

THE TRIBUNAL RESUMED AS FOLLOWS ON FRIDAY, 21ST JULY 2000,

AT 10.30AM:

CHAIRMAN: Ladies and gentlemen, before the hearing commences, I wish to make a couple of brief observations.

As everybody present will be aware, it is proposed today to commence the evidence of Mr. Charles J. Haughey.

Undoubtedly the evidence of Mr. Haughey is going to be an extremely crucial part of this Tribunal's work since he is someone who is very frequently mentioned in the Tribunal's Terms of Reference and he is also someone in relation to whom a very considerable proportion of the evidence heard over these last 70-odd days has related. But it is very important to stress that he remains another witness who requires to be heard fully and fairly in the exercise of the Tribunal's fact finding and inquisitorial task.

Secondly, as regards the actual hearing of Mr. Haughey's evidence today and on subsequent days, the inherent requirement borne by this Tribunal to extend fair procedures to all persons affected by it requires that Mr. Haughey's evidence should be heard courteously and fairly and without interruption.

I am sure that nobody who has taken the trouble to attend here today would in any way contemplate acting in an improper or unfair fashion, but I am compelled to note that on an earlier occasion, when the other political figure who

is mentioned in the Terms of Reference, Mr. Michael Lowry, testified, there was a low and limited level of mild interruptions which did not assist in the proper and fair and due processing of that witness' evidence.

Accordingly, while I do not for a moment suggest that anyone has come here other than to form part of the persons observing a public tribunal, I wish to make it clear that there must be no interventions or interruptions or any want of fair procedures in the taking of this evidence.

Lastly, ladies and gentlemen, as regards the format of the several days evidence that will be taking place today and next week and then after, as brief a recess as can be provided for in succeeding weeks in relation to Mr.

Haughey, it has been decided that that evidence will be instituted on a basis of two-hour tranches of evidence.

In coming to this initial determination, with the assistance of my legal team, I have had regard to Mr.

Haughey's age, to the very considerable particularity with which his evidence will have to be taken and examined over a quite considerable number of days and also to the content of a considerable number of medical reports which have been made available for me solely by Mr. Haughey's solicitors.

I have had regard to the content of these and have, again by agreement with Mr. Haughey's solicitors, asserted the entitlement to take up any queries I think appropriate with any of those medical practitioners and also should the

contingency arise, though I think it unlikely, to make arrangements for having an independent medical examination on my own behalf.

Accordingly, ladies and gentlemen, we will proceed on that two-hour basis of hearing for today and there will be no other evidence today. For next week, in which we propose to have four sitting days, there will again be similar two-hour tranches of hearing Mr. Charles J. Haughey's evidence but on those days, the evidence will be supplemented after that morning hearing by certain of the witnesses to whom Mr. Jerry Healy alluded in his remarks yesterday. Thank you. Mr. Coughlan?

MR. COUGHLAN: Mr. Charles Haughey.

CHARLES J. HAUGHEY, HAVING BEEN SWORN, WAS EXAMINED AS FOLLOWS BY MR. COUGHLAN:

CHAIRMAN: Thank you for your attendance, Mr. Haughey. Please be seated.

Q. MR. COUGHLAN: Mr. Haughey, I intend to commence your evidence by first of all opening the documents to you which were opened by Allied Irish Bank witnesses previously to the Tribunal for the purpose of ascertaining your view in relation to their stated position and other matters which may arise in the course of the evidence which has already been given by them and in your own evidence. Is that acceptable to you?

A. I understand.

Q. Now, I think

MR. McGONIGAL: Just before Mr. Coughlan goes into that, Mr. Chairman, there is just one small matter that I want to seek in a sense clarification or request and interpretation on it. It relates to this; that Mr. Haughey has at all times maintained, in relation to his bank accounts, that they are private and are not matters which should be dealt with in public and this was an issue which was raised by him in the case which was taken by him in relation to certain aspects of the Tribunal and was dealt with by the Supreme Court in their judgement in the case of Haughey V yourself and I just want to draw the Tribunal's attention to what the Supreme Court said, because I think it is important that we understand the background against which this material can be introduced, everything else being equal and the Supreme Court dealt with it. It's reported in the 1992, 2 Irish Reports at page 480 but I am reading from the one reported judgement and it's at page 73 of that that dealt with the right to privacy.

The then Chief Justice said, "There is no doubt but that the Terms of Reference of the Tribunal of Inquiry and the exceptional inquisitorial powers conferred upon such tribunal under the 1921 Act, as amended, necessarily exposed the Plaintiffs/Appellants and other citizens to the risks of having aspects of their private life uncovered

which would otherwise remain private, and to the risk of having baseless allegations made against them. This may cause distress and injury to their reputations.

"There is no doubt about that the Plaintiffs/Appellants enjoy a constitutional right to privacy. What is in dispute in this case is the extent of such right to privacy and, in particular, whether it extends to the right to confidentiality in respect of banking transactions and whether the exigencies of common good outweigh, in the circumstances of this case, such right to privacy.

"The constitution does not guarantee or in any way expressly refer to a right to privacy. The right to privacy in marriage was however upheld" and he refers to the Magee case. He then quotes to a passage from his own judgment in Kennedy V Ireland in 1987 and continues, "The right to privacy is not in issue: The issue is extent of that right and whether that right extends to confidentiality of a person's banking transactions.

"For the purpose of this case and not so holding, the Court is prepared to accept that the constitutional right to privacy extends to the privacy and confidentiality of a citizen's banking records and transactions. This is a right which is recognised in common law." And he then refers to a passage of Mr. Justice Lynch in National Irish Bank V Radio Telefis Eireann and he continues, "Just as

such public interest in defeating wrongdoing may outweigh the public interest in the maintenance of confidentiality, the exigencies of the common good may without outweigh the constitutional right to privacy.

"The exigencies of the common good require that matters considered by both Houses of the Oireachtas to be of urgent public importance be inquired into, particularly when such inquiries are necessary to preserve the purity and integrity of our public life without which a successful democracy is impossible.

"In this case both Houses of the Oireachtas deemed it expedient that a Tribunal of Inquiry be established to inquire into matters set forth in the resolutions. The effect of such resolutions is undoubtedly to encroach upon the fundamental rights of the Plaintiffs/Appellants in the name of the common good.

"The encroachments on such rights is justified in this particular case by the exigencies of the common good.

"Such encroachment must, however, be only to the extent necessary for the proper conduct of the inquiry."

Having regard to that passage, Mr. Chairman, the issue is really an issue for yourself in that Mr. Coughlan is proposing, as I understand it, to go through a significant number of memoranda, from not only internal memoranda from the bank but also memoranda of attendances by Mr. Haughey

at AIB and certainly correspondence from him to AIB.

These, in their initial prima facie state, are, in my respectful submission, subject to the constitutional right of his privacy. That privacy can only be breached in the exigencies of the common good. What I am seeking is clarification as to the exigencies of the common good that actually exist at this time as an explanation as to why Mr. Haughey's constitutional right to privacy should be breached on this particular issue.

CHAIRMAN: Do you want to reply, Mr. Coughlan?

MR. COUGHLAN: The context of this inquiry of Mr. Haughey is in pursuit of the Tribunal's inquiry into Terms of Reference (a) and (b). It is colloquially referred to as the inquiry in relation to the money trail. It was in that context that waivers were sought from him and obtained, through Mr. Haughey's solicitors, in relation to his banking affairs. You, Sir, when evidence was called from Allied Irish Banks deemed, at that stage, that the common good required that these matters be ventilated in the public arena.

Mr. Haughey was represented during that particular evidence and, during the course of that evidence, accepted the procedures which were being adopted by the Tribunal as being fair and in the common good at that time. Because Mr. Haughey did not, at that stage, consider it appropriate

for himself, on advice obviously, to attend to assist the Tribunal purely in its inquiries in relation to the money trail, the Tribunal acquiesced to that position and it is in that context that Mr. Haughey attends today to assist the Tribunal in its fact-finding inquiry in relation to the money trail.

It would be my intention only to open the documents which were previously opened in evidence to seek Mr. Haughey's assistance to assist the Tribunal in coming to a proper picture of the money trail in the public interest as the Tribunal is charged to do by the resolutions of the House of the Oireachtas.

MR. McGONIGAL: Just one matter, Mr. Chairman. I have no difficulty with a lot of what Mr. Coughlan says by way of explanation, but it seems to me that the Tribunal has moved on from the time that our first objection in relation to this matter was taken and it seems to me that we are now at a stage when the Tribunal is in a position to indicate, before the witness gives any answers, as to the nature of the public interest or the aspect of the common good which they say requires the breach of the constitutional right. The AIB evidence can, in a sense, be divided virtually into two sections; you have on the one hand the section which deals with 1971 to 1976 and the period from 1979/1980 to which the Tribunal appeared to be paying significant attention and without any explanation as to the Term of

Reference which the Tribunal is operating under. It seemed to me that insofar as it came within Term of Reference (a), which seems to me the only term of reference relevant, that what the Tribunal appeared to be inquiring into, as one reads the transcripts, was whether or not the interest which accrued to Mr. Haughey's account and which was then released by AIB in the way in which they released it was money paid directly or indirectly to Mr. Haughey and if it was, then whether or not it came within Term of Reference (a) and that is one aspect of that term of reference.

The second aspect of it which, to my way of thinking, gives the Tribunal the justification for breaching the constitutional right is by way of identifying an act or decision between Mr. Haughey and AIB, if there was one, with which they were particularly concerned. If there is not an act or decision involving Mr. Haughey with Allied Irish Banks, then it seems to me that prima facie, the Tribunal may not inquire publicly into his finances further than they already have and that's the important, the importance of the fact that the Tribunal has moved, in a sense, from its first stage of presenting evidence with objection to a stage where they are now inquiring of the person who is the holder who is the holder of the account and the person who benefitted from the account, and it seems to me that when we come to that stage, that the Tribunal is under a legal and constitutional duty, having regard to the judgement of the Supreme Court, to identify

the basis upon which it now says that it can go behind Mr.

Haughey's primary constitutional right to privacy.

I don't think it's any longer sufficient to say that we are following the money trail. The money trail has, in fact, been followed and we know what the money trail is. That's one aspect of his privacy. The second aspect of his privacy is to answer questions on it. If he has to answer questions on it, there must be a good legal and constitutional reason for doing it. There doesn't, on the face of the documents before us at the moment, appear to be such a justification and it may well be that there is material available to Mr. Coughlan, of which I am not aware, that the Tribunal is, in fact, inquiring into, a particular act or decision and if that be the position, then I would suggest that Mr. Haughey is entitled to be made aware of it so as he can know that there is a purpose, a public interest in the purpose of asking him about his personal financial affairs. Or as the Supreme Court said, the exigencies of the common good. It seems to me that it is incumbent on the Tribunal to identify that at this time, at this stage, in respect of this aspect of its inquiry.

And that argument, Mr. Chairman, I think applies, I will be making it in respect of each financial module, that after three years and a bit, that we are now we should be now at the stage when we are fairly clear in our mind the acts or decisions which we are now saying are connected with any

particular aspect of financial dealings with which we are concerned. Now it is for that reason, for these reasons, that I raise this matter seeking clarification from you, Mr. Chairman, in relation to this matter, because what Mr. Coughlan is about to do is to effectively breach Mr. Haughey's constitutional right to privacy and I am somewhat concerned that if that is to be done in public, it must be explained very fully to the public as to why that is being done.

CHAIRMAN: These matters have been pursued at extensive length in correspondence between the solicitors for Mr. Haughey and the solicitor for the Tribunal in pages of correspondence extending into the hundreds, rather than lesser numbers.

At this juncture, I am well aware of the content of the Supreme Court judgement in the case of Haughey against Moriarty and others. I am well aware of the balancing of rights that has to be undertaken by this Tribunal in seeking fairly to reconcile the exigencies of the common good and the duty to inquire into matters of urgent public importance with the rights of privacy enjoyed by Mr. Haughey in his banking affairs.

In the course of the Tribunal's voluminous preliminary inquiries, it has sought to bear those criteria squarely in mind. It has excluded many matters that pertain to Mr.

Haughey's private affairs which appear to have no repercussion that is touching upon the Terms of Reference. In the present context, I am satisfied that Term of Reference (a) and Term of Reference (b) entitles the Tribunal to hear evidence from Mr. Haughey in relation to his banking relationship with Allied Irish Banks, that essentially equates with the evidence that was taken last year as regards that particular module of evidence. This I regard as falling squarely within Term of Reference (a) and, to a lesser degree, within Term of Reference (b). I am aware of the argument that has been addressed by Mr. McGonigal and by his solicitor, Ms. Courtney, in correspondence in the context of decisions or acts, which I am satisfied at this particular juncture, though that aspect of acts or decisions may require to be returned to in due course; that at this juncture, the Tribunal is entitled specifically in regard to the proposed evidence in relation to Mr. Haughey's relationship with Allied Irish Banks to take that evidence as being duly pursuant to the Terms of Reference and reflecting a considered exercise of the balancing of the Tribunal's remit and duty to require with Mr. Haughey's entitlement to confidentiality in his banking affairs.

In doing so, of course the evidence that will be sought to be explored will very substantially relate to the period covered in the Terms of Reference. As stated by Mr. Justice Geoghegan in the High Court in an earlier part of

the proceedings to which Mr. McGonigal has referred, it may be necessary to touch upon some matters immediately preceding that 1979 year, but I consider that that will be done peripherally and to a somewhat limited extent, but as regards the essential tenor of evidence relating to Mr. Haughey's relationship with Allied Irish Banks to the memoranda, meetings and correspondence that was dealt with extensively in evidence last year, I remain of the view that this is within the Terms of Reference and that the Tribunal is entitled to explore and inquire into these matters.

I rule solely in this context upon this particular portion of intended examination into Mr. Haughey's evidence.

Q. MR. COUGHLAN: Now, Mr. Haughey, I think you were furnished with a book of documents and the documents are numbered. There is a divide between each document and as I said to you previously this morning, my intention would be to open each document to you and perhaps to seek your comment or your views in relation to the contents of the document, as to whether they accord with your view of the situation which then pertained and your views on the persons who may have been involved in the compilation of these documents.

Now, the first document is at divider number 1 and this is a document which was opened through Allied Irish Bank witnesses last year and I should go through this fairly

rapidly because what it is, it just sets out a history of the account. And the document is a history of C. J. Haughey account, September 1991, when a personal account was overdrawn €244,000, and Rath Stud account was overdrawn €11,000, and we also held as security deeds to 150 acres at Ashbourne and Tara and Whim Creek shares value €23,000. Mr. Haughey stated that he would sell for reduction of the accounts, cattle value €20,000, Stock Exchange securities €23,000, interest in Simmonstown Stud €48,000, other odds and ends, €10,000. A total of approximately €101,000, and would pursue sale by private treaty of 154 acres at Ashbourne.

Then the history continues:

"December 1971. When a personal account was overdrawn €225,000, we were told Mr. Haughey was negotiating sale to Roadstone of 50 acres of Abbeville and privately trying to sell 154 acres at Ashbourne for a net €100,000. Board again expressed extreme dissatisfaction.

March 1972: When personal account was overdrawn €247,000, advances committee fixed an outside limit of €250,000 on the account, strictly subject to reduction by €125,000 within three months and clearance within six months.

June 1972: Personal debt reduced to €153,000, on lodgment of €100,000 borrowed from Northern Bank Finance Corporation against Ashbourne lands. The deeds of these lands were

released by us. In the meantime, Mr. Haughey had sold his Stock Exchange security and his interest in the Simmonstown Stud.

November 1972: Personal account debt had increased to €183,000 and Mr. Haughey gave his firm undertaking to clear in full, by the end of February 1973, from A, sale of Ashbourne lands for which he had an offer of €200,000.

Approach also from Readymix; B, sale of 30 acres of Abbeville lands for which he had an offer of €100,000 from Cement Roadstone.

April 1973: When personal account was overdrawn €221,747 and Rath Stud account overdrawn €9,540 and security included lodgment guarantee of €200,000 of Abbeville Limited, supported by debenture and general charge and 270 acres. Board fixed limit of €230,000 on personal account and €10,000 on stud account subject to clearance early date. Sale 30 acres to Roadstone for €200,000 etc.

December 1973: When personal account overdrawn €286,097 and stud account overdrawn €9,039 and sale 17 and a half acres to Roadstone for €140,000 to be paid by installments and borrowing arranged from Northern Bank Finance Corporation of €150,000, Board agreed to allow €140,000 outstanding special account subject to reduction by installments and clearance by end of December 1974 but refused to sanction application for limits totalling €30,000 in personal and stud accounts debenture released.

February 1974: When personal and stud account net debit €1,700 but with interest €15,000 accrued due and special account debit €105,000, Board reluctantly and with grave doubts agreed to sanction overdrawing limit €20,000 on personal account and €20,000 on stud account. By June 1974, the personal and stud account were €41,000 in excess of limits.

August 1974: When personal account overdrawn €37,723 and stud account overdrawn €59,410 giving a net debit of €97,133, and special account debit €72,673, Mr. Haughey promised immediate reduction to €60,000, proceeds deposit €30,000 which it transpired he had in Zurich and proceeds insurance claim €10,000 and permanent reduction within €40,000 by the end of September sale of bloodstock."

Now Mr. Haughey, that is the first document

A. I have trouble with this book, I wonder could I get Ms. Courtney to organise it for me.

Q. Yes, indeed. Would it be of assistance if the documents were handed up individually?

A. I think all right now.

Q. Now, I suppose in the first instance I should ask you, have you read this document, Mr. Haughey?

A. I beg your pardon?

Q. Did you read this document?

A. Yes, very quickly.

Q. Very quickly. Does it, in general terms, accord with your recollection of a history from say September 1971 to August 1974 or thereabouts?

A. I can only answer that in the most general terms.

Mr. Chairman, I have to confess to be overwhelmed by all this documentation and I find it difficult to cope with it all. It's full of complex detail and it's a long time ago, but subject to all that, I assure you that I will endeavour to be of as much assistance to the Tribunal as I can. Sorry

Q. Well, Mr. Haughey, I will take it at your pace, so any time you wish me to take things a little slower or to move on to something else and come back to an issue which may appear complex or difficult to deal with or remember at this stage, I will of course do that. So I should just stress that with you.

I suppose what I was really asking you in general terms and I am only asking you in general terms now, does that appear to accord with your recollection of the history of your relationship with Allied Irish Banks, say from late 1971 to late 1974?

A. Subject to the qualifications that I have made, I would think so. I mean, I can't I couldn't possibly substantiate any of the figures there. But by and large, I was a client of the bank, I was running up an overdraft and in difficulty with the bank and so far as it reflects that, I agree with it.

Q. And in general terms, do the type of securities which the bank held appear to be, in general terms, correct, as indicated in this particular history document, in general terms?

A. Except one reference there, it's to Simmonstown Stud, which I have no recollection of whatsoever.

Q. You have no recollection, very good.

A. And there is a mention there, I just notice, that in November 1972 paragraph, it talks about Cement Roadstone. I think they were only Roadstone at that time.

Q. Is that correct?

A. These are details

Q. Yes, of course. And I think would you agree with what appears to be the content of this document, that the indebtedness was permitted to run up on the basis that certain promises or assurances were being given to try and reduce it by disposing of one type of asset or another?

A. That would be generally correct, yes.

Q. And we can see then, would it be correct to say when you come to December of 1973 or late 1973/early 1974, there was a borrowing from Northern Bank Finance Corporation for approximately £150,000, isn't that correct?

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

Q. Do you have any recollection of that?

A. I have not a very clear recollection, but that matter would have been handled by Mr. Des Traynor with the Northern Bank and the arrangement made accordingly.

Q. I see. This money, I suppose you can only remember in general terms at the moment, was used to reduce, to a large extent, the indebtedness in Allied Irish Bank, isn't that correct?

A. Yes, as it's outlined here, it would seem that I was borrowing from Peter to pay Paul.

Q. And the bank reduced or seemed to release certain securities in respect of that particular reduction, isn't that correct?

A. Sorry?

Q. The bank appears to have released certain securities in relation to that particular reduction, isn't that correct?

A. That would seem to be so, yes.

Q. Now, from 1971 up to 1973 when monies were raised with Northern Bank Finance Corporation, the impression from this particular document, would you agree in the first instance, appears to be that you yourself had certain dealings with Allied Irish Banks?

A. Oh yes. I was the client and, like, I suppose the normal banking practice when the bank would be unhappy, they would call in the client and query him or her and make certain demands or requirements. I think that would be the position.

Q. And you can, can I take it, remember in general terms, meetings or discussions with the bank over this period in relation to the level of indebtedness?

A. I would, I would remember that meetings did take place.

Now, I would be, I am afraid, with the best of endeavours, I would be hazy about the actual details of any one particular meeting or even who was there, but I think I could say that generally speaking, there was a pattern and that was a pattern, as I said, of my being invited in from time to time to show cause.

Q. And the document seems to indicate a pattern of the bank attempting to get the indebtedness reduced and you attempting to meet them in that respect, isn't that correct?

A. Yes.

Q. Now in late 1973, December, perhaps into early 1974 obviously certain negotiations must have taken place with Northern Bank Finance Corporation to raise œ150,000, isn't that correct?

A. Yes, I would be fairly clear that that was almost certainly handled by Des Traynor.

Q. Yes, that's what I just wanted to ask you. Can you remember how it came about that Northern Bank were approached and who would have approached them?

A. Well, it would certainly have been Des Traynor who would have approached them and I wouldn't know I wouldn't be able to recall any of the other circumstances, but I think I could agree that the general situation as outlined here did in fact happen, that money was borrowed from the Northern Bank with which to reduce the Allied Irish Bank indebtedness, but that would, as I say, in the main, have

been handled by Mr. Traynor.

Q. I see. And can I take it that you would have had to have some discussions with Mr. Traynor so that he would know the level of indebtedness or there or thereabouts and the type of finance which he might be capable of raising on your behalf?

A. Not necessarily, but I mean, Mr. Traynor, from much, from a long time before this, was really managing my finances. I was appointed a minister in 19 I was appointed a parliamentary secretary in 1960 and I was appointed minister for justice in about a year later. Now, at that time, I left the firm of Haughey Boland & Company and Mr. Traynor I am subject to correction on this but Mr. Traynor, on my departure, would have been made aware in Haughey Boland & Company and from then on, he would have had taken to himself, or as part of the firm Haughey Boland & Company, the general management of my difficult financial affairs and overseen them.

Q. Well, I suppose you would have had to have had such contact with Mr. Traynor or with officials of Northern Bank Finance Corporation at least to the extent of signing whatever documents were necessary for the raising of the finances?

A. Oh yes.

Q. During the period from late 1971, late 1973 or early 1974, you say that you can remember in general terms being invited by the bank to discuss the state of the finances, isn't that correct?

A. Yes.

Q. During that period, at what level do you know in the bank were you being invited in?

A. I have a fairly clear recollection that the bank manager in Dame Street, which was where my account was, was a Mr. Phelan and he was perhaps a personal friend as well as a manager, and my contact would have been mainly with him insofar as there was, there was these invitations to call in, they would have been through him.

Q. And I am specifically now talking about that early period of the 1970s.

A. Yes.

Q. Yes. Were you informed by Mr. Phelan that the account was being viewed seriously, if I might put it that way, by higher up as far as the Board perhaps?

A. In the early 1970s?

Q. In the early 1970s.

A. Not particularly, I don't think, not at that stage. I couldn't be too sure, but I had an account with them and it was increasing and I would imagine they must have been concerned about it, but Mr. Phelan was, what would I say I think he was one of the old style bank managers and very gentlemanly and he wouldn't have been in any way aggressive or anything like that, but perhaps he would draw my attention from time to time to the fact that the account was rising.

Q. The reason I ask is, you can see under the date February

1974 where they deal with certain levels of indebtedness and the second sentence reads "Board reluctantly and with grave doubts agreed to sanction overdrawing limit" and then it sets out what they were. Now, this is of course an internal document, Mr. Haughey, and I want to stress that. Were you aware that your affairs were being discussed at Board level?

A. I wouldn't know that.

Q. Or Mr. Phelan wasn't, hadn't brought it to your attention that this was a matter that the Board were considering?

A. Certainly not to my recollection, no.

Q. I would now like, Mr. Haughey, to move onto the document in divider number 2, if I may, and this is an internal Allied Irish Banks internal memorandum dated 31st January 1974. Have you got it? Tab number 2.

A. Yes, this is the one dated 31st January '74?

Q. That is correct, memorandum dated 31st January and it's addressed to Mr. McAuliffe, who was the regional general manager for north Leinster region and it's headed "Charles J. Haughey" and the overdraft set at €10,480. Special account overdrawn €105,000. No. 3 account was in credit €77. Charles J. Haughey t/a Rath Stud farm, overdraft was €19,480.

It reads. "We refer to your letter of the 5th December last in this case.

We created a debt of €140,000 on a special account and

those monies were applied in reduction of the overdraft on the 11th inst. On the same date, we received from Messrs J.S. O'Connor & Company, solicitors, a cheque for €35,000 representing part proceeds of the sale of 17 and a half acres of Cement Roadstone. We did not deem it necessary to inquire from the solicitors as to the reason for the change in payment from that outlined in the contract for sale.

The proceeds of the cheque were lodged in permanent reduction of the special account balance. On the 29th instant, we received from the solicitors a cheque for €159,679.25 in favour of Mr. Haughey. That cheque represented the net proceeds of a loan of €160,000 which our client received from Northern Bank Finance Corporation. We are not aware as to why the loan was €10,000 in excess of that originally negotiated. With the Corporation following these transactions, the accounts stand as quoted above. We hold an undertaking from Messrs O'Connor to lodge a further sum of €131,000 within the next month to clear the present liabilities. We are not informed as to the source of those monies but we would mention that today we had a telephone call from Mr. O'Connor, solicitor, stating that he understood that the amount had been lodged on yesterday but we have been unable to track down any such lodgment. We shall keep you advised of developments, the release of debenture was, as

agreed, handed to Mr. O'Connor in exchange for the cheque mentioned in the third paragraph above."

Now, I think O'Connor was your solicitor, of course, is that correct?

A. John S. O'Connor, yes.

Q. And that indicates that through John S. O'Connor, there was the proceeds of the sale of 17 and a half acres to Cement Roadstone or Roadstone, or whatever the appropriate name was at the time, lodged, I take it, on your instructions following the sale to reduce indebtedness in the account, isn't that correct?

A. I don't think I can help you on this particular memo. I think you just have to take it at its face value. I never saw it, it wouldn't have been shown to me. In fact, a comment I might make maybe generally, is that these internal bank memos were never shown to me for confirmation or

Q. Oh absolutely, that is correct.

A. They were never and this type of one, I would have no knowledge of it.

Q. But may I just ask you this, Mr. Haughey, I think at all stages during the course of the Tribunal leading these matters in evidence, I think it is correct to say that through your solicitors, these particular documents were furnished to you, isn't that correct, these documents?

A. Oh I think so, yes. I couldn't say every document, but I think the Tribunal was very scrupulous in sending us

documents.

Q. But I suppose can I first of all ask you this, do you remember the sale of 17 and a half acres to either Cement Roadstone or Roadstone, whatever the appropriate name of the company was at the time?

A. Yes, I do. I am nearly certain it was Roadstone at the time and the position was that Feltrim quarry was there and our land is adjacent adjoined the quarry and a particular little section was, I think from their point of view, interesting from the point of view of quarrying it and my recollection would be that they approached me or mainly maybe Mr. Traynor, I am not sure, about purchasing that, because it was an addition, it would have been a useful addition to their quarry which is still there and I am not sure what yes, I think that was in the early '70s and we made arrangements, a straightforward arrangement. They bought the piece of land and subsequently quarried it and they paid me for it.

Q. And I think would you agree that in relation to this internal memorandum, John S. O'Connors would have been the solicitors acting for you in the sale?

A. Yes.

Q. And whilst you may not remember the specific amount that it was sold for, can we take it that John S. O'Connors must have received instructions to lodge the proceeds of the sale to Allied Irish Banks if they did that?

A. Yes.

Q. And I think that again the memorandum indicates that the monies which were raised with Northern Bank Finance Corporation were lodged to Allied Irish Banks through your solicitors, Messrs John S. O'Connors, isn't that correct?

A. That seems to be the position, yes.

Q. Do you remember that?

A. Not in specific terms, but as I say, Des Traynor would have been handling the arrangements of that sort, but I would certainly have been aware of the sale of the land to the quarry and, sorry, what was the other point?

Q. The other point was the monies which were raised from Northern Bank Finance Corporation were lodged by John S. O'Connors?

A. Yes, I would have been aware of that, yes.

Q. And that was in the form of a cheque which was made payable to you for either €159,000-odd or €160,000, I presume, from Northern Bank Finance Corporation?

A. I don't know, I mean it could be it may have been made out to the AIB or it may have been made out to I wouldn't really know.

Q. It's just following the line of the memorandum here, the second paragraph, "On the 29th instant, we received from the solicitors a cheque for €159,000-odd in favour of Mr. Haughey."

A. Sorry, I see that now.

Q. I am just wondering, I accept that

A. I don't have any firsthand knowledge of that. I mean

that's what's here but

Q. That's what I am asking, do you remember

A. No, no.

Q. And then again the penultimate paragraph deals with an undertaking from Messrs O'Connor to lodge a further sum of €31,000 for further reduction of the indebtedness.

A. Are you referring to the last paragraph there?

Q. Yes. Sorry, the paragraph previous to that Mr. Haughey.

It's just an undertaking from Messrs John S. O'Connors to lodge a further sum of €31,000, can I take it you don't remember the specifics in relation to that?

A. No.

Q. It would appear that, or would you agree that the impression from this particular internal memorandum of Allied Irish Banks, it's Messrs John S. O'Connor were dealing with your affairs, your financial affairs even?

A. No, no, I wouldn't think that.

Q. I see.

A. I think it would be just normal as the it was a transaction, a legal transaction and John S. O'Connor would handle it on my behalf and the solicitor presumably for Roadstone would

Q. Yes, I understand perfectly in relation to the first paragraph where it's the sale of land. Of course your solicitor would receive the proceeds and would carry out your instructions in the normal course of business, but it was Mr. Traynor who, you believe, did the deal with

Northern Bank Finance Corporation, isn't that correct?

A. Yes.

Q. The cheque was made payable to you. Was it just as a matter of administrative convenience to you that you instructed John S. O'Connors to lodge that on your behalf, would you think?

A. Sorry, would you just come again please?

Q. Yes. On the second paragraph of the memorandum, it would appear that the bank received a cheque made out in your favour for almost €160,000

A. Sorry, I am mixing up two things here. There are two things in this memo.

Q. There are, and in fact there is a third.

A. One is the loan.

Q. One is the loan from Northern Bank Finance Corporation.

One is the sale of the land to Roadstone and there is a third issue raised which doesn't seem to have arrived at any conclusion which appears to have been an undertaking by John S. O'Connors to lodge a further sum of €31,000, so that they seem to be dealing with three distinct matters in the memorandum, all directed towards reducing the overall indebtedness, if I might put it that way.

A. That would seem to be the situation.

Q. And dealing with the first portion of the memorandum first, the sale of the land to Roadstone, that would have been conducted on your behalf by your solicitors, of course, Messrs John S. O'Connors and they would receive the

monies. That would be the normal course of business in that respect?

A. I am not sure I don't think they would do the negotiating on my behalf.

Q. Oh no, I am talking about

A. That would be Des Traynor would do that.

Q. I see, that would be in relation to the price that you were going to get for it.

A. Whatever

Q. That I understand. What I am trying to ascertain here is it would be in the normal course of business that your solicitors would receive the money from the purchaser, that would be normal?

A. Yes.

Q. And again it would be normal course of business that if you wanted that money lodged to a particular bank account, that your solicitors would do that on your behalf, on your instructions, that would be normal?

A. Maybe Des Traynor's instructions, but either one or the other of us.

Q. I see. Now, as I say, it is your belief that Mr. Traynor if I deal with the second matter in the memorandum, that's the loan from Northern Bank Finance Corporation it's your belief that Mr. Traynor would have negotiated that on your behalf, isn't that correct?

A. Yes, that would be right. I think he I think he had, you know, some relationship with Northern Irish Bank. I am

not sure, but I think he had.

Q. And having conducted the negotiations and whatever documents needed signing, Northern Bank appeared to have issued a cheque for approximately €160,000 made payable to you, according to this memorandum, isn't that correct?

A. If that's what it says, yes. Where is that now?

Q. You see the middle paragraph on the 29th instant, "We received from the solicitors a cheque for €159,679.25 in favour of Mr. Haughey"?

A. Is that the loan?

Q. That is the loan.

A. I thought the loan was 150,000?

Q. It appears to have been 160, according to this particular memorandum, and there is a query as to why it should have been €10,000 more than agreed but that is, that appears to be the situation and I am not querying you as to whether it was 150 or 160, Mr. Haughey. I am just asking you the method whereby it was transmitted to Allied Irish Banks, appears to have been through your solicitors, isn't that correct?

A. Well, that's what the memo says, I think.

Q. And I am asking, if I may come back to the question I was asking you, was just this purely for administrative convenience or could you or Mr. Traynor have just popped into Allied Irish Banks or put it in the post to them?

Was it just merely for administrative convenience that

Messrs John S. O'Connors made that lodgment on your behalf?

A. I wouldn't know, Mr. Coughlan.

Q. Very good.

A. It would seem to me that it was somewhat normal situation, we borrowed, whatever it was, 150 from Northern Bank and paid it into Allied Irish Bank to reduce the deficit.

Q. I won't go into the third issue which appears to have been raised in the memorandum because on the memorandum, it doesn't appear to have been completed, that is an undertaking from Messrs O'Connor to lodge a further sum of €31,000, that didn't seem to go anywhere on this particular memorandum anyway, so I will just leave it for the moment.

Now, if I may turn to the next document, Mr. Haughey, which is at divider number 3 and it's a memorandum from the regional general manager, it's dated 11th February 1974, do you have that, Mr. Haughey?

A. Yes, I have it.

Q. It's headed C. J. Haughey personal account and it gives the credit, no. 3 account, it gives the credit. The Rath Stud account, it gives a debit and the special account it gives a debit of €105,000. And then it lists the securities held.

1. Life policy €1,000, 1951 to 1990 with profits.

2. Letters of pledge over 5,765 shares, €1 each,

Printopres Limited.

3. Letters of guarantee, H. J. Boland, €500 supported by life policy €1,000, 1951 to 1990 with profits.

4. For special account undertaken from J.S. O'Connor and Company, solicitors, to lodge with bank proceeds sale of 17 and a half acres and meanwhile to hold the relative deeds in trust for the bank. Application for overdrawing facilities: €20,000 on personal account, €20,000 on Rath Stud. (Additional to the debt on special account.)

It reads then; "Following our discussion here on the 6th instant, the above application was placed before the Board. Whilst the directors were pleased to note that the position which had now been achieved in the case, they were constrained to advert once more to the difficulties, strain and embarrassment which had been suffered by the bank due to Mr. Haughey's proclivity towards making arbitrary unauthorised drawings on his accounts. Against this background, and in view of the stipulations which they had felt it necessary to make in December last, they retained grave doubts as to

A. It must be regulations

Q. Yes, it must be. It's blotted out on my photocopy I can tell you. "They retained

MR. McGONIGAL: It's not retained.

MR. COUGHLAN: Entertained, sorry, "entertained grave doubts as to whether the best interest of all would, in fact, be served by sanctioning fresh facilities on these accounts. They were very strongly of the opinion that it would be best that Mr. Haughey should take the necessary

steps to see that the working accounts be operated strictly in funds. However, on thoughtful and sympathetic consideration of the matter, as put to you by Mr. Haughey, and on the strict and precise condition that the accounts would be operated within the limits hereunder defined and that interest would be met as it falls due, the Board eventually agreed to sanction accommodation as follows:

Additional to the debt on special account, on personal account overdrawn limit of €20,000 as an extreme outside facility. On Rath Stud, overdrawn limit of €20,000 as an extreme outside facility.

Then Payment: At pleasure of the Board, subject to review, in 12 months' time. The accounts meanwhile to conform strictly to overdraft requirements. Security as held and stipulated for in addition.

1. Letter of hypothecation to bank over deposits €70,000 with bank.
2. Mortgage protection policy €40,000.

A clear and unequivocal understanding must now be come to with your client that the above terms and conditions will be strictly adhered to and that he would so arrange his affairs that his accounts will never again occasion situations of confrontation or difficulty and further advice will be awaited."

So I suppose the first thing I should ask you is do you

remember negotiations or a case being made by you around February of 1974 or early 1974 for facilities over and above the facilities which you then enjoyed with Allied Irish Banks?

A. No, I don't. Again, this is an internal memo.

Q. This is an internal memorandum, yes.

A. I have never seen it.

Q. No, of course.

A. And I must say it's very complex, it's a bit beyond

Q. Yes, it is well, it's dealing with a lot of technical matters from the banking side, but it would appear that the regional manager

A. I notice, by the way, that it's addressed to Fitzgerald, manager. I don't know where Mr. Phelan was if he wasn't there or what's the position.

Q. Mr. Tom Fitzgerald appears to have been the manager prior to Mr. Phelan.

A. Was he?

Q. Appears to have been. I think we may be coming to a letter that you wrote, I think that is correct, I think he was the manager prior to Mr. Phelan.

A. I just had a general impression Mr. Phelan was always there. Maybe it was just because he was a friend.

Q. But according to this memorandum and, of course, the Tribunal of course does bear in mind that it's a memorandum addressed to Mr. Fitzgerald, who obviously appears to have made representations or a case on your behalf to the

regional manager which went higher, but on the first page, if we go to the paragraph which begins "Having dealt with the strong views of the Board and senior management", it reads on, "However, on thoughtful and sympathetic consideration of the matter as put to you by Mr. Haughey, and on the strict and precise condition that interest will be met as it falls due" do you remember ever making a case to the manager, I know you don't remember Mr. Fitzgerald particularly, but do you remember making a case to the manager yourself?

A. No, but I couldn't say it didn't happen.

Q. And if this memorandum is correct, it would appear that it was you who made the case to the manager and not Mr. Traynor. Do you accept that that could have happened?

A. Yes. Well that if the memorandum is correct, but as I say, I have no way of knowing whether it's correct or not.

Q. But do you accept that you could have made representations on your own behalf to the manager?

A. Yes, yes.

Q. Now, the next document is at divider number 4, Mr. Haughey, and again it's a memorandum dated 27th June 1974 and it's from the regional general manager to Mr. Fitzgerald at Dame Street and it's dated 27th June. It appears to relate to various accounts of yours, I don't think I need to read the figures out in relation to them, they are there. Now, I think the total indebtedness at this stage is approximately €188,000 and the memorandum reads: "We have received your

letter of the 26th instant and quite frankly we are appalled that notwithstanding the clear and unequivocal understanding that these accounts will be operated strictly within the limits sanctioned by the Board, your client should commence once again to draw excessively on his accounts. While it is observed that in very particular circumstances you gave him permission to draw œ20,000 additional on the Rath Stud account as a very temporary facility, he has gone much further and the accounts now stand overdrawn œ31,486 in excess of the limits.

"Your client's attitude cannot be tolerated and we have no doubt that the Board will take a most severe view of the situation. However, before submitting the matter to the directors, we require to be fully assured that the indebtedness has now reached its absolute peak and to be advised explicitly as to when the accounts will be brought back within their limits. We also require to know when the additional security arranged for is to be provided.

"We consider that you should now have a very firm talk with Mr. Haughey and when writing to us on the above points, we trust that you will be in a position to let us have his categorical assurances that his accounts will be operated in a strictly orthodox fashion henceforth."

Sorry I said œ180,000-odd, I think about œ178,000 was the total level of indebtedness at that stage.

Now, I think if you go to the next document, a document number 5, there is a letter from you which seems to refer to the contents of the memorandum I have just opened and if I open the letter, it's dated 22nd July 1974.

"Dear Tom,

I refer to your recent talk when you conveyed to me the views of the regional general manager and his anxiety that the limits be adhered to strictly.

"These temporary excesses have arisen from a combination of circumstances outside my control and it is my intention that they will be eliminated by the 30th September at the very latest.

"Among other sources available for these reductions are a charge insurance claim, the payment of which is awaited and the sale of my yearlings which this year represent a very valuable consignment indeed.

"In the interim, I will, if necessary, make additional securities along the lines we discussed available, if this is considered necessary. I should call to see you as soon as possible. Please explain to the regional general manager that I am just at present particularly preoccupied with Dail business and relative matters but will be much freer to attend to these matters after this week.

Yours sincerely,

Charles J. Haughey."

So, I take it there is no doubt that that is a letter from you, Mr. Haughey?

A. Pardon?

Q. There is no doubt that that is a letter from you to Mr. Fitzgerald?

A. No, that's right.

Q. And it would appear that Mr. Fitzgerald had conveyed to you to some extent the views of the regional manager about the state of the account, that it had gone a bit out of control again, isn't that right?

A. Absolutely.

Q. And this was a communication directly to you from Mr. Fitzgerald obviously, isn't that correct?

A. Yes.

Q. And you were dealing with him yourself?

A. Yes.

Q. And this is not a matter that Mr. Traynor was dealing with it would appear, isn't that correct?

A. I may have consulted him about it, but I mean it's my letter.

Q. The next document is at divider number 6 and it's called document number 6. Now the next document is document number 6 appears to be a memorandum of interview dated 30th July 1974 with you at Dame Street office and present for the bank were Mr. J.J. McAuliffe, regional general manager, and Mr. T. Fitzgerald, branch manager, and if I open the

memorandum of the interview, "Mr. McAuliffe pointed out that the Board's agreement to grant limits of €20,000 on his personal and stud accounts had been afforded with extreme reluctance and considerable misgivings in view of the particular history of the accounts and that this agreement had been forthcoming only on a clear and unequivocal understanding that the accounts would be operated strictly within the authorised figures and that a mortgage protection policy €40,000 would be provided as additional security.

"These conditions have been ignored by Mr. Haughey and he should not be surprised if the bank were to indicate that it could not continue to do business with him unless the situation were immediately rectified and steps taken to see strict compliance with the conditions which he had fully accepted last February in the future. Mr. McAuliffe was convinced that the Board would take the gravest and most serious view of the situation. Mr. McAuliffe went on to say that he could understand the extraordinary circumstances in which Mr. Haughey had been forced to seek a very temporary excess of €20,000 (and that was replace brood mare) to be quickly funded from proceeds of relative insurance claim but he was seriously disturbed to find that the other drawings had pushed up the excess to €46,585.

"An indebtedness on these accounts beyond the total figure €40,000 could not and would not be tolerated and he called

for immediate regulation of the situation. Mr. Haughey acknowledged that he had overstepped the bounds and while 'he had never let down the bank' and, in effect, found any restraints on his accounts unnecessary and galling, he would clear the excess overdrafts from insurance claims money and sale in September of young bloodstock, value œ100,000, and portion of cattle herd value, œ40,000.

"Mr. McAuliffe said that the bank would not wait and wanted immediate steps to be taken and, having ascertained that, while surplus monies œ70,000 had now been exhausted, (payment of interest, purchase Inishvickillane island, living expenses etc.), Mr. Haughey had a sum of œ30,000 in deutchmarks deposited with the bank in Switzerland, (sale showjumper reported in the press to have fetched œ40,000). He demanded that this money be repatriated and lodged in reduction of the bank debts leaving the balance of the excess indebtedness to be cleared from proceeds of the insurance claim. Collection of which should be executed with the minimum of further delay.

"Mr. Haughey said he would give serious consideration to this and having discussed the matter with his wife, would telephone Mr. Fitzgerald on Thursday.

"Turning to the security aspect of the accounts, Mr. Haughey said he had been unable to trace an insurance policy which he thought he had and which would meet the

collateral arrangements. He wasn't anxious to take out a further policy at this time and asked the bank to accept instead deeds of a house in Sligo purchased for some €10,000, deed Inishvickillane Island, 250 acres which he valued at €25,000, and cost €20,000. In the course of the interview, Mr. Haughey said "I have no income" and this might be taken as support for the view held by the bank that his living expenses are huge and totally unrelated to his Dail salary and to income from farming and bloodstock breed. It also emerged that he had a building site in Wexford and other places of property elsewhere in family and trust names and that he intends to build an elaborate house on Inishvickillane."

Do you remember that particular interview, Mr. Haughey?

A. No, I am afraid not.

Q. Well, do you have any reason to believe that this isn't a reasonably accurate note of an interview which took place with you?

A. Well, I really can't say about that. There are a few things in it which strike me as surprising. One is the statement that I have no income. That's clearly nonsense, I mean I had an income from the Dail. I can't I mean, as I say about the other memos, this memorandum was never shown to me as a true and accurate record of the meeting, of the interview. And I really can't say. I mean, I can't contradict it except in detail, but I can't confirm it either.

Q. Well, do you accept that well, first of all, the level of indebtedness had again crept out of control, isn't that correct, beyond the limits which had been agreed by this period, it would appear?

A. I have to take your word for that. I mean, I can't recall what the limit was agreed relating to this limit here, relating to this figure here, but if they say that it was gone beyond an agreed level, presumably that would be correct.

Q. And can I take it that the memorandum records the offer of security, the deeds of Inishvickillane Island and the deeds for a house in Sligo purchased for some €10,000, is that correct?

A. I mean, I can't say definitely that that happened, but on the other hand, I can't say it didn't. I mean, it's quite possible.

Q. You don't believe you would have used the expression, "I have no income" it's in the particular context in the paragraph which is an income which would be related to a repayment of this level of indebtedness, would you agree?

A. Mr. Coughlan, I am not making an issue of it, I am just saying it seems a silly sort of thing to say. And I would also, I think, now that I looked at it, I didn't notice the exact wording before, but I can't see myself saying that I propose to build an elaborate house in Inishvickillane, because that just wouldn't be true.

Q. I know you don't have a recollection of this particular

meeting, but apart from some detail which you raise a query about, Mr. Haughey, do I take it that you accept in general terms that such a meeting must have taken place and this document may be a reasonable record of the particular meeting?

A. Yes. What I would say is I don't recollect the meeting.

On the other hand, I couldn't assure you that such a meeting ever took place, I would have to accept that such a meeting was likely and by and large, apart from the amounts which I can't confirm or deny, the general outline, I would have to say is something that could have taken place. I can't put it any stronger than that.

Q. And do you accept that if it did take place, that it was you yourself who was engaged in discussion and suggestion in relation to securities, for example, with Allied Irish Banks and it wasn't Mr. Traynor?

A. The only thing I can say about that is the memorandum is about, purports to be about a meeting with me. I can't say that the meeting did or did not take place. So that's really all I can say about it.

Q. Well

A. But I would add that in the circumstances of the time, I couldn't say that it was improbable. I can't put it more stronger than that.

Q. Yes, but if that meeting did take place and if that represents a reasonable record of it, doesn't it suggest that it was you who was carrying out the negotiations with

Allied Irish Banks at this time, at this period, rather

than Mr. Traynor?

A. I wouldn't call this, even on the face of it, a description of negotiations. I think it was rather me being lectured.

Q. Well, yes, I suppose many of us have had such an experience with banks but you are negotiating to the extent that you were suggesting a different security to the one that they might have sought to put in position, if that had been correct?

A. Where is that now?

Q. Well, I think, turning to if you go to the final paragraph on the first page of the memorandum, turning to the security aspect of the accounts, "Mr. Haughey said that he was unable to trace an insurance policy which he thought he had and which would meet the collateral arrangements. He wasn't anxious to take out a further policy at this time and asked the bank to accept instead deeds to a house in Sligo and deeds to Inishvickillane Island."

A. That's what the memorandum says, yes, but I cannot confirm or

Q. Yes. All I am trying to ascertain or obtain your comment on is that it is you and not Mr. Traynor who is conducting whatever negotiations, even of a limited nature, which may have been going on there?

A. I can't say. I mean, I can only read the memorandum here and I cannot confirm any of the details in the memorandum. The only thing I can say to you by way, to be

of assistance is that it's it is, I accept, a sort of meeting that at that time and in my circumstances could well have taken place.

Q. Now, the next document which is document number 7 which appears to follow on the memorandum which appears to record an interview, this is an internal memorandum and it's dated 2nd August 1974 from Mr. Fitzgerald, the manager of Dame Street, to Mr. McAuliffe, the regional general manager, and it's headed "Private and Confidential". It relates to your particular accounts and it reads, "Further to our recent interview with Mr. Haughey and to your memorandum received with your letter of the 1st instant, I have been in contact a number of times with Mr. Haughey who informed me that they did not wish to convert the deposit of deutchmark referred to in the enclosed copy of a letter received this evening from Guinness & Mahon. He suggested that the bank would accept whatever form of lien would be necessary over these funds that he and his wife were prepared to complete any documentation. When cheques are posted, the balances of the accounts would show as set out above.

"At the time of writing, I am awaiting return call from Mr. Haughey and in the circumstances, I will be telling him that the bank will expect him immediately to convert the deutchmark into sterling for lodgment to his account which would appear to be deteriorating daily. I feel the time has come when Mr. Haughey's attitude towards us would have

to be seriously considered and my present recommendation, Niall, would be that he be asked immediately to regularise his accounts from the introduction of funds from any source available to him; alternatively, that we would have no option but to withdraw facilities and to ask him to take his account elsewhere."

Now, the next document, if I might just go to the next document for a moment, which is document number 8, because it is the letter referred to in this particular memorandum dated 2nd August 1974, Mr. Haughey, and it's a letter from Mr. Pender at Guinness & Mahon, 17 Holles Street, Dublin 2 and it's to Mr. Fitzgerald at Allied Irish Bank, dated 7th August 1974:

"Dear Mr. Fitzgerald,  
I hereby confirm that we have been authorised by Charles J. Haughey to confirm to you that Guinness Mahon (Zurich) A. G. at present maintain on deposit in the name of Mrs. Maureen Haughey the sum of DM 190,924.85."

Now, do you remember having any discussions with Allied Irish Banks in relation to that particular account or sum of money?

A. Sorry, which account?

Q. This is the deutchmark account maintained with Guinness & Mahon Zurich in the name of Mrs. Haughey?

A. I can recall for you the circumstances of that. It was, it was a matter of public interest at the time. My wife

had a show jumper horse which was of international quality or standard and it was competing in Europe, I am not particularly clear where but it was on the international scene and she was bid for it and sold it and she received somewhere, deutschmarks or whatever it was, somewhere around €30,000, and at Mr. Traynor's Mr. Traynor arranged for the money to be paid into a bank in Zurich and that's how it arose.

Q. I understand that, Mr. Haughey, but what I wondered that at this time when you were dealing with Allied Irish Banks, obviously Guinness & Mahon in College Green must have been contacted to furnish a letter to Allied Irish Banks

A. That would be done by Mr. Traynor.

Q. The memorandum then deals with Mr. Fitzgerald awaiting a phone call from you. You see

A. I can't comment on that.

Q. Well, if

A. I suppose there was some to-ing and fro-ing.

Q. That would seem reasonable, yes, there must have been some to-ing and fro-ing, but notwithstanding Mr. Traynor's involvement at the Guinness & Mahon end, it would appear that you were the one who was dealing with Allied Irish Banks and not Mr. Traynor? Doesn't that appear to be the situation?

A. It was the other way it was Allied Irish Banks were dealing with me in rather severe form.

Q. But Mr. Traynor did not appear to have a direct involvement

on your behalf with Allied Irish Banks at this stage, would you accept that?

A. Well, he may have had. He may have had.

Q. Well, from the documents that we have opened so far, it would appear that he didn't, but perhaps we will come to it in later documents, Mr. Haughey.

A. Well, I don't I mean, as I say, this is not my memorandum.

Q. Oh no, I accept that.

A. I haven't seen it. I don't know whether it purports to be a full account of all that happened, but I am trying to give you as clearly as I can my recollection of it and in spite of all this complexity here, it was fairly straightforward matter. We had this horse. We sold it. The money was lodged to Zurich, an account, and eventually returned to Allied Irish Banks, because they were demanding that it be.

Q. Yes, I am not at all concerned about the money that went into Zurich at this stage at all. What I am asking about and trying to get a picture of your understanding of what was happening at this time because we can see it reflected in Allied Irish Bank's documentation and what the Tribunal is anxious to see is does it accord with your recollection of events or do you have a different recollection of events. That's what the Tribunal is trying to ascertain

A. Recollect from this memorandum?

Q. Yes.

A. Well, I only have my own recollection and it is as I have given you and it was Mr. Traynor arranged for the money to be lodged in Zurich and presumably he arranged then for it to be transferred to Allied Irish, but it seems from this memorandum, not from my recollection, but from this memorandum, that the pressure was being put on me by Allied Irish, not on Mr. Traynor.

Q. Oh no, well he wasn't indebted to them, Mr. Haughey, I suppose, would that be fair to say?

A. Yes.

Q. He wasn't negotiating with them on your behalf during this period. That's all I am trying ascertain, or was he?

A. Well, he was, yes.

Q. He was, was he

A. I mean, he was always, as I say from 1960 onwards and probably more so in the '70s, the manager of my finance, let me put it that way, and would have been involved in practically anything of this significance.

Q. Now I appreciate that you may have discussed your affairs with him and he may have advised you on dealing with your affairs and may have, in fact, conducted certain negotiations on your behalf.

A. Yes.

Q. But there is no record at this time in the documents of Allied Irish Banks that Mr. Traynor accompanied you to any of the meetings you had with the manager or the regional

manager, isn't that correct?

A. I couldn't say about that, but I think you could be right. I would imagine that, as I say, going back to what I said earlier, Mr. I mean, I was the account holder and when the bank or manager or at whatever level wanted to make certain requirements or demands, it would be me they would make them to and they would have me before them in person to deal with the matter.

Q. Now, the next document is document number 9 and it's dated 9th August, 1974 and it's from the regional general manager to the deputy manager at Dame Street and he says "We enclose copy memorandum of discussion we had yesterday, the contents of which have been conveyed to the Board. The directors' serious concern at the he situation was sharpened by the disclosure that since the case was last before him on the 6th instant, the debts on your client's working accounts has increased by no less than œ5,138. However, they are somewhat reassured to learn that Mr. Haughey had now undertaken to transfer in reduction of the debt the proceeds of a deutchmark deposit in Zurich amounting to approximately œ30,000 and to collect and similarly lodge proceeds of an insurance claim of œ10,000 as a result of which the total of these debts would be reduced within œ60,000 within a fortnight at most and that he has further undertaken to maintain this balance within his total debit figure, pending reduction permanently within œ40,000 by the end of next month.

"The Board further noted that the steps are being taken to provide as additional security for Mr. Haughey's account the deed of Inishvickillane and the deed of the house in Sligo and they assumed that these will quickly be made available in order. The recent lessening effected in the special account debt was also noted. In all, the circumstances in response to the representation made to them, the Board, which while previously disappointed at the irregular fashion which the accounts had been operated and disappointed that immediate reduction within the authorised figures were not being effected, agreed to let matters run on at their pleasure to see implementation of the undertakings referred to above. Position to be reviewed afresh at the end of September."

Now, do you know if the contents of that memorandum were, in general terms, communicated to you that matters appeared to be all right and you could continue?

A. It doesn't seem to me to be something that I was I mean, it seems to be internal.

Q. I appreciate it's internal but did the manager ever say to you, well look, the ship is steady for the moment or things can proceed for the moment anyway? Do you remember anything like that being said to you?

A. Yes, if I had any comment to make on it, I think it would be that it's a bit of a change from the preceding ones.

Q. Now, the next document is document number 10 and as you can

see at the top of the document, is sets out various figures and then it sets out the securities held and it also attached a history of the accounts and it reads. "The 8/8/74, personal stud debt stood at €97,133. Special account €72,673

A. Sorry, Mr. Coughlan, this is number 10, is it?

Q. Yes, number 10, Mr. Haughey, yes, it is. Thank you.

A. Thank you, yes, I have it.

Q. I won't read out the figures at the top or the securities held, we have been through those, and if I then may proceed "The 8/8/74, personal stud debts stood at €97,133 and the special account at €72,673.

The Board expressed serious concern but understood that personal stud debts would be reduced to €60,000, the insurance claim of €10,000 and Zurich deposit of €30,000 within two weeks and be therein strictly maintained pending permanent reduction within €40,000 by the end of September, the sale of bloodstock €100,000.

Far from reducing, Mr. Haughey ran up the personal and stud debts to €126,000 subsequently reduced by €33,000, sale of bloodstock.

The 21/10/74, regional general manager interviewed Haughey and told his bank could no longer tolerate the situation, that the Zurich monies must be repatriated forthwith and any other necessary steps taken to get debt back within €40,000 immediately. He confessed that difficulties had

arisen re: insurance claim, that is bloodstock sales had not come up to the expectations and he owed œ20,000 interest to Northern Bank Finance Corporation and that he had now decided to sell Rath Stud Farm 154 acres for which he already had an offer and expected to sell œ200,000. He reluctantly agreed to repatriate the Zurich money following which he would keep the personal and stud debts within œ65,000 pending reduction within œ40,000 from sale of Rath Stud. He said he had bloodstock value over œ100,000 and cattle value œ50,000. He have ever since that following lodgment of Zurich money the debts mentioned had risen to œ67,970.

Regional general manager's recommendation: Haughey had abused our confidence and trust and we can no longer entertain hope that his account will be operated in a regular fashion. Accordingly, it is recommended that he be informed the debts will not be allowed exceed present figure and that we want clearance by the end of February 1975. Arrange for security to be completed forthwith.

Now, did you know that this view was being taken by the regional general manager in Allied Irish Banks at this stage?

A. No.

Q. Do you remember having discussions with them, for example, about the sale of Rath Stud?

A. I am sure I had discussions with them about the sale of

Rath Stud because it was important, but when exactly it was, I can't recall.

Q. But that was a bigish event in your life anyway, the sale of Rath Stud was something significant enough in your life?

A. It was, yeah.

Q. And would it be fair to say that it would not be unreasonable in your discussions with Allied Irish Banks if you had discussed the sale of Rath Stud, that you would have spoken to them about using the proceeds to reduce indebtedness with them?

A. Yes, I have said that it would be, at a certain stage it would certainly come up, loom large, as it were, and it would be an important thing from their point of view that I would sell it and lodge the proceeds with them.

Q. Now, if I may then proceed to document number 11, Mr. Haughey which is again this is a document from the assistant advance controller, a memorandum dated 14th November 1974 to Mr. McAuliffe, the regional general manager and it's in respect of your account. It reads:

"Your report dated 25th ult was submitted to the advances committee yesterday. The directors were extremely concerned at the manner in which drawings continue apace despite repeated arrangements for observance of limits.

The view was expressed that the bank's security may not be adequate and in this connection, you will no doubt continue to exert pressure for receipt of security items at 6 and 7

which we understand cannot be found. The directors discussed various measures which might be taken but decided that dishonour of cheques was out of the question.

Eventually it was decided that you should interview the customer along the lines that the debt must be brought within the limits of €40,000 and that it might become necessary to take away his cheque book. The view was expressed that following the interview, the bank's requirements should be advised to Mr. Haughey in writing. Please consult with Mr. Griffin before arranging the interview with the customer."

And that's from the assistant advance controller.

Now, if I then go to the next document I think, Mr. Haughey and it's the memorandum of an interview, it's document number 12, it's a memorandum of an interview at Dame Street with Mr. C. J. Haughey on Monday 6th January 1975 and present for the bank were Mr. J. Y. McAuliffe, regional general manager and Mr. P. A. Walsh, deputy manager.

"Prior to interview, it was learned from Messrs Mr. P O'Connor of Denis O'Connor & Company that the funds due from Roadstone which will clear the special account should reach us today. Mr. McAuliffe expressed to Mr. Haughey bank's concern at the manner in which the overdraft had increased by €30,000 since last October and advised them that consideration would have to be taken to withdrawing his cheque book. Mr. Haughey repeated that he had offers for Rath Stud but the bidder at €200,000 was unable to

pay. He felt that the market might improve by the spring and that the bank should allow him accommodation of €100,000 which point he has almost already reached. Query regarding the insurance claim €10,000, he admitted that he was having difficulties in reaching a settlement but that he expected to get €10,000 eventually. In the meantime however, he had to pay €5,000 in premiums to Frank Glennon Insurance Brokers and had expected to pay this today. The client agrees as follows:

1. To maintain account in figure of €100,000 with balance over €40,000 to be placed in separate account to be cleared within six months from sale of Rath Stud and from sale of shop property at Artane valued at €10,000 in respect of which planning permission has been applied for.
2. To supply instead of €40,000 mortgage protection policy.
3. To bring us the deeds of the Sligo property which he would provide as securities.
4. To have a solicitor send us an undertaking to hold the deeds of the Artane property in trust for bank and lodge proceeds of sale in due course.
5. To calculate the total of cheques outstanding on his account and to return to us at Dame Street at 11:30am on Monday 30th January with an estimate of his future expenditure and his proposal for funding the current account so that they may be operated within the overall

limits of €40,000.

Mr. Haughey estimated his present borrowings from Northern Bank Finance Corporation to be €220,000 and that having paid €10,000 in interest the balance of €6,000 in interest had been held over.

Client estimated stock of bloodstock and cattle to be valued at €100,000 of which the cattle were worth €20,000. Mr. Haughey admitted that he had been casual in his dealings with the bank but said that in future he would operate his accounts within the arrangements now being entered upon."

First of all, Mr. Haughey, do you remember such an interview?

A. Again, I am sorry, I can't, but I have to accept that it's the sort of an interview that could well have taken place.

Q. Well

A. This is their account.

Q. Yes, this is their account, their side and the Tribunal is anxious to hear your side and if there be a difference, to establish that.

A. He seems to be there seems to be repetition in these memorandums, I am just looking at the second paragraph of here, "Mr. Haughey repeated that he had offers from Rath Stud but a bidder of €200,000 and so on," it seems to me that previously we had already sold Rath Stud and lodged the proceeds. Am I right in that?

Q. Maybe that is so or maybe it was there was talk about the sale for €200,000 with an understanding that the proceeds would have been sold, but accepting that particular view of Mr. Haughey, it would appear that this memorandum is recording what appears for the first time a suggestion being made to you or a threat, if I might put it that way, that consideration would have to be given to withdrawing your cheque book. Do you remember that?

A. Where is that?

Q. This is the memorandum that document number 12, it's the second paragraph.

A. Yes, I have it.

Q. Do you remember that happening?

A. Where is that? Sorry.

Q. I beg your pardon, I will read it again, "Mr. McAuliffe expressed to Mr. Haughey the bank's concern at the manner in which the overdraft had increased by €30,000 since last October and advised him that consideration would have to be given to withdrawing his cheque book."

A. And what's the question?

Q. The question is, do you remember that, that

A. I can't say I do. But

Q. Well, can I take it that it wasn't you

A. I can't comment, it could have happened.

Q. Might I suggest to you that nobody else had ever suggested they withdraw your cheque book prior to this being recorded in Allied Irish Banks at least anyway?

A. On the face of these memorandum, that would seem to be so, but I couldn't say whether the manager may have said it to me.

Q. I see.

A. But this certainly seems to be the first time it appears in print.

Q. Well, may I ask you this, would you have considered that a significant thing to be said to you? I am just trying to fix a time, or was it your view that the bank were just putting pressure on you and you were going to exert equal pressure back?

A. I think it was just simply a matter of the bank putting pressure on me or, what would you say? Yes, putting pressure on me, and I would imagine it wouldn't be taken too seriously, but

Q. By you

A. You see at that time I wasn't writing my own cheques. They were being written my cheque books were with Haughey Boland & Company and they were writing the cheques.

Q. That's right.

A. So it was at one remove at least.

Q. When you say that your cheque books were with Haughey Boland, was that they operated effectively the bill-paying service for you, is that correct, at that time?

A. Yes, I didn't look after my own cheques. They had my cheque books and they paid the bills.

Q. Bills would be sent down to them and they'd issue the cheque?

A. Presumably, yes.

Q. Now, I think it's correct to say, is it not, that up to this time in respect of this particular account or these series of accounts held at Allied Irish Banks, there were no regular lodgments by way of, for example, salary cheque or other income type cheques going into this particular account, isn't that correct, or these accounts?

A. I think that's correct, yes.

Q. And the reductions that were taking place on the accounts, whenever they did take place, took the form of the introduction of

A. Sorry, Mr. Coughlan, I want to be clear about, that I am not sure at that time that my cheques wouldn't have been lodged. The account presumably could be still going up, even though I might be lodging my cheque, but perhaps we could establish that.

Q. Well, perhaps I am incorrect about that, but it would appear that the reductions

A. As I said already, Haughey Boland were handling all that under Mr. Traynor's guidance, they were looking after the bank account and paying the cheques and the bills and so on, and it's possible that my Dail salary cheques would have been lodged to that account, I can't recall.

Q. I see

A. But certainly later I know, I can't recall when the bank

strike was, but one of the bank strikes we started

the we started the practice of my cashing my cheques

rather than lodging them. Whenever the bank strike was, I

don't remember.

Q. I think that may have been later in the '70s?

A. Maybe I am the only one in the room that can remember back

that far.

Q. But in general terms, from what can be seen of movement on

the accounts as being seen by us, any reductions in the

accounts seemed to take a form of the introduction of

capital of one form or another, isn't that correct?

A. Sale of assets.

Q. Sale of assets?

A. Yeah.

Q. Now, you believe that it may be possible that your salary

cheque may have gone into one or other of these accounts,

it may be possible, I am not holding you to it Mr.

Haughey.

A. Yes.

Q. Now, the next document is a document

CHAIRMAN: Well, it's I had proposed, Mr. McGonigal,

because I think between the discussion we had on the Terms

of Reference and in the introductory remarks, to go on for

another five or seven minutes.

MR. MCGONIGAL: If the witness is able for it, I have no

difficulty with it, Mr. Chairman.

CHAIRMAN: Very good.

Q. MR. COUGHLAN: Now, the next document, Mr. Haughey, is document number 13 and it's a report prepared for the Dublin local regional board of Allied Irish Banks and it's the general manager's comments are referred to in that.

If I may just open the document to you.

Again the heading is giving your occupation as TD, gentleman farmer and bloodstock breeder, you had 224 acres and manages at Kinsealy it says, 150 acres Rath Stud near Ashbourne, cattle value €20,000, bloodstock value €80,000. That's query.

At No. 1 account, overdrawn 43,868. No. 3 account, overdrawn €202. Rath Stud, overdrawn €65,631. Then cheques to be issued €10,000.

Giving an overall debit balance if that were happening of €119,701. Special account was overdrawn at that stage €10,141.

Then it has, in 'A' rate plus surcharge double 'A' rate plus surcharge, total limits €40,000, to meet liability under guarantee for Printopres Limited, see attached memo. Balance representing interest of €140,000, funded from sale of 17 and a half acres to Cement Roadstone.

This is there is a dispute re: the interest.

Then it continues: "Owes €220,000 to Northern Bank Finance Corporation secured by deeds Kinsealy and Rath Stud.

Security held: Life policy €100,000.

2. Scrip 5,765 €1 shares Printopres valueless.
3. Limited guarantee €500 H. J. Boland supported by life policy €1,000, 1951 to 1990.
4. Deeds 12 acre house in Sligo value €10,000.
5. Limited guarantee €40,000. Larchfield Securities Limited to be supported by deeds of Inishvickillane Island valued €20,000 and arranged in addition.
6. Solicitors's undertaking to lodge with bank the proceeds of premises in Artane, Dublin being sold for €10,000 and to hold the deeds in trust for bank meanwhile.
7. Mortgage protection policy €110,000.

Then it reads "On the 14th November 1974, when personal and stud debts totalled €75,912, advances committee expressed extreme concern, questioned adequacy of bank security but decided dishonour of cheques was out of the question. It was instructed that reduction of the debts within €40,000 be demanded with a warning that bank might find it necessary to take back cheque book.

"Regional general manager has since then met Mr. Haughey twice but has failed to get him to act responsibly, eliciting only empty promises to contain and reduce overdraft. He succeed in getting a deposit of the deeds of the Sligo property and making firm arrangements for solicitor's undertaking re: Artane property and mortgage

protection policy.

"Meanwhile, debt has steadily increased to an intolerable figure and Haughey has put forward following propositions:

Advance, overdrawing limit €40,000 between personal and Rath Stud account, addition to present indebtedness of €120,000 to be placed on a term loan account and to €10,141 in special account.

Purpose: Living expenses and working capital.

Repayment: Clear special account at an early date.

Payment from Cement Roadstone who was responsible for the interest. Clear term loan within one year, sale of Rath Stud expected to fetch €200,000. Review overdraft accommodation in one year."

Then the memorandum reads "There has been no lodgments to the personal account since October last when €30,000 repatriation of Zurich deposit was effected. There have been no lodgments to Rath Stud account since October when €33,000 proceeds bloodstock sale came in. Haughey admits his income is negligible yet he has so far failed to produce data on his outgoings. He says that on strong advice of Mr. McAuliffe, he has his accountants working out a budget and that this will be available on Monday next.

He says he now fully accepts that he is determined to sell Rath Stud as soon as possible. At the same time he says that he is about to commence building a summer residence on Inishvickillane but was extremely vague about source of

finance. Regional general manager at further interview yesterday told Mr. Haughey that his audacious application was likely to exacerbate relations with the bank and could only provoke a refusal and a reiterated demand for regularisation of his present indebtedness and a firm request for return of his cheque books. Mr. McAuliffe advised Haughey very strongly to raise a substantial further loan from Northern Bank Finance who, he pointed out, had all his valuable security. Mr. Haughey insisted however that his proposition should be put before bank's Board.

"Regional general manager's comment: Mr. Haughey is quite irresponsible in money matters. He cannot controlled on a running account. His affairs can only deteriorate further. I consider that time has come to insist on his funding the entire debt by borrowing elsewhere.

"On the 28th January, the advance committee ruled that consideration of the unsatisfactory position should be deferred so that the main Board could examine the budget being prepared by Mr. Haughey's accountant which was to be available on the 3rd February. On being contacted by regional general manager, Mr. Haughey said he would get his accountant working on it. It is has not been possible to contact Mr. Haughey in the past few days. The balance on No. 1 account, No. 3 account and Rath Stud accounts now stand at œ110,777 overdrawn.

"Application declined and written demand to be made for provision of acceptable repayment proposal in respect of the indebtedness outstanding at present. In addition, debtor to be interviewed and requested to return any cheque books in his possession. Aim should be to obtain an early substantial reduction with a view to bringing debt within the value of the existing security. If this is not possible of achievement, the question of obtaining adequate additional security to be pursued."

Now, in the first instance, Mr. Haughey, could I ask you this, do you remember making a proposal which was described as an audacious one here, to increase the level of your drawing facilities with the bank?

A. Mr. Coughlan, this is one of these documents that just overwhelms me. I am not capable of grasping it.

Q. Well

A. I mean, here again there is something about the, when you were reading it out there, there was something about the Zurich deposit. I mean, in the previous memorandum, the Zurich deposit had been paid in, so they seem to be going back and forward these memorandums. Quite frankly I am lost between them

Q. Well, I think

A. Perhaps I can, if you ask me specifics, perhaps

Q. Yes, if I could

A. The document just overwhelms me, confuses me.

Q. I think what this document actually does record is that the Zurich deposit has been paid, but that's not what I want to ask you about at this stage. What I want to ask you is, do you remember asking for an increased facility with Allied Irish Banks and asking that your proposal be brought to the Board?

A. No. Where is that?

Q. If you go to the do you see the final portion of the first page under the line, "There has been no lodgments on the personal accounts" it begins. If go down to the bolder typeface, "At the same time he says he is about to commence building a summer residence on Inishvickillane but was extremely vague about the source of finance. The regional general manager at further interview yesterday told Mr. Haughey that his audacious application was likely to exacerbate relations with the bank and that could only provoke a refusal and a reiterated demand for regularisation of his present indebtedness and a firm request for return of his cheque books..."

A. Where is the

Q. I am going to come to it, just bear with me for a moment. "Mr. McAuliffe advised Haughey very strongly to raise a substantial further loan from Northern Bank Finance who, he pointed out, had all his valuable security. Mr. Haughey insisted however that his proposition should be put before the bank Board." Do you ever remember that?

A. What proposition is it?

Q. That is the proposition to increase your facilities over the existing facilities which were causing difficulties?

A. Where is that, Mr. Coughlan?

Q. Very good. If you go to the previous middle portion of the document, that is between the two lines?

A. Sorry, 14th November 1974, that the heading?

Q. That's the heading. "And meanwhile debt has steadily increased to an intolerable figure" and they use the word and I am using their word "Haughey has put forward the following proposition:

Advance: Overdrawing limit of €40,000 over and above the existing facility.

The purpose was for living expenses and working capital and then the repayment was suggested. So what is happening here, it would appear, according to the memorandum is that there is a discussion about the level of indebtedness that you put forward a further proposition to increase your facility with the bank. Mr. McAuliffe, the regional general manager, according to this memorandum anyway, appears to be saying to you, this is going to exacerbate the situation and notwithstanding that, you ask him that your proposition be brought to the board of the bank. Do you ever remember that?

A. No.

MR. McGONIGAL: I wonder if Mr. Coughlan could clarify which bank board he is referring to?

MR. COUGHLAN: Well, I can't.

MR. MCGONIGAL: Mr. Coughlan clarify which bank board the document refers to?

MR. COUGHLAN: Allied Irish Bank

CHAIRMAN: It's obviously the regional board or the main board, Mr. McGonigal, but that can be taken up later.

MR. COUGHLAN: Well I wonder perhaps, Mr. McGonigal, tease this out, may think it relates to the Northern Bank Finance Corporation Board.

MR. MCGONIGAL: I think it may relate to the advances committee.

MR. COUGHLAN: That may be so. Do you ever remember

MR. MCGONIGAL: I am saying that, Mr. Chairman, from reading the document. That's why I was asking Mr. Coughlan to clarify. I wasn't expecting it to be done through the witness just at this stage.

MR. COUGHLAN: Well, looking at the document, you I am asking you first of all, do you remember asking that a matter be brought or a proposition be brought to the bank's board, whatever you meant by that, Mr. Haughey?

A. No. I can only take this document it's not my document. If you ask me do I remember what's in it, I just say no, I can't remember, particularly a detail like

that.

Q. Did you know any bank

A. It doesn't seem very probable.

Q. It doesn't seem probable that you would ask them to bring it to the board, whether it be the regional board, or the main board of the bank? You would have had no reason to ask that the regional manager would have brought it to the regional board or to the main board of the bank?

A. No, if this meeting here as outlined and I suppose we have no reason to doubt that it did take place, if it did take place, I would be only dealing with the people there that I was dealing with, talking to at the meeting. I wouldn't be I can't see me trying to run the internal affairs of the bank.

CHAIRMAN: Well, we won't go beyond this document, Mr. Coughlan, so if you have any remaining matters on this, perhaps you may put them

MR. COUGHLAN: I won't put any further matters in relation to it.

CHAIRMAN: All right, thank you, Mr. Haughey. Monday, 10.30.

THE TRIBUNAL THEN ADJOURNED UNTIL MONDAY, 24TH JULY 2000 AT 10.30AM.