

A P P E A R A N C E S

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THE TRIBUNAL RESUMED AS FOLLOWS ON TUESDAY, 22ND JULY,
2003 AT 11AM.

MS. O'BRIEN: Ms. Deirdre Fennell, please.

DEIRDRE FENNELL, HAVING BEEN SWORN, WAS EXAMINED AS

FOLLOWS BY MS. O'BRIEN:

MS. O'BRIEN: Thank you, Ms. Fennell. I wonder, do

you have a copy of your memorandum of intended evidence with you in the witness-box?

A. I do. It's actually in a file.

Q. We can arrange to have one handed up to you. It's probably quicker for us to hand you one up from here.

Just to let you know, what I propose doing is taking you through your memorandum of intended evidence.

There is just a very small number of matters that I might wish to raise with you, and we'll just look very briefly at the two documents to which you have made reference, if that's agreeable to you.

A. That's fine.

Q. In your memorandum you have informed the Tribunal that you joined Fine Gael Head Office in 1988 as a personal assistant to the financial controller.

A. Yes.

Q. You had no dealings with and did not know the late Mr. David Austin until 1995, when Mr. Austin chaired the Golf Classic committee and led the organisation of a your knowledge, involved in Fine Gael fundraising subsequent to 1995. In your experience of Fine Gael fundraising efforts, these events were organised to an exceptionally high standard due to the enthusiastic commitment of the late Mr. Austin?

A. Yes.

Q. Paragraph 2, you state that Mr. Austin was the driving force behind the Golf Classic and was determined that

the event would be professionally run and would raise significant funds. The organisation started in the spring of 1995. While the administration of the event was centred in the Fine Gael office, Mr. Austin was actively involved at every level of the fundraising organisation; is that correct?

A. Yes.

Q. Paragraph 3, you state that you attended each of the committee meetings, and at Mr. Austin's request, you kept detailed minutes which were circulated to each of the committee members. After Mr. Jim Miley joined Fine Gael as General Secretary in July, he would also attend the committee meetings and acted as overall liaison between Mr. Austin and Fine Gael headquarters; is that correct?

A. Yes.

Q. Paragraph 4, you state it was Mr. Austin who directed correspondence from Fine Gael to potential sponsors and to sponsors, and you believe that it is likely that the letter of the 30th August of 1995 from Mr. Phil Hogan to Mr. Denis O'Brien would have been dictated over the telephone by Mr. Austin to you and would have been generated in Fine Gael Head Office?

A. Yes.

Q. You state that in all probability, Mr. Hogan would simply have signed the letter?

A. Yes.

Q. You state that similarly, the letter of the 8th September 1995 from Mr. Hogan to Mr. O'Brien is likely to have been dictated by Mr. Austin to you. Again, Mr. Hogan would probably simply have signed it?

A. Yes.

Q. Paragraph 5, you state that the manuscript annotations on the copy letter of the 8th September, 1995, confirming that Esat Digifone wanted no signage at the hole they had agreed to sponsor, and further confirming that material forwarded to Fine Gael in connection with such signage had been returned to Sarah Carey on the 15th September were not made by you and are not in your handwriting?

A. Yes, that's right.

Q. You state that you believe that you were away on holidays in September 1995 and that the entries were probably made either by a colleague of yours or by Ms. Rita O'Regan, who was working in Fine Gael Head Office at the time?

A. Yes.

Q. And in fact I think Ms. O'Regan has since confirmed that the handwriting was her handwriting.

A. Okay.

Q. Paragraph 6, you state that you would not have considered the Esat Telecom request that there should be no public reference to their sponsorship as particularly significant at the time, nor in

hindsight, do you have any particular recall of the matter?

A. Yes.

Q. And that concludes your statement.

And just arising out that, at paragraph 1,

Ms. Fennell, of your statement, you say that you had no dealings with and did not know of the late

Mr. Austin until 1959, when he chaired the Golf

Classic. And can I take it, therefore, that as far as

you were aware, based on your seven years in Head

Office, that Mr. Austin had not, prior to the Golf

Classic, had any role whatsoever in fundraising in

Fine Gael, certainly at national level?

A. Yes.

Q. Now, paragraph 4, you have referred to the letter of

the 30th August of 1995. And if we can just look at a

copy of that letter on the overhead projector I

don't know if you can see it there; there is a monitor

to your right.

It's a letter from Mr. Phil Hogan addressed to Mr.

Denis O'Brien dated 30th August. It says,

"Dear Denis,

"Delighted to hear of your response in becoming a

sponsor of the Fine Gael Golf Classic. I gather this

arose through discussions with Mark FitzGerald. Your

very generous sponsorship of $\text{€}4,000$ will be used

twofold, with $\text{€}1,000$ sponsoring a hole and the

remaining balance sponsoring the wine for the gala dinner. As I am sure Mark already discussed with you, appropriate advertising will be utilised.

"I look forward to your attending the dinner on the night, which I think will be an excellent evening.

"Again, many thanks for your kind support.

"Yours sincerely", and it's signed by Phil Hogan, TD?

A. Yes.

Q. And you have stated in your experience of how Mr. Austin ran and conducted this affair; that he would, in all likelihood, have dictated that letter down the telephone to you.

A. Yes.

Q. You would have then arranged for it to be generated in Fine Gael headquarters, and it would have been signed off by Deputy Hogan?

A. Yes.

Q. I suppose we can take it, therefore, that the late Mr. Austin must have known as of the 30th August or indeed sometime prior to that date, because it may have been dictated by him prior to the 30th August that this donation arose through some contact between Mr. Dunne and Mr. FitzGerald?

A. Between Mr.

Q. Sorry, Mr. Dunne sorry, between Mr. O'Brien and Mr. FitzGerald; I do apologise.

A. Yes, I would presume that they would have had a

conversation at some level.

Q. And then the second letter that you referred to is dated the 8th September, 1995. And again we'll just have a quick look at that.

It's addressed to Mr. O'Brien, and it's again under the name Mr. Hogan. It states:

"Dear Denis,

"Following my earlier correspondence last week regarding our upcoming Golf Classic, I would be very grateful if you could forward to Fine Gael headquarters by Friday, 16th September, for the attention of Ms. Eileen Kelly, a disk with your company's logo, etc., or alternatively a bromide listing the colours used in your logo. This would greatly enhance the advertisements at each hole which is being made available to our sponsors.

"I look forward to seeing you at the gala dinner that evening.

"Kind regards,

Phil Hogan, TD."

Again, I think that would have been dictated to you down the telephone by Mr. Austin. You would have arranged for it to be generated, and it would have been signed off by Mr. Hogan?

A. Yes.

Q. We know in fact that the manuscript annotations on the copy of the letter were made by Ms. O'Regan, who in

fact you might speculate might have made them at the time

A. I was away

Q. You were away on holidays, I think, throughout September?

A. Yes.

Q. Thank you very much.

A. Thank you

CHAIRMAN: Has anybody any questions to raise before Mr. McGonigal.

THE WITNESS WAS EXAMINED AS FOLLOWS BY MR. MCGONIGAL:

MR. MCGONIGAL: Just one question, Mr. Chairman. I wonder if the witness could be given the minutes of the 21st July of

Q. Ms. Fennell, what you are being handed is a copy of the minutes of the 21st July of 1995, one of the Golf Classic meeting minutes?

A. Yes.

Q. I am sure I don't know if you recollect these minutes in detail at this time?

A. Well, I did look at the files, I think, before I came over, so...

Q. Now, as I understand it, what you were doing was you were taking detailed minutes during the course of the meeting?

A. Yes.

Q. And therefore, is it the position that the document

which you have before you would represent the discussions that took place during that meeting in detailed fashion?

A. Yes.

Q. Now, there are a lot of blanks which relate to companies and/or names under each of the individuals.

A. Yes.

Q. And as I understand it, these were companies or persons whom the individuals were to contact, by phone or otherwise, to see if they would be a sponsor or take part in the classic; is that right?

A. Yes.

Q. So that if you go to the second page, under Mr. Hogan, you see that Denis O'Brien/Esat Telecom is mentioned?

A. Yes.

Q. And presumably, that minute was taken by you as a result of a discussion which took place?

A. Yes, there would have been a discussion, and teams would have been or contact would have been discussed about being initiated by various members; and if they could do so they would, and if they couldn't, they probably went back

Q. You took down the result of that?

A. Yes.

Q. So on the face of it, the intention of the committee was Mr. Hogan would contact Mr. O'Brien/Esat Telecom?

A. Yes. If he could do so, he probably would have.

Q. Just as a matter of interest you probably won't be able to remember this but can you tell me whether Mr. FitzGerald remained at that meeting for its entirety or not?

A. I honestly can't remember. I honestly can't remember whether he did.

Q. Thank you very much.

CHAIRMAN: Anything to raise? Mr. Meenan.

MR. MEENAN: Just one matter.

THE WITNESS WAS EXAMINED AS FOLLOWS BY MR. MEENAN:

Q. MR. MEENAN: Could I just refer you, Ms. Fennell, to the final paragraph of your statement. You say that you would not have considered the Esat Telecom request that there should be no public reference to their sponsorship as particularly significant at the time.

By that, do you mean that it was not unusual for persons who sponsored that event, that they wouldn't be publicly recognised?

A. No, at well, yes, people who donated to any fundraising event may have decided throughout the event that they didn't want public advertisements for one reason or another, and we respected that whenever we held an event.

Q. But in the case of Esat, it wasn't anything out of the ordinary?

A. No, absolutely not.

Q. Thank you.

CHAIRMAN: Thank you very much indeed, Ms. Fennell,
for your attendance.

THE WITNESS THEN WITHDREW

MS. O'BRIEN: Mr. Tom Curran, please.

TOM CURRAN, HAVING BEEN SWORN, WAS EXAMINED AS FOLLOWS

BY MS. O'BRIEN:

Q. MS. O'BRIEN: Morning, Mr. Curran.

Thank you very much. Mr. Curran, you have provided
the Tribunal with two memoranda of intended evidence.

A. That's correct.

Q. One of them is dated the 21st June, and the other is
dated the 20th June. And what I propose doing is
taking you through the memorandum of the 21st June
initially. I think that's the memorandum in which you
detail donations made to Fine Gael at both
constituency and national level from Mr. O'Brien and
from Esat in the period, I think, 1995 to
approximately May of 1996.

And I think the second memorandum relates to the
results so far of the research which has been
undertaken by Fine Gael in relation to donations made
by other consortia or members of other consortia that
applied unsuccessfully for the second GSM licence over
the same period.

And what I propose doing is just taking you through
this memorandum.

A. Okay.

Q. You state that following a request from the Moriarty Tribunal, you have prepared this statement, which detailed donations received by Fine Gael from Mr. Denis O'Brien/Esat during the period July 1994 to May 1996. The statement includes donations received at both constituency and national level. Firstly you deal with the constituency contributions, and you deal with those constituency by constituency.

So, firstly, Carlow/Kilkenny. You state that Carlow/Kilkenny constituency held a fundraising lunch on the 9th March 1995 in the New Park Hotel, Kilkenny. Mr. O'Brien/Esat made a contribution of $\text{€}1,000$ to the purchase of a table at the lunch. Is that correct?

A. That's correct.

Q. Then Dublin West, and you have informed the Tribunal that Dublin West constituency held a fundraising lunch in June 1995. Mr. O'Brien/Esat made a contribution of $\text{€}1,000$ to the purchase of a table at the lunch. Mr. O'Brien attended the lunch. Is that correct?

A. That's correct.

Q. Then Dublin North Central. You state that Dublin North Central constituency had a fundraising lunch in December 1995. Mr. O'Brien/Esat made a contribution of $\text{€}900$. Mr. O'Brien attended the lunch with a number of colleagues?

A. That's correct.

Q. Then fourthly, Dublin Central. You state that Dublin

Central constituency held a fundraising lunch in March 1995. Mr. O'Brien/Esat made a contribution of $\text{€}2,000$ through the purchase of two tables at the lunch. Mr. O'Brien also made a contribution of $\text{€}1,000$ towards a fundraising lunch in June, 1996, which you have included because of the proximity to the May date; is that correct?

A. That's correct. And I included that amount because I wasn't a hundred percent sure as to whether the money could have come in before the date.

Q. Then, I think, fifth is Dublin South East. And you have informed the Tribunal that Dublin South East constituency held a fundraising lunch in 1995, and Mr. O'Brien/Esat made a contribution of $\text{€}600$ through the purchase of seats at the fundraising lunch.

A. That's correct, and the date was October.

Q. October of 1995?

A. Yes.

Q. Then Dublin South West, and you state that Dublin South West constituency had a fundraising lunch in 1996. Mr. O'Brien/Esat made a contribution of $\text{€}1,000$ through the purchase of a table at the lunch. Do you know at all what month in 1996 that event took place?

A. I don't have the month, no.

Q. Limerick East, you state that Limerick East constituency had a fundraising lunch in 1996. Mr. O'Brien/Esat made a contribution of $\text{€}1,000$ through the

purchase of a table at the lunch. Is that correct?

A. That's correct.

Q. Then Meath. You state that Meath constituency held a Golf Classic on the 29th May 1995. Mr. O'Brien/Esat entered a team at $\text{€}200$ and sponsored two holes at $\text{€}200$. In June 1996, the constituency held a fundraising lunch in Tattersalls of $\text{€}1,000$ through the purchase of a table at the lunch.

A. That's correct.

Q. And again, presumably, you have included the June 1996 fundraising lunch on the basis of its proximity to the

A. The same basis.

Q. Then finally, Westmeath. You state that Westmeath constituency held a fundraising lunch in October 1995 and that Mr. O'Brien/Esat contributed $\text{€}200$ by way of purchasing two places at the event.

A. That's correct.

Q. You then move on to deal with national events. And I think in all, you refer to five different national events.

Firstly, the National Golf Classic of 1995, of which we have been hearing evidence over the past number of days. And you state that Fine Gael held a fundraising Golf Classic on the 16th October 1995 in the K-Club, Straffan, County Kildare. Mr. O'Brien/Esat made a contribution of $\text{€}4,000$. The donation was in the form

of sponsorship and was paid by way of bank draft drawn on the Bank of Ireland, Pembroke branch?

A. That's correct.

Q. Secondly, the New York fundraising event of November 1995. You state that in November 1995, Fine Gael organised a fundraising dinner in New York attended and addressed by the then Party Leader An Taoiseach, Mr. John Bruton, TD. The late Mr. David Austin, a member of the organising committee, was involved in raising sponsorship. Esat declined to support the event but indicated that Telenor, as its partner, would make a contribution to the event by taking two corporate tables at a total cost of \$50,000. The payment was made directly to the late Mr. Austin and lodged into his personal Jersey-based bank account. On the 6th May 1997, as part of its fundraising for the General Election, Fine Gael received an indirect contribution from the late Mr. Austin. The contribution was made in the form of a personal cheque drawn on Mr. Austin's account on the Bank of Ireland, Baggot Street Branch, in the amount of €233,000 payable to Mr. Conroy. Mr. Conroy, a long-time supporter, endorsed and furnished the cheque to Fine Gael. When Fine Gael learned of the original source of the donation, in February 1998, it sought to return the donation, and the donation was finally returned on the 7th March, 2001?

A. That's correct.

Q. Then thirdly, the Fine Gael National Golf Classic in 1996. You informed the Tribunal that the Fine Gael National Golf Classic was held in the K-Club, Straffan, County Kildare, on the 10th June 1996.

Mr. O'Brien/Esat made a contribution of $\text{€}3,000$. The donation was in respect of golf fees. The event has been included in your statement as the commitment to participate in the event by Mr. O'Brien/Esat was likely made in May 1996, while the contribution was not made until June, 1996.

A. That's correct.

Q. Then you have listed other events, and you have referred to two events at national level.

Wicklow by-election. You have informed the Tribunal that Fine Gael contested the Wicklow by-election in June 1995. To raise funds to fight the by-election, Wicklow constituency executive organised a constituency fundraising lunch which was in the Glenview Hotel, Wicklow. Mr. O'Brien/Esat contributed $\text{€}5,000$. The monies raised at the lunch were lodged by the constituency to an account under the control of Wicklow constituency executive. Details of the account have previously been supplied to the Tribunal.

A. That's correct.

Q. And then finally, the Burlington fundraising in February of 1996. A fundraising dinner was held in

the Burlington Hotel in February 1996. The event was organised by Mr. Michael Lowry TD. This was not an event organised by headquarters, and consequently no files exist in headquarters regarding the event. You have not been able to source the location of the files, and consequently you are not able to determine as to whether Mr. O'Brien/Esat contributed to the event?

A. That's correct.

Q. In fact I think the position in relation to those files, Mr. Curran, is that despite efforts that have been made by the Tribunal, the Tribunal itself has not been able to source the files for that event.

A. Yeah. What's clear is that the files were never in the national office of Fine Gael, as it was not a national event organised by the Party. The Party did benefit from some of the proceeds of the event.

Q. I see. I think the total, therefore and you can take it that I am correct, because I have checked the calculation I think the total for the period January 1995 to June 1996 is $\text{€}22,400$. That excludes the $\text{€}50,000$ donation from Telenor/Esat which we refer to as the Telenor/Esat donation, and if that's included at the Irish pound equivalent received by Fine Gael in May of 1997, it comes to $\text{€}55,400$.

Now, that concludes your statement on the 21st June.

And I'll just refer you then to your statement of the

20th June in which, as I say, you have outlined the results of the exercise undertaken by Fine Gael, at the request of the Tribunal, to ascertain contributions made by unsuccessful consortia or members of unsuccessful consortia over the same period.

You state in that memorandum that you were the General Secretary of Fine Gael, having succeeded Mr. Jim Miley. You state that following on from the Moriarty Tribunal's request to Fine Gael in January 2003, which required Fine Gael to establish what donations were received by the Party from any of the applicant consortia for the GSM second licence, other than Esat Digifone, or any member of these consortia, or any individual having any connections with these consortia during the period of July 1994 until the final grant of the licence in May 1996.

You state that in that context, the Tribunal asked the Party's solicitor, Mr. Kevin O'Higgins, to establish the full extent of all donations received from unsuccessful bidders other than Esat. Following consultation with your legal advisers, you resolved that this would require contact throughout the organisation. Accordingly you wrote to every constituency organisation as well as members of the Oireachtas that's persons who were members of the Oireachtas from July '94 to May '96 to ascertain

what donations, contributions, sponsorships or payments of whatsoever nature were received by them from any of the applicant organisations for the second GSM licence other than Esat Digifone. You wrote to all constituency organisations and all Oireachtas members on 30th January 2003, and you attached a copy of that letter?

A. Correct.

Q. You state that a reminder letter issued in March 2003.

As the Tribunal is aware, you engaged in the same process in October 2002 regarding donations received from Esat Digifone. The response from constituency organisations and Oireachtas members took a lot longer than the previous response.

Now, in relation to Oireachtas members, which you have dealt with initially, you state that all Fine Gael

Oireachtas members during the period were written to.

They have all indicated that they did not receive any donations, contributions from any of the unsuccessful applicants for the second GSM licence. Is that correct?

A. That's correct. And those Oireachtas members included former members who were Oireachtas members at that time. Some of who are presently independent Senators.

Q. Yes. Then you deal with constituency organisations, and you state that the following constituency organisations received donations; and I should just

say to you, Mr. Curran, before dealing with the details of these donations, that for the moment I am not going to mention who the donations came from, because as of now, those persons are not aware that they are included in that list.

You state firstly you deal firstly with Limerick East. You say two donations were received from a member of a consortium valued at $\text{€}1,000$ and $\text{€}300$. They were for a constituency fundraising dinner held in November 1996.

A. That's correct.

Q. Is that correct?

A. Yes.

Q. Then secondly, in relation to Dublin North Central, you say that two donations were received from an individual who I think was associated with a member company of a consortium, and those two donations were valued at $\text{€}400$.

And then a second donation was received from an individual who was a member, a direct member of a consortium, in the sum of $\text{€}500$?

A. That's correct.

Q. You state that these donations were in respect of a constituency fundraising dinner which was held on Monday, the 11th December and I think there might be a typing error there; I think it should be 1995.

A. There is, it should be 1995, yeah.

Q. Then lastly you deal with Dublin Central. And in relation to Dublin Central, you state that all of the records for fundraising events during the period were held by the late Mr. Jim Mitchell. The constituency officers and Ms. Noreen Flynn have undertaken a trawl of the files, and as a result of that trawl, they have identified four, I think, relevant donations.

And the first two are from the same person who made the $\text{€}400$ donation to Dublin Central, and they were each in a sum of $\text{€}100$. I think the first one was towards a fundraising lunch in January of 1994. And you have a question mark there beside January, so do I take it from that you are a little uncertain as to the exact month?

A. We are a little uncertain. I couldn't tie down the specific date.

Q. The second $\text{€}100$ was towards a fundraising lunch in March of 1995?

A. Correct.

Q. And then that same person contributed a further $\text{€}100$ to a fundraising lunch in June, 1996, and again you stated that this donation is included as you are uncertain as to the exact date that the donation was made?

A. Correct.

Q. And then there is one other relevant donation, again of $\text{€}100$, towards a fundraising lunch in 1995, and

that's also from a person associated with a company

that was a member of a consortium?

A. Correct.

Q. And then finally you state that from the information

supplied to you, you were not aware of any other

contribution made by unsuccessful bidders to Fine Gael

constituencies; however, the exercise has pointed out

the need for constituencies to keep accurate

fundraising records. It is your view that some

constituency record-keeping is less than perfect?

A. Yeah.

Q. That's fair enough. And I think, just in fairness,

what you have excluded from that statement is the

donations or sponsorship that were received in

relation to the 1995 Golf Classic, but we have dealt

with those separately?

A. Correct.

Q. Thank you very much, Mr. Curran.

THE WITNESS WAS EXAMINED AS FOLLOWS BY MR. FITZSIMONS:

Q. MR. FITZSIMONS: Sorry, Mr. Curran, just one little

question.

In your statement of the 21st June, in relation to the

New York fundraising event in November 1995, there is

a sentence as follows: "Esat declined to support the

event but indicated that Telenor, as its partner,

would make a contribution to the event by taking two

corporate tables at a cost of 50,000 euro (sic)."

My question is, is there a record within Fine Gael to support that statement, a written record?

A. All the records pertaining to the New York fundraising event have been supplied to the Tribunal, and, while I wasn't an official of the Party at the time, we have painstakingly gone through all the records of the Party, having supplied them to the Tribunal, and the account is as to the best of my knowledge.

Q. No, it's a very simple question, Mr. Curran: Do the records support that statement of fact which is not in accordance with any of the evidence that has been given to this Tribunal up to the present time by any of the protagonists or parties directly involved?

A. I would say that I drew that conclusion from all of the copies of correspondence that we had available to us.

Q. Let's cut to the chase: Did you draw that conclusion from the evidence that was given at the Tribunal because there was no record within Fine Gael of that contribution at the time it was made?

A. What is clear from the records in Fine Gael is that the evidence had come from that the funding had come from Telenor. That was my own view.

Q. I am trying to help you, Mr. Curran. Have you inferred, from the evidence in the Tribunal, the statement that you make in this sentence?

A. There isn't evidence in the files of Fine Gael to

support that.

Q. I won't ask the witness any more questions, Chairman.

The Chairman has the evidence.

CHAIRMAN: Very good.

Mr. McGonigal?

THE WITNESS WAS EXAMINED AS FOLLOWS BY MR. MCGONIGAL:

Q. MR. MCGONIGAL: Mr. Curran, I understand the detailed

work that you have done in relation to this, and I

just want to ask you about political funding in

general. I understand that after Fine Gael got into

office, that one of the events that took place was

that a substantial amount of money began to be donated

to them, which enabled them to clear all sorts of

debts which had previously existed and for which money

had not been forthcoming. In a general way, is that a

correct perception of what happened?

A. It's correct in a general way, yes. But could I say

furthermore that the Party's fundraising activities

had commenced well before the Party had gone into

Government.

Q. Oh, I understand that. So that it would be possible,

in a detailed way, to identify not only the

contributors over any particular period, but also the

amounts and the events for which they contributed?

A. Absolutely, yes.

Q. So that one would be able to draw comparisons or

analogies between one company's donations and another?

A. Yes, one could.

Q. And would one also be able to see the level of contribution at a dinner as between one table and another?

A. Correct.

Q. Generally, as I understand it, tables have a price, and you pay the price and get your numbers?

A. That would be the normal way.

Q. So that in any particular dinner that you have had regard to, if we go back to the records, we will be able to see all of the companies, the amounts they contributed and the event?

A. That's correct.

Q. One of the things that puzzles me, then, in relation to the Golf Classic: Was it a deliberate omission from your statement in relation to the contributions to that event, or was it as a result of the fact that other material was going into the Tribunal?

Do you understand the question?

A. In terms that not detailing

Q. Yes, not detailing, for example, one of the consortia that sponsored the Fine Gael Golf Classic was Cellstar, and it is not referred to in your statement?

A. That information had previously been supplied to the Tribunal.

Q. I see. So it is because of that that you left it out?

A. Correct.

Q. And was that also the reason for leaving out individuals?

A. Correct. I was asked specifically to give details of contributions made by Denis O'Brien or his associates, or in the second instance, by any of the unsuccessful bidders.

Q. And were you given a list of the bidders, together with their consortia, together with personnel that may have been involved with them?

A. Absolutely, a very comprehensive list, I think of 42 companies or individuals.

Q. And as a matter of interest, were you aware at the time or are you now aware from the evidence, some of the evidence which has been given, that at least three members of the Golf Classic team were involved directly or indirectly with consortia?

A. I became aware when investigating the records for the Tribunal, and talking to individuals concerned, they brought it to my attention.

Q. And have those contributions been effectively dealt with either in this document or in other documents?

A. Well, all information pertaining to the Government classics and the fundraising events have been given to the Tribunal.

Q. So that, presumably, the answer to my question is yes, that those persons who were on the committee, their donations have also been given to the Tribunal: the

three people?

A. The people who were on the committee, their contribution was more in time than

Q. That may well be so. Whatever it was, it has been given to the committee in terms of finance?

A. Correct.

Q. Or otherwise?

A. Yes.

Q. Thanks, Mr. Curran.

THE WITNESS WAS EXAMINED AS FOLLOWS BY MR. MEENAN:

Q. MR. MEENAN: Just one or two matters, Mr. Curran.

I think, to assist the work of the Tribunal, did you carry out a detailed analysis as regards every aspect of the Fine Gael organisation? Is that correct?

A. Every aspect, yes.

Q. And could you just briefly indicate to the Tribunal the steps you took to ensure that all elements of the organisation were contacted and relevant information sought.

A. We wrote to every constituency organisation, and furthermore, we contacted every unit within the Party. Units within the Party would be branch, district or constituency level, and they would be approximately over 2,000 in number, so it is a considerable amount of effort was made on our behalf to try and find out exactly what contributions were made at constituency level.

And I must say, people this was seven or eight years later, after the event, and officers had changed within constituencies; some were now deceased, some had moved on, and it was some of the records were quite sketchy and involved a considerable amount of time, and in some instances, contacting the banks of the constituency organisations.

Could I say that the constituency organisations act fairly independently in terms of fundraising from the Party nationally, and they account for their own fundraising. While obviously the change in legislation, that has changed significantly, and we have a much more hands-on approach now; but at that time, it was quite different.

Q. And Mr. Curran, could you just give the idea give an idea to the Tribunal as to how long that process actually took to contact the to do the work you have just described?

A. That took, in some instances, up to six months for us to get the information, contact the people who were treasurers at the time, as there may not have been proper records of the constituency, they didn't know where they had moved to. So it took up a considerable amount of my time.

Q. Then could I now just turn to the figure that Ms. O'Brien, on behalf of the Tribunal, put a figure in the order of £22,400 on the contributions from

Denis O'Brien/Esat in a two-year period; is that

correct?

A. That's correct.

Q. I see. And so that's over a two-year period?

A. Yes.

Q. And just to be clear about it, the \$50,000, which was

when transferred into Irish pounds at the time, of

£33,000, that was returned?

A. That was returned.

Q. Thank you, Mr. Curran.

CHAIRMAN: The matter that you referred to at the

conclusion of your first statement, Mr. Curran, I

think that was in fact a Burlington dinner early in

1996. That was one and the same function as we heard

of last week in the context of there having been some

possible differences between whether or not it was for

the benefit of Mr. Lowry's constituency or for some of

the less well-off Dublin Fine Gael constituencies, and

it appears that some compromise was reached; this was

the same function, was it?

A. It was the same function, and it is my understanding

from checking the records, looking at our trustee

minutes, that as you describe, it was originally

planned to be a constituency fundraiser, and was

then the Party had a view that the Party should be

getting a share, and the Party give some support to

Mr. Lowry in organising the event, nominating a number

of individuals, including the then General Secretary onto the committee. But the event was organised outside the Party by some of the friends or officials of Mr. Lowry, and the Party benefited from the proceeds of the event, and the money was used to develop the organisation in Dublin at that time.

CHAIRMAN: So the beneficiaries, in effect, were both the Tipperary constituency and a number of Dublin constituencies at the discretion of Head Office?

A. Correct. As I understand the breakdown, insofar as I understand, it was that the Tipperary constituency got $\frac{1}{2}$ 18,000 and the Party nationally got $\frac{1}{2}$ 40,000, which was used for the promotion of the Party within Dublin, the 12 Dublin constituencies.

CHAIRMAN: I am very much obliged for the lengthy and painstaking work you undertook. Thanks indeed for your assistance.

A. Thank you.

THE WITNESS THEN WITHDREW

MS. O'BRIEN: Just one very short witness, Sir.

Ms. Rita O'Regan. She won't take very long.

RITA O'REGAN, HAVING BEEN SWORN, WAS EXAMINED AS

FOLLOWS BY MS. O'BRIEN:

MS. O'BRIEN: Morning, Ms. O'Regan. I wonder, do you have your Memorandum of Evidence, your statement of evidence, in the witness-box with you?

A. I do.

Q. What I propose doing is just taking you through that and just briefly looking at one document that you refer to in your statement, if that's all right.

A. Yes.

Q. Now, you state in your statement that you confirm that for a short period during 1995, you were asked to help out as relief staff in Fine Gael. The then General Secretary, Mr. Jim Miley, is related to you by marriage, and you worked in Fine Gael headquarters as a receptionist/telephonist between the 5th September and the 13th October of that year; is that correct?

A. Yes.

Q. You state that during this time, your duties included general receptionist/telephonist work, but at the same time you would also have been assisting in the office when requested?

A. That's true.

Q. You state that at that time, Deirdre Fennell was involved in the organisation of the National Golf Classic to be held in mid-October of that year?

A. Yes.

Q. You state that as telephonist, you recall being contacted on the telephone by a representative of Esat who would have explained that they were involved in the Golf Classic, and that following upon a written request from Fine Gael, that they provided a disk with their company logo, and they had done so. You have

been shown a copy of the letter from Fine Gael under Phil Hogan's name and dated the 8th September, 1995.

You can confirm that the handwriting on the letter is your own. This ties in with own recollection that the request it appears that Esat were to be sponsors of the 17th hole. They had been requested to provide the promotional material, which they apparently did. You note from your handwritten note that this appears to have been received on the 13th September. Following the telephone call from Esat, you note that this material was returned to Sarah Carey in Esat as requested. The reference to no signage would indicate to you, and this is borne out in your recollection, that they had changed their mind in relation to wishing to have their name promoted in this matter.

You state that you believe you would have informed Deirdre Fennell of the request for the return of the disk and obtained approval either from her or someone else in authority before returning it to Esat. Is that correct?

A. That's true.

Q. Can we just look very briefly at the letter, which you should be able to see on the monitor to your right, Ms. O'Regan, dated 8th September 1995, from Deputy Phil Hogan to Mr. Denis O'Brien.

"Dear Denis,

"Following my earlier correspondence last week

regarding our upcoming Golf Classic, I would be very grateful if you could forward to Fine Gael headquarters by Friday 16th September, for the attention of Ms. Eileen Kelly, a disk with your company's logo, etc., or alternatively a bromide listing the colours used in your logo. This would greatly enhance the advertisements at each hole which is being made available to our sponsors.

"I look forward to seeing you at the gala dinner that evening.

"With kind regards.

"Yours sincerely, Phil Hogan."

And you can see there the handwritten annotations which you confirm are in your name. The top right, below the date, is "17th hole, no signage"; and beside the words "The disk with company's logo etc." you have put an asterisk; isn't that correct?

A. That's true.

Q. Below the asterisk you have "*Disk received 13/9/1995", and below that, "Returned, 5/9/1995, to Sarah Carey."

A. That's true.

Q. You've stated in your statement that you recall receiving a telephone call from somebody on behalf of Esat requesting that this signage be returned?

A. Yes.

Q. And that you would have obtained the approval of

Ms. Fennell well, we know Ms. Fennell was away, but presumably some more senior person in authority in Fine Gael headquarters and you would have returned it to Ms. Carey?

A. Yes.

Q. Do you recall, was the telephone conversation that you had with the Esat representative, was that with Ms. Carey herself?

A. I am not quite sure. I think it was.

Q. Thank you very much.

A. Thank you.

THE WITNESS THEN WITHDREW

CHAIRMAN: Thank you very much, Ms. O'Regan, for your attendance. That's all that's involved.

MR. COUGHLAN: Mr. Bernard Dunne.

CHAIRMAN: Good morning, Mr. Dunne. Thank you for coming back to the Tribunal. Of course you are already sworn from previous occasions.

A. Good morning, Sir.

BEN DUNNE, PREVIOUSLY SWORN, WAS EXAMINED AS FOLLOWS

BY MR. COUGHLAN:

MR. COUGHLAN: Good morning, Mr. Dunne. I think you have furnished the Tribunal with a statement on the particular matter you were asked to come and give evidence about on this occasion; isn't that correct?

A. That's correct.

Q. And do you have it with you, Mr. Dunne, or you know

the procedure. I'll lead you through it, and then

I'll come back and ask you questions; is that OK?

A. Fine.

Q. I think you have informed the Tribunal that you have made this statement in reply to the statement made to the Tribunal by Mr. Mark FitzGerald on the 26th November, 2002, material parts of which were furnished to your solicitor by the Moriarty Tribunal under cover of letter dated 27th November, 2002, and to the memorandum of information provided by Mr. Michael Lowry dated 2nd December, 2002, a copy extract of which was furnished to your solicitor under cover of a letter dated 2nd December, 2002.

Now, I think you then say that is the correct pronounciation, Bark Island?

A. That's it.

Q. Bark Island Limited, the company, of which you are a director, acquired Marlborough House at 43/47 Marlborough Street, Dublin 1, the property, in 1995.

When the company acquired the property, it did so subject to and with the benefit of a lease dated the 31st December, 1978, in favour of the Minister for Post and Telegraphs (the tenant).

The rent payable under the lease was due for review on the 23rd July, 1994. To deal with this review, Shannon & Company were retained by the tenant and Harrington Bannon were retained by the company. As

the parties were unable to agree the rent on the review at that time, an arbitrator was appointed in accordance with the provisions of the lease as agreement could not be reached between the respective parties.

You know from a letter dated 7th April, 1995, from Mr. Gordon Gill of Sherry FitzGerald to Mr. Johansen Bannon of Harrington Bannon and Mr. Peter Shannon of Shannon & Company, that Mr. Gill was appointed by the president of the Society for Chartered Surveyors by letter dated 31st March, 1995, to act as arbitrator.

In preparation for the arbitration, you know from correspondence dated 24th April 1995, that Harrington Bannon, on behalf of the company, prepared certain figures, which figures detailed a projected rental analysis based on office rent levels ranging from $\text{£}8$ to $\text{£}8.75$ per square foot. And you refer to a copy of the statement of Mr. Joe Bannon of Harrington Bannon in this regard.

A. That's correct, yes.

Q. You then inform the Tribunal that details of various schedules of rental comparisons were submitted to the arbitrator on or about the 4th May 1995 by Harrington Bannon on behalf of the company and Shannon & Company on behalf of the tenant. These schedules of rental comparison were submitted in contemplation of the arbitration hearing which was heard at the offices of

Sherry FitzGerald, Hume Street, on Monday, 15th May, 1995. And you refer to a copy of an attendance in your possession pertaining to the arbitration hearing.

You then inform the Tribunal that following the arbitration hearing, the arbitrator directed that a rent of $\frac{1}{2}$ 640,000 be paid in respect of the property.

The rent related to an area comprising of approximately 82,000 square feet and included car parking space and storage.

You now wish to refer to particular matters raised by Mr. Mark FitzGerald in a statement to the Tribunal on the 26th November 1992, and in relation to the same, you would comment as follows:

"A. The rent on the property was due for review on the 23rd July, 1994, and negotiations between the previous owner and the tenant had been ongoing for some time in or around that review date. Discussions between the vendor and the company" that's you "in relation to the disposal by the vendor of the property to the company were ongoing, and a price for the property was eventually agreed between the company and the vendor. It was also agreed that the company would take over negotiations with the tenant on the rent review from the date of the contract.

"Accordingly, when the contract was signed in or about autumn of 1994, the company took over negotiations with the tenant on the rent review. The sale to the

company closed in late February or early March, 1995, and as agreement could not be reached between the company and the tenant on the rent review, the matter was referred to arbitration. Mr. Harry Whittaker was appointed as arbitrator by the President of the Society for Chartered Surveyors on the 15th February 1995. Sometime later, Mr. Whittaker stood down as arbitrator. You are not aware of the reasons why Mr. Whittaker stood down, but when he did stand down, the President of the Society of Chartered Surveyors, by letter dated 31st March, 1995, appointed Mr. Gordon Gill of Sherry FitzGerald to act as arbitrator. As of the 31st March, 1995, matters had only progressed to the appointment of a second arbitrator. However, you felt quicker progress on the rent review needed to be made. Accordingly, in an effort to progress matters quickly, when you heard that Mr. Gordon Gill of Sherry FitzGerald was appointed as arbitrator in respect of the rent review of the property, you telephoned Mr. Michael Lowry and asked him if he knew Mark FitzGerald. Mr. Lowry told you that he did know Mark FitzGerald. You asked Mr. Lowry if he would speak with Mr. FitzGerald and ask him if the rent review which was ongoing in relation to the property could be progressed quickly. You did not know anybody in Sherry FitzGerald and wanted matters moved quickly, and the name Michael Lowry was the name

that came to mind when you thought about ringing somebody who may know Mark FitzGerald well enough to contact him. You thought of Michael Lowry because you felt both Mark FitzGerald and Mr. Lowry were 'Fine Gaelers'.

"B. You never mentioned to Mr. Lowry that you wanted the rent to increase from $\text{€}1/25$ per square foot to $\text{€}1/210$ per square foot, but you cannot be sure that you did not say to him during the course the telephone conversation that there was approximately $\text{€}1/250,000$ between the parties in respect of the rent review. A number of days later, Mr. Lowry telephoned you and told you that Mark FitzGerald was not in a position to do anything about your request. Once Mr. Lowry reverted to you, you never pursued the matter further.

"C. As you were not a party to the direct discussions between Mr. Lowry and Mr. FitzGerald, you are not in a position to comment in any way on any direct conversation between them, and you do not believe that you were contacted by Mr. Lowry in relation to any of the matters which are set out at numbers 2, 3, 4 and 5 of Mr. FitzGerald's statement. They deal with other matters and relate to Mr. Denis O'Brien.

"D. You have set out above details of the company submission to the arbitrator in respect of the review and details of the arbitrator's determination.

"E. You have never requested any political favour

from Mr. Lowry. The only other matters that you did request from Mr. Lowry were GAA tickets for All Ireland finals and other games. Mr. Lowry would not have been the only person that you would have contacted in this regard".

I take it that's in the context of seeking GAA tickets for

A. Yeah, yes, Sir, yes.

Q. Now, I think you were aware that Mr. Gordon Gill, who was the arbitrator, has given evidence to the Tribunal, and he has informed the Tribunal of the position as set forward on behalf of Bark Island, the landlord, and the position as set forward by the tenant, and ultimately the final arbitration, the decision by him in his arbitration; isn't that right?

A. Yes, I am, Sir.

Q. And can I take it that you don't wish to in any way go back or ask me to look at the evidence given by Mr. Gill in that regard?

A. No, Sir.

Q. You are happy with that?

A. Yes, Sir.

Q. Now, I just want to also clarify one other matter. As of 1995, this was a matter that and Bark Island was a company that you and members of your immediate family, that is your wife and perhaps some of your children, had an involvement in; is that correct?

A. That's correct, yes, it was a public company.

Q. It was a public company?

A. Yes.

Q. It had nothing to do with Dunnes Stores, is what I am

A. Oh no, nothing to do with Dunnes Stores.

Q. I just want to be clear about that. It was after your you ceased your involvement in Dunnes Stores?

A. After I got fired or left Dunnes Stores.

Q. Now, can you help the Tribunal at all, Mr. Dunne, as to when, in the autumn of 1994, Bark Island became involved in negotiations for the purchase of this property from I think New Ireland Insurance Company were the vendors; isn't that correct?

A. Without being a hundred percent certain, I think that Bark Island didn't buy the property. I think it was a company oh sorry, Bark Island was my company, I was mixing yeah, it would have been brought to my attention sometime in '94, so I'd have to say the second half of '94, I would think.

Q. Second half of '94. Was it more towards the back end of '94, after

A. What I would think is, there is not a lot of business done kind of June, July and August. And I mean, there would be records there, when it would be done, but I would say the second half of '94, and the second part of that's what I would think without having any

records in front of me.

Q. Very good. And am I correct in thinking that the way it would have been brought to your attention was perhaps by Mr. Bannon and Mr. Harrington or somebody

A. That's correct, Sir.

Q. Or somebody involved in the property?

A. In the property business, as a good investment.

Q. With whom you had previous experience in the property business with, isn't that correct, Mr. Harrington had been

A. Yeah, I would have had, yes.

Q. And it was brought to your attention as being a good investment?

A. There was good solid reasons to buy it put forward to me by them.

Q. And do you know whether I think Mr. Bannon of Harrington Bannon was the one who conducted the business as regards the review of rent; isn't that correct?

A. That is correct, yeah, Harrington Bannon

Q. Yes, one or the other

A. Sorry, the firm, and Mr. Bannon was the one who dealt with it, definitely, yes.

Q. And he was dealing with Mr. Shannon; is that correct?

A. That's correct.

Q. Who was the adviser to the tenant?

A. To the tenant.

Q. Can you remember when he might have started discussions with Mr. Shannon about the rent, roughly?

A. I would think that when we had signed the contract, or when I had signed the contract for the to buy the property, it must have been somewhere around that time.

Q. Right. You seem to or you are of the view that the contract would have been, you believe, signed around the back end of '94?

A. Yes, that's yeah, that's what it says here. I mean, I can't remember exactly, Sir

Q. We know the closing was in February of 1995; isn't that right?

A. And there would be a document to show when the contract I don't have it in front of me, but there has to be, the day the contract was signed initially.

Q. But the closing took place in February, late February or early March of 1995.

A. Correct, that's correct, yes.

Q. And the question of the review of rent was not completed at that stage, and Bark Island, in its own interest, then, was involved in dealing with the review of the rent, and the interest of Bark Island dated back to the time of the signing of the contract; isn't that correct?

A. Yes. Because part of the negotiations were that there

was kind of different prices being mentioned, and it all depended which way the rent review was to go, and so what I agreed to is look, that we would do the rent review so that we'd have a fixed price to buy the property. What I wanted to establish was I was buying a property, closing it X period of time later, but I just wanted to have a fixed price.

Q. But I suppose

A. And they the New Ireland Insurance made a stab at what they thought the review would be; I made a stab at what I thought the review would be. And that's how we came about

Q. Arriving at a price

A. That would suit them and suit me. That was New Ireland Insurance, and it was acceptable to me as well.

Q. I think the property was purchased for

A. 5.4 million.

Q. 5.4 million?

A. Plus costs.

Q. From New Ireland?

A. That's correct, yes.

Q. As an investment. And I suppose if they could have got the rent up higher, they'd have been able to sell it for a higher price to you, perhaps?

A. They must have been happy with the price I gave them, I presume, or otherwise

Q. They wouldn't have sold it to you?

A. Yeah.

Q. Now, you say that Mr. Harry Whittaker had been appointed by the President of the Chartered Surveyors Institute of Chartered Surveyors initially to be the arbitrator. You don't know why he stepped down?

A. No, I have no idea.

Q. And I think you would have been would it have been Mr. Bannon would have informed you that he had stepped down and that this new arbitrator had been nominated?

A. It could have been. It could have been Stuart Harrington or Mr. Bannon.

Q. The firm?

A. The firm, yes.

Q. You'd have heard from the firm. They were your professional advisers in this regard?

A. Yes.

Q. And do you know

A. What I am not sure of, Sir, is Mr. Harrington worked for me in Dunloe for a while, and I just I am not sure of my facts there, whether Mr. Harrington was still with Harrington and Bannon or whether he was working for me. It can be easily established, but I am not sure.

Q. I don't think anything turns on it.

A. Okay, but I just wanted it to be noted.

Q. It was the firm Harrington Bannon were the firm dealing with your affairs on this transaction; isn't that right?

A. Yes, Sir.

Q. And I take it that you would have been informed so that a new arbitrator had been nominated by the President of the Institute of Chartered Surveyors, I presume, by the firm somebody in the firm?

A. Yes, somebody had to inform me. One of two people, I would have said, had to inform me.

Q. And you had just closed within a few weeks of closing before Mr. Gordon Gill was nominated by the president, which was seemingly on the 31st March of 1995. And can I take it that to the best of your recollection, between the firm Harrington Bannon and Mr. Whittaker before he stepped down?

A. I don't know, but to the best of my knowledge, I don't know.

Q. I take it that both Mr. Bannon and Mr. Harrington were and are both experienced men in the investment property business; that was the business they were in, isn't that correct, advising clients and that?

A. Yes.

Q. And would have had dealings with many of the other chartered surveyors involved in that business, whether they be in the firm of Sherry FitzGerald or Lisney's or whatever other firm?

A. Yes.

Q. Did you ever ask Mr. Bannon or Mr. Harrington to make contact with Mr. Gordon Gill to see if he could speed up the arbitration process?

A. No, I didn't.

Q. I suppose I'd have to ask you, why not? It would seem like the obvious route to take, wouldn't it, that they were your advisers in this regard; they were the people who knew how it worked?

A. I would have had, over the years in my former employment, situations where rent reviews were up, and there would have been we might have been the landlord or we might have been the tenant, but I would have made and I can't think of at this anything specific, but I was a guy who tended to ring somebody in the practice. I would never contact an arbitrator, but could ring somebody in an auctioneer's firm and say "Look, would it be possible to make sure this thing is moved on quickly?"

I would have done that, I think, in the past. It was it would have been one of the ways it would be the way I would have operated.

Q. Well, of course, there would have been nothing wrong with Mr. Bannon or Mr. Harrington, as your professional advisers handling this matter, to make contact with Mr. Gill. That would have been appropriate

A. Yeah

Q. that was the business they were in?

A. Yeah.

Q. And there would have been nothing inappropriate for them, in the course of carrying out their professional duties, to ask could a hearing be expedited, inform the other side that they were doing this; isn't that right?

A. Yeah, that's fair comment, Sir.

Q. Could I ask you: I know you say that you didn't know anyone in Sherry FitzGerald, but what brought to mind Michael Lowry's name to make contact with Mark FitzGerald?

A. Just a spontaneous thing. I mean, if I had discussed it with Harrington and Bannon, I am sure they would have said, "No, no, we'll be able to get on and..." but that's not the style that I operated with. I was a terrible and maybe to this day I am spontaneous and would lift the phone and try to get something done quickly. I mean, reading this, it looks terrible

Q. It does, doesn't it?

A. Absolutely. But that's the way I do business, Sir.

Q. In fact, in fairness to the professional skills both of Mr. Gordon Gill, the arbitrator, Mr. Bannon on your behalf and Mr. Shannon on behalf of the tenant, according to Mr. Gill, this arbitration was completed quickly, in his experience.

A. Yes.

Q. So without anyone making direct contact with the arbitrator, the whole business was done quite fast

A. Yes.

Q. it would appear?

A. It does it's a fact it was done very fast.

Q. Now, you said that when you contacted Mr. Lowry and asked him did he know Mark FitzGerald, and to make inquiries or to see if they could speed up the arbitration, that's effectively what you're saying

A. I don't think I used the word "arbitration".

Q. I see.

A. I think what I said one point I'd like to make, I had never remember I would not have remembered the call if it hadn't have been pointed out to me. It had gone completely out of my mind.

Q. Pointed out to you by us?

A. By the Tribunal. I then, when I received your information, I recalled it easily; you know, it came straight back to me. And I recall making ringing Mr. Lowry, asking him did he know Mark FitzGerald of Sherry FitzGerald, or I don't think I would have said a Mark FitzGerald, I think I would have made it, because I had a rent review and Mr. Gill was appointed and I wonder could it be speeded up, or words to that effect.

Q. Yes, I understand.

A. That's the way I recall saying it.

Q. Now, I think you have said that you never mentioned to Mr. Lowry that you wanted the rent increased to $\frac{1}{2}\%10$, or thereabouts, a square foot?

A. No.

Q. But that you may have, you can't be sure about this, you may have said something to him along the lines that there was about 50,000 between you and the tenant; is that right?

A. The reason I am putting that in, Mr. Lowry has said that I mentioned figures, and

Q. I was going to come to that

A. So if he said it, I am sure it could have been possible that I did say it.

Q. Yes, but what you're saying, you may have said 50,000 that's the only

A. The only thing that was in my mind is, and it's a bit hypothetical, but I was thinking of there was 600 or 650. I knew we were going to the case of arbitration where the figures were the figures was there one was a buyer and one was a seller. I had done my deal with the Insurance Corporation of Ireland, and I had based it that the return the reason I bought my property is that I said my rent is going to be somewhere between six hundred and six hundred and fifty thousand. That's how I agreed a figure. They were of the same opinion.

You know, I think that all the well, I can speak
for my side; that's where I saw the rent coming in.

Q. That would seem what you're saying there seems to
be a view of a proper kind of market value for the
property on the basis of what Mr. Gill has told us,
that roughly, now, there are many other matters to
take into account, but roughly you're talking about a
15%, or 15 times the rent would represent the capital
valuation of the property, roughly?

A. Yeah. It's a very rough figure.

Q. It's rough. And that would be roughly right at 5.4
million, I think, and a rent of the type you were
mentioning there.

But were you aware when you rang Mr. Lowry that Mr.
Lowry it was Mr. Lowry who in fact was the tenant?

A. I should have been aware. It wasn't

Q. On behalf of the Irish taxpayer?

A. Yes, of course. Look, I wasn't, but I should have
been aware; or if I had have just stopped for a
second, I was aware. But it wasn't the forefront to
my mind, Sir. To turn around and say that I didn't
know, I'd be I wouldn't be truthful, but it wasn't
in the front of my mind. Do you understand what I am
saying?

Q. Yes, I understand what you're saying.

Now, you know the evidence Mr. Mark FitzGerald has
given, and you have seen his statement?

A. I have.

Q. And he gave evidence, and in his statement, you see that he mentions a figure of around $\frac{1}{2}$ 10 a square foot or $\frac{1}{2}$ 10 a square foot; isn't that right?

A. He does, yes.

Q. That's what Mr. Lowry said to him. You say that you never mentioned such figures to Mr. Lowry?

A. No, Sir.

Q. Nevertheless, when Mr. Gill was dealing with the matter, the figure which was put to him by your side, as you say, it was a buyer-and-seller situation, but the figure that was put on behalf of Bark Island in respect of the office space was $\frac{1}{2}$ 9.25 per square foot, and that's with a loading of 5% would be roughly 10 there was a loading of 5% to take into account the fact that it was a seven-year rent review?

A. Yes, Sir.

Q. So it seems to be the figure that was submitted on your behalf, or on behalf of Bark Island, seems to be close enough to the figure which Mr. Lowry mentioned to Mark FitzGerald, if he did mention it; isn't that correct?

A. I can't disagree with that, no.

Q. Now I hasten to add that Michael Lowry doesn't agree that he mentioned these figures to Mark FitzGerald. I think you aware of that from Mr. Lowry's statement?

A. I have read that statement, yes.

Q. Now, according to Mr. FitzGerald and Mr. Gill according to Mr. FitzGerald, the only conversation he had with Mr. Gill prior to the arbitration was when he rang him and inquired if he was involved in a property, the Marlborough House property, and he was informed he was an arbitrator and he immediately cut off any discussion; so Mr. FitzGerald had no knowledge of the type of figures that were being put forward at the time. Doesn't it seem likely, Mr. Dunne, that you did mention a figure of around 10 a square foot to Mr. Lowry?

A. It appears that way. I can understand why you're saying that to me, and from your side, I can't disagree with that. But I am sitting here under oath and not to the best of my recollection, I am sure I didn't mention a figure, Sir.

Q. And you do, as you draw attention, you do understand the distinction "between to the best of your recollection" and being absolutely positive, isn't that right, about that?

A. I do, Sir.

Q. Because if that be the case, it would have been seeking a favour, a serious favour from Mr. Lowry, wouldn't it, to make such

A. If I'd have said it?

Q. Yes.

A. I would concede that would be correct, Sir.

Q. And whilst perhaps not at the same level, even to ask Mr. Lowry to make contact to try and expedite matters was asking a favour?

A. Yeah, a favour that I would be I would see a lot of, every week or every month there is somebody would ask me that type of favour, yes, I would call it, yes.

Q. But your relationship with Mr. Lowry, which had gone back some time

A. Yes.

Q. existed in the context of the payments which we know and are described in the McCracken Tribunal Report?

A. They are, yes.

Q. The personal covert payments or

A. Yes, Sir.

Q. And also in the context of contributions which were made to Fine Gael. You made some substantial contributions; isn't that right?

A. I did, Sir.

Q. And can I suggest to you it's in the context of having such a relationship with Mr. Lowry that you had knowledge of him and would have felt entitled to ask him, even if it was just to intervene to expedite something?

A. I know what you're saying, and I can't disagree with you, but that's not the way I was thinking. I mean, I

just it was just it came to my head a spontaneous decision. I didn't think of all the points that you're making now, but I can't walk away from that, the facts, as you say them.

Q. I am just going to refer you to one or two matters. It was something you said during the course of giving evidence at the McCracken Tribunal, and I'm not asking you about this to suggest to you or to question what you said there but to ask you the question, do you wish to modify that particular statement in any way now in light of what we have just been discussing.

Now, I think it's very brief, and I'll just read it out to you. It was in the course of being examined by Mr. Donal O'Donnell, senior counsel on behalf of Mr. Lowry, on the 22nd April, 1997, and it's at pages 75 and 76 of the transcript, but it's only a short portion that I wish to read out to you there.

I suppose I'll start at Question 307, just to lead into it, and this is Mr. O'Donnell.

"Question: And in relation to, I think, finally, all these matters have become significant public controversy, and there has been much comment on Mr. Lowry and his relationship with you. I think you said yourself, in relation to some of the payment aspects, that Mr. Lowry was big enough to take care of himself, and in a sense, he was also big enough to make a mess of his own personal affairs, and he has publicly

accepted and apologised for that."

I think you are aware of that, Mr. Dunne, and in relation to the consequences of some of the payments that he has already said in the Dail and in public, that he accepts that his affairs were in disarray and he accepts the responsibility for that.

And you reply:

"Answer: I believe that's what he said, but I don't think it's anything to do with me.

"Question: I accept that. In addition to that, I think other persons have sought to say that above and beyond that, that in some sense his relationship with you was not a commercial relationship; that it was a corrupt relationship, and that his business with Streamline was in some sense a fake or a device to cover payments made on return for political favours; is that

"Answer: That is not the case.

"Question: Is it, is there any shred of truth in that, Mr. Dunne?

"Answer: None whatsoever, Sir.

"Question: Is it was it ever the case that Mr. Lowry offered you or discussed with you any political favour?

"Answer: Never, Sir.

"Question: Did you ever approach him to discuss matters in relation to politics?

"Answer: Never, Sir.

"Question: Did he ever offer to or seek to intervene on your behalf in relation to any decision at any political level?

"Answer: Never, Sir.

"Question: And of course, in the time when you were dealing with Mr. Lowry, he was not a Minister or a member of the Government.

"Answer: That's correct, Sir."

That was in relation to Streamline at the time.

Now, I think Mr. Lowry well, perhaps it's not a matter for you to deal with at all, Mr. Dunne, in this regard.

Looking at this particular situation, that is the rent review on Marlborough House, you contacted Mr. Lowry because both he and Mark FitzGerald were Fine Gaelers; isn't that correct?

A. That's correct.

Q. You knew Mr. Lowry in the context of the personal relationship where money was paid as described in the McCracken Tribunal?

A. Yes, Sir.

Q. Because of political donations which were made to Fine Gael; is that right?

A. Can you repeat that again, Sir?

Q. Yes. You knew Mr. Lowry in the context of the personal payments which are described in the McCracken

Tribunal; isn't that right?

A. Yes, Sir, I am listening.

Q. And also you had made significant contributions to

Fine Gael; isn't that correct?

A. That's correct, Sir, but I knew Mr. Lowry from doing

business with him. That's how I originally met Mr.

Lowry.

Q. Yes, I understand.

A. I just want to make that point.

Q. And quite rightly so. You had an involvement with Mr.

Lowry before he entered the Dail at all?

A. Absolutely. I thought you meant that I only knew him

because of those things.

Q. No.

A. Okay, Sir.

Q. Now, what I have to suggest to you, Mr. Dunne, is I

suppose two matters arise: If Mr. FitzGerald's

evidence is correct, there was, I would suggest to

you, a seeking by you of a favour from Michael Lowry.

A. If what I have said to you, the way I went to Michael

Lowry, and if that's interpreted as seeking a did

you say "political favour", Sir?

Q. A political favour, yes

A. I mean, if you call that seeking a favour, I can't

deny that.

Q. And likewise in the context of the evidence you have

given which you are satisfied transpired between

yourself and Michael Lowry, that you asked Michael

Lowry to make an intervention to speed matters up?

A. I asked him if he knew Mark FitzGerald, you know,

could the matter be speeded yes, I did ask him

that, and in the true sense, that's asking somebody a

favour, yes, I can't deny that, Sir.

Q. And that was in the context, I suggest to you, of the

personal payments which had been made to Mr. Lowry

over the years and also in the context of political

contributions to Fine Gael, because you asked

him or what was in the your mind was that Michael

Lowry and Mark FitzGerald were both Fine Gaelers?

A. Well, I wouldn't agree to that. I asked him purely

he was somebody I knew, a spontaneous decision came to

my mind I don't agree with what you're saying, but

you know, you have said it. But I don't agree with

it, Sir.

Q. Thank you, Mr. Dunne.

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

Q. MR. O'HANLON: Mr. Dunne, you have clarified that this

was done, the contact with Mr. Lowry was done as a

result of a spontaneous contribution by you as to how

you might expedite the arbitration process?

A. That's what I said; that's correct.

Q. And when you contemplated contacting Mr. Lowry, it was

because it occurred to you that Mr. Lowry, in his

personal capacity as a member of Fine Gael, might know

Mr. FitzGerald?

A. I didn't think of him in any capacity. I just thought of him as somebody, as I said already, two Fine Gaelers, which that's the way I just saw it.

Q. What I just want to clarify was: At no stage did you contemplate contacting Mr. Lowry to make this to inquire of this as part of the course of his capacity as Minister; that never occurred to you at the time?

A. No, it didn't.

Q. And insofar as you requested him to contact Mr. FitzGerald, Mr. Lowry's memory of it is that it was simply to ask Mr. FitzGerald if the whole process could be expedited, as such. There was not attempt to no request to interfere directly with the process?

A. None whatsoever.

Q. And in that regard, I have to suggest that what Mr. Lowry was being asked to do was not in any respect to be carried out in the course of a Ministerial office being held by him; that wasn't what was being requested?

A. No, definitely not.

Q. Now, Mr. FitzGerald, in his evidence, said that Mr. Lowry didn't appear to know or might not have known that Mr. Gill was actually the arbitrator or had been appointed arbitrator when he first made contact with Mr. FitzGerald. Would that accord with your memory of

not of perhaps not having even told him that he was the arbitrator?

A. I think that all the way I recall it is that I said to Michael Lowry, did he know Mark FitzGerald? My property there was a property up for rent review, and did I use the word "Mr. Gill", there was a Mr. Gill handling it. I don't think I said anything about arbitration or anything.

Q. And it's correct that after Mr. Lowry contacted you and told you that there was nothing Mark FitzGerald could do about it, there was no further contact between you and Mr. Lowry relating to this at all?

A. None whatsoever.

Q. Mr. FitzGerald's impression was that this contact was made at the end of March or the start of April. Would that have been prior to your the Harrington Bannon Company having concluded their reports as to the cost that they were going to present to the arbitrator?

A. Can you repeat that question?

Q. It appears if Mr. FitzGerald's evidence was that this contact, this first contact between Mr. Lowry to him relating to Mr. Gill being involved in the procedure, the rent review procedure, occurred at the end of March or the start of April

A. Yes.

Q. the arbitration took place sometime after that, obviously?

A. That's correct, yes.

Q. Are you aware as to whether the Harrington Bannon reports or preparation on behalf of your company were completed even by that time?

A. They were in the process of being put together this is what we were going to be putting to an arbitrator rents?

Q. Yes.

A. I think they would have been. I don't know how completed, but they would have been in the process of being done for arbitration.

Q. I think it never occurred to you, when you made the contact with Mr. Lowry to find out if he knew Mr. FitzGerald and to expedite the arbitration, that you were in fact Mr. Lowry would in fact have been represented as the tenant of the property; that never occurred to you either at that time?

A. No, it didn't, no. But I should, in hindsight, with 20:20 vision, I should have been aware of it.

Q. I appreciate if proper consideration was given to this contact, it almost certainly would never have been made; is that correct?

A. The thing I was watching mostly is the rent review was due in '94. And from the time there was a dispute, the rent was frozen. So really what I was watching is, I was after paying out whatever, five and a half million, and there was no income because while it

was up for arbitration, the rent now, I knew I was going to get it. But possession is nine-tenths of the law, and what I wanted to do was get this thing sorted out as quickly as possible so I could get my income on flow.

Q. Am I correct in understanding that the result of the arbitration would be to backdate the rent?

A. Yeah, that's always the case, yeah.

Q. And the result of the arbitration would in fact fix the price of the building, is that correct, or

A. Fix the price of the rent, yes.

Q. Was it sold subject to the arbitration?

A. No.

Q. It was a guesstimate between yourself and the vendor as to what the result would be, and that would fix the price?

A. We agreed a price; we agreed a deal.

Q. I think Mr. Coughlan suggested that 5.4 million approximately represented 15 times 640,000.

A. That's what he said, yes.

Q. I think 9 million would be closer to the correct figure, 600,000 by 15.

A. I don't know; I was just listening.

Q. Something in excess of that, which would suggest that the building was purchased at a very reasonable price?

A. It must have been acceptable to the New Ireland Insurance.

Q. Thank you very much.

THE WITNESS WAS EXAMINED AS FOLLOWS BY MR. GALLAGHER:

Q. MR. GALLAGHER: Mr. Dunne, I just have a few questions. In your written statement to the Tribunal which you have before you, if you'd be sorry, I am going to ask you about that in a moment but if you'd go to your written statement to the Tribunal and the last page above the date and signature, paragraph 9?

A. Yes, Sir.

Q. And I think you confirmed in that statement to the Tribunal that you have never requested any political favour from Mr. Lowry?

A. That's correct, yes.

Q. And I think you drew a distinction, in answer to Mr. Coughlan, between requesting a favour and requesting a political favour?

A. Yes, Sir.

Q. And I think you acknowledge that you did request a favour?

A. Of course, that was a favour, yes, Sir.

Q. Now, I have handed in to you the extract from the evidence that you gave in the context of the McCracken Tribunal, which the Tribunal were kind enough to furnish us with, and these are the questions to which Mr. Coughlan drew your attention, I think beginning with Question 308 on the extract.

Have you found that, Mr. Dunne?

A. I have, yes.

Q. Firstly, in relation to your relationship with Streamline, at what period of time, what year did you have that relationship with Streamline? Was that while you were still working in Dunnes?

A. Oh, yeah, in the '80s.

Q. In the '80s. And that would have continued until the '90s, I think, till you departed Dunnes Stores; is that correct?

A. That's correct, yes.

Q. In early 1993?

A. Yes.

Q. And I think Mr. O'Donnell was asking you as to whether the relationship with Streamline was a commercial relationship or whether it was in some way a fake relationship; isn't that correct?

A. That's correct, yes.

Q. And I think you confirmed to him that it was a commercial relationship, and it was not a device used to cover payments made in return for political favours.

A. That is correct.

Q. And do you confirm that again to this Tribunal?

A. Yes, Sir.

Q. And you were also asked was it ever the case that Mr. Lowry offered you or discussed with you any political

favour, and you answered, "Never, Sir."

A. That's correct.

Q. Do you confirm that to this Tribunal also?

A. I do, yes, Sir.

Q. And you were asked "Did you ever approach him to discuss matters in relation to politics", and you replied, "Never, Sir."

A. That's the answer I gave, Sir.

Q. And do you confirm that to this Tribunal?

A. I do, Sir.

Q. Finally in this context you were asked "Did he ever offer to seek or to intervene on your behalf in relation to any decision at any political level", and again you confirmed "Never, Sir"?

A. That's correct, Sir.

Q. And do you confirm that to this Tribunal?

A. I do, Sir.

Q. Now, in relation to the introduction of this property, I think you described that it was introduced to you either by Mr. Harrington or Mr. Bannon; is that correct?

A. That is correct.

Q. And Mr. Harrington was somebody who was doing some personal work, I think, on your behalf, a very experienced and well-known property expert; isn't that correct?

A. That's correct.

Q. And likewise, Mr. Bannon?

A. That is correct.

Q. And they introduced Marlborough House to you as an investment they recommended to you?

A. Correct.

Q. And I take it that they advised you in relation to the price?

A. That's correct.

Q. And their advice in relation to the price was affected by what they thought they could achieve for you in the forthcoming rent review negotiations?

A. That's correct.

Q. And I think as of the 27th February or 28th February, sorry, 1995, Mr. Bannon is writing to Mr. Harrington on your behalf confirming that at that stage, the negotiations had reached the point where you were looking for $\text{€}1/2650,000$ per annum as a bottom line, and Marlborough or Telecom Eireann were prepared to pay $\text{€}1/2600,000$ per annum?

A. That's correct.

Q. And that was long prior to any approach by you to Mr. Lowry February, 1995?

A. It's February 1995, yes well, long, when

Q. Well, the approach I think to Mr. Lowry was sometime in late March, early April?

A. It's not long. It's just

Q. A number of weeks?

A. Okay, yes, Sir.

Q. And at that stage, what was between both parties in negotiation was $\text{€}50,000$?

A. Yes, and that would have been on the table a long time before the letter, do you know? Discussions would have been taking place. So that letter dated February, those sort of figures would have been on the table sometime earlier than that.

Q. And the $\text{€}650,000$, which you had instructed your expert was your bottom line, was very close to the $\text{€}640,000$ which Mr. Gill independently determined following the arbitration?

A. That is correct.

Q. Now, I think on the 18th April of 1995, Mr. Harrington wrote to you stating that they hoped, at that stage, to defend a valuation of 771,000 before the arbitrator?

A. That's correct.

Q. And then I think the submission was ultimately made, whereas Mr. Coughlan has asked you about a figure of $\text{€}9.25$ per square foot was sought in respect of the office accommodation?

A. That's correct, yes.

Q. And various comparative properties were put forward by Mr. Bannon on your behalf?

A. That's correct.

Q. Now, it was put to you that at the time, Mr. Lowry

was, in effect, the tenant of Marlborough House, and I understand that at the time the actual tenant was of course Telecom Eireann?

A. That's correct, yes.

Q. And at the time, Telecom Eireann was a statutory company, having been sent up in 1983 with its own independent board of directors?

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

Q. And Mr. Lowry, as Minister, of course, with responsibility for telecommunications affairs, had no day-to-day involvement in the running of that company?

A. That's correct, yes.

Q. And the company made its decisions through the board subject to general policy guidelines or directions from Mr. Lowry's office?

A. That's correct.

Q. Now, finally, if I could just ask you, in relation to or two matters: I think you were informed back in February of 1995 that Mr. Whittaker had been appointed; isn't that correct?

A. That's correct, yes.

Q. And so far as you were concerned, nothing really took place to advance the arbitration until Mr. Gill was appointed; there was a gap where nothing was done?

A. There was nothing done; that's right.

Q. And I think as Mr. Coughlan brought out, in fairness to Mr. Gill, quite independently he set a strict

timetable for the arbitration, and it was held very quickly at that stage?

A. That is correct.

Q. And I think he did that by a direction that was sent in the by letter of the 7th February 1995, received by your property expert, Mr. Bannon, on the 10th February 1995?

A. That is correct, yes.

Q. And Mr. Coughlan put to you that if you had asked Mr. Lowry to intervene with Mr. Gill with regard to the rent to be fixed, I think you acknowledge that would be a serious matter?

A. Absolutely, yes.

Q. You acknowledge that you may have mentioned the sum of $\text{£}1/250,000$ as being the difference between the two parties?

A. Yes, I acknowledge I may have.

Q. You may have said that. But I think you said that to your recollection, you never specified any rent per square foot or asked Mr. Lowry to intervene in any way on your behalf in that regard?

A. Definitely not, Sir.

Q. Thank you.

CHAIRMAN: Very good, Mr. Dunne. Thank you for your attendance again.

MR. COUGHLAN: Those are the available witnesses today, Sir. We have

CHAIRMAN: The usual time tomorrow morning.

MR. COUGHLAN: Eleven o'clock in the morning.

THE TRIBUNAL THEN ADJOURNED UNTIL THE FOLLOWING DAY,

WEDNESDAY, 23RD JULY, 2003 AT 11AM.