

THE TRIBUNAL RESUMED AS FOLLOWS ON WEDNESDAY, 27TH

SEPTEMBER 2000, AT 10:30AM:

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

Q. MR. COUGHLAN: Mr. Haughey, I am going to be dealing with matters in volume 3, that is the book of documents numbered volume 3 that we furnished to you. And I think we had started on this on Monday. And if I could refer you to 1.3 and 1.4 in that volume.

A. Yes.

Q. Now, if, perhaps, you'd go to 1.4 in the first instance, that, Mr. Haughey, contains a table or tables, but if I go to table number 1 to begin with, and that is a table which we have prepared and what we have done is we have extracted this particular information from the statements, the bank statements in Guinness and Mahon in accounts in your name, and table number 1 deals with lodgements to what is described as the number 1 current account, that is resident current account number 2500 I beg your pardon, 28500/01/50, which became 0335600, from April of 1983. And Ms. Sandra Kells has given evidence about these particular accounts and she has been able to provide some assistance to the Tribunal in respect of some of the sums lodged.

Now, in the first instance, I will identify those indicate what information Ms. Kells has been able to furnish to the Tribunal for the assistance of the Tribunal,

ask you for your view or comment in relation to any of them, and then I will perhaps return to other lodgements about which she was not able to assist the Tribunal. Is that all right?

A. Yes.

Q. Now, Ms. Kells has informed the Tribunal that the total lodgement to this account between the 1st January 1979 and June of 1987 was 1,245,530.91.

Now, that sum is arrived at by just a tot of the lodgements. Some of the lodgements may refer to some loans which may have been obtained by you or on your behalf as well. So I just want to make that clear to you.

Now and they may in some instances be small interaccount transfers, so that is the full situation.

Now well, first of all, if you could go to the lodgement which is dated you see the date is on the left-hand column, then the particulars, the value date and the actual sum credited. If you could go to the sixth lodgement on the table, which is a lodgement on the 21st September 1979, and there was value given for that on the 24th September 1979 and it was for 34,998.58.

Now, Ms. Kells has informed the Tribunal that this was in respect of a cheque for that amount and she was able to glean that information from a document which is at divider number 1.3, just document number 1, at divider number 1.3, dated 20th September 1979, and it's a memorandum from

Mr. Traynor to a Mr. Pat O'Dwyer, an official in Guinness and Mahon, and it reads: "Could you please arrange to lodge the attached cheque for £34,998.58 to the account of Mr. C J Haughey."

Do you see that document, it's also on the monitor, if it's of any assistance to you, but perhaps you'd prefer to deal with the hard copies.

Now, Mr. Haughey, can you be of any assistance to the Tribunal as to the likely source of that cheque?

A. No, I am sorry, I can't.

Q. I think I asked you perhaps on Monday or on a previous day whether I think it was perhaps on Monday whether Mr. Traynor had ever given you a cheque or ever given you cash and you felt, to the best of your knowledge, he had not; isn't that correct?

A. That's correct, yes.

Q. Could I ask you from the other side of the transactions then, whether you yourself ever gave a cheque or cash to Mr. Traynor?

A. Again, to the best of my recollection, no.

Q. So a cheque was undoubtedly lodged to an account in your name, as you can see from the documents, and credit was given for it; isn't that correct?

A. That's correct, yes.

Q. And you can be of no assistance to the Tribunal as to the source of it?

A. I am sorry, no.

Q. Now, at that time, in September of 1979, there was money being lodged to an account in your name in Guinness and Mahon, but your significant indebtedness was to Allied Irish Banks, isn't that correct, in September of 1979?

A. Yes.

Q. Yes, the settlement took place in December/January '79.

Now, at this time Mr. Traynor must have had knowledge of the state of affairs about Allied Irish Banks; isn't that correct?

A. Yes.

Q. Nevertheless, he was lodging money to an account in your name and not taking any steps in relation to Allied Irish Banks, at that stage, isn't that right, it would appear?

A. Not taking any steps in the form of lodgements, yes.

Q. Sorry, yes, in the form of lodgements.

A. I take your word for that. I mean

Q. That appears to be so from the paper on both sides of the banks.

Now, the next reference is on the next line, it's the seventh entry on the table, it's an entry for the 26th October 1979, and that is a cheque which was lodged in the sum of 10,000 to this number 1 account at Guinness and Mahon and values given on the 30th October 1979.

Now, I think that is dealt with at documents 2 and 3 of the

documents at divider number 1.3. And document number 2 is again a memorandum from Mr. Traynor to Mr. O'Dwyer and it's re you. "I enclose herewith a cheque for 10,000 which I will be grateful if you would lodge to the account of Mr. C J Haughey." And then there is a memorandum to Mr. Traynor from Mr. O'Dwyer, which is document number 3. And he refers to the account, it's dated 30th October, and he informs Mr. Traynor that the above account was credited with the sum of 10,000. "Cheque H B and Co."

Can you be of any assistance to the Tribunal of who H B and Co. May have been?

A. With regard to this 10,000 lodgement?

Q. Yes.

A. No, I am sorry.

Q. I suppose one might infer that it refers to Haughey Boland, but I could be mistaken in that.

CHAIRMAN: It seems more like E B and Co.

MR. COUGHLAN: No, it's H, sir, I think. It is faint, I agree, sir, but I think it is H B, and that was the evidence I think Ms. Kells gave as well. It's clearer on the overhead projector.

A. The only problem is it as distinct from the other one says "cheque lodged." I don't know whether that's of any significance or not.

Q. H B and Co. Is a term used, or appears to have been the term used, in Guinness and Mahon on other occasions to

refer to Haughey Boland when they were referring to, for example, the number 3 accounts and matters of that nature

A. Sorry?

Q. H B and Co. Seems to be a shorthand which Guinness and Mahon may have used in other documents. Nevertheless, there is being lodged to the account another 10,000 and you can not be of any assistance as to how that lodgement took place; is that correct?

A. No.

Q. Well, can I take it that in respect of these two particular lodgements, one in September of 1979 and one in October of 1979, they did not relate to your salary; that would appear to be the case?

A. That is so, yes.

Q. And it's unlikely that they could have referred to earnings from the stud farm or from any other farming activity at Abbeville?

A. I couldn't be sure, but I would as you say, unlikely.

Q. Unlikely. And I take it you would agree that it would appear, so, that they both had to come from an external source. They were coming into Guinness and Mahon. They weren't coming from Guinness and Mahon; isn't that correct?

A. Yes, they were coming in to Guinness and Mahon. I don't know the source. The only possibility in regard to the 21/9/79, I hadn't thought of this, but now that you mention it, September would be the time when there would be

bloodstock sales perhaps, but I can't recall, I wouldn't even suggest that, but it's a possibility.

Q. It's a possibility, very good.

Now, I think you readily accept that it couldn't, neither of them could relate to salary because your annual salary at the time was approximately 9,500 or thereabouts.

Now, the next sum lodged to the account of which there is some particular assistance from Guinness and Mahon and again, I'll give you the view of Ms. Kells in relation to it is the next lodgement on the table which was on the 10th September 1980, there was a lodgement for which value was given on that date of 40,000.

A. Yes.

Q. Now, again, the only assistance that Guinness and Mahon could give us on that was that it's possible that it may have been part of the proceeds of a loan from Agricultural Credit Corporation because at that time a loan was obtained by you from the Agricultural Credit Corporation of 50,000, and there is no record in Guinness and Mahon of any credit to another account in your name or in Mr. Traynor's name or associated accounts of Mr. Traynor in the sum of 50,000 in September 1980.

Now, you yourself were dealing with the Agricultural Credit Corporation; isn't that correct?

A. Well, only insofar as I made the initial approach and arranged for the loan.

Q. Well, do you know how the various loans over the years were drawn down from Agricultural Credit Corporation? Were they drawn down by way of a cheque being sent to you or to your office at Kinsealy, for example?

A. That seems the most likely, yes, it may have gone to Haughey Boland & Co, I mean, I wouldn't be sure.

Q. Now, again, we can't be sure about this particular lodgement. What it does relate to, it's only speculation at this stage, that it may form part of the giving it the most benign interpretation from your point of view, Mr. Haughey, that it may relate to that particular loan from Agricultural Credit Corporation, but there isn't a credit anywhere of 50,000. There is one of 40,000 and it may form part of the proceeds of that, but the Tribunal isn't certain at this stage. Do you know where the Agricultural Credit Corporation monies were lodged, to the best of your knowledge?

A. No. I presume in your investigations you have checked that it was possibly lodged to AIB.

Q. No. It does not appear I am talking about now sorry, at this time in September of 1980, no, because you had ceased your relationship with Allied Irish Banks at that stage?

A. Oh, that's true, yes.

Q. It may be and perhaps if I can again, in ease of you, just explain to see if you can assist the Tribunal, there is and it will involve me going to the bank statements

which are at divider 1.61 and I'll try and put it up on the screen because it may assist you in having a view about the matter.

What I'll do is I'll put it up on the projector, Mr.

Haughey. It might be easier to see. If you just look at it there for a moment. This is there is a lodgement the debit, if you see, there is a debit of 41,000-odd pounds. Can you see that on the left-hand column there?

A. Yes.

Q. That is probably a payment to the Agricultural Credit Corporation to clear the previous stocking loan, if you understand me, and then the 40,000 credit appears to be portion of the proceeds of the new loan at least. In effect, there was a rolling off of the loan, if you understand.

A. I can't make out the dates here, Mr. Coughlan. If what you are saying is correct, the 41,000 would be before

Q. Well, let me just explain. Mr. Traynor, because he was in the banking business, may have been quicker at getting value for the money which was obtained from Agricultural Credit Corporation than Agricultural Credit Corporation putting it through the normal collection system, if you understand me, so that's why the dates can appear out of order. It's when value was obtained was the significant thing from the statement inside Guinness and Mahon; in other words, the ACC money would have hit their account and

been credited quicker than ACC submitting it to get it back. So it looks as though it may have been just a roll-over of the loan from Agricultural Credit Corporation. That is a view that one might form of the documents.

I am wondering, can you be of any assistance as to whether you have any knowledge that that was what was happening?

A. No, but only to cast maybe a bit of a doubt on it, even though you say it is in my interest.

Q. Yes.

A. I have a vague recollection that about a month would ensue between paying off the old and the new coming on-stream, as it were. But I am not sure. I couldn't be I mean, I couldn't say that your thesis here isn't absolutely correct.

Q. Well, the reason we are trying to clarify this, to the best of our ability anyway, is to ensure that we are not taking into account anything that shouldn't be taken into account. We would be excluding the loans from Agricultural Credit Corporation, obviously, from calculation.

A. Also, the fact, Mr. Coughlan, it's 40,000, not 50.

Q. Yes. Again, we are bending over backwards in relation to this, Mr. Haughey, to try and give credit, justifiable credit, for everything we possibly can, to try and give an explanation. The alternative would be that the Agricultural Credit 50,000 went somewhere else and that this was 40,000 which can't be explained being credited to the account. Do you understand me?

A. Perhaps Mr. Peeley may be of some assistance to you later on.

CHAIRMAN: Mr. Peeley is your accountant for a long time, Mr. Haughey, and I think is the gentleman you may have referred to on some previous days.

A. No, Chairman. He wasn't my accountant for a long time until this Tribunal started.

CHAIRMAN: I see.

A. And then because the situation is so complex and I have practically no documentation and very little recollection, I employed him, engaged his services to be of assistance to the Tribunal.

CHAIRMAN: Right. Thank you.

Q. MR. COUGHLAN: Well, as you say, perhaps that's a matter that we can take up again, but you can understand that the Tribunal, in the first instance, was approaching it giving it the best interpretation from your point of view, that it was a roll-over of the Agricultural Credit Corporation loan, but you have raised certain issues yourself which I think we need to look at; isn't that correct?

Well, if again, I am just asking you to try and remember to the best of your ability, Mr. Haughey, if the Agricultural Credit Corporation would have sent the

proceeds or the cheque for the loan, perhaps to your personal office at Kinsealy or to Haughey Boland & Co, can you think of anywhere else that money could have been lodged, or is it that it may have been cashed, do you know?

A. No. I think the only probabilities are, as you say, directly to me, which I am fairly certain it wasn't; secondly, to Haughey Boland & Co, which I think it the most likely; or thirdly, perhaps to Mr. Traynor directly in Guinness and Mahon himself, seeing as how he would be arranging the roll-over.

Q. Now, I'll check it, but I seem to have something in the back of my mind that it may have been sent to Abbeville, but we'll check that.

But to your knowledge, because you are unaware, or you were unaware, you say, of the existence of these accounts, can I take it that you can't think of any other account in your name or on your behalf, an account held on your behalf where it may have been lodged?

A. No.

Q. Now, the next sum lodged that I'd ask you to deal with and where Guinness and Mahon have had some view, at least, on it for the Tribunal, that is the next lodgement which was on the table which was on the 31st December 1980, and there was lodged to the account a sum of 150,000.

THE TRIBUNAL THEN ADJOURNED FOR A SHORT BREAK AND RESUMED AS FOLLOWS:

MR. COUGHLAN: Mr. Haughey, I will now come again to on the table, the 31st December 1980, there was lodged 150,000. Can I just explain, in the first instance, the view the Tribunal has at this stage about that is that a loan was obtained from Northern Bank Finance Corporation which appears to have been drawn down from Northern Bank Finance Corporation on the 30th of December of that year and then we can see a lodgement to this number 1 account with Guinness and Mahon for the next day. So it would appear that that is the proceeds of the loan obtained from Northern Bank Finance Corporation, or do you have any other recollection yourself as to where the proceeds of that loan may have gone?

A. Mr. Coughlan, I am sorry, but did we not identify that it went to pay off was it AIB?

Q. No, Mr. Haughey. This is I think when you were giving evidence about that, you speculated that that may have been the case, but we have seen from evidence given by Northern Bank Finance Corporation, that the loan was drawn down on the 30th December 1980 for 150,000.

Now, that evidence was given by a Mr. John Trethorne from

A. I am sorry, I know what I am thinking of. I am thinking of when the Northern Bank, Northern Bank finance was paid off.

Q. Yes, I think earlier in the seventies, the Northern Bank were taken out of the situation, yes?

A. This is

Q. This is a loan which was obtained from the Northern Bank on well, it was drawn down, according to the records of Northern Bank anyway, on the 30th December 1980 and then we see a credit to this particular account in Guinness and Mahon on the 31st, and I was just wondering would you agree that it's probably the proceeds of the Northern Bank loan?

A. In the circumstances it seems likely, yes.

Q. Now, it's on the overhead projector and this is the statement in the account in Guinness and Mahon, and you can see that there is a that credit hits the account sorry, the dates are a little bit obscured in the left-hand column there, but it is for the 31st December 1980, take that as being accurate from me, what it did was that it reduced an overdraft which was on the account of 156,000 at the time. Do you see that?

A. Vaguely.

Q. Yes, well, just 156,859.69, and I think there is "D R" in the right-hand column, but I think that is the situation. And then there was an application of interest subsequent to that, and you can see there was an overdrawn balance as well, but the 150,000 seems to have gone to reduce an overdraft on that particular account.

Now, do you accept that that is the situation?

A. That's what the

Q. Yes. Now, I think, would you agree with the view the

Tribunal may take of that is that in this instance, there is an indebtedness to Guinness and Mahon in your name, and it is reduced by way of borrowings from another financial institution and that would appear to have been arranged by Mr. Traynor, and it's all documented and there to be seen.

A. Yes, I think so, yes.

Q. Now, at that time, can you remember in and around Christmas of 1980, whether you had had any discussions with Mr. Traynor about he arranging for a loan from Northern Bank Finance Corporation or some other constitution?

A. Yes, I think I could say I did, yes. The Managing Director of Northern Bank at that time, as far as I remember, was a personal friend of his.

Q. Now, can we take it that or do you remember that it's likely that Mr. Traynor would have got you to sign some document or documentation about that loan from Northern Bank Finance Corporation?

A. I would imagine that would be very likely, but I can't remember. I can't remember specifically signing it, but I would be sure that there was some

Q. Yes, I can understand that you may not remember specifically signing it, but it's likely, isn't it, that some document, a facility letter or something would have been signed.

A. Or unless well, there is a possibility that Des Traynor may have signed it on my behalf.

Q. Now, if you had a discussion with Mr. Traynor around this

time about raising money from, say, the Northern Bank or some other financial institution for around 150,000 or whatever large round sum, would there have been a discussion with him that this was necessary for the purpose of your finances?

A. I don't necessarily follow that, Mr. Coughlan.

Q. Well, sorry. Mr. Traynor would not have advised you, and I take it you wouldn't have been borrowing money without some purpose in mind.

A. No, I mean, Mr. Traynor was really arranging the borrowing on my behalf.

Q. It wasn't for a spec it doesn't I beg your pardon

A. Obviously, it was in pursuance of my or managing my finances that he did that.

Q. Well, can we take it that it wasn't for a specific purpose like a well, on the face of it, it does not appear to have been for a specific purpose or a project like building something or purchasing something or anything like that.

A. If your analysis is correct, and I feel sure it probably is, it seems quite clear what happened, that Mr. Traynor arranged this borrowing to reduce the Guinness and Mahon borrowing.

Q. And I take it you must have had at least an understanding that if the money was drawn down, that it was going somewhere; that is the loan money, that it was going somewhere?

A. Yes. Well, I would know that Mr. Traynor would know what

he was doing on my behalf.

Q. Well, can we take it that you must have had at least some broad understanding I know you say you don't have any particular knowledge of accounts in your name in Guinness and Mahon, but you must have had some broad understanding that there was an account being operated for you somewhere by Mr. Traynor.

A. That Mr. Traynor needed 150,000 for some particular purpose pertaining to my finances, yes.

Q. Now, in relation to that particular loan, the Northern Bank Finance Corporation, did you have any personal involvement in raising the money, apart now from signing a document which Mr. Traynor may have requested you to sign?

A. Well, here I have to sorry ask you for your assistance. Was it at that time that the Rath stud was given to the Northern Bank finance as security?

Q. No. And I understand, there were the two periods. There was that was in the mid-seventies that the clearing of the indebtedness with Northern Bank took place and it was also the time of your pledging Rath Stud, and your disposing of Rath Stud was in the mid-seventies, as I understand it anyway.

A. And this is apres all of that this is after all of that.

Q. This is after all of that, and let's not get bogged down on the specific dates. It's after you had become Taoiseach in '79. It's after you had ended your relationship with Allied Irish Banks.

A. Yes, but I am sorry

Q. If I can assist you, of course, Mr. Haughey.

A. Did I still have the Rath Stud at this point? Or had I sold it?

Q. It had been sold.

A. I see. So this is a new

Q. This is a new loan. It was the first year you were Taoiseach. It was the first year you were Taoiseach, and from our analysis of the situation, it appears to be a new loan.

A. I see.

Q. And what I was wondering was if you could assist the Tribunal as to whether you had any personal involvement in arranging any new loan with Northern Bank Finance Corporation or Northern Bank? I will use it in its broader sense?

A. No, but I must have known about it.

Q. I think you said that already, you must have known that, Mr. Traynor must have had some discussion with you about it, but what I was wondering is did you have any personal involvement in dealing with anybody from the Northern Bank at the time or was it all done by Mr. Traynor?

A. I don't think I think it would be all done by Mr. Traynor, yes.

Q. So from the point of view of raising the loan, drawing it down, that would all have been arranged by Mr. Traynor, and can I take it that you don't have any recollection of if

any securities were given?

A. No.

Q. Now, the next lodgement on the table I will refer you to, Mr. Haughey, is a lodgement on the 13th September 1982, you see that in the left-hand column?

A. Yes.

Q. And it's a lodgement and there is the value date of the 15th September 1982 and it's for 75,000.

A. Yes.

Q. Now, from our analysis of the situation and from the assistance given by Ms. Kells from Guinness and Mahon and from the Agricultural Credit Corporation, it may be that that is the proceeds of an Agricultural Credit Corporation loan in September of 1982.

A. That's a possibility.

Q. Again, like the previous dealings you had with Agricultural Credit Corporation and our analysis is to give the fairest complexion we can from your point of view, but it's possible that it may be something else if the Agricultural Credit Corporation cheque went to Abbeville or to Haughey Boland. It's possible, isn't it?

A. It's possibly that, sorry?

Q. Sorry. I think our analysis is that it may be the proceeds of an ACC loan. If we apply the same reasoning you did to our analysis of the 40,000 which we dealt with previously, that may have been an ACC loan, you raised a question as to whether it was or was not because of the

amount, because of the fact that an ACC cheque may have gone to your private office at Abbeville or to Haughey Boland or to Mr. Traynor, in fact. Now, just for your assistance, 75,000 in this instance, that is in September of 1982, is the same as the amount of the ACC loan, that is it was 75,000.

A. That seems reasonably conclusive.

Q. Well, I may deal with that again in the context of your relationship with Agricultural Credit Corporation, but for the moment, I will leave it.

Now, the next lodgement that I wish to deal with is on the next column, it's on the 4th January 1983, and there was lodged to the account 200,000.

Now, at that stage the account was 160,000 overdrawn and this 200,000 was introduced by way of a lodgement.

Now, I am going to take you through some documents about that particular lodgement, and the first document is document number 4 at divider 1.3.

A. Yes.

Q. Now, these are internal documents of Guinness and Mahon, and if I could just tell you that this document is a memorandum dated 4th January 1983 and it's from D P C, that's a Mr. Padraig Collery, to J D T, that's Mr. Traynor.

The memorandum reads: "I have credited GMCT sorry, I have debited GMCT sundry sub-company account with 182,430.85 and credited GMCTS. I have also debited GMCTS

with Sterling 173,600 and credited Irish 200,000 as per advice. Now, that is the first document which relates to the crediting of the account in your name, that's number 1 resident account, in the sum of 200,000."

Now, the next document, if you just turn over, I'll explain them all to you, is a statement and of course we have excluded all other references on the statement other than the particular one that Mr. Collery was referring to, and it is a statement of the Guinness Mahon Cayman Trust sundry sub-account which shows that on the 5th January 1983 182,430.85 Sterling was debited with a value date of the 4th January of 1983.

The next document then, that's document number 3, is a copy of a Guinness and Mahon Sterling account which shows that on the 5th January 1983 Sterling 182,430.85 was credited to the account and that on the 6th January 1983, a sum of Sterling 173,600 was debited from the account in respect of a foreign exchange contract. This appears to be significant that the Sterling sum of 173,600 was converted into a currency other than Sterling.

The next document then, document number 4, that's document number 6, I beg your pardon.

Now, if I go back to the first document which I opened, which was the memorandum on the 4th January 1983, shows that Sterling 173,600 was converted to 200,000 Irish and

that as far as Mr. Collery was concerned, the transaction was completed on the 4th January 1983.

And document number 7 is the statement of the account in your name then, which is the number 1 current account, which shows that the identical sum was credited on the same day and from an examination of the records of Guinness and Mahon, no other account in the bank was credited with 200,000 on the 4th January 1983 other than the account in your name and that was the evidence given by Ms. Sandra Kells.

Now, from the evidence, it would appear that 200,000 was lodged to this account in your name and that the source of it was Guinness Mahon Cayman Trust sundry sub account.

Now, in the first instance I should ask you, do you accept that particular analysis of the situation?

A. Well, I am not in a position to either accept or reject, but because I know nothing about these transfers back and forward, in and out, I am afraid but again, I can only say that Mr. Peeley may be of assistance to us later in regard to these transactions.

Q. But you have no doubt but that 200,000 hit the account in your name, isn't that correct, on the statement?

A. That seems to be definitely so.

Q. I think you would accept the evidence given that no other account was credited with 200,000 in Guinness and Mahon on

that day.

A. Yes, if that's the result of your investigations, I accept that.

Q. And it's the evidence of Ms. Kells that a foreign exchange transaction occurred to give rise to 200,000 coming into Guinness and Mahon in Irish money and that the source of the money which was converted on the foreign exchange transaction came from Guinness Mahon Cayman Trust's sundry sub-account, can you accept that?

A. I cannot say that from my own knowledge, but if you are convinced of that from your investigations, I'll accept it.

Q. Now, if I could just put up the bank statement, you will see 200,000 credited to the account. That is then followed in the left-hand column I am afraid on the screen it's very poor quality altogether. But in any event, I think from the hard copy, and you can take it from me that there was a debit to the account then of 154,433.88, and that is recorded on the bank statement in Guinness and Mahon as being NBFC, so it's a payment being made from the account to the Northern Bank Finance Corporation of 154,433.88.

And there is also at document number 8, a handwritten memorandum, it's a memorandum of Mr. P O D, that's Mr. Pat O'Dwyer, who was an official of the bank, it's dated 4th January, and it reads:

"1. Please 1 January 4 value, place IR 154,433.88 Northern

Bank Limited College Green for account Northern Bank Finance Corporation Limited number 1 account.

"2. Debit 1 to account Charles J Haughey, resident current account." And the income is given.

So it would appear that what was happening there was that funds were introduced to the account from Cayman's account here in Dublin and that those monies were then or portion of those monies, the greater portion of the monies, were used to discharge the amount due on the loan from Northern Bank Finance Corporation which had been taken out sometime previously, that would appear to be the sequence of events.

A. I cannot say.

Q. I just want to take all of this slowly now if I may. On the lodgements I have dealt with so far this morning up to this time, there have been monies introduced to this account, some by way of cheques being lodged to the account and some by way of for example, we know in the case of the Northern Bank Finance Corporation a loan for 150,000 being introduced into the account when the account was overdrawn, the possibility of the introduction of loans from the Agricultural Credit Corporation which appear to have been used in the normal operation of this account and now we have money being introduced from Cayman's account and that this was used to discharge the indebtedness there was to Northern Bank Finance Corporation. That appears to

be the sequence of events up to now, would you agree?

A. I am afraid I can't comment on that.

Q. Well, from your examination of the documents, would you agree with that particular analysis?

A. No, I can't.

Q. Where do you disagree?

A. We are dealing with a lodgement of 200,000.

Q. Mm-hmm.

A. To the Guinness and Mahon account.

Q. Yes. And then there was a drawing on that account that went to Northern Bank Finance Corporation for 154-odd-thousand pounds and that cleared off the loan taken out with Northern Bank. Would you agree that that appears to be the situation?

A. If that's your assessment of it, I accept that.

Q. Well, if I put the statement up again, Mr. Haughey, because I want to just, again, be clear about this. There is undoubtedly a credit of 200,000 to the account. I think you would agree with that.

A. Yes.

Q. Guinness and Mahon have given evidence as to the likely source of that money, and I don't think you necessarily disagree with that particular analysis. It's neither here nor there for the moment.

A. You are saying likely, likely.

Q. Well, it's the probable source. There was no other transaction that took place in the bank that day whereby

200,000 was lodged, and the only source for 200,000 that day, giving rise to a lodgement, was a foreign exchange transaction which took place in the bank. Those two pieces of evidence exist.

Now, I am not necessarily concerned with that at the moment. I am more concerned with the fact that 200,000 was introduced to the account and 154-odd-thousand pounds then went out to pay Northern Bank Finance Corporation. That's really what I am interested in. Do you agree with that?

A. Well, I am not in a position myself personally to agree or disagree. If you have established that, I have no alternative but to accept that.

Q. Yes, very good.

Now, from an analysis of this particular account to date, up to this time now we'll go on further in a moment and perhaps come back to some other lodgements which took place but were not necessarily as significant would you agree that from your perusal of these accounts, that there is no indication anywhere in these particular accounts, that is this number 1 resident current account, of any monies being used to discharge any loan which may have been used to make up the 450,000 which cannot be accounted for in paying off Allied Irish Banks?

A. No, I can't go that far. I am not in a position to say yes or no.

Q. You have looked at these account statements.

A. Yes, I have, yes.

Q. You have had access to the assistance of an experienced accountant; isn't that correct? You have studied the evidence which has been given to this Tribunal; isn't that correct?

A. Yeah, I have read the evidence.

Q. Sorry, you have read the transcripts of the evidence. And really what I am trying to establish here is you raised the possibility that Mr. Traynor may have obtained loans to make up the 450,000 balance to pay Allied Irish Banks and that you believed that your accountant had formed a view that there may have been loans raised for that purpose.

And what I am asking you now is looking at this particular account to begin with, can you point to anything in the account which would lead one to the view that monies were used to pay off a loan giving rise to the 450,000 or any part of it?

A. I can't give you a definitive answer to that, Mr. Coughlan. I am sorry, but I can't.

Q. Very good. And whilst I am not even looking for a definitive answer, Mr. Haughey, can I take it you can't point to anything in these accounts which would lend support to such a proposition?

A. No, I can't, no.

Q. Now, the next lodgement on the table I would ask you to look at is one for the 10th January 1983, and there was

lodged to the account 100,000.

A. Yes, I see that.

Q. Now, the effect of that lodgement of 100,000 more or less cleared the overdraft on the account, more or less for that time anyway. And I think at the time the overdraft stood at about 111-odd-thousand pounds and this reduced it to about 11,000 or thereabouts.

Now, if I could refer you to document number 1 at divider 1.3 then.

A. 1.3?

Q. Yes, it's document number 9, I beg your pardon.

A. Yes.

Q. This is the Central Bank account, Guinness and Mahon's account with the Central Bank. I think what happens is the banks keep a record of their own account with the Central Bank and settlements take place through these accounts, but what has happened here is that 100,000 appears to have been specially cleared through the Central Bank on the 10th January 1983.

Now, the bank's, that is Guinness and Mahon's records, do not include any documents which relate specifically to this credit, but this extract copy of the statement of the bank's account with the Central Bank indicates that on the 7th January 1983 there was a debit of 100,000 with the description "AIB SP," and according to Ms. Sandra Kells, this signifies that a cheque of 100,000 was specially

presented by Guinness and Mahon to AIB for express clearance through the Central Bank on that date, and Ms. Kells confirmed that from the bank's records there does not appear to have been a credit of 100,000 to any other account with the bank on or around that date.

So if I may summarise it thus: A cheque drawn on AIB's in an AIB branch somewhere for 100,000 was presented by Guinness and Mahon through the Central Bank for special clearance, that's for quick or immediate clearance, and that it was for 100,000 and that 100,000 hit this account in your name at or around this time and that no other account in Guinness and Mahon was credited with that 100,000 around that time. So I think you can take it that it's probably the case that this is the same 100,000 we are talking about.

A. Probably. I mean, I am saying you are using the word probably.

Q. Yes, I am using it as a term of art as well, Mr. Haughey, sort of I am using it as a term of art on account of, on the basis of the evidence that 100,000 goes into this account in your name, this transaction takes place through the Central Bank account of Guinness and Mahon's for clearance, and there is no other account credited with 100,000. I think in those circumstances, you'd accept that it's probably the same 100,000 that went into your account?

A. Well, I am not in a position to say from my own knowledge.

Q. No, I am just asking you I'll ask you about your own knowledge in a moment, but on the basis of that evidence, do you accept that that appears to be the situation?

A. I can only say that if you if that's your conclusion of what probably happened, I accept that.

Q. Now, what has happened here, so, is that a cheque perhaps I'll retrace it for the moment. To the best of your knowledge, there were no further loans obtained from Allied Irish Banks, were there?

A. From Allied Irish Banks?

Q. Yes.

A. Oh, definitely not, no. I mean, I think I mentioned to you that sometime possibly in January when the settlement was made, that Allied Irish indicated to somebody that they were very happy that that was the end of me, as it were, in their on or in or about their premises.

Q. So can we take it there are that if a cheque drawn on Allied Irish Banks was presented by Guinness and Mahon, that it was a cheque of a third party, not Allied Irish Banks' own cheque?

A. The only thing I can say is it almost certainly conclusively was not a loan.

Q. Yes. So somebody gave Mr. Traynor a cheque for 100,000 drawn on Allied Irish Banks, isn't that correct, that would appear to be the situation?

A. That seems to be what happened.

Q. And that went into your account?

A. Did it?

Q. Do you think it didn't?

A. I really can't make this thing out here.

Q. Okay. Well, again, I agree it's not the easiest thing in the world to look at these documents as they come up like that and make them out.

A. Is this heading here "Charles Haughey"?

Q. What's on the screen at the moment here is Guinness and Mahon's account with the Central Bank where they conduct all their business with other banks and deal with their ratios with the Central Bank. That is the account that every bank must keep with the Central Bank.

A. That's not my account with Guinness and Mahon.

Q. No.

A. But you asked me did I agree that that 100,000 went into my account.

Q. Yes.

A. I don't see how you can expect me to agree to that.

Q. Very good. Well, I'll go through it again, if I may, Mr. Haughey.

On the evidence, if I could just put the Central Bank account back up again, please. This particular transaction took place, that is that Guinness and Mahon presented a cheque drawn on Allied Irish Banks for special clearance for 100,000. At or around the same time, there was credited to the account in your name, if I just put it up

now, the sum of 100,000.

A. Yes, I see that.

Q. From the evidence of Ms. Sandra Kells, from an examination of the books and records of Guinness and Mahon, no other account in Guinness and Mahon was credited with a sum of 100,000 at or around that time.

A. No other?

Q. No, no other account. So that's the evidence. And I thought you accepted as a probability that if that analysis is correct, factually correct, you accepted that the probability is that the 100,000 that went into your account was the 100,000 that was cleared through the Central Bank. I think that was

A. Yes, I think I have already said that, that I accept that probability, but I have to say that I find it extraordinary that in or around three or four days there would be no other cheque of 100,000 going through a busy bank like Guinness and Mahon.

Q. That is the situation, Mr. Haughey, because at that time a transaction of 100,000

A. I did need to express a doubt about that.

Q. You have expressed a doubt. On what basis have you expressed that doubt?

A. It seems 100,000 is not an extraordinary unique type of figure. It seems to me to be sort of an amount that would normally be dealt with by busy banks, and I just express a view that it is, to me, doubtful that no other 100,000 went

through a busy bank like Guinness and Mahon in these three or four days. I just mention that.

Q. Well, that is the case on the records of case that is the case.

A. Hmm.

Q. That is the case on the records. And bear in mind, Mr. Haughey, that Guinness and Mahon was not a large bank. And also bear in mind that at the time 100,000 was a lot more significant than it might be today.

A. Well, I have accepted the probability, yes.

Q. So can we take it then that the introduction of this 100,000 into the account had to come from a source other than a loan?

A. A loan from AIB, yes.

Q. And did you have any discussions with Mr. Traynor? I know you had discussions about raising the loan from Northern Bank Finance Corporation. Did you have any discussions with Mr. Traynor around this time of raising any other loan?

A. No.

Q. And do you know if Mr. Traynor at this time approached anybody on your behalf to seek a contribution, a donation or a loan?

A. No.

Q. Did you yourself approach anyone for a loan?

A. No.

Q. Did you approach anyone for a contribution or a donation?

A. No.

Q. Again, the effect of the introduction of that sum into the account at Guinness and Mahon was to reduce the overdraft, more or less wipe it out. The overdraft stood at about 111,000 and the 100,000 introduced more or less wiped that out in Guinness and Mahon for a few days anyway.

So, again, the introduction of this sum of money does not appear, would you agree, to have been used to repay any loan which you speculate may have been raised to pay off Allied Irish Banks?

A. I can't say that. I don't see please repeat that.

Q. Yes.

When this 100,000 was introduced into the account in Guinness and Mahon, it was to reduce an indebtedness in Guinness and Mahon; isn't that correct?

A. An overdraft.

Q. An overdraft, yes, and the account in Guinness and Mahon had operated from the statements that we have seen, as a normal running account with some capital being introduced on occasion by way of loan and repaid, as we have seen, for example, Allied Irish Banks or sorry, I beg your pardon Northern Bank Finance Corporation and on occasions the Agricultural Credit Corporation. The overdraft arose by reason of what appeared to be usual drawings. This money was introduced to get rid of that overdraft at that time. And what I am suggesting to you is

that it was not money introduced for the purpose of clearing any loan or loans which may have been raised or which you speculate may have been raised to clear Allied Irish Banks' indebtedness.

A. On your own analysis, it seems to have been produced to reduce the loan in Guinness and Mahon that presumably ipso facto it couldn't have been used to reduce any other loan.

Q. Now, the next lodgement I'd ask you about is on the table at divider 1.4, table number 1, and it's a lodgement for 19th May 1983 when there was a lodgement to the account of 30,000. And the information we have on that is that that was a transfer.

I think it's document number 10. This is bank documentation showing transfers across various accounts, Mr. Haughey, if I can just explain to you. It's not an actual bank statement, but from the evidence Ms. Kells gave that this 30,000 lodged to the account on that date, appears to be a transfer of funds from Amiens Securities Limited account number 2041006. And what you're looking at there is a document which is a portion of what is known as the bank's daily input log.

Now, that Amiens Securities account was a series of accounts in the name Amiens or variations on the name Amiens Securities which Mr. Traynor himself maintained in the bank at various stages. Some of them remained open longer than others, and he opened and closed accounts for

short periods for specific transactions as well. But what has happened here is that from one of these accounts maintained by Mr. Traynor himself, there is a transfer to the account in your name of 30,000 around this time.

A. Sorry, could you just repeat, please.

Q. Sorry, that this 30,000 which was lodged to your account on the 19th January 1983 of 30,000 came from

A. Sorry, 19th May, is it?

Q. Sorry, I beg your pardon, it's May, I beg your pardon, came from an account of Mr. Traynor's maintained at Guinness and Mahon.

A. So they are both within the bank?

Q. Yes, they are both within the bank. Now, do you know why Mr. Traynor would be transferring from an account of his money to you?

A. No.

Q. Now, in fairness to you, I should indicate that this, as I move along, appears to have been monies borrowed by Mr. P V Doyle and made available to Mr. Traynor for your use.

A. I don't know about that.

Q. I'll come back to that, but that appears to be the source of the 30,000. So it does not appear to have been and perhaps I should ask you this question. In all of Mr. Traynor's dealings with you over the years, can we take it that whilst he handled your affairs and obtained loans and in certain instances obtained funds from third parties for you, that he never used his own personal funds on your

behalf to the best of your knowledge?

A. I couldn't say that.

Q. Well, what do you think?

A. I'd say it's quite likely that he would have from time to time if necessary and in an emergency.

Q. In an emergency, that is, used his own funds and then recouped them or would he have given you money himself?

A. No, no, he didn't give me money personally, but in his management of the different accounts, it's possible that he might have, to keep an account of mine in order, he might have perhaps used some funds of his own. I couldn't say not.

Q. Yes, I can understand that, in an emergency situation he may have transferred monies from his own accounts to yours. But to the best of your knowledge, and from any discussions or dealings you had with him, he never used his own funds in the long term, if I could use it that way, for you?

A. No, I cannot say that he wouldn't have, that's all I can say.

Q. But did you ever have any discussion with him or did he ever tell you that he did use any of his own money?

A. No.

Q. Now, did you ever know that there were accounts or an account in the name of Amiens Investments, Amiens Securities or Amiens anything?

A. I can say with absolute certainty that I never heard of an Amiens Investment account until this Tribunal began its

investigations.

Q. Well, be fair to yourself now, Mr. Haughey, you may have heard of it at the Dunnes Tribunal?

A. I said these Tribunals, sorry.

Q. These Tribunals, yes.

Now, the next lodgement that Guinness and Mahon were able to be of any assistance was the next one on the 20th January 1984, it's modest enough in the overall context of some of the figures and it's a lodgement of $\text{€}372,447.69$. It's document number 11. And it appears to be a transfer from the number 2 current account which was held in your name at Guinness and Mahon. Again, I take it you can be of no assistance to the Tribunal about that. I will pass from it.

A. I have no knowledge of that, no.

Q. Now, the next lodgement on the table is for the 8th March 1984, and the description on the account statement shows that the credit was in respect of cheques lodged and it's for 1,008.09 I think we have the account statement or that portion of the account statement on the overhead projector and used the expression "cheques lodged."

Now, that may mean a number of cheques giving rise to that particular figure, or it may just mean one cheque, I am unsure.

Did you ever have any I don't know expense cheques or

small cheques like that which may have been sent by your secretary to Mr. Traynor for lodgement to any account or anything that you know?

A. I wouldn't think so.

Q. Now, the next if you turn over the page, it's the lodgement on the table, September 9th April 1985, there was lodged to the account 20,000, and this was, again, a transfer, if we look at document number 13, a transfer from an Amiens account. I can take it that it's not too clear. But you can take it that's what it was. It was a transfer from one of these Amiens accounts and I think the bank statement shows that that particular 20,000 was introduced to the account when it was quite significantly overdrawn and it was to support a drawing or a debit in favour of Haughey Boland in the sum of 20,000, that appears to be the factual situation.

Would you agree with that, just looking at the bank statement, the account is quite heavily overdrawn. There is a debit in favour of Haughey Boland of 20,000 and there is a credit and the source is one of these Amiens accounts and it seems to be the sum of money to support the drawings in favour of Haughey Boland?

A. Well, I can't comment, but I have no particular objection to what you are saying.

Q. Now, I'll be coming to this at a later stage, Mr. Haughey, but this particular Amiens this particular Amiens account from which the transfer occurred was the account

into which the proceeds of the what I might describe,
the fuss stock, Dr. John O'Connell's cheque was lodged, but
I'll come to deal with that when I come at a later stage
but just to indicate to you.

Now, the next lodgement to the account, this number 1
account, that Guinness and Mahon could be of some
assistance was that final large lodgement of 285,000 which
took place on the 29th May 1987.

Now, I shall have to go through with you, perhaps, a series
of transactions, but from the evidence which has been given
to this Tribunal and which was accepted as being the case
by your counsel, Mr. McGonigal, that 285,000 appears to be
part of the proceeds of what is known as the Tripleplan
cheque which was funds which were sourced from Dunnes
Stores Bangor account. Do you accept that?

A. I have no knowledge of Tripleplan or anything of that
nature.

Q. But when this money was obtained for you by Mr. Traynor, it
had to go into some account; isn't that correct?

A. Well, as I say, Mr. Coughlan, I have absolutely no
knowledge of any Tripleplan transaction. The first I
heard the name "Tripleplan," again, was, I think, possibly
this Tribunal, I think I don't know if Tripleplan was
raised in the Dunnes Tribunal?

Q. No.

A. This Tribunal. That's the first I ever heard of the name

Tripleplan.

Q. Now, for the moment I won't take you through the transaction which is described as the Tripleplan transaction here. Just to ask you for your view about the circuitous route the monies took to get to their ultimate source. But what I want to do at this stage, because you have been in the witness box for an hour and three quarters now, and going through the documents can be fairly taxing at this stage, what I'll do is go back over this table number 1 and ask you can you identify the sources of any of the other lodgements to the account where Guinness and Mahon were not able to be of assistance to the Tribunal for the moment.

And the first one is the 13th February 1979, that's the first one, and there was 15,000 credited to the account.

A. I have no I cannot assist you in that regard.

Q. Very good.

The next one is on the 20th February 1979, there was lodged to the account 18,750.

A. Same applies, I cannot be of any assistance.

Q. On the 23rd February 1979, there was 20,000 lodged to the account.

A. Again, I cannot be of any assistance.

Q. On the 7th March 1979, there was 3,575 lodged to the account.

A. I cannot be of any assistance. Perhaps I could interject

at this stage, Mr. Coughlan, and say that Mr. Peeley may be able to be of assistance in regard to some of these amounts. I don't know.

Q. Very good.

On the 12th March 1979, there was 2,425 lodged to the account. Again, can I take it you can't be of any assistance?

A. No, sir.

Q. I'll skip over the ones we have dealt with. And then on the 4th August 1981, with value date 31st July 1981, there is 33,726.81 lodged to the account.

A. I can't help.

Q. You can't be of any assistance?

A. No, sir. Just the significant I mean, it's just purely coincidence, between '81 1981 and the next one, the amounts are exactly the same except for the 33,000 the 726 is the same, it seems an extraordinary coincidence.

Q. On the 20 July '81 it seems $i\frac{1}{2}$ 33,726.81. Again, you can be of no assistance?

A. No, sir.

Q. On the 4th March '82, there was lodged to the account a large sum of money, 67,135.37. Can you be of any assistance there?

A. I am afraid not.

Q. On the 26th June there was 1,000 lodged, and on the 9th September 1982 there was 100,000 lodged. Can you give any

assistance about that? September of '82.

A. Not in regard to either of them, no.

Q. Now, on the 4th May 1983, this is a technical matter within the bank, there was a reversal of 20,000. I wouldn't expect you to know anything specially about that.

On the 11th December 1984, there was 911.33 lodged and on the 2nd January '85, there was 326.23 small enough figures in the overall context.

Now, from our examination of the lodgements to the account during the year 1979, that is from February of 1979 for the rest of the year sorry, February to October of 1979, there was lodged to this account approximately 105,000, it may be out by a few pence, but approximately.

Would you agree, there was approximately 105,000 lodged to the account in 1979, approximately?

A. Is that the sum of these amounts here?

Q. Yes. Now, the source of the lodgements had to be external to Guinness and Mahon.

A. Except in some cases you identified them as being

Q. Not in 1979, I'll come on to deal with that not in 1979.

Now, during 1979 you were significantly indebted to Allied Irish Banks and from a certain time in 1979 you were conscious of the fact that you may attain the office of Taoiseach; isn't that correct?

A. Yes, I suppose that's correct.

Q. And apart altogether from whatever pressure Allied Irish Banks were applying, you knew that once you became Taoiseach, you could not have a situation where you would have such an indebtedness to a bank in this state; isn't that a bank?

A. Yes, I think I have already acknowledged that.

Q. Yes, and Mr. Traynor was advising you all the time, according to your own evidence, isn't that correct, on your financial affairs. Sorry, in fairness to you, advising and you say in certain instances managing your financial affairs?

A. Yes.

Q. And it was known to both of you that there was this huge level of indebtedness and that money had to be got somewhere to clear it off; isn't that right?

A. This is AIB?

Q. I am talking about AIB.

A. Yes.

Q. And bearing in mind that in 1979 your salary would have been approximately 9,000, there or thereabouts, lodgements in the tune of 105,000 constituted a significant sum of money, didn't they?

A. Yes.

Q. And could it have been that that sort of money was being lodged to an account on your behalf without any discussion on it taking place between you and Mr. Traynor?

A. Yes.

Q. It could have been, could it?

A. Yes.

Q. And if that be the case

A. Am I right in thinking, Mr. Coughlan, that you have already dealt with two of the major sums, that's the last two in '79?

Q. That is correct.

A. Which you have, as it were, accounted for.

Q. For which we have information for. I am talking about the amount of money that was the total that was lodged to the account in that period, but

A. Isn't that 105 that you have mentioned, didn't that include 34,998

Q. Yes, that is reported as being a cheque introduced to the account, and the next one is also for 10,000 is a cheque introduced to the account.

Now, the point I am asking you to address is this:

Mr. Traynor entered into negotiations with Allied Irish Banks and on the documents of Allied Irish Banks used expressions like "you can't get blood from a stone," or words to that effect, I think another expression used was "No rabbits out of a hat," but effectively representing that there was a shortage of cash to meet any repayments to Allied Irish Banks. Isn't that so, according to the records?

A. Well, on the scale required.

Q. 105,000 was a lot of money on the scale of what was

required as well; isn't that correct?

A. Well, when you are saying that there was no particular funds available to meet the requirements of AIB, I am saying that those requirements were in the region of 1 million; therefore, you could take it there were no funds around readily available to me or to Mr. Traynor on my behalf to just meet that particular amount.

Q. There were drawings out of this account in 1979, would you agree, to meet your expenses? I use the term "expenses" in its broadest sense.

A. I suppose to some extent, yes, but I imagine that during the 1979, the bulk of my expenses would still have been met from the AIB. I am not too sure about that, but I would think that was the position.

Q. Well, we know that Messrs Haughey Boland held your AIB chequebooks; isn't that correct and that

A. I think they were still operating a payments system.

Q. So if money was being introduced to this account, you must have had some knowledge, Mr. Haughey, that monies were being some monies were being raised for you?

A. No, sir, I was not aware of the operation of these accounts. In fact, I had no knowledge of these various transactions that we have just gone through, the borrowings and so on.

Q. To afford you an opportunity of commenting, do you think that it is believable that such a situation could have existed, that lodgements of this significance at this time

were occurring and that you had no knowledge of it?

A. That is the position.

Q. So are you informing the Tribunal that before Mr. Traynor went into bat on your behalf with Allied Irish Banks, or before he went in himself, that he did not inform you of the fact that there was 105,000 approximately being lodged to an account in his bank?

A. Certainly not in those terms, no.

Q. Well, in any terms?

A. No.

Q. So can we take it, so, that you were left in a position by Mr. Traynor of effectively giving a bad account of yourself when you dealt with Allied Irish Banks, when you informed them that there were no other accounts being operated by you or on your behalf?

A. Yes, I was mistaken in that regard.

Q. Not mistaken, Mr. Haughey, if Mr. Traynor didn't inform you of these accounts and if he didn't inform you of the amount of money that was in these accounts, when you had a discussion with Mr. Phelan and informed him that you had no other bank account, that Mr. Traynor was the one who left you in that position of giving a bad account of yourself.

A. No, we go back to the AIB memorandum, an internal AIB memorandum.

Q. Yes.

A. That memorandum states that I stated that I had no other bank account.

Q. Yes.

A. Now, if I did say that, and that be as I say, I never saw that memorandum of that meeting, but if I did say that at that meeting to AIB, then I was mistaken.

Q. Why were you mistaken?

A. Because it now transpires that there was another bank account in Guinness and Mahon.

Q. But if Mr. Traynor never told you about it, it left you in the position of giving the erroneous impression to Allied Irish Banks because Mr. Traynor never had any discussions with you and never told you anything about these accounts; is that correct, Mr. Haughey?

A. What you asked me about was, was I aware of these lodgements to this account? And I said no, I was not aware of these lodgements.

Q. Were you aware of the accounts?

A. I cannot say at this stage. My recollection is that I first remembered or became aware that this account was there in '79 when you, this Tribunal, brought it to my attention.

Q. Now, so, what I am really ask you so is that you say in 1979, and I am only dealing with 1979 now for the moment, did you not know of the existence of this account; is that right?

A. To the best of my recollection, no, or at least if I was aware of it at the time, I had since forgotten about it until you, this Tribunal brought it to my attention again.

Q. Well, I want to be very clear about this, Mr. Haughey, because I am making no case against you and we are trying to get at the facts. You said, I think yesterday, that you knew nothing about these accounts until the Tribunal brought it to your attention.

Now, do you wish to correct that position that you may have known about them and forgotten about them?

A. I am not sure which. I am my best recollection is that I had forgotten about this account. Now, whether I can go back in time and say conclusively that I was not aware of this account at the time, I think I can.

Q. You think you can say that you were not aware of them?

A. Of this particular account operating, being operated on my behalf in Guinness and Mahon?

Q. Well, if you had been aware. And I appreciate that in dealing with Allied Irish Banks you may not have been anxious to be overly helpful to them in your dealings with them, but if you had been aware of the existence of this account and the sum of money which went through the account, can we take it that you would have at least not informed Mr. Phelan that you did not have any other accounts, you would have perhaps kept silent about it?

A. I think I would have told him.

Q. That you had another account?

A. I think I would have, yes.

Q. Now, perhaps it's something that you would think about

overnight. I know the time is getting on, Mr. Haughey.

I'll be moving on to some other tables tomorrow and I may come back and just ask you about that again.

CHAIRMAN: It's probably an appropriate time. It's just over the two hours. 10:30 tomorrow morning. Thank you very much.

THE TRIBUNAL THEN ADJOURNED UNTIL THE FOLLOWING DAY,
THURSDAY 28TH SEPTEMBER 2000 AT 10:30AM.