of it on the overhead projector. This time I am putting on the top copy, not the office copy we have been looking at, for ease. The one that you got from Mr. Weaver and that you photocopied, if you recall?

A. Can you just remind me of I'll look at it on here.

Q. Do you remember you photocopied it what you had, what you were provided with, in fact, was a photocopy on heat sensitive paper, of which there is now a photocopy on ordinary photocopying paper. But as you know, heat sensitive paper, if the paper is rubbed enough, you get the text erased. And I just want to draw your attention to one thing. If we go to the bottom of the letter of the second page, you see the "PS"?

A. I do, yes.

Q. "I may meet Aidan Wednesday 1st October." "I may meet Aidan on" it's either Wednesday or Thursday, obviously, because there is an S before the D, do you see that?

A. I can, yes.

Q. I am sure it would be possible to find out in any case easily by checking when the 1st October was. I had the impression it was a Wednesday.

"PS: I may meet Aidan on Wednesday 1st October"?

A. Yes.

Q. That's in your handwriting?

A. It is.

Q. So if we just go back up for a moment on that page, up to the portion you will recall that in the third-last paragraph you wrote "I understand that you are trying to organise a meeting between myself and Aidan Phelan." And then the PS, to some extent, over takes that, doesn't it?

A. Yeah.

Q. In that you are saying "I may meet Aidan on the 1st October"?

A. Correct, yeah.

Q. Now, you will recall that I think one of the next documents on your file, there are a number of documents around that date, but I think the next one is an office copy of a letter to Aidan Phelan with a line drawn through it. We'll just put it on the overhead projector. We discussed it this morning very briefly, or maybe yesterday. Do you see it?

A. Yeah.

Q. And in that letter you wrote: "I understand from Michael Lowry that he is trying to arrange a meeting sometime in the near future, as there are a number of issues that need to be discussed."

And that was the letter that you discussed with Kevin Phelan, according to your evidence, isn't that right?

A. Yeah, yes.

Q. Now, if you just go back to the PS for a moment. When you wrote "I may meet Aidan Phelan 1st October," does that seem to suggest that you'd had a conversation with Aidan Phelan that prompted you to write that note, or that postscript?

A. I think you asked me this question before and I think I said then it's more likely I'd have spoken to Kevin Phelan than Aidan Phelan. I simply can't answer that question, but somebody had obviously been in touch with me, and there was a possibility, because it says "May meet on 1st October."

Q. Well, your letter to Aidan Phelan on the next day was, to some degree, perhaps slightly redundant, wasn't it? "I understand from Michael Lowry that he is trying to arrange a meeting sometime in the near future..." because by the time that letter would arrive, that letter was dated the 25th September

A. I think my evidence is that that letter was never sent though.

Q. Yes. Your evidence was that, as I understand it, it was never sent because Kevin Phelan told you that it would be embarrassing for him to learn that you had disclosed Doncaster matters to a third party, isn't that right?

Isn't that your evidence?

A. Yes, something to that effect.

Q. But is it not also reasonably probable that the reason that letter was not sent was because of the telephone conversation, or rather, because of the information,

whoever it came from, that was relayed to you and that caused you to put the postscript on the letter of the 25th September?

A. It makes an attempt to organise a meeting redundant, yes.

Q. And I am just wondering, is that the real reason that that letter was not sent, and not anything to do with a conversation you had with Kevin Phelan?

A. Well, I think the evidence I have given is that it was put on the fax machine and it didn't work; it hadn't gone through.

Q. But you had a conversation with Kevin Phelan, do you remember that, and you alerted him?

A. That's right, I had I discussed it with Kevin Phelan, and he obviously expressed the fact that Michael Lowry had got nothing to do with this transaction.

Q. But that conversation you had with Kevin Phelan was not something that you mentioned to Kate McMillan in 2002, if you recall, according to her note?

A. I am sure there are lots of things I didn't mention to her. I mean, she asked me for a brief overview of what my involvement was. We didn't get down to the finer details of it.

Q. You were explaining how you came to write the letter of the 25th?

A. Well, that is the sort of key letter, isn't it?

Q. Yes, but you never did tell her "Well, look, I know I did write it, but the next day I was told I was all wrong.

Kevin Phelan alerted me, and what happened was I was going to tell Aidan Phelan, I was going to inform Aidan Phelan of what was happening and Kevin Phelan told me I couldn't do that. But I realised I had made a mistake."

A. But I think I did tell Kate McMillan that it was all wrong.

Q. You didn't tell her that it was as a result of a conversation with Kevin Phelan?

A. She hasn't recorded that fact, as far as I can see.

Q. She certainly hasn't recorded it. You are not saying you told her, are you?

A. I wouldn't know. I couldn't possibly answer.

Q. And you never did say it to Mr. Vanderpump either, isn't that right?

A. If it's not in the letter, I haven't said it to Mr. Vanderpump, no.

Q. And in fact, the first

A. Can I just go back a bit, back to Mr. Vanderpump. I don't think I ever spoke to him. I gave him a letter.

Q. What I mean is, you never said it to him or wrote it to him in the letter you wrote to him?

A. I didn't, no.

Q. And the first time you informed the Tribunal about this, was on the 6th March, which was some months after the Tribunal contacted you in early 2003, isn't that right?

A. It may be. If that's what you tell me, yes.

Q. So, was that a memory you had in 2003 of something that had happened five years before?

A. A memory of what?

Q. A memory of the conversation you had with Kevin Phelan?

A. I don't think so, no, because I think there is a contemporaneous letter, isn't there, about Kevin Phelan?

Q. I don't think so.

A. Well, it that's right, it went no further than a letter written to Michael Lowry, conversation with Kevin Phelan when he explained that Michael Lowry had absolutely nothing to do with Doncaster at all. And that was the end of it.

Q. That explanation is contained in your letter of the 6th March, 2003?

A. Right.

Q. Are you saying that you remembered that on the 6th March, 2003, or around that time?

A. I obviously remember being told that he had got nothing to do with it. "He" being Michael Lowry.

Q. Could you remember who told you that and when you were told?

A. I am sure we have been over this once before, but I am pretty sure it was Kevin Phelan, and I am pretty sure it was very quickly after the letter, the sort of the Monday because I think I say "over the weekend" something happened. He was on to me pretty rapidly. I'd hate to contradict what I have said previously, but I am giving an impression that it was pretty rapidly thereafter.

Q. I am suggesting to you that it's rather curious that you didn't tell Kate McMillan that or Mr. Vanderpump?

A. I don't think it's curious at all, because they wanted the main core facts of what had happened. If I had recounted everything to Kate McMillan over the telephone, it would have taken a substantial amount of time.

Q. Well, on your evidence, I'd suggest, there were only two core facts: One, that you wrote the letter for the reasons that you told her, and two, that you were, according to your own evidence, immediately corrected more or less?

A. I think don't I say that to Kate McMillan, that I discovered I was wrong? Or words to that effect.

Q. You never told her about Kevin Phelan?

A. What, a phone call?

Q. Now, just before I finish, can I ask you about one other thing. The file that was sent to the Tribunal, we were discussing this yesterday, the file that was sent to the Tribunal in April 2001 had been altered, isn't that right?

We agreed on that yesterday?

A. Sorry?

Q. The file that was sent to the Tribunal in April 2001, had been altered?

A. When you say the "file had been altered," do you mean a letter on the file?

Q. Well, at least three letters, am I right, had been removed from the file?

A. It would appear so, yes.

Q. So the file had been altered to that extent?

A. Yes, I mean letters had been removed that we now know

should have been on the file.

Q. Also, at least, if we concentrate for the moment on the letter of the 5th September, the file contained an altered letter of the 5th September which had been altered at a time when there was nothing wrong with it, isn't that right?

A. The long form I haven't got it in front of me, but the long form letter, I agreed with you yesterday, was it had the correct information in it because it reflected the meeting of the 17th and my letter of the 18th, and it tied it together.

Q. The common thread between the altered letters and the letters that were removed from the file was the references to Michael Lowry in connection with Cheadle, isn't that right?

A. Yes, I mean I agreed with you on that yesterday.

Q. Now, I'd suggest to you that that file was altered both by the alteration of the letter and by the removal of the letter so as to conceal from the Tribunal the involvement or the connection of the true position concerning Mr. Lowry's involvement in the Cheadle transaction?

A. Well, I think at the time the letters were altered, and we are not getting away from the fact that they are my letters, I had no knowledge of this Tribunal at that stage, as we said yesterday, or I said yesterday. Those letters were addressed to Kevin Phelan. He was the recipient of the letters and he was the recipient of the amended

letters. He and I were the only people who were probably aware of those letters.

Q. But you don't know when the altered letter was created?

A. I would have thought it was more or less contemporaneously.

Q. But I think we went over that ground yesterday. Surely there was no possible reason to create an altered version of that letter on or around the 5th September, 2000?

A. Well, I am sure I would have only been acting on his instructions, so...

Q. But these were the instructions of a man who had no problem with the letter of the 18th August, which contained similar information?

A. Yes, again we talked about this yesterday. I can see that that letter wasn't altered, but perhaps it wasn't all that relevant, I don't know.

Q. Well, relevant to what, I suppose. You see, to borrow your expression, the logic of the situation is that, bearing in mind that there was no reason to alter the letter of the 5th September, there having been nothing on any view of the letter that was wrong with it, it must have been altered at some other time, and probably so as to conceal Mr. Lowry's involvement from the Tribunal?

A. I really don't think it was at some other time. I mean, let me sort of turn the question round slightly. There is no reason for me whatsoever to conceal Michael Lowry's involvement in this Tribunal, which is a tribunal I knew nothing about.

Q. Somebody may have that letter of the 5th September was, as we have already agreed, retyped?

A. Correct.

Q. As were all the other long form/short form letters?

A. They are retyped, yes.

Q. All three of them retyped, all three that we have discussed in evidence retyped. And I suggest to you that it's too much of a coincidence that all three long form/short form letters had to be retyped because of the absence of a solicitor or a secretary in your office to simply alter them on the word processor?

A. They were retyped. There is no escaping that fact.

Q. And the reason for retyping them, or what the retyping of them points to is that they were all retyped at a later time altogether to the dates on them, again so as to conceal Mr. Lowry's involvement from the Tribunal involvement in Cheadle from the Tribunal?

A. I can see where you're coming from, but I don't think they were for that effect at all, because his involvement is obvious from all the other documents. I can't see that at all.

Q. His involvement in Cheadle at that time isn't obvious from the other documents. It's only obvious from the documents that were removed from the file before it was sent to the Tribunal?

A. I must disagree with you there, because I think his involvement in Cheadle is obvious right from the very

beginning through the corporate vehicle of Catclause and so it continues. So I don't see that at all.

Q. No, from the 5th September the 17th August, the 9th August, his true involvement, or his true connection with the Cheadle transaction, as disclosed in those documents, is concealed from the Tribunal by the withdrawal of those documents from the file?

A. Well, I don't think that I mean, he was quite clearly involved in Cheadle, and I think, although it's only a bullet point on the bottom of the agenda or meeting plan, call it what you will, but it is quite clear that he was involved in the property. I can't think that anybody was trying to escape from that conclusion.

Q. Well, is it not more than a coincidence that the only letters that were not disclosed to the Tribunal, so far as we know, were the ones that

MR. NATHAN: I am sorry, sir, but I don't think that to ask a witness is it more than a coincidence, I mean it seems to me

CHAIRMAN: Well, if we were in the High Court in either jurisdiction, I would probably uphold an objection that it was on the basis of comment, but perhaps at this late stage of Mr. Vaughan having had all these matters placed before him, I won't deny him an opportunity, if you want to express a view on it. I won't press you.

A. Mr. Chairman, thank you very much. But I really don't think I can say more than I said yesterday when I had those

letters in front of me, we were talking about them in sort of, flowing from one letter to another. I mean, I don't really want to go through the whole thing again, I could get the letters out and we could look at them. But I hope I gave a full and frank explanation yesterday of those letters and his involvement, Michael Lowry's involvement in the Cheadle transaction, which I don't think was hidden from anybody because he was the meeting plan is clear; he is at it, he is at the meeting at Jurys Hotel.

Q. MR. HEALY: I suggest to you, Mr. Vaughan, that the fact that all three letters, as I said earlier, were retyped, that they were retyped at a separate time and that you signed a separate version of the top copy in each case, either because you were requested to by somebody, but that you did it, and that in doing it, you knew you were removing references to Mr. Michael Lowry?

A. I agree with the first part of that supposition, that the letters were redone. Why they were redone, I can't agree with you that they were done deliberately to remove Michael Lowry because I can't see that that was something that affected me at that time.

MR. HEALY: Thanks, Mr. Vaughan.

THE WITNESS WAS EXAMINED BY MR. SHIPSEY AS FOLLOWS.

Q. MR. SHIPSEY: Mr. Vaughan, my name is Bill Shipsey, and I am here representing Michael Tunney. Am I correct in saying that you had, to the best of your recollection, one or maybe two telephone conversations with Mr. Tunney?

A. Correct.

Q. One, certainly, on the 17th, is that right?

A. Correct, yes.

Q. And do you remember any other telephone conversation with him?

A. I had one, I believe, in early January of the following year after the monies had been received to enable the purchase of Cheadle to be completed.

Q. And I think you met him on one occasion very briefly, and you made reference to it, I think, back in your interview with the Tribunal back in 2001, is that correct?

A. Correct, yes.

Q. And in that, back in 2001, you thought that was in connection with getting rugby tickets from Mr. Tunney in January of 2000?

A. Yes, I think it was tickets, but, yes, he gave me a rugby ticket.

Q. And is it probable that that was in connection with a match in Ireland as opposed to anywhere else?

A. I think so, because you will see in a letter from me to Aidan Phelan, that once Cheadle had become adopted as his property, if I can put it like that, I have said I will be over in Ireland on - I haven't got the letter in front of me - but it's the 15th or 16th it says. And arising out of that, I stayed in the Fitzwilliam Hotel, nothing to do with this Tribunal but to do with other business, and I spoke to Aidan Phelan on the phone at some stage, and he said that

Michael Tunney would give me a ticket for the rugby if I wanted, and that's what happened.

Q. I mean, I am not sure very much turns on whether it was January or February, but that was the beginning of the Six Nations, and the rugby match that occurred first in Dublin was on the 19th February against Scotland, do you recall?

A. It may well have been that game, yes.

Q. Now, you spoke to the Tribunal in 2001, you had an interview with them, isn't that correct?

A. That's correct, it was here.

Q. And would it be fair to assume that your recollection of events in 2001, as to what happened in 2000, in late '99, it's probably better than it is in 2009?

A. Probably, yes.

Q. And I have been here over the last number of days. You have been surprised on at least one occasion to discover that evidence that you gave earlier in April transpires to be untrue based upon what you have subsequently heard?

A. That's right. Yes, I mean other documents have come to light which made me very quickly admit that the previous evidence I had given was clearly wrong.

Q. And you chose, back in 2001, when Mr. Tunney and a number of other witnesses were giving evidence, not to make yourself available for evidence at that stage, isn't that correct?

A. It is.

Q. And you were not and could not be made amenable to this

Tribunal in circumstances where you didn't reside within this jurisdiction?

A. Yes.

Q. And did you have made available to you the statements of other witnesses who were going to give evidence back in 2001 when you were being interviewed, insofar as they impinged on your position?

A. The interview that I had here in 2001, so far as I recall, I had no documents at all provided to me by the Tribunal. But what I did produce to the Tribunal were my conveyancing files relating to Mansfield and Cheadle, and I also offered another conveyancing file relating to the Beechwild purchase of the property in Luton, which the Tribunal said that they didn't need. So that was discarded, we don't need to talk about that. But I brought with me those papers, and a discussion, in 2001, I think if you look at the transcript, is related to the Cheadle/Mansfield matters.

Q. But did you get any documents subsequently from the Tribunal?

A. Subsequently?

Q. Subsequently, yes.

A. I had a note of what the Tribunal considered to be a minute of our discussion.

Q. But you didn't get copies of any statements or any documents back in 2001 that you can recall?

A. Not that I recall, no.

Q. And when did you first get documentation from the Tribunal well, did you have access to the transcripts of evidence?

A. No.

Q. Sorry?

A. No, not until much later on.

Q. But I mean, were you aware that the transcripts were on line?

A. I don't think they are on line, are they?

Q. I see. But

A. I think the Chairman's statements are on line, but I don't think the actual verbatim

Q. I stand corrected in relation to that. But you didn't have transcripts then back in 2001 when evidence was being given by Mr. Tunney?

A. No.

Q. Did you subsequently get copies of statements made by Mr. Tunney or any other witnesses when you were preparing yourself to come to give evidence to this Tribunal?

A. Yes, I did.

Q. And therefore, you had Mr. Tunney's statement and you had Mr. Phelan's statement and you had statements from other witnesses, would that be correct?

A. Yes, I mean the Tribunal served upon my solicitor sometime in, I think end of January, beginning of February, he or Mr. Brady will correct me, but I think there are 13 ring-binders of evidence and documents.

Q. Now, did that include the transcripts at that stage of what Mr. Tunney and others had said in their evidence to the Tribunal?

A. I seem to remember it was there, yes.

Q. And is it fair to assume that in preparing your statement, you had regard to all the documentation that was presented to you both to refresh your memory and to enable you to say whether you agreed or disagreed with anything that was stated in so far as it might impact upon you?

A. Yes, I don't specifically remember looking at Mr. Tunney's evidence and commenting on statements that he had made specifically. I relied on the facts surrounding the transaction that he had acting for the bank on, namely the acquisition of Cheadle. So...

Q. But, Mr. Vaughan, you have come to the Tribunal now, some eight years after that evidence was given and after witnesses were examined and cross-examined and cases put to them, in circumstances where you want to defend and vindicate your good name, would that be correct?

A. Yes, I want to support the statements that I have made before, yes.

Q. And your decision to come, though, is, at this stage, is as a result of an appreciation or a fear that adverse comment might be made in relation to your participation in certain transactions?

A. Well, I am here because a summons was served upon me. But I have come quite voluntarily to answer that summons.

Q. When you say "summons," what do you mean?

A. Are you aware of the fact that I was served with a summons to appear before the Tribunal?

Q. Yes. What type of summons?

A. A summons requiring my presence to be here.

Q. And was that in 2001 or was that recently?

A. That was on January the 30th I think, this year.

Q. And no summons was served on you back in

A. No, no.

Q. And was your presence requested back in 2001?

A. It was, yes. Well, 2001, I appeared here before the Tribunal. Mr. Davis, the clerk to the Tribunal, had asked that I come over, which I did, bring the paperwork, which I did, discuss matters with the Tribunal, as would be seen from it's a note rather than a transcript, because in fact it is not actually a transcript, it is a note which, if you look at the transcript concerning this note, elements of it are not agreed upon.

Q. Did you have access in preparing your statement to the Investec Bank file?

A. No. Well, can I put it, I didn't at the time preparing my statement. On the first day that we were here in April, the point was raised about the bank file, and the Tribunal then provided us with the Investec Bank file. That was the first time that we had seen it. So we then looked at that file that evening. But I had no particular comment to make on it, because it was made very clear to myself and my

solicitor and counsel by Mr. Brady and the Tribunal lawyers, that it was actually a reconstituted file. It wasn't the actual file that existed at the time of the mortgage negotiations relating to Catclause.

Q. Now, if I can take you back prior to November or December of 1999, you had known Mr. Lowry for sometime before that?

A. I had met Mr. Lowry for the first time in

Q. 1998?

A. Yes, on whatever day it was. We have been talking about it this morning.

Q. September 1998, something like that. And I recall evidence that you gave earlier, I think, that you were not to contact him other than on his mobile phone, is that correct? You weren't to send documents to him?

A. Correct.

Q. And did that strike you as strange at the time or...

A. No, I think it was explained to me that he was in between both Dublin and his constituency and where he lived, and it would be easier to communicate with him first or find out where documents had to be sent.

Q. Now, were you involved in the formation of Catclause?

A. Catclause was an off-the-peg company, yes.

Q. But did you take responsibility for the formation?

A. Well, it was an off-the-peg company.

Q. No, I mean did you buy it for Mr. Lowry and his daughter Lorraine?

A. Yes.

Q. And was Mr. Aidan Phelan and Ms. Helen Malone ever a Director or a Secretary of that company?

A. Not that I am aware of, no.

Q. Did you see in the bank documentation that they purported to sign a resolution, or, in fact, as Director and Secretary and as the Directors of Catclause?

A. I did, yes, I saw it on the evening of the first or second day of the last hearing I was here in April.

Q. And did that surprise you?

A. Yes.

Q. Because I take it, to your knowledge, neither Mr. Phelan nor Ms. Malone were ever Directors or Secretary of that company?

A. Correct.

Q. Now, in your statement, you made no reference to disclosing to Mr. Tunney that Mr. Lowry was associated with Catclause, isn't that correct?

A. Sorry, in my statement?

Q. In your written statement to the Tribunal that you prepared earlier this year, you made no reference to the fact, or you didn't suggest that Michael Tunney knew of Mr. Lowry's involvement with Catclause? We can go to your statement.

A. If I didn't say it, I didn't say it. But is it not in a letter to Michael Tunney that Catclause was the company that was going to acquire Cheadle?

Q. Yes, it is, but there is no reference to Mr. Lowry in that letter?

A. No, but I think the comment that I have made I haven't got this letter in front of me, but if we need to look at it, we can look at it, but the comment I have made several times is that Catclause was a limited liability company and its details of its offices are recorded at Companies House.

Q. In England?

A. Yes.

Q. And Mr. Tunney's evidence, and the albeit reconstituted bank file, purports to show Mr. Phelan and Ms. Malone as the Directors and Secretary?

A. It does.

Q. And unless you went at the time to the Companies Office in the UK, you'd no way of verifying that, isn't that correct?

A. You are asking me now. I mean, I do quite a lot of company law. It is a matter of 45 seconds or so, because we have, I think, got Companies House direct. I can press a couple of buttons and I can look at it instantly, and I did actually remind myself, because although Catclause is a struck-off company, if you go into that section of Companies House direct, it will tell you, even though it's a struck-off company, who the officers were historically, and I am aware who they were.

Q. But if a client of yours comes in and represents himself or herself to be Directors of a company, you are not necessarily going to go behind that, are you?

A. Oh, I think I always would. I always check that out.

Q. You see, Mr. Tunney's evidence was that Mr. Phelan was the

person borrowing from GE Capital Woodchester Bank Limited and did not disclose Mr. Lowry's existence, and signed documentation, which on its face, shows him, Mr. Phelan, and Ms. Malone as the Director and Secretary?

A. Well, I have seen that now, but I hadn't seen it at the time.

Q. And you'd agree with me, and I think you did on the occasion when you were here in April said, you weren't privy to any discussions between Mr. Phelan and Mr. Tunney?

A. None at all.

Q. And you said nothing in your statement to the effect that you had told Mr. Tunney that Catclause was a vehicle for Michael Lowry, isn't that right?

A. If I haven't put it in my statement, I haven't put it in the statement. I must admit, I assume he was aware of the circumstances.

Q. Yes, but there is a difference, you'll appreciate, between an assumption that you made

A. Correct.

Q. and you actually telling somebody about it?

A. No, I quite agree with you.

Q. And Mr. Tunney is adamant that you did not tell him, whatever about your assumption and however reasonable that may be, and I can understand that, Mr. Vaughan, if you had assumed that he had the letter, for example, of the 14th December that you sent to Aidan Phelan and Helen Malone, he certainly would have been aware of it, but let's, for the

moment, assume that he doesn't have that. There is a great difference between your assumption and you telling him, isn't that right?

A. Correct. I mean, if Mr. Tunney says I did not tell him on the telephone that Michael Lowry was involved in Catclause, I would accept that. I wouldn't deny that for one instant.

Q. Thank you. And if we just then go to your letter of the 20th December

A. Again, I haven't got it in front of me.

Q. If it can be brought up. It's a letter to Mr. Tunney. I think it's the only letter you wrote to him, which is on the 20th, isn't that right?

A. That's right, yes.

Q. I am just wondering if that can be brought up.

A. If it helps, I have it actually.

Q. You have the letter?

A. I have got it, yes.

Q. I mean, I don't need to go into all of the detail, but just sufficed to confirm that there is no reference there directly to Mr. Lowry in that letter?

A. Let me just double-check. No, there is no reference whatsoever to Michael Lowry.

Q. And insofar as there is any inference that he might be aware of it, is the short paragraph that says: "I think you may have a copy of my letter of the 14th December, 1999, to AP Consulting, but if not, my bank details are...". And the purpose of referring to that letter which

you thought he might or might not have, was because that letter contained the bank details for the transfer, which were madly urgent at that stage, isn't that correct? You had an expired Completion Notice and you had managed to persuade the vendor's solicitor to give you a little bit more time?

A. I had.

Q. But you were at risk of forfeiture; I mean it's your client was at risk, Catclause was risk of losing its 44 or 45-odd thousand?

A. Absolutely right. I mean, this was just sort of a disaster waiting to happen.

Q. And there was a great deal of urgency about all of this and speed was of the essence?

A. Correct.

Q. And Mr. Tunney's evidence is that he did not have a copy of that letter, and it was never furnished to him, of the 14th of December, and you wouldn't, I take it you are not in a position to gainsay that, but wouldn't dispute it if he said so?

A. Absolutely not. And I, of course, catered for the eventuality that he hadn't got it by putting my bank details in.

Q. It's just that in the transcript on the 23rd April, and I appreciate that you had already been in the witness-box for a full day at that stage, you make some assumption in the second page in answer to question 87, you say: "Yes, if I

look at the preceding paragraph he has confirmed that the bank is sending the money and he I must have assumed well he must have had a copy of my letter of the 14th which gives all the bank details."?

A. It's another assumption.

Q. And if Mr. Tunney says that assumption, to his recollection, is inaccurate, would you accept that?

A. Correct, yeah.

Q. Now, from your perspective in terms of who was or was not to be the beneficiary of this purchase, it was somewhat vague, to put it

A. Very.

Q. It might have been Mr. Phelan, it might have been Catclouse, it might have been the other Mr. Phelan making some claim in relation to it, is that correct?

A. It is. I think at the last hearing I said there is a cast of three or four who could have been the beneficial owner of it.

Q. And I take it insofar as your role and involvement as a solicitor is concerned, you would adopt the more cautious approach where you're in doubt, and perhaps that's why you put it into your own name and your wife's name in trust for this unnamed beneficiary?

A. Absolutely.

Q. But also, I suggest, that in your dealings with third parties, including dealings like the bank, you'd be careful not to mention all the names other than the name of the

entity that was buying it, in this case Catclause?

A. I think I was being prudent to protect the bank. I mean, my main concern at this stage was the bank had advanced to me  $\frac{1}{2}$ 420,000 sterling. My primary concern was to protect that payment. And there was a real danger that if I did register the property in a particular name, I might have got it wrong and, therefore, the most flexible, prudent, proper way to do it was what we did.

Q. And I am not criticising you at all for that. But where there is this uncertainty, one would tend to operate the precautionary principle. I know Catclause is the entity that has bought it and just mention Catclause, isn't that right? That in your dealings with third parties, you weren't going to be mentioning Mr. Kevin Phelan's name or Mr. Aidan Phelan's name?

A. No, the letter to Mr. Tunney does say to register it in the name of Catclause. That was the obligation that I had given to the bank to do that, but then I didn't actually do it, but...

Q. Now, you may or may not be aware there is a conflict or was a conflict between Mr. Aidan Phelan's evidence and Mr. Tunney's evidence in relation to what he, Mr. Aidan Phelan, told Mr. Tunney about Mr. Lowry's involvement.

A. I have read some of this, yes.

Q. And that's obviously a matter for the Chairman, and I am not asking you to sort of comment on that. But I do want to know if you saw a letter dated the 2nd November, 2000,

from Mr. Phelan to Mr. Lowry at any stage?

A. Could you show this to me?

Q. 2nd November, 2000. Which is eleven months after your dealings with Mr. Tunney.

"I had a very disturbing conversation with Christopher Vaughan concerning the Thistlewood deal, which I understand has fallen away."

Now, the Thistlewood deal was Thistlewood buying the Cheadle property, isn't that correct?

A. It was one

Q. It was one of two properties that they were going to buy.

"At our meeting in August you assured me that this deal would be completed as a matter of urgency. This was presented as a 'Quick turn' deal and the bank was supposed to be out within six months.

"I have spoken to Mick Tunney and I have assured him there would be no action. I am on the hook with Tunney and I want Kevin and yourself to move with this site immediately.

"Call me and let me know what you intend doing."

My first question is: Did you ever see this letter?

A. No.

Q. But there was a conversation with you which Mr. Aidan Phelan describes as a "disturbing conversation"?

A. Yes, because by this time Georgina Keane, who I assume is a colleague of Mr. Tunney, was speaking to me. I had been primed by Aidan Phelan that she would make contact with me. So, he was, you know, asking me to update him, you know,

how is the sale going? And I don't think it even fell away, it never even got off the ground.

Q. At this stage in November 2000, did you know that Aidan Phelan had purported to sign documentation on behalf of Catclause?

A. No, no.

Q. And yet Aidan Phelan was the person who was dealing with, at this stage, Investec Bank? When Investec Bank made a call to somebody in connection with the Cheadle transaction, it was Aidan Phelan they called?

A. Right, okay.

Q. And here you see in the letter, Mr. Phelan saying "I am on the hook with Tunney...". What do you understand, maybe you do or do not have an understanding of what "on the hook" means?

A. I don't know whether you were here yesterday when another letter was produced where my counsel had discovered a similar sort of letter where the words, I think "I am backstopping the loan," you have presumably seen this letter?

Q. I have, yes.

A. Could you ask me the question again?

Q. Well, what do you understand Mr. Phelan to be referring to when he is saying "I am on the hook"?

A. Mr. Phelan is personally responsible for the loan.

Q. Even though it's in the name of Catclause?

A. Well, I am not aware what the banking documents I can't

answer that.

MR. NATHAN: I think, sir, this is asking for comment too far. It's not a letter which this witness has seen before I think yesterday. To ask him to comment what he understands by someone, party A saying to party B "I am on the hook," what he understands that to be; I mean it seems to me rather the question may need to be rephrased, but I don't think he can comment simply on the phraseology of the letter.

MR. SHIPSEY: I am not going to pursue it.

CHAIRMAN: He has given a response and I don't think a great deal turns on it.

MR. SHIPSEY: No, it doesn't.

Q. Mr. Vaughan, just finally, or penultimately, you have seen the Investec documentation, the reconstituted bank file?

A. Yes, we gave it back I think after we looked at it.

Q. Yes, but I am suggesting to you that there is nothing in that from the period from December through to December '99 to January 2000 which discloses an involvement of Mr. Lowry in Catclause?

A. I don't remember it did, but in all honesty, I'd have to look at the file again to answer that question fully.

Q. If I can just ask for just two of the documents from that Investec file. It's document number 4 and 5, the Resolution of the Board of Directors of Catclause dated 20th December, 1999, signed by Aidan Phelan and Helen Malone.

I take it you saw that in the Investec file?

MR. HEALY: Just to clarify one matter. I don't think there has ever been an Investec file in the course of the evidence given to the Tribunal. It's just a reconstituted file. Just to clarify that.

MR. SHIPSEY: I am sorry if I used the shorthand. I understand it came from Investec and they reconstituted a file.

CHAIRMAN: Yes. Well, I recall the evidence of Mr. Wolman, the Senior Director of Investec, who said it was an unusual and exceptional circumstance that the file could simply not be located.

Q. MR. SHIPSEY: I am sorry about my shorthand, if I am calling it an Investec file. But I think you probably understand what I mean, just in terms of trying to refer to it. But you saw this, Mr. Vaughan?

A. I think it's the top page of the file that I saw. My solicitor actually, he is showing me the file that was shown to us

Q. Perhaps your solicitor could show it to you, it's up on the screen, but if you could and you saw that at the time when you got the reconstituted Investec file?

A. Yes. It was into but it was into my evidence, so it wasn't possible for me to comment on it in any statement.

Q. Well, do you have any comment in relation to this document?

A. I think I have already answered that question, because you said did I know that these people were officers of that

company, and I said no.

Q. And if you just go over the page, I think in my tab it's a letter of the application for the opening of accounts by a limited company.

A. Yeah.

Q. And that's similarly signed by Helen Malone as Secretary. Also the 20th, and signed by Aidan Phelan as Chairman and Helen Malone as Secretary?

A. It would appear to be, yes.

Q. And again, does your comment in relation, your earlier comment in relation to the resolution also apply to this document?

A. Well, I am aware that they weren't officers of the company.

MR. SHIPSEY: Thank you.

CHAIRMAN: Thanks, Mr. Shipsey. Mr. O'Callaghan, I understand that what's envisaged is that you will examine on behalf of Mr. O'Brien Junior and your colleague, Mr. Lehane, will follow on behalf of his father?

MR. O'CALLAGHAN: That's correct, Chairman. I'll start doing that now if that's convenient to the Tribunal.

THE WITNESS WAS EXAMINED BY MR. O'CALLAGHAN AS FOLLOWS:

Q. MR. O'CALLAGHAN: Mr. Vaughan, I appear on behalf of Denis O'Brien. And can I start by thanking you for coming to the Tribunal to give evidence. You arrived here, I think, for the second time on the 30th of January, 2009, is that correct, Mr. Vaughan, when you came to the Tribunal?

A. I came here on the 30th January. That's the date of the

summons, isn't it?

Q. That's the day you were served with the summons, isn't that correct?

A. Correct.

Q. And at the time that you came here, you were under no legal obligation to come up to the Tribunal at that time, isn't that correct?

A. Correct.

Q. And in fact you attended the Tribunal in the knowledge that you were going to be served with a summons, isn't that so?

A. Yes, I had been told that the summons was here, and I made my own way to go down below in the pouring rain and was let in and Mr. Brady served me with a summons.

Q. And I think those circumstances arose because when my solicitor was informed that you were coming over to Dublin, he informed the Tribunal about your impending arrival, isn't that correct?

A. He did, yeah, correct.

Q. And he also informed you that he was telling the Tribunal about your arrival, and you had no objection in respect of that, isn't that so?

A. Sorry, can you just say that again?

Q. He also informed you that he was telling the Tribunal that you were arriving, and you had no objection to that?

A. I had no objection to that, no.

Q. And I think, Mr. Vaughan, the Tribunal contacted you for the first time back in April 2001, isn't that so?

A. It is about that time. I accept that that's when it was.

Q. And would you agree with me that since that time you have sought to assist the Tribunal by providing information to it?

A. I have, endlessly.

Q. And on my count, I think since that date, you have written approximately 33 letters to the Tribunal. I don't know if you have gone through the tedious process of counting them, but would you recognise that as being an accurate assessment?

A. Yes, certainly I would.

Q. And in April 2001, you would have been and were sent by the Tribunal a copy of the Tribunal's Terms of Reference. Can I ask you, are you aware of what this Tribunal is inquiring into?

A. I think the first letter from the Tribunal to me refers to the Terms of Reference of the Tribunal. I think does it not refer to its website, but certainly

Q. It attaches a copy of the Terms of Reference, in fairness to the Tribunal. And are you aware of what the Tribunal is inquiring into? I know it sounds like a very basic question.

A. I have certainly read the Terms of Reference that were published by the Tribunal sorry, about the Tribunal when it was set up.

Q. And it's investigating payments, alleged payments to two politicians, Mr. Lowry, of whom you are aware, and another

politician, the late Mr. Haughey, of whom you may also be aware?

A. Yeah.

Q. And the reason you are here, I am sure you are aware, is because the Tribunal is examining some of the property transactions that you were involved in for the purpose of assessing whether they constituted or involved payments to Mr. Lowry. You are aware of that, aren't you?

A. I am, yes.

Q. And what I want to do is, presently, I just want to look at some of those property transactions, but what I want to do at the outset is just ask you some questions which go to your credibility, Mr. Vaughan, because I am sure you're aware that your credibility is an issue that the Chairman shall have to rule on when reaching findings that arise from the evidence you have given, you are aware of that?

A. I am, yes.

Q. And I think you must also be aware that there is a question-mark in respect of the evidence you have given. You have heard Mr. Healy referring to the fact that you may be trifling with the Tribunal, you recall that from Tuesday here, isn't that so?

A. I remember that expression, yeah.

Q. And the Chairman, on Tuesday, seemed to indicate that there were question-marks over some of your evidence. So, I just want you to be able to confirm to me and to the Tribunal that the evidence you are giving here is both truthful and

honest to the best of your ability?

A. It is.

Q. And I think you have been a qualified solicitor for 36 years now, isn't that correct? 1973 you qualified?

A. '73, yes, it would be.

Q. And you became a notary public in 1978, isn't that so?

A. Correct.

Q. And the whole function, of course, of a notary is to administer oaths, isn't that correct?

A. Not strictly, no.

Q. Isn't that incorrect?

A. I could bore the Tribunal for some time, but it's a far wider remit than that, because basically everything a notary does is for use in a foreign legal jurisdiction.

I'll stop there, because it's something I lecture on.

Q. But certainly to be an effective notary, one has to be an honest individual, would you accept that?

A. Correct

Q. And I think you are currently the Secretary of the Notary Society in England, isn't that so?

A. I am.

Q. And you were formerly its President, isn't that correct?

A. I was, yes.

Q. And so, when you took the oath here, and I think you took the oath on the first day you were here in April last, you, more so than anyone, I have to suggest you, Mr. Vaughan, were aware of the consequences and the importance of taking

an oath?

A. Very much so, yes.

Q. And in terms of the questions you have been asked and the documents you have been asked to look at, some of these documents date from nearly eleven years ago, isn't that correct?

A. It is, yeah.

Q. And some of the meetings you are being asked about also date from periods of ten to eleven years ago, isn't that correct?

A. Correct.

Q. And you have admitted in your evidence that you have made mistakes in terms of evidence you have given over the past number of days as opposed to previously, isn't that so?

A. Yes, I hope when it's been blatantly obvious to me that evidence I have given is wrong, I have been very quick to admit that it's wrong. It's the function, perhaps, of lawyers to admit their mistakes.

Q. That is correct. And in instances where you can't recall what has happened, am I correct in stating that you are making the best efforts you can to recall what actually happened?

A. Yes. I think I said several times it would be wrong for me to speculate.

Q. In terms of your cooperation with the Tribunal, can I ask you, when you were contacted by the Tribunal for the first time on the 20th April, 2001, I think you instantaneously

or rather relatively quickly responded to the Tribunal's request, isn't that so?

A. That's right, yes, within, I can't remember the exact time, but certainly within a month I was here in this building showing them copies of my files relating to the transactions we have been talking about.

Q. And could I ask you very briefly, Mr. Vaughan, to look at Book 81A, it's the large book which you have had earlier on today. And if you go to Tab 1 of that, I just want to refer to a number of dots in it, indicating what you say is the level of cooperation you furnished to the Tribunal.

And you'll see at Tab 1

A. I am sorry, I think I have got the wrong book here. Is this the supplemental book?

Q. 81A, it's the book that has 13 tabs in it, quite a bulky book.

A. For some reason I haven't got that. Right, I have now got this particular book.

Q. And at Tab 1, this is the first letter that was sent to you by the Tribunal, Mr. Vaughan. It's dated the 20th April, 2001, isn't that correct?

A. It is, yes.

Q. And we know the 20th April, 2001, was a Friday, and you will see from the first paragraph that Mr. Brady is enclosing, as I indicated to you, a copy of the Terms of Reference, isn't that so?

A. I think Mr. Brady's predecessor.

Q. Sorry, Mr. Davis, I apologise. Then, at the last paragraph on the second page, the Tribunal concludes by stating: "As the Tribunal is very anxious to progress this aspect of its work, I would be most obliged if you would kindly telephone me on receipt of this letter to confirm your willingness to assist the Tribunal and to indicate when I can expect to receive copies of the documents in question."

A. Correct, yes.

Q. So that letter was faxed to you on Friday the 20th April, 2001, Mr. Vaughan. And then if you'd go forward to the next document, we get your reply, which is dated the 25th April, 2001, isn't that so?

A. Yeah.

Q. And that's the Wednesday. But we know from the first paragraph of your letter that you, in fact, telephoned Mr. Davis on the Monday, isn't that correct?

A. Correct, yeah.

Q. So immediately after being contacted by the Tribunal, you contacted the Tribunal as requested in order to assist them with their inquiries, isn't that so?

A. Correct.

Q. In the third-last paragraph on that page Mr. Vaughan says: "Thank you for letting me have details of the Terms of Reference of the Tribunal, and I confirm what I said to you on the telephone, that I am very willing to cooperate in any way with the Tribunal."

And that was your view at the time, isn't that so?

A. It is, yes.

Q. And if you can go to the last page of that letter, you refer, as Mr. Healy identified earlier on, you refer to your file. And you say, the very clear instructions you have "from both Aidan Phelan and Michael Lowry" is "to make available all paperwork to you that you require" and you are "perfectly happy to do so." And then, in the last paragraph, you conclude by saying: "I am, therefore, faxing this letter through to you initially to inquire whether you require all the paperwork or just that part relating to the acquisition of the property?"

And I have to suggest to that that, again, indicates that you were cooperating with the Tribunal at that very initial stage?

A. Correct.

Q. You will see, again, at Tab 2 that there is a further letter from the Tribunal dated 15th May, 2001, isn't that correct?

A. Yeah.

Q. And you reply to that on the 16th May, 2001, providing further information, do you see that?

A. Yes, I am just looking at it now, yes. This is the 16th May, 2001, yeah.

Q. And I think after that then, the issue of a meeting between yourself and the Tribunal arose, isn't that correct?

A. Yes.

Q. And I think at Tab 3 there is the letter of the 21st May,

2001. There is a further letter from Mr. Davis at the Tribunal, and he concludes on the second page by stating: "I note from our conversation that you may be available to meet with the Tribunal on Friday next in relation to these matters. As I indicated to you, the Tribunal will be responsible for the reasonable costs of your attendance. I look forward to hearing back from you."

And in response to that, Mr. Vaughan, you wrote a letter dated 22nd May, 2001, isn't that so?

A. Correct.

Q. And I think what is evident from the second page of that, the penultimate paragraph you state: "So that there is absolutely no misunderstanding, I am perfectly happy and willing to come to meet the Tribunal in Dublin on the basis that my airfare and reasonable costs are paid." And then you indicate dates that may suit you at the end of that letter?

A. Yes.

Q. So, as of that date, you are happy to come over to Dublin to meet the Tribunal to assist the Tribunal with its inquiries, isn't that so?

A. Yes, perfectly happy.

Q. And a meeting with the Tribunal, I understand, did subsequently take place on the 30th May, isn't that correct?

A. Correct.

Q. And that was obviously your first time up in Dublin Castle,

Mr. Vaughan, isn't that so?

A. It was.

Q. And the notes and record of that meeting are at Tab 4 of the book that you are looking at now. I don't need to open them, but I just want you to be aware that they are there.

And I think subsequently then an issue arose between you and the Tribunal, is that a fair assessment of that,

Mr. Vaughan?

A. That's correct, yes.

Q. Could you elaborate on what it was that was causing you concern as a result of the meeting that took place with the Tribunal and the notes that were taken of that meeting?

A. I think what concerned me is, I put in a subsequent letter to the Tribunal, was that this, I understood, to be an informal meeting for me to brief the Tribunal. There was no stenographer present, so it wasn't a verbatim record of the meeting. The top document, under Tab 4 of the handwritten notes of, I believe, Mr. Davis, and that evidence was given last time, which were then subsequently put into a typed written attendance, and I disagreed with many of the points in the attendance note. So, I basically wasn't very happy at the way that I was dealt with.

Q. And I think, in fairness, you that's not something you are just saying now, because that is recorded in a letter at Tab 4 of the book that you are looking at, Mr. Vaughan, which just comes after the Tribunal's typed note of the meeting. It's a letter of you dated 27th June, 2001, isn't

that correct?

A. I have that, yes.

Q. And the second page of that, you refer to the contemporaneous attendance notes of the meeting at Dublin on the 30th May, 2001, when you state as follows: "May I firstly point out that I have some difficulty with the type written notes that you have sent to me.

"As you will recall, throughout that meeting both yourself and the three counsel to the Tribunal left the meeting at various times for various reasons and I was not aware of any particular person taking detailed notes of the whole meeting, and neither was it specifically stated that notes of the meeting were being taken. If it had been intended that such notes were going to be produced by yourself, then I think we should have agreed them before my departure."

And that records your concern, isn't that so?

A. That's right.

Q. The penultimate paragraph in the letter refers to what you referred to as factual mistakes in the attendance note, isn't that correct? Do you see

A. Under the subheading "Summary", yeah.

Q. You say: "I have amended the factual mistakes in the attendance note that you sent to me."

So what I have to suggest you, Mr. Vaughan, is that from the first time the Tribunal contacted you, you were perfectly happy to cooperate with this Tribunal?

A. Correct.

Q. Do you agree with that?

A. I do.

Q. And your cooperation was such that you responded promptly to the Tribunal's inquiries, isn't that correct, and you you have to answer rather than nod, Mr. Vaughan?

A. Sorry, my apologies. The answer to your question is yes.

Q. And you voluntarily attended over at the Tribunal for the purpose of meeting the Tribunal, isn't that so?

A. Yes, on that day.

Q. Mr. Vaughan, can I now just deal with the three property transactions that are of interest to the Tribunal.

Obviously you, as a solicitor, have been involved in many property transactions, isn't that correct?

A. Correct.

Q. And am I correct in saying you are a sole practitioner in the Northampton region?

A. I was once for a period of time. I was a partner in quite a large Northamptonshire practice, I left and became a sole practitioner, but in the same building as the firm of Scott Fowler, I subsequently joined them and then I became a consultant to them.

Q. And were property transactions a mainstay of your practice, Mr. Vaughan?

A. Yes.

Q. Were you a litigation solicitor in any respect or were you more property-based?

A. When I first qualified I did odd bits of litigation, but

certainly not over the last 30 years.

Q. And you were the solicitor for all the three transactions the Tribunal is looking at here: Doncaster, Mansfield and Cheadle, isn't that so?

A. Correct.

Q. And, of course, the other common denominator is that all of these properties were introduced to you by Mr. Kevin Phelan, isn't that correct?

A. Correct.

Q. And I suppose the reason you were involved in these transactions was because of that introduction by Mr. Kevin Phelan, isn't that so?

A. Yes. I mean, he introduced those three transactions to me.

Q. And you have identified, or rather referred to Mr. Kevin Phelan in your statement as a property entrepreneur. Can you just explain to the Chairman what it was that Kevin Phelan actually did at the time in respect of property investments?

A. Well, when I was dealing with him, and he obviously had other property matters as well, he was trying to, I suppose, make a profit for himself. He was putting together, as an agent, the seller of a property together with a buyer, and presumably trying to extract a fee for himself out of it. And that, as I saw it, was his whole role. I don't think you have asked me the question, but I could each of the three properties are somewhat similar, in that he identifies a buyer or finds a sorry finds

a property, finds a buyer and tries to put the two together.

Q. And there is nothing exceptional about what Mr. Kevin Phelan does, lots of people play that

A. Absolutely.

Q. role?

A. There is nothing on that. He did a perfectly good job on it, apart from the properties.

Q. I think your first encounter with Mr. Kevin Phelan was in the summer of 1997 when he was introduced to you by Simon Hussey, isn't that correct?

A. Correct, yeah.

Q. And this was in respect of a rapid advice you were required to give about Hull Football Club, isn't that right?

A. That's right, yeah.

Q. And can I ask you: When Kevin Phelan came to you, what service specifically was he asking you to provide to him?

A. Is this on our very first meeting?

Q. Yeah.

A. Well, if I go back to the Simon Hussey introduction. Simon Hussey is an IFA, an independent financial advisor, so that's at a professional level. He is a client of ours and we use him as well in our practice. He telephoned me, because he knew that I did conveyancing and corporate law, and said that clients of his were at that moment travelling down the M1 motorway from, I think, Leeds towards London, and they needed some urgent advice in respect of a company,

which turned out to be Hull, and would I meet them. And I subsequently met them at a hotel just on junction 15 of the M1, and it's either called the Hilton or the Stakis, because it changed its name at some stage, and I met him there.

Q. And that was the start of your relationship with Kevin Phelan?

A. That was the start of the relationship. And I gave him advice on what I thought he ought to do about this transaction.

Q. Obviously nothing came of the Hull project, isn't that correct?

A. Not so far as I was aware. The papers were passed on to other solicitors.

Q. But Mr. Kevin Phelan subsequently did continue to use you for legal services, isn't that correct?

A. Yes. I mean, he then came back to me with regard to Doncaster Rovers Football Club.

Q. And was he based near where you were based in the Midlands or what was the reason for him using your services?

A. One of the mysterious problems. He would see me frequently, he would come to the office in his green Mercedes saloon, park it and come into the office. But I never knew of an address for him in England. I had his address in Northern Ireland, I had his mobile phone number, but I didn't know where he actually physically stayed in the area.

Q. Presumably he lived somewhere near your offices?

A. He must have lived quite close, but I have no idea where.

Q. And would you be able to inform the Chairman as to how many properties or potential property deals did Kevin Phelan bring you, whether they were completed or not?

A. I think I'd have to give that a little bit of thought, but it would be in the region of, I guess, sort of in total 15 or 20 transactions were actually brought to me. Some of those, I don't know whether you are aware, but when we started off last time in April, I produced some other documents and they had some abortive transactions listed in them. And I remember, Mr. Chairman, you looking at them and pointing out that one of them was in a jurisdiction I couldn't possibly advise on because I am an English solicitor. So, he had brought a number of transactions.

Q. And you viewed him, Mr. Vaughan, as an agent for purchasers, would that be correct to say?

A. He was the agent for the purchaser. I never instructed him as an agent. He came to me as an agent and then he said "This is the principal and this is the property," or whichever way around.

Q. And obviously the Tribunal is only looking at three of these transactions: Doncaster, Cheadle and Mansfield, but as you have indicated, there were probably 12 other ones which Kevin Phelan had brought you, isn't that correct?

A. Yes, but if I can just stop you there. As far as I can recall, only one other was ever completed, all the others

dropped away; nothing ever happened. So, of the ones that he brought, we have Mansfield, Cheadle, Doncaster Rovers, and then we have the block of commercial property in Luton.

Q. In any event, and I think the first in time, Mr. Vaughan, was the Doncaster project, and that was introduced to you by Kevin Phelan in January 1998, isn't that correct?

A. That's correct, yes.

Q. And he was trying to organise a purchase of the ground and the sale of it for the purpose of making profit, isn't that so?

A. Yes.

Q. And was the Doncaster football ground owned by Dinard, or was it Mr. Richardson, or was it a combination of both at that stage?

A. The structure of DRFC is that the freehold of the land was owned by Doncaster Metropolitan Borough Council, so they were the freehold owners. What DRFC, as a limited company, owned were two long leases of the ground as the main long lease. And then the car-park, which is at the front of the ground which fronts Baltry Road I don't know how much detail you want me to go into?

Q. Not a huge amount of detail, but I was just inquiring into the role of Mr. Richardson, in fact?

A. So Mr. Richardson was offering for sale, this was a share purchase, not an asset purchase, so Mr. Richardson was offering the company, and the company consisted of the leases and the playing elements of the club, namely the

players, their contracts, etc..

Q. And I think it may not be unfair to Mr. Richardson to describe him as a gentleman with a colourful past?

A. Very. I've never met Richardson, I only ever know of what was reported about him.

Q. And I think he served time at the pleasure of Her Majesty in prison for burning down a football pitch?

A. He did, after I think after we had completed, he was then convicted for arson or conspiracy to commit arson. He had also, I am not a racing person, but he also, I think, had been warned off every racecourse in England for various activities.

Q. And Mr. Richardson was assisted by another gentleman, whom I think you did meet, a Mr. Mark Weaver, isn't that correct?

A. Correct.

Q. And I think you rather descriptively referred to Mr. Weaver in one of your memos as a "small nervous man who smells of tobacco", is that correct?

A. Sounds like me. Yes, that's him.

Q. On how many occasions did you meet Mr. Weaver?

A. I think on two occasions when he came to my office. I never met him in when the DRFC contract was being negotiated, but I was aware of his existence because Kevin Phelan was constantly talking about meetings with Mark Weaver.

Q. And you mention that Mr. Weaver entered into your office,

did you say, or was present at your office?

A. I met him once, I'd have to look at the dates. But briefly

I met him once in the office car-park and once he was sitting in our office reception when I came back after lunch or I'd come back into the office and he was sitting there.

Q. The purchaser of DRFC was Westferry Limited, that was your client, isn't that correct?

A. Correct.

Q. And the purchase, I think, was completed on the 18th August, 1998, isn't that so?

A. Correct, yes.

Q. And my client, Mr. O'Brien, was ultimately the person behind the purchaser. You weren't aware of that at the time though, Mr. Vaughan, isn't that so?

A. No, it was sometime later I discovered that.

Q. And I think didn't discover it until around March 2001, isn't that correct?

A. It was certainly later. I'll take the date from you.

Q. And even if you had been aware of Mr. O'Brien's involvement, I think you, in your statement, stated that you wouldn't have known who he was at the time, isn't that correct?

A. Correct.

Q. And can I ask you about the Doncaster transaction.

Notwithstanding the fact that it was probably a large transaction in terms of its value, was it a standard

property transaction no different to the other ones you had carried out?

A. It was beset by different difficulties throughout. It started off as a transaction that was going to complete very rapidly, but in fact from the initial instructions to complete date was some eight and a half, almost nine months, and the structure at the end, because of the changes to the contract, was somewhat different than had been originally envisaged.

Q. Did

A. So it wasn't simple, no.

Q. Did Michael Lowry have any proprietary interest in Doncaster Rovers, the purchase of it?

A. None whatsoever.

Q. And, of course, the reason the Tribunal is investigating it, Mr. Vaughan, and the reason we are here talking about Doncaster is because of, as you recognise, your letter of the 25th September, 1998, isn't that correct?

A. Absolutely.

Q. And your reference in it to Michael Lowry's "total involvement," isn't that so?

A. Correct.

Q. And you have given considerable evidence on that issue to Mr. Healy, and I don't propose to go over it again. But, putting it bluntly, you made a mistake, isn't that correct?

A. Correct, yes.

Q. And I suppose that has been a very consequential mistake,

particularly from my client's point of view, and I am sure you are aware that has caused a lot of embarrassment and difficulty for my client?

A. When I say I made a mistake, I was led into making a mistake, it was the opinion

Q. I am not seeking to apportion blame, Mr. Vaughan.

A. the opinion I reached was based on what I was told.

So, I think it's wrong actually to say I made a mistake. I formed a genuine opinion which later on proved to be wrong.

So, I will retract the fact that I made a mistake.

Q. I will accept that. You had a genuine opinion based on information you were given by Mr. Lowry, isn't that correct?

A. Correct.

Q. And with the benefit of what you have been told since that was told to you by Mr. Lowry, you recognise that that is incorrect, isn't that so?

A. I do, yes.

Q. And I think your letter, and most lawyers' letters don't end up published in newspapers, but this letter of the 25th September, 1998, Mr. Vaughan, was published in The Irish Times on the 11th January, 2003. I presume you are aware of that?

A. I wouldn't know the dates, but I am aware that it was published.

Q. That is the date. Do you have any idea how The Irish Times got your letter and how they published it?

A. I have been told, but I have got no personal knowledge of how it happened. I was told that it was sent to a reporter on The Irish Times.

Q. And do you know who sent it?

A. I don't think I do.

Q. A lot of letters from, or a couple of your letters seem to have been sent to The Irish Times. There is three of them in all: The 25th September and the two long form/short form letters, isn't that correct?

A. That's correct, yes.

Q. Have you ever considered the possibility that your files were tampered with in some respect or somebody gained access to your files, Mr. Vaughan?

A. The evidence I gave yesterday is certainly the files were out of my possession for some time.

Q. Can I now ask you to briefly consider the Mansfield and Cheadle transactions. They are the two other transactions that the Tribunal is asking you questions about. And these, again the common denominator was that these were properties that were introduced to you by Kevin Phelan, isn't that correct?

A. Correct, yes.

Q. Could I ask you: Did my client, Denis O'Brien, have any involvement in the Mansfield and Cheadle transactions?

A. None at all. Not to my knowledge at all, no.

Q. Have you seen anything to suggest that these properties were that my client was in any way involved in them or

funded them?

A. No.

Q. Now, the issue that the Tribunal is looking at is whether or not the purchase of these properties constituted a payment by my client to Mr. O'Brien (SIC). You are aware of that to Mr. Lowry you are aware of that specific issue?

A. Yes.

Q. Can I ask you just about the properties themselves. Could you describe the Hilltop Farm in Mansfield, what type of a property is it?

A. It is a derelict set of farm buildings, mainly of steel and concrete, on the top of a hill, which is served by a driveway of about 400 yards off the public highway.

Q. So this is no English ancestral home like Stenham Palace or something like that?

A. No. I don't know if you have seen it, there is the Chesterton report which has some photographs of it.

Q. And can you describe for the Chairman the church of St. Columba's in Cheadle?

A. Unlike the famous Cheadle Church, this is a modernish 1960s, I think, built, church, and a modern design on a corner of a sort of largish plot together with a house adjoining it, which was occupied by the incumbent looking after the church.

Q. And your evidence in respect of both of these transactions, Mr. Vaughan, is that Mansfield was a Michael Lowry

purchase, introduced by Kevin Phelan, isn't that correct?

A. Correct.

Q. And Cheadle was intended to be a Michael Lowry purchase introduced by Kevin Phelan, but was subsequently taken on by Aidan Phelan?

A. Yes, correct. Save that there was a sort of intervening period, in that it wasn't Michael Lowry personally, there was the company called Catclause, of which he was an officer, who was going to be the original who was going to be the purchasing vehicle for it.

Q. Can I just move on now, Mr. Vaughan, to deal with the unusual features of some of your correspondence. And rather than looking at the correspondence in a very detailed manner, as Mr. Healy did, can I just identify three aspects of your correspondence that I believe is causing concern to the Tribunal.

First of all, there are two versions of three of your letters, isn't that so?

A. Correct.

Q. Secondly, it appears that Mr. Kevin Phelan has either a lot or perhaps all of your correspondence, isn't that evident?

A. It would appear so, yes.

Q. And thirdly, your correspondence, or rather what purports to be your correspondence, has ended up with the Tribunal after being passed to the Tribunal by The Irish Times, isn't that correct?

A. Correct, yes.

MR. NATHAN: I am hearing muttering. It really is most off-putting for a witness to be hearing muttering from counsel.

MR. O'CALLAGHAN: I find myself in the extraordinarily unique position

MR. COUGHLAN: Sorry, I would have expected Mr. Nathan to intervene when it was being suggested that all of the documents came to the Tribunal through The Irish Times, when Mr. Nathan knows, and his client knows, that they produced documents this week and Mr. O'Callaghan knows it.

MR. NATHAN: I do find that the behaviour here at the moment is quite astonishing, that here is a witness who is being asked questions and I don't have any position to intervene. That's an absurd suggestion.

CHAIRMAN: Well, occasional mutterings from either side of a court are not unheard of phenomena and are rarely reserved to one side of the Court, and I think let's proceed with the examination, Mr. O'Callaghan.

A. I wonder would it be fair if you just asked the question again.

Q. MR. O'CALLAGHAN: Sorry, we were rudely interrupted, Mr. Vaughan, by other counsel, so I'll continue.

The third point that I was making to you was that your correspondence or what purports to be your correspondence has ended up with the Tribunal after coming through The Irish Times. I am referring specifically to your letter of the 25th September, 1998, and the two long form/short form

letters of 2000. That appears to be the case, isn't that

so?

A. Some of the correspondence appears to have come to the Tribunal through The Irish Times, if that was the right newspaper, yes.

Q. And can I ask you again: Do you have any understanding or any information you can give to the Tribunal as to how your correspondence with parties as well other than Mr. Kevin Phelan have got into the possession of Kevin Phelan?

A. No.

Q. Have you ever considered, and this is an inquiry so I can put this to you: Have you ever considered that some of you're correspondence may have been forged?

A. It was certainly a suggestion that was put forward when we had the meeting in London. I think it was a suggestion that was put forward by Duncan Needham, my solicitor, as a possible explanation for more than one version of the same letter. But I have looked quite carefully at these letters and I have rather discounted forgery. I think they are letters that have been signed by me again. They have been retyped.

Q. Well, we know that it's not just your solicitor, we know the Tribunal is seriously canvassing the forgery issue as well, Mr. Vaughan. And one of the issues I have to ask you is: Have you ever seen an original of any of these documents?

A. No.

Q. Would you agree with me that it would not be that difficult for somebody to reproduce these documents by simply using a photocopier and a typewriter?

A. Yeah, easy.

Q. The new correspondence that you produced to the Tribunal recently contains letters from you to Mr. Lowry which had been sent on to the Tribunal by Mr. Phelan. Was it your practice to copy Mr. Kevin Phelan with correspondence that you sent to Mr. Lowry?

A. I would have copied letters from time to time, certainly, to Kevin Phelan being sent to Michael Lowry because Kevin Phelan was Michael Lowry's agent. And if I can go to one letter in particular, I can see that I wrote to Kevin Phelan asking him to arrange Michael Lowry to sign something.

MR. O'CALLAGHAN: Thank you very much, Mr. Vaughan.

CHAIRMAN: Mr. Lehane, how long do you anticipate being?

MR. LEHANE: Only a couple of minutes.

CHAIRMAN: We'll do that, then we'll take a break.

THE WITNESS WAS EXAMINED BY MR. LEHANE AS FOLLOWS:

Q. MR. LEHANE: Mr. Vaughan, I am just going to ask you one or two questions, probably more, I won't keep you very long, on behalf of Denis O'Brien Senior and Westferry Limited, so I am wearing a slightly different hat from Mr. O'Callaghan in that regard.

Mr. Vaughan, you gave evidence on Day 358 in relation to a letter, or rather you were asked to comment upon a letter

dated the 11th June, 2002, signed by Denis O'Brien Senior, which was faxed to Mr. Owen O'Connell of William Fry Solicitors, in which Mr. Denis O'Brien Senior made a statement: "I have spoken with Christopher Vaughan to make sure there are no loose ends."

Now, I don't require the letter to be put up on the screen.

But you were asked about the statement "loose end". And I am just wondering, you don't have any recollection of a telephone conversation with Mr. Denis O'Brien in relation to that, Mr. Vaughan, do you?

A. I think the evidence I gave last time was I didn't remember the telephone conversation. But I wouldn't discount the fact that he did ring me up.

Q. So any supposition on your part that the expression "loose ends" was connected to a wider settlement with Mr. Kevin Phelan would be total conjecture on your part, isn't that right?

A. I had no knowledge of a settlement that was being brokered.

Q. Exactly. The only reason I ask that is because it was suggested to you that this might have formed part of those wider negotiations, but you are quite right in the sense that you said you had no knowledge of those negotiations, but I just wanted to clarify that.

Now, Mr. Vaughan, just in relation to your letter of the 25th September, 1998, to Mr. Michael Lowry which contained the reference to "total involvement". Were you ever contacted by Mr. Denis O'Brien Senior or anyone in

Westferry in relation to that letter with a view to concealing it from the Tribunal?

A. Absolutely not, no.

Q. Very good. Just in relation to the correspondence between Mr. Peter Vanderpump of Westferry and yourself in October 2002 relating inter alia to that letter of the 25th September, 1998. Did you have any communications with any individuals from Westferry, or indeed, Mr. Denis O'Brien Senior in relation to those letters between, say, the 17th October, which was the date of Mr. Peter Vanderpump's letter, and the 23rd October, I think, which was the date of your actual reply?

A. There are several questions in there. The first bit and the easiest bit to dispose of is Denis O'Brien Senior. So far as I am aware, we have only ever spoken once, and as I said, I don't recall the conversation, so there is no...

Q. Very good, Mr. Vaughan.

A. You said any contact by officers of Westferry. Well, I think Mr. Vanderpump is an officer of Westferry, is he not, being sort of technical about it? He wrote to me and I then drafted a reply, which Mr. Healy has asked me about today. I think, on reflection, I decided that that draft needed expanding and that's why it's got the 14, 15, 16 pages, or whatever it is, of attachments, because he was Westferry, he needed to know what was happening.

Q. Very good, Mr. Vaughan. The only reason I ask you that question is that it was suggested, or rather Mr. Ryall,

when he gave evidence to the Tribunal, on Day 339, which was the 8th March, 2007, was asked whether he was aware of any contacts between individuals such as himself or other individuals in Westferry with you between those two dates, and that's the reason I ask that. I am glad of your answer.

And also, just in relation to your comment there as to the differences between the two letters. Would it be correct to suggest that you adopt a form of note-keeping which means that you tend to write stuff up in a letter, considerate it and change it if necessary?

A. It is the way I work, yes.

Q. It's the way you work?

A. Especially with a longer letter.

Q. Very good. So that would go some way towards the differences between the two letters, the draft that wasn't sent and the letter that was sent?

A. Yes.

Q. So just, again, just to put a very simple question: If someone was to suggest to you that any individual from Westferry, including Mr. Denis O'Brien Senior, was in contact with you to conceal that correspondence, that would be incorrect, would it?

A. Absolutely incorrect, yes.

Q. Very good. Now, finally, Mr. Vaughan, in relation to your dealings, or rather, in relation to your dealings with Ms. Kate McMillan of Messrs. Carter-Ruck Solicitors in

October 2002 in connection with the preparation of a witness statement, can I just ask you if, during the course of the telephone conversation, Ms. McMillan indicated, or rather if anyone specifically had directed her to telephone you? Putting it another way: Did she indicate that Mr. Denis O'Brien Senior or anyone in Westferry had asked her to telephone you?

A. I honestly can't remember how she introduced I don't even know if it's in her notes.

Q. Very good. The only reason I ask is that she was asked that question during her evidence on commission, she was asked whether Mr. Denis O'Brien Senior, Mr. John Ryall or some other representative of Westferry may have asked Ms. McMillan to make the phone call. But you have no recollection of that, Mr. Vaughan?

A. No. What was her answer?

Q. She said: "I don't recall. If you can point to a document which suggests that." And the questioner says: "No, I can't, and I would if there was. I was just wondering."

A. I wasn't - sorry to interrupt you - I wasn't surprised that Peter Carter-Ruck & Partners made contact with me because I was aware of their involvement in the DRFC transaction.

Q. And would it be correct to say that your problems with the preparation of the witness statement were connected primarily to the fact that it was something that you could be cross-examined with in relation to during the course of a criminal trial, and you wanted to be very, very, very

careful as a result in relation to its accuracy, and that's why you wanted to take your time over it, Mr. Vaughan?

A. Yes, I was concerned, as I have said in evidence, that it was inaccurate. I am not a litigation or a criminal lawyer, and I think I was also aware, because it's in the statement, that a member of the City of London Police was going to come and see me as well. It may have been that the statement was almost irrelevant because the police would be the people to take the statement to be used in evidence, I think.

Q. And was either Mr. Denis O'Brien Senior or anyone else from Westferry in contact with you in an effort to conceal your dealings with Ms. Kate McMillan in October 2002 in connection with the preparation of this witness statement?

A. No, absolutely not.

MR. LEHANE: Very good. Thank you, Mr. Chairman.

CHAIRMAN: Thanks very much, Mr. Lehane. Mr. Vaughan, we'll take up the final portions of your quite long odyssey at a quarter to four.

THE TRIBUNAL ADJOURNED AND RESUMED AS FOLLOWS:

MR. O'DONNELL: In the light of the examination to date, I don't propose asking Mr. Vaughan any additional questions.

CHAIRMAN: Very good. Thank you. That then leaves yourself, Mr. Nathan.

MR. NATHAN: I think it is down to me, sir. Thank you very much.

THE WITNESS WAS EXAMINED BY MR. NATHAN AS FOLLOWS:

Q. MR. NATHAN: Mr. Vaughan, I just, first of all, wanted to ask you a question which flows from some of the questions asked of you in relation to Mr. Tunney. And for that purpose, would you take Volume 81 and turn to Tab 34. Do you have an 81? It may have been taken away from you and swapped.

A. I think I have got the wrong one, I have got 81B.

Q. No, I want 81, Tab 33. Now, that's your letter to Aidan Phelan and Helen Malone, or your fax, I should say, of the 14th December?

A. It is, yes.

Q. Headed "Michael Lowry." And it concerns Cheadle and the purchase of Cheadle?

A. Correct.

Q. Or at least the completion of the purchase of Cheadle. And it starts, addressed to Mr. Phelan: "I hadn't appreciated until yesterday, Monday 13th December, in the morning, that you were involved in this matter at all."

And the concern which you were expressing is in the third paragraph from the bottom: "A Completion Notice has been served which meant that if completion did not take place on the 13th, the deposit paid could be forfeited. I have managed to persuade the seller's solicitors to extend completion for an extra day, but I do not think they will be very enthusiastic about extending it even further."

And you gave him your bank details and told him that both Michael Lowry and Kevin Phelan had all the Completion

Statements, etc., but "if you want any further information, please telephone me."

Did he, in fact, telephone you?

A. No.

Q. On the 20th December next tab 34 we see that this is a letter addressed from you to Mr. Tunney, 20th, headed "Re Catclause Limited purchase of St. Columba's United Reform Church Site, Cheadle.

"I refer to other telephone conversation on Friday 17th December..."

So Mr. Tunney had appeared for the first time on your horizon, as I understand it, that Friday?

A. Correct.

Q. And you begin by confirming that you act on behalf of Catclause. You have exchanged contracts. You refer to the fact that he told you that the bank would be funding the purchase and would be sending you £420,000, being the balance of the purchase monies required. And then you refer to the fact that he may have a copy of your letter of the 14th December to AP Consulting, "but if not my bank details are..."

A. Correct.

Q. Did he at any point indicate to you that he didn't have a copy of your letter of the 14th?

A. I don't know.

Q. Right. And then you confirm that "On completion Catclause will have a good and marketable title to the property. And

I'll deal with the stamping and registration." And then you end with: "I am not sure if the bank wishes to register a charge against the property. If so, please send the completed charge form to me and I will arrange for it to be both filed at Companies House and registered simultaneously with the transfer."

Just pausing there for a moment. In relation to a company, what has to happen in England when there is a mortgage or a charged property?

A. If a company takes out a mortgage, then in order for it to be valid it has to be registered at Companies House. And you submit the original signed deed, together with a Form 385 and  $\frac{1}{2}$ 13 to Companies House, they stamp it. There are very strict time-limits. You only have 21 days from the date of the execution of the mortgage to get it filed in Companies House. The Land Registry will not register it on the title without the Companies House stamp and Certificate of Registration.

Q. Is there a time-limit also for the registration in the Land Registry?

A. No, there isn't a time-limit. But if it's not registered, then it belongs to somebody else so far as the Land Registry are concerned. There are obviously ways of protecting

Q. It's only protected once it's registered?

A. Fully, yes.

Q. And in response to that letter, was there any further

communication from Mr. Tunney?

A. I had a telephone conversation with him.

Q. Would you just turn over to the next tab, please, at 35, because I think you have already identified that in your evidence in April, that this is a note of a telephone conversation which you had with Mr. Tunney?

A. Correct.

Q. And you recorded there: "St. Columba's AP now is to be the owner of this site. MG," mortgage I assume?

A. Yes.

Q. "Mortgage to the bank do we" in other words your firm "have form which could be used?"

A. Correct.

Q. You then describe that you were going to be in Dublin. Now, at that point, what was your understanding as to the relationship between bank, Catclaus and Mr. Aidan Phelan?

A. Well, I understand that Catclaus then disappears and Aidan Phelan was to be the owner of the property.

Q. And then subsequently I think by the time that completion takes place, the money had come in from the bank?

A. As soon as the money hit my account from GE Woodchester Bank, we completed instantly that day well as soon as we possibly could that day.

Q. And I think that the date is on record in your own files. That was, in fact, the 21st December?

A. I think so, yes.

Q. We'll look at that in a moment, because I want now to deal

with a couple of other matters first.

You were, I think, served with a subpoena, or a summons on behalf of the Tribunal when you were in Dublin in January

A. Correct.

Q. of this year. And you had come to Dublin, I think you have already told us in evidence that you had come to Dublin at that time for a meeting with Mr. Meagher

A. Correct.

Q. at his offices. Now, the first question I'd like to ask you about that is, before you left England, were you aware that Mr. Meagher had written to the Tribunal saying that you were attending such a meeting?

A. Yes, I was.

Q. And when you arrived in Dublin, what happened in relation to the summons? Did you simply go up to Dublin Castle? What happened? How did it work?

A. Well, I was aware before I left Luton Airport that the summons was going to be issued, and it was arranged between my solicitor, Duncan Needham, and the Tribunal office that I would collect the summons. So I arrived early evening, and then the following morning I came here at about nine o'clock in the morning and collected the summons.

Q. Just so we can just clear one other thing. Were you at that time aware, or at least any time before that occasion, were you aware of any law of Ireland which placed upon you an obligation to notify the Inquiry Secretariat of any

proposed visit to the Republic?

A. No, or any directions of this Tribunal, no.

Q. Now, dealing with the Inquiry itself; when did you first have knowledge of the existence of this Inquiry and its subject matter?

A. The meeting that, which Mr. Healy referred to, I think we called that the Clonskeagh meeting, which is March, that was the first time when I was briefed by

Q. So that's March 2001?

A. Yes, by Aidan Phelan and Helen Malone in their offices that this Tribunal had been established, and that there were issues that the Tribunal were looking into which I would be able to assist with.

Q. Someone such as Kevin Phelan, had he told you anything at all about the Inquiry before that?

A. I don't think so, no.

Q. Let me just ask a series of questions in fairly general terms. First of all, have you deliberately suppressed or concealed from this Tribunal any information so far as you are aware?

A. Absolutely not, no.

Q. Have you deliberately suppressed or concealed from the Tribunal any documents?

A. No.

Q. Have you deliberately and consciously joined with or assisted anyone else to suppress or conceal from this Tribunal any information?

A. No.

Q. Or any documents?

A. No.

Q. Now, have you deliberately and consciously misstated any facts in your evidence to the Tribunal?

A. Not deliberately, no.

Q. In the course of your evidence, you have accepted, from time to time, that your evidence, your earlier evidence has not been correct and that what you had said was wrong, but when you gave that evidence which you later said was wrong, what I want to look at is your state of mind at the time when you gave that original evidence.

Did you believe that that earlier evidence was true at the time when you gave it?

A. Absolutely. I signed a statement of truth on the witness statement which was handed in to the Tribunal on the basis of the facts in my mind and the documents I had in my possession at that time, that was the correct and truthful evidence.

Q. Now, I'd like to take you, if I may, to the same bundle.

If you go towards the very end, the last tab at 45, we see what we'll call the long form/short form letters. First of all, I'd like to look at the one of the 12th July, and I'd like to look at 45C, which is the long form 12th July, 2000, letter.

Now, did you deliberately or consciously suppress disclosure of this document to this Tribunal?

A. No.

Q. Was it a deliberate and conscious act on your part to produce only the short form letter to this Tribunal and to say nothing at all about the long form letter when you produced your file to the Tribunal in April 2001?

A. I produced what I believe was my full file of correspondence relating to this transaction.

Q. Now, let me ask you exactly the same question, if I may, in relation to the letter of the the letters of the 5th September, which you'll find the long form 5th September version is the last document of this file at F. Do you see that?

A. I am looking at F now, yes.

Q. Now, did you deliberately or consciously suppress disclosure of this document from the Tribunal?

A. Absolutely not.

Q. And was it a deliberate and conscious act on your part to produce only the short form version of this letter to the Tribunal and to say nothing at all about the long form version of this letter when you produced your file to the Tribunal in April 2001?

A. Well, I produced what I believed to be a full file of my documents relating to this transaction.

Q. In relation to these two letters, did you consciously or deliberately, or both, obscure the role of Mr. Lowry by creating and subsequently producing to the Tribunal only the short form version of these two letters?

A. No, certainly not.

Q. Now, I'd like to take the small bundle, 81D, if you will.

Turn to Tab 4.1 let's just identify precisely what there is in here. All the letters if you turn to, first of all, Tab C1. This is the letter of the 26th May, 2009, from Messrs. Oliver Roche and Co., who act on behalf of Kevin Phelan, and are solicitors in Strabane?

A. Yes, I am looking at the letter now.

Q. And all the letters that are the documents that are in the following tabs, that is to say Tabs 2 till Tab 9, are all documents which were sent to your solicitors by Oliver Roche under cover of this letter?

A. I believe so, yes.

Q. Now, turn, if you will, please, to 4.1. We see this is what I would conveniently call the long form, although it's not very much longer, of a letter dated 12th November, 1999, or a fax, I should say, to Mr. Phelan from you. Do you see that?

A. Correct.

Q. And we can see that it was sent and received at the address, or at the telephone number to which it was sent, by looking at the very top line, where we see the telephone number on the right-hand side of the fax number, which is the same as the one to which you have addressed it, and one sees that it was sent on the 12/11/99, that selfsame day at 12.05 and received from Scott Fowler, and that, I think, is your firm's telephone number?

A. Correct.

Q. And the change which is noted between that and what I might call the short form is in the second paragraph where there are the words "Arrange to have signed by you and Michael Lowry as Directors"?

A. Correct.

Q. And you have given an explanation as to the reason for the change; the reference to you and Michael Lowry as Directors. You already said, I think, in evidence what the reason for the change was so far as you were aware?

A. Yes, because the letter is addressed to Kevin Phelan and it says in the paragraph there, "Would you please arrange to have signed by you and Michael Lowry." Well, Kevin Phelan was not and never was an officer of Catclause Limited.

Q. And the short form, which we find at 5.1, doesn't have those last words, does it, in the second paragraph?

A. No, I think we established when the Chairman pointed this out as well, that it's been retyped, the letter, it's quite clear.

Q. But the transfer, which is referred to there, is the transfer that we see at 4.2?

A. Correct, yes.

Q. And transferee is, that's item 6, you have identified as being Catclause Limited?

A. Yes.

Q. And I think that the point that you have made in evidence, I don't think there is any issue about it at all, because

it's rather obvious, that anybody who cares to look at

Catclause Limited in the Companies Registry, is able to

find out information about the Directors?

A. Yes, you would have then, and in fact you could do today.

Q. Yes, both those present and, as I understand your evidence earlier, historically?

A. Yes.

Q. The present and past?

A. Yes, the Companies House, section 4, companies that have been struck off, you just go into that.

Q. The key question that I want to ask you is that the long form version of this letter doesn't was not in your file as delivered to the Tribunal in April 2001, that is to say 4.1?

A. Apparently not, no.

Q. The only version was 4.2. What I want to ask you is this:

Did you deliberately and consciously obscure the role of

Michael Lowry by changing the wording of the long form

letter into the short form letter?

A. No.

Q. In November 1999 did you know anything about the existence of this Tribunal?

A. No.

Q. Let me ask you also: Have you consciously and deliberately set out to obscure from this Tribunal whatever role

Mr. Michael Lowry may have played in relation, first of

all, to the Doncaster Football Club transaction?

A. Well, Michael Lowry didn't have any role in the Doncaster Football Club transaction.

Q. Let me just ask the question again. Just listen to the question. Have you deliberately and consciously set out to obscure whatever role Michael Lowry may have played in relation to the Doncaster Football Club transaction?

A. No, I haven't.

Q. Let me ask you the same question in relation to the next property, which is: Have you consciously set out, consciously and deliberately set out to obscure whatever role Mr. Lowry may have played in relation to the Mansfield property transaction?

A. No.

Q. Have you consciously and deliberately set out to obscure whatever role Mr. Michael Lowry may have played in relation to the Cheadle transaction?

A. No.

Q. Now, go, if you will, to Document 6.1, which is the letter of the 9th August. We know that this letter was not a letter which was amongst those in your file as produced to the Tribunal in April 2001?

A. Correct.

Q. Did you deliberately and consciously keep this letter back from the Tribunal when you produced your file to it in April 2001?

A. No.

Q. When was the first time that you realised that this letter

was not in your file?

A. A very short time after the letter from the solicitors acting on behalf of Kevin Phelan wrote to my solicitor, Duncan Needham. So Oliver Roche's letter is dated the 26th May. I think that was a Thursday or a Friday. So it was sometime early next week that I became aware of the contents of that letter.

Q. End of May, early June this year?

A. Yes.

Q. Look, if you will, at the next letter, which is the 18th August letter?

A. Yes.

Q. When you disclosed the Cheadle file to the Tribunal in April 2001, did you deliberately and consciously keep this letter back from the Tribunal?

A. The letter of the 18th; certainly not, no.

Q. When did you realise that this document was not when did you realise for the first time that this document was not amongst the documents which were or ought to have been in your file?

A. Well, at the same time when I saw for the first time the letters from Oliver Roche and Co., which were sent to Duncan Needham, my solicitor.

Q. You have given evidence turn, if you will, please, to let me just ask you this: Up to the time you have told the Tribunal that you attended a meeting on the 15th March at the offices of Mr. Aidan Phelan here in Dublin?

A. Correct.

Q. Up to that time when you went to that meeting I think you took your file with you to that meeting?

A. Yeah.

Q. Your Cheadle files?

A. Cheadle and Mansfield, yes.

Q. Cheadle and Mansfield, thank you. Up to the time of attending that meeting, so far as you were aware, was there any occasion when your files in relation to Cheadle, or indeed Mansfield, were not in your own possession and control?

A. No, I don't think so.

Q. At the time when you came to the meeting and walked in through the door, were you on speaking terms with Mr. Kevin Phelan?

A. Not really, no. We had had a difficult and rather aggressive, confrontational telephone conversation, which I had reported at the last hearing here, so we were not on good terms.

Q. Who was being confrontational, in your view?

A. Well, we had this dispute as to whether he was principal or agent, and he was unhappy about the fact that an independent report had been produced by Messrs. Chestertons as to the two properties which didn't show them in a particularly good light and

Q. I don't think you need to hold back, when you say "particularly good light," let us not be discrete. What

did they show?

A. The Chestertons report is quite specific about the two properties. Firstly, as to the Cheadle property, it shows quite clearly that the property was not going to be sold or achieve the sort of development potential that had been hoped for. Firstly, it was in greenbelt, and as set out in the letter from Chestertons, it says that the planning potential for that property was very limited indeed, which was not what I had anticipated to read. And then moving on to Mansfield; Mr. O'Callaghan had asked me this morning, or this afternoon, if I would describe that property, and it is probably the most unexciting property I have seen for a long time, because it's a derelict set of farm buildings on the top of a hill. And the Chesterton report has a series of photographs, one of which is a 'For Sale' board with a redundant phone number on it. And I think if you look

Q. Whose redundant phone number was it?

A. It was Kevin Phelan's. It's Gameplan's phone number. So it's a Northampton phone number, because he had a Northampton office somewhere, and if you rang the number, it didn't exist, it had been cutoff. So I was disappointed to read that, and he was very, very unhappy about this report.

Q. Now, you said in evidence that you thought well, you have told us in evidence that you and Mr. Kevin Phelan went into a separate room away from the rest of the meeting?

A. Yes, I mean I think that the other people at this meeting,

Michael Lowry, Helen Malone and Aidan Phelan were trying to sort of cool the atmosphere slightly, and they suggested that we went and sat in a different room, which we did, and, you know, we had a perfectly proper civil conversation. As I have said I think twice now before the Tribunal, we certainly didn't come to blows or anything.

Q. From your point of view, did you think that you had resolved that he had resolved his differences with you?

A. I certainly hoped so, yes. We had, as I said, a sensible conversation, and I hoped that things were back on track.

Q. Now, you also said in cross-examination that you believed that you were wrong in so thinking?

A. I was, because later on in that year he purported to report me to the Office of Supervision of Solicitors, as they were then called, and we - in previous evidence - looked at the letter that he said that he had sent to them and my subsequent discussions with the OSS, who then said well, no letter of complaint had actually been received by them.

Q. Now, I'd like to take you back, please, now to if we go back to 4.1, and what we are looking at are the documents which come from Kevin Phelan for the moment. Now, we have looked so far at the second paragraph, I'd like you to look at the third paragraph, in which you say: "I am also enclosing the Completion Statement, which shows that there is 415-odd thousand pounds due on completion. Can you arrange for this to be transferred," and so forth.

If you look at the top line again, the fax number as

received, at the receiving end, that is Mr. Phelan's end, we see 12/11/1999 12.05. And if we go over the page to 4.3, we see that the document we see the same telephone numbers and also the same time, 12.05, maybe it's 12.06, whatever anyway, it's the same day, and only a few moments later to the same telephone number. And that's page 5 of 5. Whereas the first one, 4.1, looks as though it's page 1?

A. Correct, yeah.

Q. And it, I think, follows, doesn't it, that the document that was enclosed as the Completion Statement was that typed document with a figure of 415-odd thousand pounds as the balance due? Have you got that?

A. Correct.

Q. Now, after that, of course, we know that the completion didn't take place on the 30th November, and we know that what happened was that the bank, through Mr. Tunney and Mr. Phelan, that is Aidan Phelan, stepped in. And the next document sir, may I pass up to you a hard copy as well as you having a...

Now, the first if we look at the first of the documents, which is dated the 21st December, 1999, if that could be put up on the screen, we see that that is timed at 5.50, and is addressed to Mr. Oldham of Towns Needham, who I think are the vendor's solicitors?

A. Correct.

Q. And you say that the message is: "Re site of former St. Columba's Church. I trust that you have now received

402,969.53 from my Client Account at Cooperative Bank. The keys can be released to John Eastham."

And over the page, the second fax of the same day is the instruction which has been given to the bank to transfer that selfsame sum i.e. 402,969.53?

A. Correct, yes.

Q. Now, the next document I just want you to look at, and these documents come from the conveyancing file in relation to St. Columba's site, the Cheadle site, which has already been produced to the Tribunal, and what we have done is to take out, sir, from the file, these particular documents for convenience.

The next document is the 11th January, where you write to Mr. Aidan Phelan. The 21st December was immediately before Christmas. You had returned from the Christmas break and you were now writing to Aidan.

"Dear Aidan,

"Further to our telephone conversation, I am writing to confirm that the completion of St. Columba's Church took place on the 21st December, 1999, and I enclose a copy of the Completion Statement. The handwritten notes at the end are my workings out of the interest that had to be paid.

"Following the decision that Catclause Limited is no longer the purchasing vehicle, the property is to be registered in the names of myself and my wife (who is also a solicitor) as bare trustees."

Then you refer to the fact that you have spoken to Michael

Tunney in respect of the transaction.

Over the page is the Completion Statement as you sent it to Mr. Aidan Phelan, and we see similarities to the one we looked at before, 4.3. The typed figures remain exactly the same, and the completion date remains, the original typed completion date, which of course had been superseded.

And we see in your covering letter you refer to some handwritten notes. Are those notes in your handwriting?

A. They are, yes.

Q. And we arrive at a figure of if one looks on the right-hand side you see the words "To complete," and we see 402969.53 to complete, which is the completion amount?

A. Yeah.

Q. And we see also just above the word "Complete" the amount that was in fact needed to complete, which is 415,000 plus interest add in interest  $\frac{1}{2}$ 2,469.51, making an amount which was needed for

A. That's right. I think it's actually 08 actually the last figure, it's an 8.

Q. Very well.

A. I am sorry, it's 3.

Q. Those are the Completion Statements. One sent out, we know, to Mr. Kevin Phelan with your original fax of the 12th November, 1999, which we saw at 4.1. And then there is the actual final Completion Statement to Mr. Phelan, Aidan Phelan this time, with the revised figure as at the actual date of completion on the 21st December?

A. Yeah.

Q. Yes?

A. Correct.

Q. Now, let's go back, if we may to 4.1 for a moment. What I'd like you to look at in these is the document at 5.2.

Now, this is a document which, if we go if we look at the figures. The purchase price first of all, in whose handwriting is this document?

A. This is my writing. So the document under Tab 5.2 is written by me.

Q. And what we see is here: Purchase price 445,000 less deposit, balance  $\frac{1}{2}$ 400,500, to which I think is a figure that represents interest, is it?

A. There is another figure written in there anyway.

Q. Which produces a total at that stage of 415,026.75. And then a series of other figures which you add in, Stamp Duty, Land Registry fees and so on, so as to produce a balance due of  $\frac{1}{2}$ 415,986.75. Quite a different figure from the figure that we see on 4.3, if you just look back for a moment?

A. Yes.

Q. So you have this handwritten document, 415,986, whereas the typed version sent out to Mr. Kevin Phelan on the 12th November was for 415,126?

A. Correct.

Q. This document, the one that we are looking at, at 5.2, was that a document which was contained in your conveyancing

file for Cheadle which you brought with you when you went when you came to Dublin on the 15th March?

A. Sorry, just remind me again, this is 5.2?

Q. We are looking at 5.2. That's the handwritten, long handwritten version?

A. Right, we have got that. It should have been in my conveyancing file, yes, as a copy.

Q. And did you at any time send this document to Mr. Kevin Phelan? We can see from the faxes that it doesn't appear to have been sent to him?

A. I am sure I didn't, no. This is a draft prepared by me to have a typewritten version generated.

Q. And would this be the document that you generally expect to send out to the client, given that there is two typed versions of that?

A. No.

Q. Sorry, yes or no?

A. No, this is my handwritten statement which I have worked out.

Q. Was there any time when Mr. Kevin Phelan could have had lawful access to that document prior to you bringing your file with you to the offices of Mr. Aidan Phelan on the 15th March, offices at which you met Mr. Kevin Phelan?

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

Q. You got your conveyancing file back from those to whom you had given it in the middle of March, a few weeks later, in time for you to be able to hand it to the Tribunal on the

26th April?

A. Yes. I think the evidence I gave yesterday was I was likely to have it at the Regency Hotel meeting.

Q. Which I think is about three weeks after the 15th March meeting?

A. Yes.

Q. Three or four weeks, in any event. Is there any way in which Mr. Kevin Phelan, so far as you are aware, could have had proper and lawful access to this document which we see at 5.2?

A. I don't think so. I'd be surprised if he'd had access to this at all.

Q. You say access to it at all, lawful access as far as you are concerned?

A. Yes, it was on my file. It was a private well not a private it was a document I prepared.

Q. Apart from that occasion between the 15th March and the time when you were given your file back in time for the meeting, the Regency Hotel meeting, and after that there was obviously a few days before the file went off to the Tribunal, copy of the file went to the Tribunal?

A. Yes. It's slightly longer. I believe it was April the file was prepared and sent to the Tribunal.

Q. Once you had got your file back from Mr. Aidan Phelan's office, was the file out of your possession and control at any time before it was copied and sent off to the Tribunal?

A. I don't think so.

Q. Is there any way in which, so far as you are aware, Mr. Kevin Phelan could properly and lawfully have obtained a copy of this document from

A. Certainly not from me, no.

Q. Certainly not from you.

MR. NATHAN: Thank you, Mr. Vaughan.

CHAIRMAN: Anything in conclusion, Mr. Healy?

MR. HEALY: Just a few small matters, sir.

THE WITNESS WAS EXAMINED FURTHER BY MR. HEALY:

Q. MR. HEALY: One thing, perhaps not of huge significance, Mr. Vaughan, but do you remember when Mr. O'Callaghan was examining you, he drew to your attention the fact that your letter of the 25th September, 1998, was published in The Irish Times and came to the attention of the Tribunal in that. But, of course, the fact that the letter had found its way into someone else's hands irregularly was something of which you were already well aware, isn't that right?

A. At what stage was I well aware of this?

Q. Well, you were aware of it when Mr. Vanderpump wrote to you. You were aware of it when Mr. Weaver came to you, and you were aware of it when Ms. Kate McMillan spoke to you, and that was well before The Irish Times published it I'll give you the date.

A. Can we just go back on that? I was obviously aware that The Irish Times had published the letter. Without looking at the edition of The Irish Times, I can't tell you the date.

Q. January 2003.

A. Right. So it was certainly in there. And you are saying I was aware when I spoke to Kate McMillan

Q. You were speaking to Ms. Kate McMillan in late October?

A. 2004.

Q. Yes. 2002, sorry, 2002

A. Yes, 2002. So when I spoke to her, it hadn't been published.

Q. Yes. You were aware that that letter had found its way into irregular hands long before The Irish Times published it, is my point?

A. Oh, I don't think so.

Q. Well, Mr. Weaver came to your office?

A. Oh, I see what you mean. He brought a copy of that, an irregular person, yeah.

Q. And Ms. Kate McMillan was asking for your assistance in connection with a proposed prosecution arising out of the irregular use of it, isn't that

A. That's right, yes.

Q. And you gave a copy of it to Mr. Denis O'Connor in the course of your meeting with him on, I think it was the 23rd October, 2002?

A. I think this is an occasion where I recorded I gave him some papers and he, I think, says he didn't have any, but...

Q. But you gave these were the papers that you gave to Kate McMillan and that you gave to Mr. Vanderpump?

A. Yes, my evidence was quite clear that I gave them.

Q. Now, just one other matter just arising in part out of something Mr. Nathan said to you. He drew to your attention Mr. Tunney's telephone call which you recorded - we'll put it on the overhead projector if necessary, but you may remember it - in which you recorded Mr. Tunney as saying that the Cheadle property was to be in Mr. Aidan Phelan's name?

A. Yeah, I think in an AP property or an AP, yeah.

Q. That wasn't done, isn't that right?

A. It wasn't done at that time, no.

Q. Yes. Now, do you remember we discussed that before on the basis that you were uncertain as to whose name should be the one in which the property was registered?

A. Correct, yeah.

Q. But don't we now know, and don't you know from reading your letter of the 9th August, 2000, that it was I am quoting from the letter do you remember it? If you want I'll put it up.

"It was on the advice of AP that Catclause Limited was abandoned and the property put into the names of Trustees for reasons of secrecy."

So, the last time you gave evidence, when an effort was made to try to understand why it was that Mr. Tunney's note to you wasn't proceeded with, couldn't really be resolved, because without the letter of the 9th August it wasn't clear what was really acting on your mind, and it now seems

that what was acting on your mind was advice from Mr. Phelan that Catclause was abandoned and the property was put into the names of Trustees for reasons of secrecy, is that right?

A. Well, if I can go back to what I said yesterday with the use of this word "Secrecy." Secrecy was secrecy from Kevin Phelan and from nobody else, because I am sure that he was not aware of what was happening with regard to the financing of the purchase of this property. And there were words I used not only in the statement but two or three times yesterday was I rather fudged over that for Kevin Phelan. I didn't think it was anything he needed to know, and I didn't think it was anything that was needed to be put into a letter that could be shown to third parties.

Q. But instead you put in what I suggest was connected with the reason of secrecy in the previous paragraph, where you inform Mr. Phelan that "Although the registered proprietors of the property are shown to be Trustees, if anyone ever managed to see a copy of the banking documentation, which I believe refers to Catclause and then did a company search" - as Mr. Nathan was discussing with you a moment ago - "against Catclause, they would find out a link with Michael Lowry."?

A. That's right. Because I didn't know whether Kevin Phelan still thought that this property was vested in Catclause.

Q. But if you vested it in the names of Trustees for reasons of secrecy, it wouldn't be possible to find Mr. Lowry's

name on the English Land Registry?

A. No, no, it wouldn't. But Kevin Phelan had negotiated this purchase. He had negotiated as the name of Catclause.

This letter, I am sure was, because I have said, was giving him basic information to pass on to a purchaser. He may have called it Catclause. The purchaser would have then looked at the Land Registry and said, well, it's not in the name of Catclause. I was alerting him to a fact, I think.

MR. HEALY: Thank you, Mr. Vaughan.

A. Thank you.

MR. HEALY: Sorry, just one matter, sir, and this arises it's a house keeping matter, and just to deal with something Mr. Nathan drew to your attention earlier in the week when the question of the availability of what I call the latest Mansfield and Cheadle documents was being ventilated and their being made available to the Tribunal. And you will recall that Mr. Nathan explained that his client needed advice and that, unfortunately, due to other commitments, he wasn't available until quite late in the day, and that it wasn't indeed until just shortly before the documents were made available to the Tribunal that he was in a position to advise.

In mentioning that you, he drew your attention to a number of letters from Mr. Needham to Mr. Brady seeking information. And I just want to clarify the record, lest it be thought that Mr. Brady was in any way rude or incommunicative. But the fact is that apart from the

letters, there were in fact a number of telephone conversations between Mr. Brady and Mr. Needham, in which Mr. Brady made it clear that he was not going to provide the information required by Mr. Needham.

That's the only point I am making, lest it be thought that Mr. Brady, by not responding to the letters, was being in any way casual towards Mr. Needham.

MR. NATHAN: I am not suggesting that Mr. Brady was casual at all. There was a telephone call between Mr. Needham and Mr. Brady, which was followed up by the first letter. And then there were three letters from Mr. Needham, and then there was a telephone call on the 17th June, which was the same day that I had my conference with my client.

May I just say one other thing? That I think it's characterised that my client needed advice. He wanted advice. Whether he needed that, I think that's a matter for.... he wanted advice and

CHAIRMAN: Oh, I can readily see he needed to talk to you, Mr. Nathan. But perhaps the documents that were palpably material might have been furnished in any event.

Just lastly on that area of territory, Mr. Vaughan. I appreciate you have had a very long day. I, of course, take fully on board the matters raised by Mr. Nathan with you and your replies to them as to your state of mind. But I suppose it's nonetheless a pragmatic reality that had these additional letters of yours not come to light in recent times due to the dealings between Mr. Roche and

Mr. Needham, you would have been inviting me to accept on important matters evidence given earlier that you now acknowledge is correct?

A. Yes, it would have been most unfortunate. I take on board that. In a rather strange sort of way, I think it is fortuitous that these letters have come to light, because the last thing I want to do is suppress anything from this Tribunal.

CHAIRMAN: Yes. You have had a very long couple of days, and thank you for attending. Of course you are now free to return.

As regards any balance of remaining witnesses, which I am very anxious to expedite on one particular matter, I still have one outstanding dealing which I am expecting some resolution on tomorrow. And with a view to assisting interested persons, I expect to make an announcement either on or by Monday next as to the ongoing course of the limited amount of further evidence.

Thank you for your attendance, Mr. Nathan.

THE TRIBUNAL ADJOURNED UNTIL FURTHER NOTICE