

THE TRIBUNAL RESUMED AS FOLLOWS ON WEDNESDAY, 30TH JUNE

1999 AT 10:30AM:

CHAIRMAN: Good morning. Mr. Coughlan, one matter in advance of today's business.

Before any evidence is taken today, I need to refer to certain media reports concerning my holding certain shares in Cement Roadstone Holdings. After the conclusion of yesterday's sittings of the Tribunal, I was informed by my registrar that she had been approached by a journalist from the Irish Independent who handed her a copy of an impending article in Magill Magazine. The journalist asked for my comments on the article. At the time I decided that I would make no comment until I had examined the article and having done so, I have decided that I should make this statement.

The article states that according to the most recent register of shareholders, I hold 34,500 shares in CRH worth approximately €500,000. It goes on to say that a Mr.

Michael Anthony Moriarty, registered at the same address holds a further 2,000 shares worth approximately €28,000.

I am the Michael Anthony Moriarty referred to. I hold no shares in CRH as of this moment. However, although I have not had an opportunity of examining the most recent register of shareholders, I feel certain, having regard to some facts which I will set out below that the most recent

register of shareholders identifies shareholdings in my name to the extent of 36,500 shares.

I should say that I was not aware of the Magill Magazine article until it was drawn to my attention by my registrar yesterday afternoon.

The article states, and I quote, "Because of conflict of interest considerations, Moriarty is likely to be precluded from inquiring into the controversial sale of lands at Glen Ding, County Wicklow in 1991 to Roadstone Limited, a subsidiary of CRH, if further demands to do so are made."

The article goes on to say, and I quote, "Des Traynor's involvement in CRH would be excluded from investigation by Moriarty should any matters arise that merit investigation in the context of the Tribunal's Terms of Reference." It also refers to the fact that this Tribunal was established in September of 1997 and that during the Dail debate on the Tribunal's Terms of Reference, there were calls from the opposition to have the Glen Ding sale included in the Tribunal's remit but that these were rejected by the Government on the grounds that they did not wish to tie the Tribunal's hands with a prescriptive list of matters to investigate.

I know little of the detailed circumstances surrounding what has been called the Glen Ding sale. I have been aware, however, and was certainly aware at the time of the

Dail debate of certain controversy concerning the Glen Ding sale. I was certainly aware of the CRH involvement in Glen Ding at the time I was asked to accept the appointment as Sole Member of this Tribunal. At that time, I realised that if what has been called the Glen Ding sale emerged as a matter requiring to be investigated in the course of the Tribunal's work, there would be a risk that I would be perceived as having a conflict of interest in view of my shareholding in CRH. Therefore, before considering whether to accept the appointment, I brought the fact of my then shareholding in CRH to the attention of the Attorney General, Mr. David Byrne, Senior Counsel. Having done so, it was agreed between the Attorney General and myself that he would bring this matter to the attention of the leaders of the political parties, including the Taoiseach, before I would consider accepting the appointment. I asked the Attorney General to confirm to me the results of his notification to the party leaders. The Attorney General subsequently informed me that he had spoken to the party leaders and disclosed to them my shareholding in CRH and my apprehension that in certain circumstances, this could give rise to a perceived conflict of interest which would preclude my inquiry into certain matters. I was informed by the Attorney General that the party leaders acknowledged that my appointment on those terms would not cause them to have any concern.

I also disclosed to the then President of the High Court,

Mr. Justice Declan Costello the fact of my shareholding and the circumstances in which I had indicated I would be prepared to consider accepting the appointment.

For some time, for my own reasons, I have been contemplating the sale of these shares. I issued instructions last Friday that the shares should be sold and I understand from my brokers that they were sold early on Monday last, the 28th of this month.

Notwithstanding the fact that I no longer hold any shares in CRH, I am still firmly of the view that my position regarding the investigation of any matter concerning that company is the same as it was at the time of my appointment. I am satisfied that my having held any such shares precludes my inquiring into any matter concerning either Glen Ding or Cement Roadstone Holdings. I should say that had I disposed of my shareholding prior to my accepting the appointment as Sole Member of this Tribunal, I would nevertheless still have felt under an obligation to bring the matter to the attention of the Attorney General and to the attention of the leaders of the political parties before considering accepting any such appointment.

Evidence was given at the sittings of the McCracken Tribunal and at the sittings of this Tribunal that the late Mr. Desmond Traynor, as chairman then of CRH, was entitled to an office in the company's premises at 42 Fitzwilliam

Square, Dublin, and that from that office, he conducted certain activities unconnected with his role as chairman of CRH. I have heard evidence during the proceedings of this Tribunal that the activities of Guinness Mahon Cayman Trust, the operation of which has been described in the McCracken Tribunal as the Ansbacher accounts, were conducted by Mr. Traynor and other persons acting under his instructions from that office. I do not regard myself as being in any way precluded from continuing to inquire into the conduct of what I have been told are banking activities from those offices at 42 Fitzwilliam Square.

Having made these few remarks, I am anxious to resume normal transmission straightaway as regards Tribunal business. Mr. Coughlan, what evidence is proposed. Mr. Healy?

MR. HEALY: Mr. Peter Tierney please.

PETER TIERNEY, HAVING BEEN SWORN WAS EXAMINED AS FOLLOWS BY

MR. HEALY:

Q. MR. HEALY: Thank you, Mr. Tierney. You recall, Sir, that yesterday in the course of the evidence of Mr. Lowry, certain information came to the attention of the Tribunal concerning matters about which Mr. Lowry was then being questioned, namely the payments to Streamline referred to in the Tenth Schedule of the McCracken Report at Page 109 of that report.

Now, in the course of that evidence, the Tribunal obtained, through the assistance of Dunnes Stores solicitors, further information concerning the dates on which the payments referred to in that Schedule consisted of cheque payments which were cashed or otherwise put through the banking system of, if I can use that expression.

Now, what I have and what I propose to put on the overhead projector is a copy of that page of the report with certain manuscript notes made on the side by the solicitor to Dunnes Stores and for the moment, Mr. Lowry certainly has no difficulty with matters being proved in this way and if anybody has any difficulty, it may be necessary to call a witness but I don't think and I hope it won't be necessary to call a witness to prove what these notes show. And if we put them on

CHAIRMAN: Mr. Healy, does the interposing of Mr. Tierney while, as it were, Mr. Lowry was still in the box, reflect on the process of consultation?

MR. HEALY: It does, yes. And what I propose to put on the overhead projector for your benefit, Sir, and for the benefit of Mr. Tierney at this stage and the public so that he will know how this evidence arises, is a copy of that page of the report, page 109. The notation on the left-hand side is merely description of each cheque and of the account, of the cheque number and of the account and

the bank on which it was drawn.

On the right-hand side opposite cheque payments numbers 2 to 9, there are further handwritten notes. What those handwritten notes indicate is that the cheque payment number 2 of the 13th December of 1988 for €5,000 sterling went through the banking system, that in other words, the cheque was made out of the Dunnes Stores account in December of 1988. The date on which the cheque was paid by Dunnes Stores account is not on the note because that is not available at least at the moment. The information that is available comes from Dunnes Stores bank reconciliation and shows that that cheque was noted as having been paid by Dunnes Stores in their monthly bank reconciliation for December of 1988. Do you follow that also, Mr. Tierney?

A. Yes.

Q. The same goes for the March '88 note, the 2nd January 1990. Now the 22nd November of 1990, the two 22nd November 1990 notes refer to actual cheques and the dates on which those cheques were cashed or paid out of Dunnes Stores account and the same goes for the 15th March of 1993. In fact, I may have some other information, even more information as we go through the evidence in relation to these cheque payments.

Now, Mr. Tierney, you are an official of Allied Irish Banks?

A. That's correct.

Q. And at the moment you are attached to what branch?

A. Rathgar branch.

Q. Sorry?

A. Rathgar.

Q. And what's your position in that branch?

A. Personal financial manager.

Q. And were you at one time associated with the Dame Street branch?

A. I was assistant manager in Dame Street.

Q. When did you cease to be assistant manager in Dame Street?

A. January of this year.

Q. And for how long prior to that were you assistant manager in Dame Street?

A. Thirteen years.

Q. So you were assistant manager in Dame Street during the years that we are talking about in relation to these cheque payments?

A. Yes, that's correct.

Q. Now, I think your name was or your first name and initial and ultimately your name was mentioned in the course of evidence yesterday as being the individual responsible for some aspect of the purchase of a sterling draft by Mr. Lowry at the Dame Street branch when an application form for a sterling draft was put up on the overhead projector and a copy produced in evidence. The Peter Tierney mentioned in that is you?

A. That's correct, my writing was on the draft application.

Q. We will come to that in a moment. Now, I think you were, am I right in saying, the first contact that Mr. Lowry had with the Dame Street branch of Allied Irish Banks?

A. I would have been, yes.

Q. And that contact was due to either some connection you had or some indirect connection you had with Tipperary; is that right?

A. That's correct.

Q. Were you, in fact, the person who first opened an account for Mr. Lowry in the Dame Street branch?

A. I was.

Q. And as you know from evidence and perhaps from your own recollection, Mr. Lowry had a number of accounts at the Dame Street branch?

A. Yes.

Q. And did you open all of those accounts for him?

A. I don't know whether I opened them all or not but I certainly would have opened some I am sure.

Q. Right. Would you have been involved in some way or another in perhaps opening most of them?

A. I would think so.

Q. Would you have been in regular contact with Mr. Lowry during the time that you were in that branch?

A. Yes.

Q. In other words, would you have been his first or at least his preferred contact when doing business with the bank?

A. Yes.

Q. And that's not unusual, especially where you have a large branch, isn't that right?

A. That would be correct.

Q. And would you have a number of other customers who would prefer to do their dealings or certainly do any dealing requiring more than out of the ordinary banking services to do their dealings through you?

A. Quite a number of customers, yes.

Q. Now, there are a number of matters that I want to ask you to assist the Tribunal on but I think we'll go firstly to these cheque payments. Now, I think you have been informed of the evidence given to the Tribunal by Mr. Lowry, that as far as he is concerned, he banked most of his money either in your branch or in other branches of your bank?

A. I am not aware that he said that.

Q. And that, and his accountants have, with a small number of exceptions, managed to track down what they believe to be most of his income to particular lodgments to your and other branches, yours and other branches of the bank.

A. Yes.

Q. Now, I want to look at I think you have already been given a copy, we can make sure you have another copy of a microfiche of a cheque, it's cheque number 6 on the list of payments on the overhead projector. It's dated the 19/10/1990. Now, it may be difficult, Sir, to put it on the overhead projector, the photocopies certainly are not

easy to put up and I am going to see if the microfiche will produce a clearer picture. If I could just have the original microfiche back for a moment please. Do you have a photocopy of that microfiche?

A. Not here, no. (Document handed to witness.)

Q. Now, Mr. Tierney, this is a cheque drawn on Ulster Bank in favour of Streamline Enterprises in the sum of œ19,730 and no pence. And that cheque was paid some short time after it was drawn on the 22nd November of 1990. Now you see the circular stamp on the front or the face of the cheque.

A. Yes.

Q. What's the full address the Allied Irish Banks, Dame Street?

A. 7-12.

Q. 7-12.

A. Yes.

Q. I think if you, I don't know if it's clear on your copy but on my copy it says 7-12 and very, very indistinctly it says Dame Street but I can let you have a look at this if you like so you may recognise the address better than I will.

(Document handed to witness.) That's on a different cheque now but it looks like the same stamp. Do you see that?

A. Yes.

Q. I think that's the Dame Street stamp, is it?

A. Yes.

Q. And that Dame Street stamp is dated the 22nd November, that

is just barely visible on the overhead projector and indistinctly apparent from the photocopy of the microfiche. And am I right in thinking that that suggests that that cheque was presented by Dame Street in or around that date for collection?

A. I would think so, yes.

Q. That in other words, the cheque went into Dame Street and from Dame Street, went through the banking system for collection in England because it was a sterling cheque?

A. Yes.

Q. And if you look at the back of the cheque and the back of the photocopy of the microfiche you have, you will see fairly indistinctly, a stamp which I think has already been brought to your attention and seems to suggest that this was presented at Lombard Street, at Barclays Bank, Lombard Street, London by Allied Irish Banks Dublin?

A. Yes.

Q. And Barclays Bank, Lombard Street are your collecting agents for your sterling business; is that right?

A. That's correct, yes.

Q. Now, the back of the cheque is also endorsed Michael Lowry.

A. Yes.

Q. Isn't that right? Can you provide any assistance to the Tribunal as to the significance of the other two or three marks on the cheque, the numbers 9195?

A. Unless that was a rate of exchange possibly at the time,

.9195.

Q. I see the point, the decimal point, yes.

A. 03024, I don't know what the significance of that would be.

Q. Or the L? Unless it refers to Lombard street.

A. Yes.

Q. Now, looking at the cheque again as a whole, first of all
can I ask you whether you have any recollection of ever
dealing with this cheque for Mr. Lowry?

A. No, I can't remember the cheque.

Q. The cheque is endorsed on the back. Would that be usual
where a customer of the bank was having a cheque collected
for his account as opposed to lodging, as opposed to
negotiating the cheque in return for value over the
counter?

A. If the cheque was being lodged to the payee's account, no,
it wouldn't be normal for it to be endorsed.

Q. Yes. If the cheque was being lodged to an account other
than the payee, are you telling me it would not be unusual
for it to be endorsed even though value wasn't given over
the counter?

A. That could be the situation.

Q. In this case we had a cheque made out to Streamline
Enterprises.

A. Yes.

Q. If that cheque were being lodged to the account of
Streamline Enterprises, then there would be no need for an
endorsement, it would be handed over the counter and some

lodgement docket signed for evidence to be taken away by the customer that he had actually physically lodged the cheque and in due course having been collected by the bank, the amount of the cheque after the currency exchange had been carried out would be credited to the account?

A. That's correct.

Q. If a person wanted to get cash, he would negotiate over the counter at the bank in the same way as a public house or wherever else?

A. Yes.

Q. And the bank would take the risk on the cheque?

A. Yes.

Q. Or as you have indicated, the customer would have endorsed the cheque, in this case Michael Lowry would have endorsed on the back as representing Streamline Enterprises, is that right, so the cheque would now be credited not to Streamline's account but someone else's account; is that right?

A. Possibly.

Q. Now, there is no evidence of this cheque having been credited to any account of Mr. Lowry's and Mr. Lowry is satisfied and that's his evidence in this case and I understand will be his continuing evidence that he did not get cash for this cheque and you certainly never gave Mr. Michael Lowry œ19,000 cash over the counter.

A. I certainly have no recollection of doing so.

Q. Isn't it likely if he was looking for œ19,000 cash which is

a large sum of money and certainly might require some advance notice, that then he would have contacted you or some other bank staff would have said Michael Lowry wants to know if we can give him €19,000 cash and if that's all right and you might have said fine.

A. Quite possibly.

Q. We will come back to that cheque in a moment and we will look at a number of cheques that seem to have been treated in this way. If we go to cheque payment number 7. This is for €15,825 sterling. Again a cheque drawn on the Dunnes Stores (Bangor) Limited account at the Ulster Bank Limited, Newry. The stamp is again dated the 22nd November, 1990.

A. Yes.

Q. And I think even looking at the photocopy at this stage, you would probably agree it's again a Dame Street stamp?

A. Yes.

Q. And obviously from the fact that both the stamps are dated the 22nd November, even though the cheques are from slightly different dates, it would seem to indicate that Mr. Lowry must have come to the branch at that time with two cheques, isn't that right?

A. I would think so.

Q. Amounting in all to some, well, best part of 35 or more than €35,000?

A. Yes.

Q. And once again, and I am sorry to harp back on this but if those cheques were cashed and if you had cashed €35,000 and

handed that over the counter, you would certainly have remembered it?

A. Within a period of time I most certainly would have, because certainly at this stage I have no recollection of

Q. Have you frequently given anyone œ35,000 cash over the counter on a personal arrangement, if you like, not somebody who is paying his workers or anything like that?

A. We would give out I would have given out, over the years, certainly substantial sums of money in cash to people for various reasons.

Q. Yes. I think you would have remembered if you had given Mr. Lowry œ35,000 in cash, wouldn't you?

A. I have no recollection of giving him cash I must say.

Q. Now, again if you look at the back of this cheque or the reverse side of this cheque, again there's the notation .9195 and from the fact that that appears on both cheques, you are probably right in suggesting that that's an exchange rate?

A. Yes.

Q. Again the cheque is endorsed and it has the same number, the same notation, L 03024.

A. Yes.

Q. But it also has an additional notation which looks like AC19 or AC/9?

A. Yes.

Q. And it has again the stamp indicating that it was presented

at Barclays Bank, Lombard Street.

A. Yes.

Q. By Allied Irish Banks, Dublin, something which is utterly indistinct on the overhead projector.

A. Yes.

Q. Can you offer any assistance as to what the bottom notation AC, whether it's 19 or AC/9 means?

A. I can't, I am afraid, no.

Q. Have you ever seen a notation like that on a cheque?

A. Not that I can recall.

Q. Are the other notations on the back of the cheque usual or unusual?

A. The number could be an account number, five digits of an account number.

Q. Yes?

A. As I say, the 9195 would appear to be

Q. You think an exchange rate?

A. An exchange rate and obviously Michael Lowry's signature is on it. The AC19, I wouldn't have a

Q. Could that be account 9, could it?

A. It could be, account would normally be abbreviated to A/C but somebody might write it that way.

Q. In which case, it would probably be Account 19, is it?

A. I would think so, Account 19 or Account 9, yes.

Q. Is there any member of the staff of the branch who would be more intimately connected with the processing of these types of transactions than you would be?

A. I am not aware of who processed the transactions.

Q. No, but are there members of the staff of any branch who would have more expertise in deciphering notations like this on the backs of cheques?

A. I don't know, to be quite honest.

Q. Would you be surprised if somebody knew more than you about it, in other words, more than you know about?

A. They quite possibly would because I know nothing about the AC19 and the 03024 could possibly be an account number.

Q. I want to draw your attention to payments 8 and 9.

Payments 8 is its payment 8 on page 109, payment 8 on the list of payments to the Tenth Schedule to the McCracken Report. It's for £34,100 sterling drawn on the Dunnes Stores (Bangor) Limited No. 2 Account, the same as the other cheques, Ulster Bank, Newry. It's described as dated the 3rd September, 1991 in the McCracken Report but as we have had an opportunity of examining the cheque, that seems to be a slight error, as in fact it's dated the 19th July of 1991. (Document handed to witness.) Now that again is a cheque made out to Streamline Enterprises. It has two stamps on the front, they seem to be rectangular type stamps. One says "paid" and the other stamp says "Ulster Bank, Newry," do you see that?

A. Yes.

Q. Now, at the back of the cheque has a stamp and some printed or computer generated numbers, the computer generated numbers appear to tally with the sort code and the 260791

which is, I take it, the date paid, the date, sorry, that this cheque came back to the bank whose sort code is given here 98-11-40, that's the Newry branch of the Ulster Bank sort code so presumably the cheque came back into them at that date. The 25th July of 1991 is presumably the date that Allied Irish Banks processed or administered the cheque, would that be right?

A. 25th July, yes.

Q. Yes. So does that suggest that the cheque was handed in to Allied Irish Banks either on or sometime close to that date of the 25th July?

A. Yes, I would think so, yes.

Q. Now, the other cheques that we mentioned a moment ago went through Lombard Street for collection?

A. Yes.

Q. There seems to be no reference to Lombard Street on these. Can you offer any assistance as to what, as to why that should be the case?

A. No. No, I don't no, I am afraid.

Q. If it didn't go to Lombard Street, therefore it would seem to indicate or that would seem to indicate that the bank didn't use its normal collecting agent?

A. No, it could possibly have been sent on a collection basis.

Q. Could have been sent directly to the Ulster Bank?

A. Yes, for special clearance.

Q. And would that account for the Ulster bank stamp on the face of the cheque and the computer generated Ulster Bank

numbers and date on the back of the cheque?

A. It could, yes.

Q. Now, why would that have been done? Why would the bank have sent directly to Ulster Bank in Newry for value rather than sending it through the collection system?

A. It would normally be done in circumstances where the client wanted to ensure that the payment would be effected or else where the bank weren't sure that the cheque would be paid.

Q. Or where the client wanted the money quickly?

A. Yes, yes.

Q. I don't suppose either the bank or the client were concerned that Dunnes Stores wouldn't meet a cheque?

A. I would have thought not, no.

Q. So we can presumably rule out that as a reason?

A. Possibly, yes.

Q. And if a cheque was to be specially presented like this and amn't I right in describing it as the special presentation of a cheque, am I?

A. Yes.

Q. That would usually have been done only by the instructions of the customer; isn't that correct, the bank wouldn't do that off their own bat?

A. The bank would sometimes do it.

Q. On their own initiative?

A. Well, if they were concerned, if the client wanted to cash the cheque or to get clearing process for it, it could be done at the customer's request or the bank's.

Q. Is there normally a special charge made for it?

A. There would be, there could be a charge, a collection charge, yes.

Q. Because not infrequently you'd see on a bank statement a reference to œ5 or œ6 or œ10 or sometimes œ15 collection charge.

A. Yes.

Q. Where you have a cheque specially presented in this way because the bank has to go to extra trouble, it simply doesn't throw it in with all the other cheques going for collection?

A. Yes.

Q. If that were the case, one would expect to see that special presentation charge on the bank statement, wouldn't you?

A. It could have been or it could have been on the charge, yes, or the charge could have been deducted when the transaction was being completed or possibly the charge was waived.

Q. Yes. Now, the last cheque I want you to look at is a cheque for œ55,314 sterling again drawn on the same Dunnes Stores account at Ulster Bank. Do you have a copy of it?

A. Not at the moment, no. (Document handed to witness.)

Q. This cheque is again marked "paid" on the front, unlike the last check the stamp on the front would seem to be a stamp dated 11th March 1993 and again, it's 7-12 Dame Street, Dublin, more distinctly on the original I can tell you.

A. Yes.

Q. The reverse side of the cheque has some writing and I don't know whose writing that is, do you recognise it as

A. No, it's not my writing.

Q. Again it's a cheque made out to Streamline Enterprises.

A. Yes.

Q. Now, if we just, if we could just turn the overhead projector copy upside down for a moment. That indicates that it was lodged at Barclays, 84 Lombard Street, London by Allied Irish Banks bank, Dublin.

A. Yes.

Q. And therefore that would indicate that it went through the normal collection system?

A. Through the clearing system, yes.

Q. Now, if we can turn the cheque around again, there's a reference to a sterling draft.

A. Yes.

Q. And what would seem to be

A. Draft number.

Q. 981533, that's probably a draft number.

A. Could be the draft number, yes.

Q. And then above that, 1/018, BC 400 or BE 400, it looks like BC 400.

A. I would think the 1018 would be the conversion rate, I don't know what it was at the time but the BC 400.

Q. Could that be bank charge?

A. œ4, it could, it would be a funny way to write the œ4.

Q. It would, yes, and I can tell you that on the original, I can't discern any decimal point between the 4 and the first zero.

A. I wouldn't think it usual, if it was a bank charge being levied on a transaction, to write it on the back. I am not saying it wasn't but I wouldn't have known it to be a usual...

Q. Now, we know that this cheque was lodged to Mr. Lowry's account in Dame Street as opposed to Streamline Enterprises account?

A. Yes.

Q. It's not endorsed by Mr. Lowry.

A. Well, there is a signature on the back.

Q. Unless that's Mr. Lowry's, I am sure, we can check that.

The reference to a sterling draft is presumably a reference to a draft purchased with this money; is that right?

A. I would have thought so, yes.

Q. I am going to try to get the account statement and we can come back to it in a moment but a reference to a draft would seem to indicate that a draft was purchased and we should, from the number of the draft, be able to get the draft. Would I be right in that, get a copy of it, if it's only 1993?

A. I am not sure quite honestly. I think they would still be available, those drafts, yes, but I am not sure of the retention times.

Q. I am told that the writing is another version and by that,

I mean a quicker more scribbled version of Mr. Lowry's signature.

A. Yes.

Q. I won't detain you on this point at the moment, Mr. Tierney, we may have to come back to this question of the draft. The reason is that I have just been handed a copy of one of Mr. Lowry's deposit accounts showing a deposit on the 15th March, 1993 of sterling œ55,314 and a withdrawal DD, what does that mean, direct debit?

A. Yes, direct debit.

Q. Of that amount on the same day and a lodgement of the same amount to another, what is presumably a sterling deposit account on the same day. I may ask you or may ask the bank to look into that at a later point. But so far as your memory goes, can you remember any of these transactions?

A. I am afraid I can't.

Q. So in your dealings with Mr. Lowry, you certainly have no memory of ever dealing with these cheques for him?

A. I have no recollection of those you know, particular transactions, no I don't, I am afraid.

Q. Have you a recollection of dealing with Streamline cheques that would have gone into a non Streamline account?

A. I have.

Q. And how often would that have happened?

A. I couldn't say, three three, four times. I am not sure really.

Q. Now, Mr. Lowry's evidence, as I said, to come back to the

point I mentioned to you at the beginning, is that all of these cheques were put into the banking system by him I am using that compendious expression to convey what I understand to be his evidence to date and what will be his evidence in the future, that he put the cheques, he handed the cheques over the counter, endorsed them whatever, but he received no value for them there and then. He did not receive cash for them in other words.

A. Yes.

Q. And if he did not receive cash for them, what could have happened to them?

A. They would have been put into an account.

Q. They had to go into an account, wouldn't they?

A. Well, I would think so, there's no other either cash or lodgement.

Q. There's no halfway house.

A. No.

Q. And is there any circumstances in which the bank would have held on to them for him in some other guise, to some suspense account or whatever?

A. Not as far as I am aware of. He could have, there could have been drafts purchased for him or something, I don't know.

Q. If a draft was purchased with any of these sterling cheques and if that draft was not given to Mr. Lowry, what could have been done with the drafts?

A. I don't know, like, it would have been highly unusual for

them not to be given to Mr. Lowry if they were his money.

Q. But if he said he didn't get any?

A. I have no idea.

Q. I accept that these are somewhat unusual propositions but wouldn't you agree with me it's equally unusual a person would hand very large sums of money, in all about €65,000 or so, in fact nearly €100,000 over the counter in a bank and receive nothing in return?

A. No. Normally there would be a receipt given or cash or a draft.

Q. Yes. In fact I will rephrase that because I am wrong to say that all of the cheques went over the counter and he received nothing in return because as I have just indicated, the €55,000 cheque went into an account.

A. Yes.

Q. But the rest of the cheques which come to a very substantial sum of money left his hands in a bank, were handed over the counter and he got nothing in return.

That's a bizarre situation; is that right?

A. It would be very strange for some credit or notation not to have been given as to the value of the cheques.

Q. And if credit was given, that credit would have to be in an account?

A. It would be in some form of account, yes.

Q. When you say some form of account, would it have to be an account in Mr. Lowry's name?

A. It would be in his name.

Q. Or in Streamline Enterprise's name?

A. Or in Streamline Enterprise.

Q. If it was in neither name, there's no other account which it could be held?

A. Not as far as I am aware.

Q. And you have never conducted any transaction for Mr. Lowry which involved putting money into some account other than an account in his name or Streamline Enterprise's name?

A. No, I have no recollection of doing anything like that.

Q. An the words "AC 19" could never be a reference to an impersonal bank account where funds like this might be kept subject to a client's instructions?

A. It could be but I certainly would have no knowledge of any AC 19 or any such account, any suspense account.

Q. Leaving the title AC 19 out of it, is there any impersonal bank account in which money like this could be put until a client gave further instructions in relation to it?

A. It would be highly unusual for anything there are various impersonal accounts in the bank but certainly it wouldn't be usual for funds to be held in those accounts.

Q. And what are those impersonal accounts or give me an example.

A. They would be items for collection which, you know, would be cheques that had been sent for special collection and the funds could be held in those when the credits were received pending instructions from the client as to what he wanted to do with the items.

Q. Let's take an example of that. When you say special collection, do you include in that expression the special presentation we mentioned a moment ago?

A. Yes, yes.

Q. So if a cheque was to be specially presented and the value of the cheque was obtained for the customer, that would go into an account for special collection; is that right?

A. It wouldn't necessarily go into the account but it could be into an account, yes.

Q. Could it rest there for sometime or would it have to be dealt with? Would there be some automatic imperative which would mean it would have to be dealt with within a short period of time?

A. The account would normally be reconciled between seven to fourteen working days and if money was still in the account, it would certainly be queried.

Q. And if this were to happen on a regular basis to the point where six cheques and some STG œ55,000 were awaiting collection, would that be likely to ring alarm bells in a bank?

A. It would be, it would certainly be unusual.

Q. Except in the case where a customer had some doubts as to the credit worthiness of the drawer of a cheque, normally special collection is arranged for because he wants the money quickly or wants it in his account quickly.

A. Yes.

Q. It would be a contradiction in terms to leave the money in

a special collection account in those circumstances,
wouldn't it?

A. Certainly would, it would be unusual.

Q. Are there any other impersonal accounts where money might
lie for a period of time subject to a client's
instructions?

A. There would be accounts, Sundries A which would be credits
and Sundries B which would be debits and they are
basically, as the title says, sundries, sundry transactions
where there might have been, you know, places where that
credit or the debit could be applied to.

Q. Could you give me an example of that type of credit?

A. If a cheque was cashed and came back unpaid, it might be
debited out of the Sundries B Account or if, you know, a
credit transfer didn't have the correct details or account
number or whatever, it could find its way into that
account.

Q. You mean that it wouldn't be transferred to some account
because the account had been improperly identified so it
would still stay in the bank to the credit of the person
who tried to transfer it?

A. Until such time as the customer could be contacted and the
matter resolved.

Q. Now, in this case, what we do know is that from the
evidence to date is that this money was put into the
banking system, as I am sure you will agree with me on
that, it went into the banking system and it went into the

banking system via Dame Street.

A. Yes.

Q. Now, I accept that you are not in a position to tell me what happened after that. We do know however that a sum of money was sent to an account in the Channel Islands by another branch of Allied Irish Banks, the O'Connell Street branch, and that that money went to open an offshore account for Mr. Michael Lowry in the Channel Islands in January, about the 14th January of 1991.

A. Yes.

Q. Now, Mr. Lowry's evidence to the Tribunal is that he opened that account in O'Connell Street and that in order to do so, he had with him no sterling, no Irish money to be converted into sterling, and that he opened the account in the bank without having any money with him, indicating that as far as he was concerned, the money had to come from Dame Street. Now, assuming that that is correct, is it possible that his money could have been collected in Dame Street and left there until such time as he gave instructions to have it sent offshore?

A. It would be possible.

Q. And if that were the case, where would it be kept in Dame Street?

A. Well, it would normally have been kept in his account.

Q. And if it weren't kept in his account, is there an account in which it could have been kept? Could it have been kept in a sundry account for instance?

A. Theoretically it could be. It would be highly unusual for that to happen but it could be kept in a sundry account.

Q. If we can just pursue that and I agree you are describing it as a theoretical proposition for a the moment, a sundry account as you said yourself could mean anything, it's a place you put something until such time you have a proper home for it, where it's not gone to its proper home due to an accident or a cheque negotiated over the counter or subsequently wasn't met or dishonoured?

A. Yes.

Q. Debit a sundry account as opposed to a credit?

A. Yes.

Q. Assuming that a number of cheques were assembled and put into a sundry account like this in Dame Street, is it likely that you are the person who would have been involved? I am not suggesting that you did it because you told me you haven't done it but is it likely that if Mr. Lowry was to do that, you would be the only person in the branch he would have been able to go to to ask for something like this to be done?

A. Well, I would have been the first person that Michael Lowry would have looked for when he came into the branch. Again, if I wasn't there, he would look for other members of the, what would be our team at the time.

Q. Could you just remind me once again when you went to the Rathgar branch of Allied Irish Banks?

A. January.

Q. Of this year?

A. Of this year.

Q. So you were in Dame Street during the commencement of the work of this Tribunal and during the work of the McCracken Tribunal?

A. Yes.

Q. And during the period of the Buchanon investigation?

A. Yes.

Q. And I take it that during that time you were aware of various queries being addressed to the bank by this Tribunal, by the McCracken Tribunal and perhaps also by Mr. Lowry's own advisors?

A. Yes.

Q. And I presume various queries were addressed concerning these sums of money or similar sums of money?

A. There was various endeavours to find out where sums of money had gone or what lodgments to Mr. Lowry's accounts related to him.

Q. And I presume the first step into inquiring into the state of Mr. Lowry's accounts at any time historically was to identify those accounts?

A. Yes.

Q. And having identified them and to see the balances and then to try to track the lodgments and track the debits from the accounts and so on?

A. Yes.

Q. An as the person who had dealings with Mr. Lowry, were you

involved in were you intimately involved in that exercise?

A. No.

Q. Why weren't you involved in it?

A. Because I did have personal dealings with Mr. Lowry.

Q. Did nobody in the bank therefore think of asking you whether you were aware of the extent of Mr. Lowry's accounts in the bank?

A. They oh yes well, I gave whatever assistance I could when asked about specific transactions, if I knew what they would have related to, etc., but

Q. And if you were aware of any account that Mr. Lowry had or of an account he didn't have, such as a sundries account into which his money would have gone, would you have alerted either the internal bank people inquiring, the Tribunals or Mr. Lowry's own advisors about that?

A. I would have, yes, if I had been asked about the accounts. As far as I am aware, Mr. Lowry gave details of all his bank accounts to his accountants and that was where the questions were coming from.

Q. But if there's a bank account or if there's a place, I won't say even a bank account, if there's an account in the bank, not Mr. Lowry's account, into which his money might have gone, a request to the bank for Mr. Lowry's accounts wouldn't automatically have produced that information; is that right?

A. That would be correct.

Q. Only a person who would put his money into such an account would be able to answer that question?

A. Yes.

Q. And you certainly didn't do it?

A. I have no recollection of doing anything like that.

Q. Now, in 1991, when Mr. Lowry was sending his money offshore to the Channel Islands to this account he was opening, exchange control regulations governed foreign currency transactions?

A. Yes.

Q. Involving Irish pounds, isn't that right?

A. Yes.

Q. Indeed involving all currencies. And were you aware of the you may not have been aware of all the details of the currency regulations but were you aware of the basic principles governing the exchange control regulations?

A. I would have been, yes.

Q. You would have known that the bank had a delegated authority from the Central Bank to operate the exchange control regulations on its behalf?

A. Yes.

Q. It would obviously be impossible if everybody who wanted to trade abroad had to go to the Central Bank first and get an exchange control permission to get money out of his bank account to pay his creditors abroad so banks were given the authority to allow people to pay their creditors abroad without going through the Central Bank.

A. Yes.

Q. And provided a banker was satisfied that the money that was being drawn from an account was being used for a bona fide commercial transaction, then he could stamp it, stamp that particular cheque as approved for credit to an external account; is that right?

A. Yes.

Q. And I think these regulations were relaxed a little and a point was reached where so long as the bank had evidence that the money was being used for that purpose, you didn't actually have to go through as much form filling as you used to have to go through?

A. Yes, yes.

Q. But of course you'd still have to nevertheless keep a record having carried out a foreign exchange transaction?

A. Yes.

Q. Now, during all this time, certain transactions, notwithstanding their size, always required foreign exchange approval?

A. Yes.

Q. Such as the opening of an account abroad?

A. Yes.

Q. And there are circumstances in which a commercial concern might need an account abroad, they might have people travelling abroad, they might need to pay bills in London for staff travelling over and back or any other part of the world?

A. Yes.

Q. But I think you would have been aware that opening an account abroad for investment purposes is something that was never allowed. You simply couldn't put your money into a deposit account in another country.

A. Yes.

Q. That would be the most obvious form of speculation on the Irish currency.

A. Yes.

Q. Playing the foreign currency off against the Irish currency and deciding when you change back and so forth?

A. Yes.

Q. So that the opening of an account in the Channel Islands in 1991 is something that wouldn't have been permissible under the exchange control regulations unless it was for some legitimate commercial purpose?

A. Yes, that would be my understanding of it.

Q. Yes. Now, we do know that such an account was opened.

A. Yes.

Q. And no exchange control documentation has been found in relation to any such account, either in Allied Irish Banks or I can tell you the evidence would be, in the Central Bank indicating that no exchange control was obtained to open such an account and indeed it couldn't have been obtained. Is it possible well, before I come to that question, did you ever discuss the opening of an account in the Channel Islands with Mr. Lowry?

A. No.

Q. Did he ever mention to you that he wished to open an account in the Channel Islands?

A. No.

Q. Are you aware of his having discussed that with any other member of the staff of Dame Street?

A. No.

Q. As the assistant manager in the branch, if a customer of the branch wished to open an account in a foreign, in an offshore location and that customer was a customer with which you had a relationship, would you have been informed about it?

A. I would have felt so, yes.

Q. Isn't it extremely unlikely that an official at the counter or a junior official would have processed a transaction like that without some supervisory assistance?

A. It would be unusual for a junior to do something like that, yes, it would have to go through the foreign exchange if it was a sterling item and that would be then scrutinised by the people in the foreign exchange department.

Q. If I could just digress for one moment. There's no doubt and I think this was confirmed by the manager of the branch yesterday, the branch were quite capable of dealing with any kind of foreign exchange transaction?

A. Yes.

Q. And the bank could have opened an account in the Channel Islands for a non Irish resident, isn't that right, for a

non Irish resident.

A. Yes.

Q. And if you had a non Irish resident as a customer, you could have referred him to the Channel Islands, isn't that right, you certainly have a branch in the Channel Islands?

A. We would mention there was banking facilities there.

Q. You could presumably arrange an introduction, why wouldn't you?

A. We normally wouldn't. We would normally give them the information and

Q. I see. You wouldn't normally make direct contact with the Channel Islands yourself?

A. I am never I never had occasion to.

Q. I see. You never opened an account in the Channel Islands yourself for a customer?

A. No, I have no recollection of ever sending documentation over to open an account.

Q. Or money?

A. Or money directly, no.

Q. Would that be a very unusual thing to happen?

A. It would have been.

Q. You are in a huge branch I think, aren't you?

A. Yes.

Q. In terms of the size of bank branches, where would the Dame Street branch when I say you are, I was referring to your previous incarnation in Dame Street. In the pecking order, if you like, of branch sizes, where is the Dame

Street branch?

A. It would be

Q. In the top ten?

A. Certainly, yes.

Q. So there's no type of banking business that you wouldn't have come across at sometime in the course of your twelve or thirteen years?

A. Yes, I have a broad banking experience.

Q. Would it be therefore fair to say when you tell the Tribunal that you have never opened an account in the Channel Islands, and I am not suggesting for one moment that you are not correct in that or that you never sent money abroad, but that is because it is something that would be extremely unusual in banking business?

A. It would have been unusual, yes.

Q. In that era, in the exchange control era.

A. Yes.

Q. And if somebody did mention to a member of the bank staff that he wished to put money offshore or put money abroad, he would in fact be doing something which was quite unusual in banking terms?

A. It would have been unusual, yes.

Q. And perhaps indeed even irregular?

A. Depending on the reason for it.

Q. Assuming that you didn't have exchange control and assuming in fact you couldn't get exchange control, it would be highly irregular, wouldn't it?

A. Yes, it would be unusual, yes.

Q. And if something highly irregular like that was to be carried on, is it possible that that could give rise to somewhat bizarre arrangements whereby money might appear in the branch at one time as all of this money did, and would subsequently appear, in some cases, some months later in the Channel Islands without any explanation being available?

A. I couldn't see any logical reason for that.

Q. Isn't the only explanation this may be difficult for you to answer, I don't mean it's a complex question isn't the only explanation somebody may have been trying to cover up this transaction?

A. I don't know.

Q. One of the unique things about the banking system that I have only learned about since I started this work is that when money goes into a bank account, if it's only coins over the counter, from the moment it passes over the counter into the hands of the teller, from then on, it's always in an account, isn't it, effectively?

A. It has to

Q. The debit and credit system?

A. It has to be somewhere.

Q. It has to be somewhere. Once it's passed over the counter, it has to be credited, that might be in personal notes and coins. As a result of the credit of that account, some other internal bank account has to be debited and the

customer's account has to be credited with the amount of the 25 shillings that went over the counter; is that right?

A. Yes.

Q. But the money has to have a home in an account on a debit or credit side of a ledger at all times?

A. Yes.

Q. If it doesn't, something irregular is going on?

A. I would think so, yes.

Q. Thanks very much.

THE WITNESS WAS EXAMINED AS FOLLOWS BY MR. CONNOLLY:

Q. MR. CONNOLLY: Just one or two questions on behalf of the Revenue Commissioners.

Mr. Tierney, I just want to ask you some questions about this possibility explored by Mr. Healy of the money having gone into a sundry account. The sundry account presumably entails what is described as a sundry account, is that the name of some person like the bank manager or some bank official?

A. No, it's actually designated as sundries account.

Q. It doesn't have an account holder as such?

A. No, no.

Q. And if I am correct in understanding your answers to Mr. Healy, the sundry account would be a conglomerate of various funds, some for customers and some bank monies, would that be right?

A. Yes, well it would be unusual for customers' monies to be

in there. It would be normally credits that could not be cleared or there might be some form of clearing differences, credits in relation to that.

Q. Yes.

A. On the debit account then, there would be possibly unpaid items, cashed or that sort of thing.

Q. Well, presumably there would be some record that would give a breakdown as to which credits go to which customers so you would be able to find out for instance if a particular sum of money went into a sundry account was to be attributed to a particular customer at a later stage?

A. Yes. There would be

Q. There would be some documentation part and parcel of the sundry account or side by side with it so you would know, say in Mr. Lowry's case, you would know that particular sum of money is to be passed over for Mr. Lowry's benefit?

A. Yes.

Q. Is that kept in the bank branch or in some Central Bank office?

A. It would be the bank branch.

Q. And is that kept in book form or in software form, do you know?

A. It would be book form, it would normally be the statements would be reconciled possibly every week or every fortnight.

Q. Yes. And presumably that would be readily accessible so that in the event of a customer came along and said well, where is my money, that appears to have gone astray, you

would have to have that documentation to be able to retrieve it, it's not a sort of banking limbo, the money is accessible somewhere?

A. Yes, it's all accounted for and as I say, that account would be reconciled, if not every week, certainly every fortnight.

Q. Thanks.

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

Q. MR. O'DONNELL: Mr. Tierney, I appear on behalf of Mr. Michael Lowry and I want to ask you a few questions to attempt to clear up some things from my own point of view.

If we take the cheques that Mr. Healy was asking you about, in the first place if we look at cheque number 8, payment number 8 for €34,100 sterling and that was the one drawn on Ulster Bank, Newry, stamped in Dame Street with a square stamp on the back I think on the 25th July, 1991.

A. Yes.

Q. And then I think you identified that that had been presented for special collection direct to Newry?

A. I honestly, I don't know. I said that it could have been the reason for it.

Q. It was certainly, it didn't go to

A. It doesn't seem to have gone through the normal

Q. AIB clearing system in AIB's facility in the Barclays Bank in Lombard Street and the bottom computerised information on the bottom, it's upside down on the screen, indicates

the Ulster Bank sort code, 98-11-40. If you look at it, that appears to be a notation when it's presented to Ulster Bank in Newry branch?

A. Yes.

Q. And the date on the left-hand side is the 26th July, 1991?

A. Yes.

Q. The sequence then is the cheque is brought into your account, sorry to your branch, stamped by Allied Irish Banks, Dame Street with a square stamp, presented to Ulster Bank, Newry. Ulster Bank, Newry deal with it on the following day, the 26th July and then they pay on the cheque, the money comes back to your branch.

A. Yes, they would probably have issued a banker's payment if that did happen, a banker's payment.

Q. Yes, to

A. To AIB, Dame Street.

Q. And we know, I think, that a draft was purchased then with the product of that on the 30th July of 1991, in precisely the same amount?

A. Yes.

Q. In your branch in Dame Street?

A. Yes.

Q. And in the intervening time between the 26th July, 1991 and the 30th July, 1991, where would the funds lie?

A. Probably just the banker's payment would just be held in the foreign department awaiting Mr. Lowry's instructions or whatever.

Q. And so that doesn't go into an account?

A. No.

Q. Doesn't go into Mr. Lowry's account and come out as a purchase of a draft, it's just held; is that right?

A. I would have thought so. As I say, I don't know this particular transaction, exactly what happened but that would be, would seem to be the normal situation.

Q. And following Mr. Healy's question that all funds have to be on account somewhere, when the banker's payment comes back from Newry, in what account is that held?

A. Well, it's effectively in Newry's account.

Q. In your branch?

A. No, the funds would still be held in their banker's payment account.

Q. But they would have presented to you?

A. What they have effectively done is sent us a banker's payment or a cheque or a draft down on their account so...

Q. In a sense they had met the cheque?

A. Yes, and that the funds were available in Ulster Bank, Newry for whenever the banker's payment was negotiated or the draft, whatever instrument they sent down at the time.

Q. Alright.

A. So the draft would just effectively, you know, lie there for a number of days until such time as

Q. Something was done with it?

A. As something was done with it, yes.

Q. And I just want to ask you then about the notation, the

notation on the back of some of the other cheques. Cheque number 9 and also cheque number 6, this is a stamp showing that the money was lodged to, lodged at Barclays, Lombard Street, London by AIB bank, Dublin. I think that's cheque number 9 there.

A. Yes, I have that.

Q. The figure on top, MR 12, what does that relate to? Just above, I think it's part of the stamp?

A. I don't know I am afraid. It looks like it would be something to do with Barclays Bank, it's over the, it seems to be part of the brand.

Q. You just go back to number 6, it looks like a more legible stamp on the rear of cheque number 6 but it seems to have the number 90 above the words 'lodged at Barclays Lombard Street, London'.

A. Yes.

Q. Do you know what that relates to?

A. No.

Q. And it appears to be part of the stamp?

A. It seems to be part of the stamp, I would think, given that the two

Q. Where is that stamp applied physically? Is it applied in Dublin or in London?

A. London I would think, I am not I couldn't say now for definite.

Q. You are not familiar with the physical treatment of these?

A. No.

Q. There doesn't appear to be a date on it either, how does

A. I suppose it's only been processed through the Barclays clearing system so that could be maybe why they don't actually date it.

Q. If it's lodged at Barclays, London by Allied Irish Banks, is that lodged

A. The cheque would be for onward clearance at Ulster Bank in Newry.

Q. It doesn't show any further transaction on the face of it, should it not be stamped by Ulster Bank, Newry when they received it?

A. They have the 55,304 is branded as paid. That's presumably, that would be the Ulster Bank, Newry brand.

Q. Yes. And they would pay it back to Barclays Bank London; is that right?

A. They would settle the, I would imagine, with Barclays and AIB would be credited and Ulster would be debited as such.

Q. Presumably there are a lot of cheques going through this route?

A. There would have been a huge amount of cheques.

Q. Would they need to know which ones are met and which ones aren't, that's the purpose of this whole procedure?

A. Yes.

Q. Is there some way of knowing that Barclays Bank, London, how these are reconciled?

A. As to whether the cheques are paid or not?

Q. Yes.

A. No, Barclays wouldn't be involved in that as such, like if the Ulster Bank were returning the cheque unpaid, I would feel, I am not sure exactly how they would unpay the cheque, at that period in time, they may have sent it directly to our International Division as unpaid. I wouldn't imagine they would send it through Barclays Bank but quite possibly they would as the clearing bankers which obviously would involve quite a considerable time.

Q. All this reference to Barclays and Lombard Street, London all relates to the clearing of a cheque by AIB, it's a facility Allied Irish Banks have?

A. I would think so.

Q. It's obviously not an account Mr. Lowry has or not a reference to an account Mr. Lowry has?

A. I wouldn't think so.

Q. Thank you, Mr. Tierney.

CHAIRMAN: Before I offer Mr. Sheridan an opportunity, anybody else? Mr. Sheridan?

MR. SHERIDAN: No questions.

CHAIRMAN: Thanks very much for your assistance, Mr. Tierney.

THE WITNESS THEN WITHDREW.

MR. COUGHLAN: Mr. Lowry.

CONTINUATION OF EXAMINATION OF MICHAEL LOWRY BY MR.

COUGHLAN:

CHAIRMAN: Thank you, Mr. Lowry, at this stage I needn't remind you you are already sworn.

Q. MR. COUGHLAN: Mr. Lowry, I think when you were giving evidence yesterday. A handwritten note, a copy of the Tenth Schedule to the McCracken Report was furnished to the Tribunal and you have seen that yourself now overnight?

A. Yes.

Q. I can give you a copy and we can put it up. (Document handed to witness.) And what we were really trying to ascertain in the questioning yesterday is where Items Two to Seven in that Schedule were, isn't that correct?

A. Correct.

Q. And it was your understanding that they had gone into the banking system somewhere but what was definite was that they hadn't gone into an account of yours, is that correct?

A. Correct.

Q. That you could see. Now, overnight also we have managed to get hold of some cheques and microfiches of some of the other payments as well identified there and the No. 6, which was a payment for œ19,730 sterling and No. 7, which is for œ15,825 sterling and both of those were negotiated on the same day, that was the 22nd November, 1990, isn't that correct?

A. That's correct.

Q. And I think from the evidence we have just had from the

last witness, you know that both of those did go into the banking system and were cleared through the normal clearing system for sterling, carried out, sterling transactions carried out by Allied Irish Banks?

A. Correct.

Q. But there's no evidence of them hitting an account of yours?

A. Correct.

Q. But it was your first of all, they were endorsed as well, you know that.

A. Yes, I endorsed them.

Q. Did you obtain cash for them?

A. Absolutely not.

Q. Did you obtain drafts for them?

A. I don't recollect getting drafts.

Q. Now, I want to pause there for a moment because you can see you definitely didn't get cash.

A. Correct.

Q. You say you have no recollection of obtaining drafts. Is there a distinction in both of those answers?

A. There is, because I think if anybody walks out with that kind of cash in their pocket, they would most definitely remember it.

Q. But drafts would be the same as cash, wouldn't they?

A. Well, I am talking about physical, you know, paper.

Q. You mean folding stuff?

A. Yes.

Q. I understand that. But you are still talking about 35 odd thousand pounds there, perhaps a little bit more, sterling. Did you obtain drafts?

A. It's my view that I did not. I have no recollection whatsoever of getting a draft.

Q. That's what I want to so is it your understanding that they remained in the banking system?

A. Yes, I have always held and I have been consistent in my view together with my accountancy service that all of these cheques were lodged within the banking system and there they remained until whatever happened them, until they matured into this £100,000.

Q. And can I just say that just in fairness to you, that they do appear to have gone through the normal collection system or the normal clearing system.

A. Yes.

Q. For Allied Irish Banks dealing with sterling.

A. Yes.

Q. Which would seem to indicate that there was no, on these two at least, there was no special presentation and no special clearance of them, they went through the normal system.

A. That's correct.

Q. Which would have taken, I don't know how many number of days, and would have come back in the normal way into an account, that's

A. Yes.

Q. Now, Mr. Tierney has told us that he was your contact in Allied Irish Banks effectively, is that correct?

A. Yes, as I told the Tribunal initially, he was the contact from which I opened the account.

Q. And that it's his understanding that you would always have asked for him if you rang up or if you came to the bank or that if he wasn't available, to a member of his team, I think you described it?

A. Yes, I previously stated to the Tribunal in evidence that on the first instance I would look for Mr. Tierney and I deal with him if he was available.

Q. And if he wasn't available, it would be somebody from his team that you would deal with?

A. Yes.

Q. So it was either Mr. Tierney or somebody from his team, leaving aside now whether you go in to get €100 or €150 cash but where you were dealing with this type of business which was large sums of money, it was always Mr. Tierney or somebody on his team?

A. Absolutely, yes.

Q. So if you didn't get cash or you didn't get drafts for these two particular cheques which were both negotiated at the same time, did you fill out a lodgement slip, can you remember, did you always fill out a lodgement slip?

A. Not always, I would hand over the cheques that I would have and

Q. Because the lodgement slip would involve either you or a

member of the bank filling in the account number and the name of the account into which the payment was to be made; is that right?

A. Yes

Q. As we all know from normal banking business.

A. I wouldn't have been familiar with the bank, I simply handed over the cheques and the official would have dealt with them.

Q. Well, these ones, but I take it there have been many occasions where you would have gone to the bank where you were making a lodgement, you would indicate whether it was the deposit or current account, the name of the account holder and perhaps the account number and the amount involved, that would be the normal

A. Normally, either I did it or the official did it.

Q. So that if you were, the lodgement slip ones I suppose has two particular aspects to it. First of all, there's the portion that might be torn off and/or the stub on it and branded and they write, the bank might write in the amount and give that back to the customer and that's your particular piece of evidence or receipt in relation to it and also it's the record for the bank and it deals with the amount that's being lodged, isn't that correct?

A. Correct.

Q. I suppose then the customer couldn't come back at a later stage and say well I really lodged œ45,000 but there's some evidence there, isn't that correct?

A. Correct.

Q. But in the instance of negotiating these two particular cheques, is it your belief that you just handed them over the counter?

A. Yes.

Q. And if you handed them over the counter, you did so without a lodgement slip?

A. Yes, I would say so.

Q. And you didn't receive any receipt or any indication of the amount that had been handed over from a member of the bank staff, did you?

A. All of these we would have checked our records and all we have in our possession is what the banks have since supplied us with.

Q. I know but I am just trying to ask you if they gave you the stub of a lodgement slip, the bank wouldn't have that, the customer would have that normally and I know people can lose things and you weren't the best at keeping things yourself as you have admitted but can you say that these particular cheques of which no record can be found within the banking accounts attributable to accounts of yours, that you did this without filling in a lodgement slip, that's your recollection?

A. I don't recall filling in a lodgement slip.

Q. Well, if you handed them in, would you have said something? You will have to you have heard evidence now, Mr. Lowry, you are really going to have to search your

mind now because there has to be an explanation for this and perhaps you can supply the explanation. Now, you handed them in. What did you say? You may not have wanted to know too much but what you did you say.

A. I would say what I probably normally said, there's X amount of money or what have you and I rarely give instructions to what account it would have to go into, I would have left it to the official.

Q. Now, Mr. Lowry. Now, Mr. Lowry, hold on a second now

A. That is the case.

Q. Hold on

A. Obviously the instruction is to lodge it to your account or whatever.

Q. Yes. You are not seriously saying, Mr. Lowry, just think about it for a moment, you are not seriously saying you would have handed the cheques over the counter and almost like lodge them where you want?

A. No, lodge them to my account obviously.

Q. To my account?

A. I would have taken that as if you present something.

Q. So there were only two accounts, two accounts of yours, deposit and the current account. I know there was another investment account opened as well but as far as you were concerned, there were only two accounts, there was a deposit and a current account; is that right?

A. I don't actually know how many accounts were in the bank at that particular time.

Q. Well, we will have a look at that in a moment now. Can I take it if you were lodging money, you can only lodge it to the deposit account?

A. Yes, or

Q. There was, I know there was another investment account opened in Allied Irish Banks but that related to you obtaining a sterling draft for the purpose of conducting business. You didn't go ahead with it and it found a home there and there was an investment there for a period of time. And that appears to have been, there was also an Allied Irish Banks finance and leasing account but that seems to relate to October 1992. Can we take it for ordinary purposes

A. I would have said "lodge it to my account".

Q. Now, you had a deposit and a current account, you were going to get interest on the deposit account, you weren't going to get interest on the current account so would you have given a further indication which account you wanted it lodged to?

A. It's possible, I don't recall it, it was 1990 so I don't recall it but I obviously would expect that the account would be, that the monies would be lodged to my best advantage.

Q. Okay. Okay. So you may have had an arrangement for all you know that it might, everything might have been lodged to your deposit account and it might have been drawn down to meet your current account and the needs arise and that

way it would have been to your best advantage?

A. It's possible.

Q. Did you have that sort of arrangement?

A. My main monies would have been on deposit account because certainly I had little, as you notice from the records I have, there was very little use on the current account.

Q. So that if you went in as you did and the cheques are clearly stamped Dame Street branch and negotiated on the 22nd November 1990, 35, 36 odd thousand pounds there, that was in sterling, I don't know what the conversion rate was.

A. Yes.

Q. You would have handed it in and it would have to have been converted to Irish money to be lodged to your account, did you know that?

A. Yes, I am aware of that now, yes.

Q. Now. But did you know it at the time there would have been foreign exchange transaction?

A. I wouldn't have been conscious of it.

Q. Yes. And you now know and you know from the inquiries being made on your behalf as well by Mr. O'Connor that those two sums don't seem to have found their way into your account, isn't that right?

A. Correct.

Q. Do you think at that stage did you intend that they'd go offshore, in your own mind?

MR. O'DONNELL: Sir, Mr. Lowry is asked to answer that

question. I would appreciate the Tribunal want to investigate matters of interest but Mr. Lowry has cooperated all along with the Tribunal and is anxious to do so but he is, I think, constrained in the evidence that he can give in relation to precise transactions in a way which I think would not be immediately apparent to the Tribunal on any individual question but I think in general, ought to be apparent or I hope is apparent in that he is not, I don't think he should be asked, I am asking he should not be asked to go into the details of his, intentions and transactions, because the essence of the question here is the source of any funds which are in Mr. Lowry's account. He has answered that. I appreciate the Tribunal is entitled to probe but there is no other version being given for the source of these monies and while there are other interesting questions raised by Mr. Lowry's transactions in relation to the way he used the banking system, because the constraints Mr. Lowry is operating now in relation to the evidence he is giving and the fact that that evidence is being noted by other persons with a different interest in his affairs, I would ask that he not be necessarily the source of that inquiry. I am just asking at this point whether it's really necessary to go further with this inquiry into this area as far as Mr. Lowry is concerned because he is constrained in the way, the extent of information he can give in relation to his affairs given the position he has found himself in. I don't want to put

it further than that but it does appear to me we are at some distant remove from the core of the Terms of Reference that relate to Mr. Lowry, and I am querying simply whether it's necessary to raise this type of inquiry.

CHAIRMAN: Well, it wouldn't be my wish, Mr. O'Donnell, and I do note the cooperation that you and the other advisors on behalf of Mr. Lowry furnished, that we should get into the terrain of having to construe the particular Tribunal legislation and the case law and rulings of earlier tribunals but by the same token, might it not seem somewhat artificial if Mr. Coughlan had to simply pause absolutely at this particular point in questioning.

MR. O'DONNELL: I am not asking that, I am just asking that he, and I appreciate very much the way in which the Tribunal team have approached this but I am just, I am more aware of the constraints under which Mr. Lowry is operating and that's why I am here on his behalf and I am asking the Tribunal, if the Tribunal considers it necessary it should be obtained with circumspection and with due understanding and obviously if there's a point we have to argue the necessity of any question or the relevance of any particular question of Mr. Lowry's position in relation to it that might arise but I think before you come to it, do we need to go about it this way? Do we need to ask that particular question? I am just raising that point at this stage without making any formal challenge on the relevance

of the question or

MR. COUGHLAN: I don't think, Sir, there's any need for any difficulty to arise in relation to these matters. If it comes to a stage where we have to make argument, we will make an argument about the matter. I think I can proceed at the moment.

CHAIRMAN: Very good.

MR. COUGHLAN: I won't ask you what your specific intention was at that stage. I will ask you this question, Mr. Lowry, did you express any intention to the bank that you recollect?

A. Yes, I probably did.

Q. Okay. And can I take it that whoever you were dealing and that would have been at Allied Irish Banks in Dame Street?

A. Yes.

Q. And can I take it then that anyone you were dealing with there would have perhaps have had an understanding that these sums of money would not go into your own either deposit or current account?

A. It's possible that they could have that understanding.

Q. And in fairness to you, you have always been adamant that they were somewhere in the banking system?

A. Yes, I am absolutely convinced that these monies were lodged from the Tenth Schedule within the banking system

and I am convinced of that. I don't have documentary evidence unfortunately because of my own poor bookkeeping.

Q. I understand that, Mr. Lowry, but in fairness again, it was your understanding and on the face of it, that appears to be the situation, Mr. Lowry, they were within the banking system, you, having expressed a wish or an intention in relation to them, would that be a fair way of putting it?

A. That would be accurate, yes.

Q. And that being so, I think in relation to, perhaps I should come to the items individually because there is a distinction between the last two, particularly the one where there was special sorry, the second last one, I think, is that right? Number 8, the €34,100 where there was a special clearance and I will have to ask you about that separately just to see what your recollection is in relation to that and perhaps I should do that now or as it is a new item, I wonder at this stage, Sir, could we rise for lunch. There's something I just wanted to discuss with Mr. O'Donnell so we can move this along a little bit expeditiously after lunch.

CHAIRMAN: Very well, we will restart then at twenty to two.

MR. COUGHLAN: May it please you, Sir.

THE TRIBUNAL THEN ADJOURNED FOR LUNCH.

THE TRIBUNAL RESUMED AS FOLLOWS AT 1:40PM:

CONTINUATION OF EXAMINATION OF MR. LOWRY BY

MR. COUGHLAN:

Q. Now, Mr. Lowry, I think just before lunch we were dealing with the cheque for STG €34,100 and I think that we know from the evidence of Mr. Tierney and looking at the back of this particular cheque in particular, that this did not go through the normal clearing system for sterling cheques, the Allied Irish Banks or go through the clearing system or put through the clearing system by Allied Irish Banks for sterling, that it was what's called a special presentation, that is that value was being sought on that day or the next day at the branch in which it was drawn.

Now, do you know anything about giving instructions of requiring this money quickly?

A. I can't recall seeking special clearances. It's unlikely I would have done so for a cheque for Dunnes Stores.

Q. First of all, I don't think that you'd have had have any concerns but that it would be met?

A. No.

Q. Now, that would be one reason I suppose that somebody might seek special clearance. The other and more likely one is that somebody requires money particular quickly. That's in the course of the evidence of this Tribunal we have seen other special clearances and people seem to require money quickly.

A. Yes.

Q. Now that special clearance appears to have taken place on the 26th July of 1991. You see the

A. Yes.

Q. the stamp.

A. That's correct.

Q. The date is at the bottom there. That's Ulster Bank, Newry. And on the 31st July well first of all, can I ask, it was obviously, did have special clearance.

A. Yes.

Q. Did you have receive any instrument or cash?

A. No.

Q. For œ34,100 sterling?

A. No.

Q. You didn't receive anything yourself?

A. No.

Q. So that until a special clearance took place, it was still in the banking system?

A. Yes.

Q. And can we take it that as far as you were concerned, that this formed part of that series of cheques that you just gave to them, having indicated an intention and that that was in the banking system, if I could put it that way?

A. Yes, that would have come

Q. As far as you were concerned.

A. Yes.

Q. Now, on the 31st July of 1991, that would be some five days after it had cleared yes, it was paid in on the 25th

July 1991 to Allied Irish Banks and then on the 31st sorry, on the 31st July 1991, you can see there that there was a bank draft

A. Yes.

Q. bought, made payable to you and it was definitely at the Dame Street branch.

A. Yes.

Q. Can you remember that particular transaction?

A. I don't have a recollection of it, but the facts would indicate that that's correct.

Q. And what do you think might have happened? Do you see, okay, we know that this draft, this €34,100 draft which was purchased at Dame Street went to the Channel Islands.

A. Yes.

Q. Did you send it to the Channel Islands yourself personally?

A. No.

Q. Was that done at the Dame Street branch?

A. It must have been. It's the only I certainly didn't do it.

Q. I just want to take this slowly, because we know about going down to O'Connell Street for the €55,000 earlier in that year.

A. Yes.

Q. We know that sometime prior to this, that €55,000 had matured in the Channel Islands and was now €58,000-odd or whatever it was and that this €34,100 formed part of the €100,000 which was lodged in Channel Islands on the 3rd

September of 1991, isn't that correct?

A. Yes.

Q. You didn't go to you definitely got a draft at Dame Street. You didn't go to O'Connell Street with that?

A. No, not that I am aware of, I didn't go to O'Connell Street.

Q. Can we take it you only went to O'Connell on the one occasion?

A. That's it. I was only ever in O'Connell Street on the one occasion.

Q. So, if this draft was purchased at Dame Street, as it was on that date, and the account, the investment, the €100,000 investment took place on the 3rd September of the same year, 1991, were you carrying or were you given that draft to carry around, do you know?

A. I believe that that draft was within the banking system.

Q. Within the banking system?

A. Yes.

Q. And having indicated your intention, it found its way to the Channel Islands

A. Yes.

Q. Now sorry, I beg your pardon, that was on the that was on the, yes, the 31st July.

Now, on the 30th August, which was just a few days prior to the Channel Island account being opened, there was another draft purchased at Dame Street, isn't that correct, for

A. That's correct.

Q. 7 thousand 7,500 7,562. Again that was undoubtedly purchased at Dame Street?

A. Correct.

Q. And can we take it like the previous draft, it wasn't handed to you to take away?

A. No.

Q. And as far as you were concerned, that also remained within the Allied Irish Banks banking system?

A. Yes, that would be my view.

Q. And it's also your view, I think, that that also went up to make the sum of €100,000?

A. That's correct.

Q. And you didn't send it directly to the Channel Island yourself?

A. No.

Q. And I think, can you just once again confirm, that the only people you ever dealt with in Dame Street were Mr. Tierney or members of his team?

A. Yes.

Q. That is in carrying out, what I am talking about, this type of transaction?

A. Correct.

Q. And can I take it that your intention would have been indicated either to Mr. Tierney or some member of his team?

A. Yes.

Q. But hardly to a junior bank official?

A. No.

Q. Now, I think for the purpose of assisting you in your dealing not only with Mr. Justice McCracken's Tribunal and this Tribunal, but also in dealing with state agencies and the Revenue, that you instructed Mr. Denis O'Connor, your accountant, to go to Allied Irish Banks as your agent to try to find out exactly where any money that were yours were held in the bank, isn't this correct?

A. Absolutely.

Q. I think you know that Mr. O'Connor attended at Allied Irish Banks perhaps on a number of occasions?

A. Correct.

Q. Was in communication with them over a period of time?

A. Correct.

Q. Raising various inquiries on your behalf and he was authorised by you to do that?

A. He had my authorisation and approval to do that in assisting him in coming to conclusions.

Q. I think you also authorised this Tribunal to have full access to any accounts as well?

A. Yes.

Q. To make all queries to try and get to the bottom of things?

A. I signed a waiver to give him full authority to do that.

Q. As far as you know, is the correct position that notwithstanding Mr. O'Connor's inquiries and attempts to get to the bottom of where various monies were, that he was unable to obtain information at the Dame Street branch about these various sums of money which you now believe

went to form part of the monies to purchase the €100,000?

A. Yes, that is my firm belief.

Q. And whilst you were of the belief in fact you knew that the money had to be in the banking system and we know for definite that a number of these cheques actually were just cleared in the normal clearing system and the one was the special presentation and we know a bank draft was purchased for that, that notwithstanding your belief, sorry, your knowledge that the money was in the system, nothing could be found as far as you were concerned and Mr. O'Connor was concerned in Dame Street, isn't that right?

A. That's correct, and it led to a lot of frustration on our side.

Q. I appreciate that. Do you know whether this money might have been held in any other division or area in Allied Irish Banks other than Dame Street?

A. I have no knowledge of anything like that.

Q. And can we definitely confirm that you yourself or no servant or agent of yours, I mean a solicitor, accountant, financial adviser, anyone of that nature, opened an account in the Channel Island for you?

A. I can say definitely not.

Q. And that the only way that you know that this account was opened in the Channel Islands was through Allied Irish Banks?

A. Yes, that's correct.

Q. O'Connell Street?

A. O'Connell Street, yes.

Q. And that the subsequent transactions, that was the initial €55,000 which matured, that the subsequent transfer of money to the Channel Islands into your account in the Channel Islands, that is the €34,100 and the €7,562 took place, as far as you were concerned, through the Dame Street branch of Allied Irish Banks as far as you are concerned?

A. Correct, yes.

Q. And when you went down to O'Connell Street, having attended in the first instance at Dame Street, as far as you are concerned, when you were directed to O'Connell Street, was it Mr. Tierney or a member of his team had directed you as far as you know?

A. As I am simply not able to recall, but I just don't know the name of the individual, but on the balance of probability, it was probably Mr. Tierney.

Q. Thank you.

MR. CONNOLLY: I have no questions at this stage, Chairman.

CHAIRMAN: Thank you, Mr. Connolly. Anything arising, Mr. O'Donnell?

MR. O'DONNELL: Just one or two questions, Sir.

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

Q. Mr. Lowry, I think we know as well just to complete a

sequence of documentation, we know that after the €100,000 was lodged to the Channel Islands accounts in September, 1991 comprising drafts made out and drawn on Dame Street, we know in December 1991 you were asked to sign an instruction to confirm the figure of €100,000 standing to your account in the Channel Islands. I think you have seen that when you gave evidence earlier?

A. Yes, that's correct.

Q. And I think that's your signature. I don't know if you have seen it.

CHAIRMAN: You might just put it on the monitor.

Q. MR. O'DONNELL: That, I think, is your signature at the bottom, just below out of shot as it were. That's your signature, but the rest of the form was I think drawn up by someone else?

A. Yes, that's my signature, and the rest of the script writing is not mine.

Q. And that is on AIB Dame Street notepaper I think.

A. Yes, it's AIB Dame Street, 7-12 Dame Street.

Q. I don't know if you recall signing this document but it seems to have been drawn up in AIB Dame Street and presented to you for signature.

A. I don't recall that particular document, but it is my signature.

Q. Thank you, Mr. Lowry. There is just one area I want to ask you about and that's in relation to the Tenth Schedule,

that's the payment from Northern Ireland, and I think again if I could just have the schedule. The Tribunal have been able, with the assistance of Dunnes Stores, to identify the manner in which nearly all of those payments have been dealt with and in fact I think you can fill in the one blank there, which is the very first payment on the 14th November, 1988 for the sum of €6,000.

A. Yes.

Q. I think that was in fact lodged to your account, your personal account in Bank of Ireland in Thurles?

A. That's correct.

Q. I think that's page 25 of the McCracken Report as well. Now, if we take that payment and I think we also know in relation to the payments which we can trace to an account, that payment went to your personal account in?

A. Bank of Ireland, Thurles.

Q. The eighth payment, €34,100, we know that that was converted into a draft and was part of the money that went to the, to your account in the Channel Islands?

A. Correct.

Q. And the final payment of €55,340, that was paid in by you to your own account in?

A. Dame Street.

Q. Dame Street.

A. That's correct.

Q. And so each of the payments that can be traced to their ultimate destination, each of these cheques ended up lodged

to your account, your personal account?

A. That's correct.

Q. Thank you, Mr. Lowry.

CHAIRMAN: Thank you, Mr. Lowry.

A. Thank you, Sir.

THE WITNESS THEN WITHDREW.

MR. HEALY: If I could have Mr. Tierney back, Sir, there are one or two documents I omitted to put to Mr. Tierney which concern his branch.

PETER TIERNEY, PREVIOUSLY SWORN, WAS EXAMINED AS FOLLOWS BY

MR. HEALY:

Q. Mr. Tierney, I want to draw your attention to an application for a sterling draft. I think you are aware of it, of the amount of the sterling draft applied for already. You see it on the monitor, you can see it on the monitor I think which is in front of you without craning your neck for €7,562.52 sterling, do you see that?

A. Yes. (Document handed to witness.)

Q. You see the second box on the right-hand side.

A. Yes.

Q. The signature in the first line is Michael Lowry.

A. Yes.

Q. And underneath that it reference I presume, ref: Dee/Peter T. and is that Peter T. in Dame Street is you, is that right, Peter Tierney?

A. I would think so, yes.

Q. Now, in order to apply for a draft, what internal bank procedures are followed?

A. Well the draft application would be filled out and signed by the, whatever client was getting the draft and then it would be given to the foreign exchange people and they would prepare the draft.

Q. If the document that's mentioned there says refer Peter Tierney, does that indicate that whoever was dealing with Mr. Lowry, or whoever was dealing with this particular application for a draft would have referred to you to see what the draft was being made out for, who it was being made out for and what the purpose of it was?

A. I had actually filled in the amount saying sterling on the left-hand side box, saying sterling 7,562 and filled in London and filled in in favour of M. Lowry. So it would have been referring to the fact that it had been handed to them by me.

Q. So you were the person who filled in the amount of draft, where it was drawn on and Mr. Lowry's name?

A. Yes.

Q. And the person who was going to make out that draft would have referred to you, but in what circumstances would they be referring to you? Is it in the context of exchange control regulations?

A. I don't know why the reference is there. It could be normal procedures, I am not sure whether they put the, you

know, references on some applications. Like it would have been quite obvious that it was my writing anyway so there would have been no need to refer to me.

Q. We discussed this morning in the context of exchange control regulations, the circumstances in which a person would be entitled to convert Irish pounds into foreign currency and we mentioned two types of situations, one where the person obtaining the draft wished to open an account abroad and another where the person obtaining the draft wished to pay for some goods or services invoiced to that person by a foreign supplier. Do you remember that?

A. Yes.

Q. Now in this particular case, you were aware presumably that you couldn't give Mr. Lowry a sterling draft unless either he had a specific exchange control permission or you were entitled to do so under your delegated authority.

A. Yes.

Q. And your delegated authority would only entitle you to do so in the context of a trading connection, isn't that correct?

A. That's correct, yes.

Q. And in order to exercise your delegated authority in the context of a payment for goods or services, you'd have had to have some evidence that goods or services were being paid for?

A. Yes.

Q. Now when you did this draft, do you know whether you had

any evidence of when you procured this draft, do you know whether you had any evidence of Mr. Lowry's intention to pay for goods or services?

A. I have no recollection whatsoever of the transaction.

Q. If you were involved in it, you'd have been aware of the exchange control implications?

A. I would have.

Q. Mr. Lowry says that he brought no documents with him to the bank when he applied for this draft.

A. I can't dispute I don't recall the transaction. I can't dispute what he whether he did or did not bring documentation at that point in time.

Q. In the ordinary way, if you were making out a draft for a customer so as to enable that customer to pay a supplier abroad, you'd have an invoice, wouldn't you, or you might have a statement if you didn't have an invoice?

A. Yeah, quite often an invoice would be or a statement or something like that, yes.

Q. A particular amount of money, you'd make out the draft in sterling or French francs or whatever?

A. Yes.

Q. And the draft would be made out to the customer?

A. Yes.

Q. But here you have a draft made out when I say the customer, what I mean is made out to the credit of the customer?

A. Yes.

Q. But here you have a draft made out to the bank account holder in Ireland and that would seem to suggest that it clearly wasn't being used to pay for some service or for some goods invoiced by a foreign supplier, isn't that right?

A. I would feel that my understanding at the time would be that it would have been used to pay for some goods or something that Mr. Lowry was sourcing possibly in Britain.

Q. But why would he be paying for goods with a draft made out to himself?

A. Sometimes clients would do that if they weren't sure whether they were going to actually purchase the goods or not, although it would be unusual for it to be in a specific amount as is stated there.

Q. Without a client's name being inserted, isn't that right?

A. Yes.

Q. After all, if you were going to England and you wished to negotiate with a customer and you felt you might do a better deal with the customer than the customer had indicated to you he was looking for in his invoice or in his estimate or quotation or whatever, you'd probably bring a round sum, wouldn't you?

A. Yes.

Q. But here we have a sum which is not only not round in pounds, it's not even round in pence.

A. Yes.

Q. It's £7,562.72, a very specific amount of money?

A. Yes.

Q. And wouldn't I be right in thinking that you shouldn't make out a draft to an individual who comes looking for foreign currency for that amount of money in a foreign currency without sight of an invoice?

A. Yes. Though I think there was a situation where if it was for business purposes, we were entitled to do it under $\text{€}10,000$.

Q. Provided you satisfied yourself

A. Yes.

Q. what those business purposes were.

A. Yes.

Q. But what business purpose would a person have in making out a draft to himself for that kind of money?

A. I have no recollection of, as I say, the transaction, but you would have been quite satisfied with Mr. Lowry as a businessman that he would have a very good reason from a business point of view of doing it.

Q. Wouldn't I be right in saying, if we can get into the real world now, that if somebody was asking you for a draft like that and they told you that they wanted it for some business purpose, that you would have regarded it as extremely unusual?

A. It would be unusual.

Q. Mr. Lowry in his evidence said, I think, that that draft, once he had purchased it, was not in fact handed to him at all.

A. I have no idea why, why it wouldn't have been handed to him.

Q. He says it wasn't handed to him because it went to the Channel Islands without his getting his hands on it at all.

A. I certainly would have no idea how that would have happened.

Q. Well now, one or other of you had to send it to the Channel Islands, the bank or Mr. Lowry, isn't that right?

A. Yes.

Q. If Mr. Lowry didn't send it, someone in the bank must have sent it?

A. Possibly, or else it may be some financial adviser whatever, I have no idea.

Q. I have to come back to this in a moment. Can I just ask you about one other document, it was the last document mentioned by Mr. O'Donnell a moment ago when he was asking Mr. Lowry. Do you see that document?

A. Yes.

Q. Perhaps if we could

MR. SHERIDAN: This, Sir, is a document which still, four days after it was put to an AIB witness, still has not been given to AIB.

MR. HEALY: I should certainly apologise if that's the case, Sir, but if you look at it, it's a document headed by AIB. It's an AIB document, presumably if the Tribunal got

it, they can only have got it from AIB. I am told it that the Tribunal got it from AIB Channel Islands. It says "Please forward

MR. SHERIDAN: As I said, when I first pointed out

CHAIRMAN: Mr. Sheridan you don't have automatic control over your associate company in the Channel Islands, but nonetheless it does stand now in the record as a document that does appear to have emanated from St. Helier.

MR. SHERIDAN: I understood the questioning earlier to indicate that it appeared to emanate from Dame Street, in fact, but my point, Sir, is that it's a document put to an AIB witness. At the time it was put, I made the point we didn't have an opportunity of seeing it. I am merely making the point once more that we still haven't seen this document being put to an AIB witness.

MR. HEALY: Well I merely wish to clarify what this witness knows about it. If need be, I will be asking him at a later stage, Sir, to come back to the Tribunal in relation to other matters in any case. I simply want to know what this witness knows, if anything, about this document.

CHAIRMAN: We will press on, I don't see any substantive unfairness being impressed on the bank.

Q. MR. HEALY: Do you see how the document is signed by Michael Lowry?

A. Yes.

Q. As far as we know from the evidence, Mr. Michael Lowry was not in the Channel Islands. Do you recognise the document?

A. I don't remember the document but it certainly is in my writing.

Q. Do you recognise the handwriting?

A. It's my handwriting.

Q. It's your handwriting.

A. Yes, and I have signed the bottom of it

Q. If we could just push it up a little more.

A. Yes, that's my signature and my number as well.

Q. Your number?

A. My signature signing number.

Q. Now this was a document therefore prepared by you for Mr. Lowry's signature?

A. Yes.

Q. And where did he sign it?

A. On the he signed it over his signature, or over

Q. Where, I mean where was he when he signed it?

A. I have no idea.

Q. Was he in your office?

A. I would presume he must have been in Dame Street if it's on headed notepaper.

Q. I am going to put the document back up because I just want to check one or two aspects of it myself. I am going to go through it more slowly.

Now, a moment ago I think I may have misrepresented the effect of this document

MR. SHERIDAN: I wonder could I at least at this stage have a copy, if it wouldn't be too much trouble.

CHAIRMAN: Let's make a copy available for Mr. Sheridan.

MR. HEALY: In any case, the witness has agreed it's his document.

I may have misrepresented this as a St. Helier document, so

I think we better go through it line by line,

Mr. Tierney. It's not a St. Helier document. It's a

document from Allied Irish Bank Dame Street, that's what it

says at the bottom of the document, at the top of the

document. And at the bottom of the document it's

described as an AIB plc, Bank Centre, Ballsbridge. Now if

we could go back to the top of the document again please.

It's dated the 20th there is a date on it sorry, marked

received 20th December, 1991.

A. Yes.

Q. Do you know how that stamp came to be put on the document?

A. No.

Q. I don't think it's your stamp, obviously if you sent the

document, it's probably the stamp of the person to whom the

document was sent indicating that it was received and can

we take it that it must have been received sometime shortly

after it was sent?

A. Yes.

Q. Therefore that would suggest that you sent that document sometime during the first during the third or second week of December of 1991?

A. Quite probably.

Q. Now in evidence this morning, I think you said in answer to a question that I gave you, or that I put to you that you never sent money abroad.

A. Yes.

Q. For a customer. Now, do you want to correct that or revise that?

A. No.

Q. Is there anything in that letter that suggests that you were doing something like that?

A. No.

Q. Right, what the letter says is that Mr. Lowry is directing the manager of Allied Irish Bank Channel Islands to forward to Dame Street his deposit of sterling œ100,000, isn't that right?

A. That's right.

Q. Confirmation of my deposit, I beg your pardon, of sterling œ100,000?

A. Yes.

Q. So why would that document come into existence?

A. There would be no reason for me to do that unless I was requested to do so by Mr. Lowry.

Q. But why would Mr. Lowry want that request or issue that

request to you?

A. I have no idea.

Q. Isn't it clear that he'd want he wanted something in the form of a receipt, if you like, of his deposit in the Channel Islands?

A. Yes, yeah it would be.

Q. You are not presumably in the habit of simply taking dictation from a client, so therefore you must have had some role in deciding to send that document and to draft it the way you drafted it?

A. I wouldn't think that I had any role in drafting it. I would only there would be no reason at all for me to send a letter like that unless it was at the client's express instructions.

Q. So this was confirmation which was not to be sent to the client but to the client c/o of Allied Irish Bank Dame Street, that his deposit in sterling amounted to €100,000?

A. I can't see does it okay, c/o AIB Dame Street, yeah, sorry that's correct, yeah. As I said, there would be absolutely no reason for me to write that letter unless I was expressly requested to do so by Mr. Lowry.

Q. So you had a customer of the bank in front of you who was asking you, according to you, to send that letter to Allied Irish Bank to seek that confirmation of what you knew had to be an irregular offshore account, isn't that right?

A. I was asked, I would presume, to get confirmation of that deposit, yes.

Q. Were you aware was that the first time you time you became aware of Mr. Lowry's offshore account?

A. I have no recollection as to exactly when I became aware, but I obviously was aware at that stage.

Q. Do you see the words "Please forward original, not photocopy"?

A. Yes.

Q. What does that mean?

A. I don't know I know what it means, it means that an original statement, presumably not a photocopy but I cannot understand why I don't know what the reason for that was, unless it was again specified by Mr. Lowry.

Q. Why would Allied Irish Banks lend its assistance to a customer to obtain information concerning an irregular offshore account in one of its subsidiaries?

A. I can only surmise that I was requested to do so by Michael Lowry when he called to the branch.

Q. Why would you be prepared to do that?

A. Well, he was a customer, a customer of the branch and...

Q. Were you prepared to do other things for customers that involved irregular activities?

A. No, I wouldn't have considered that an irregular activity.

Q. You are saying that it wasn't irregular. There is nothing irregular about that?

A. Asking for a statement of an account, no, I wouldn't

Q. We better go through it line by line then. This is an offshore account, isn't that right?

A. It is a sterling account, yeah.

Q. A sterling account in the Isle of Man?

A. Yes.

Q. In the Channel Islands, I beg your pardon. An account which an Irish resident in the ordinary way wouldn't be entitled to have, isn't that right?

A. That would be my recollection of the exchange control regulations at the time.

Q. And Allied Irish Banks were prepared to allow information concerning that account to be sent to a customer giving as his address your Dame Street premises, your Dame Street branch.

A. If obviously they had a request specifically from the customer to do so, they would do so.

Q. You were assisting the customer to find information or to get information about his irregular offshore account and you were allowing that information to be sent to your branch.

A. That would have been the

Q. And is it your evidence to this Tribunal that you don't believe there was anything irregular in that?

A. I don't believe that what I was doing was facilitating a customer in getting information on an account he had. I don't feel that I did anything wrong by doing that. It was obviously done at the customer's request.

Q. You may feel you may not have felt then you were doing anything wrong. You may not feel now you were doing

anything wrong but would you accept from me that the bank was giving a facility to a customer to get information about an offshore account using the bank's facilities?

A. Yes.

Q. And isn't that irregular and inappropriate?

A. Yes, it could be considered inappropriate.

Q. Weren't you an agent or a delegated agent or delegated authorised agent of the Central Bank to operate the exchange control regulations?

A. Yes.

Q. The purpose of which was to prevent this kind of thing happening?

A. Yes.

Q. And here you were allowing it to happen. Facilitating it, isn't that the word you used yourself?

A. I wouldn't have considered that I was facilitating the breaking of exchange control regulations. I was merely complying with the customer's request to get information on an account that he had.

Q. And if a customer said to you, "I want to send €100,000 offshore to an Allied Irish Banks account in the Channel Islands" and if you were to follow that customer's instructions, would you regard yourself as not breaking the exchange control regulations but merely facilitating a customer?

A. No, I would be considering that I would be breaking the exchange control regulations.

Q. When you made out that document, you made it out in handwriting. Was there any particular reason for doing it in handwriting as opposed to typing it?

A. It was quite a short letter, so I would have...

Q. Did you retain any copy in Dame Street?

A. I am not sure.

Q. Well, Mr. Sheridan has no copy, Allied Irish Banks have furnished, in Dublin, have furnished no copy to the Tribunal. That copy came from the Channel Islands. It seems to suggest that no copy was kept, isn't that right?

A. I don't know. As it was handwritten, it may not have been kept.

Q. Now, did you get confirmation of the deposit?

A. I have no recollection of whether I did or not. I presume it would have been sent.

Q. And if you got confirmation of the deposit, what would you have done with it?

A. I would have given it to Mr. Lowry as he had requested it.

Q. Now, you regard that as simply facilitating a customer. Nevertheless, it was something that Mr. Lowry clearly must have asked you to do and not any other member of the bank staff?

A. Yes.

Q. Does it follow that you were the person who must have dealt with all of his various requests for sterling drafts?

A. I would normally have been the first person he would look for when he came into the branch but if he I wasn't there,

he would obviously have to deal with somebody else.

Q. Were you aware that that €100,000 consisted of sterling drafts that Mr. Lowry had brought into Allied Irish Banks Dame Street?

A. No.

Q. When you got the statement, did you examine it yourself?

A. I don't recall.

Q. Was there a file into which it went?

A. No, I would have given it to Mr. Lowry.

Q. Simply kept it in your pocket until he came in and gave it to him?

A. Or rung him to tell him it was available.

Q. Where would it have been kept in the meantime?

A. I don't know. I can't say where it would have been kept or what happened to it. I could have possibly sent it round to the Dail or something like that for...

Q. And if you had been on holidays when the answer came back, where would the letter have gone?

A. Well if it was sent it would have just waited upon my return because it said forward it to me care of AIB well it would have been held for Michael Lowry, sorry.

Q. I don't want to be unfair to you, Mr. Tierney, but I have to suggest to you that it seems to me only reasonable that anyone looking at these facts would be driven to the conclusion that the bank were assisting Mr. Lowry in setting up and operating an offshore account. What do you say to that?

A. Certainly not. I certainly did not have anything to do with the opening of that account.

Q. The bank did have something to do with it. You know that. You know the bank sent €55,000 offshore.

A. Yeah, I have seen that. But I certainly had no hand or part in that.

Q. Were all the members of your staff, do you think, instructed in the need to be rigorous in the operation of exchange control where setting up offshore accounts in concerned?

A. I would think they were, yes.

Q. So if some member of the staff of the branch sent Mr. Lowry's €7,562-odd draft and the €34,100 draft offshore, they would have known that they were facilitating the removal of funds offshore?

A. Yes.

Q. You mentioned to me this morning in response to a question I put to you that you had never set up an offshore account for anyone, that you had never sent money offshore for anyone?

A. Yes.

Q. To an offshore account now. You may, of course, have been involved in trading dealings?

A. Yes, yeah.

Q. Can I take it therefore that that must have been the only time that you ever sent a letter like that?

A. Well, to be quite honest, I had no recollection of sending

that letter. If you had asked me this morning had I written to the Channel Islands seeking balance or a statement of an account, I would have said no, that I had no recollection doing so. Obviously I did send that letter, but I do not recollect it.

Q. Is it possible, Mr. Tierney, that the bank had a casual and a lax attitude to exchange control to the point where you don't remember anything about transactions that might have been in breach of exchange control?

A. No. I think exchange control regulations were applied quite correctly.

Q. There seems to be no record whatsoever of any exchange control statistical returns in relation to any of these transactions.

A. I can't I don't know whether that

Q. Are you familiar with the E4 form procedure?

A. I remember the E4, yeah, I don't remember the

Q. You may not remember the details of it now.

A. Yeah.

Q. But the way it operated was if you engaged in a transaction under your delegated authority, or indeed it may be any authority, any transaction, you had to record on the E4 form what the transaction was.

A. Yes.

Q. In general terms, the amount of money involved.

A. Yes, yeah.

Q. And if you followed the proper procedure, there should be

an E4 form in respect of that sterling draft of £7,562.72,
isn't that right?

A. Yes, I would think so.

Q. And if these other drafts were obtained for legitimate purposes, then there should also be E4 forms in relation to them, at least all of the payments that went offshore prior to December of 1992.

A. I would if they were I would imagine there would be, if

Q. And there aren't any such records.

A. Well I can't speak for that. I don't know.

Q. Doesn't there seem to be an amazing dearth of records and intriguing lack of recollection. There are no E4 form records, nobody in the bank understands how an account got opened offshore. They think a firm of financial consultants did it. Nobody in the bank can explain how money went offshore even though bank accounts were used, that is to accounts of Allied Irish Banks, its only sterling account was used.

A. Yes.

Q. Aren't we back to the suggestion I made to you this morning that the only explanation for this has to be some highly irregular dealing somewhere along the line?

A. If there was an irregular dealing, it certainly wasn't done by me.

Q. You don't regard that letter as irregular, isn't that right?

A. I don't consider it to be irregular. I was requesting information on an account a client had in Jersey and I would only have done so if I was expressly asked to do so by him and on his behalf. I personally cannot see anything wrong with me writing that letter.

Q. I know that you are not going to agree with me on that, Mr. Tierney, and I am simply suggesting you to any reasonable person, I think, would take the view that is highly irregular and it can only mean that the bank must have had or you must have had an extremely idiosyncratic or eccentric or relaxed attitude to exchange control?

A. No, certainly not.

Q. Or the bank were offering some service either through you, through some member of your team or through somebody in Dame Street

MR. SHERIDAN: Sir, this is really interpretation beyond the bounds of, advocating a position beyond the bounds of the evidence before the Tribunal. Mr. Healy is adopting he is not inquiring into facts, he is adopting a position, and it's a position which is not open to him on the face of what he is putting to the witness.

CHAIRMAN: That's a matter of comment, Mr. Sheridan, and you can duly take up any further questions or argument that you wish but in the context of the Terms of Reference, both specific and recommendatory, I am satisfied the Tribunal will be remiss if it did not proceed to inquire

appropriately into these matters.

MR. SHERIDAN: It's not, Sir, the inquiry, that I take an exception to. It is the interpretation, the position being adopted by Mr. Healy in relation to the matter.

Mr. Tierney answered Mr. Healy's question about this document. He said that on the face of it he didn't think there was anything irregular about it. On the face of it, it is simply a request for confirmation of a balance. It is slender evidence on which to put forward an assertion that there was a lax attitude being applied in the way Mr. Healy suggested in terms of exchange control.

CHAIRMAN: Well that's a matter of comment, Mr. Sheridan. I think the general practice of this Tribunal has been, if anything, to marginally err on the side of courtesy towards interested persons. On occasions, there can be a degree of urgency or even limited robustness necessary, and I am satisfied it is appropriate that Mr. Healy continue with his questioning.

MR. HEALY: I didn't in fact wish to put any further questions, Sir. I just felt obliged to Mr. Tierney and to the bank to put what I felt were only reasonable, if somewhat, troubling conclusion that might be drawn from the evidence.

MR. CONNOLLY: I have no questions, Chairman.

CHAIRMAN: Just before I invite Mr. Sheridan to deal with

any matters, Mr. Tierney, I think it is agreed that you were involved with Mr. Lowry in the procedures whereby the last, the sterling draft for the odd amount of £7,562 was sought and granted in Dame Street?

A. Yes.

CHAIRMAN: And I think you said that whilst you can not recall the precise circumstances yourself, you seem not to take particular issue with Mr. Lowry's recollection that he had no invoices or other documents.

A. I cannot say whether he had or not to be quite honest.

CHAIRMAN: We now know, do we not, Mr. Tierney, that perhaps the significance of this money was that it exactly added up, taken with the £55,000 lodgment from O'Connell Street to St. Helier, its accrued interest and the additional draft of £34,100, the 7,000 odd made up exactly £100,000 sterling?

A. Yes.

CHAIRMAN: So between yourself and Mr. Lowry, one either or both of you must have known exactly how much more money was needed to make the round sum of £100,000?

A. Yes.

CHAIRMAN: Yes. You will recall that your senior branch colleague of sometime back, Mr. O'Brien, in his evidence yesterday, you weren't in fact here?

A. I wasn't.

CHAIRMAN: But he made reference to a practice that I understood you to allude to earlier this afternoon, when he referred to an occasional practice that might have developed during the latter years of exchange control, whereby a trusted customer might be given a draft in favour of himself on a basis that he could be proposing to inspect or bid for goods perhaps in England or some other European country and if he elected to purchase, he could then endorse the draft.

A. Yes.

CHAIRMAN: And this was a practice you yourself had some familiarity with, as I note your evidence.

A. It would have happened, yes, yes.

CHAIRMAN: Am I right in thinking that if this system were to be adopted, there was no inbuilt safeguard for repatriating the funds if, in fact, the sale did not proceed out of the jurisdiction?

A. No, there wouldn't be, no.

CHAIRMAN: Mr. Sheridan?

MR. SHERIDAN: No questions, Sir.

CHAIRMAN: Thank you very much.

THE WITNESS THEN WITHDREW.

MR. COUGHLAN: Sorry, we understood that a witness from

the Central Bank would be here now. He just hasn't arrived yet. Mr. Davis has just gone to make inquiries as to where he might be.

CHAIRMAN: As it's certainly within a couple of hundred yards of the venue, it seems we should deal with that evidence today. It's unlikely to be particularly lengthy.

MR. COUGHLAN: That's right.

CHAIRMAN: I will rise for the shortest possible time so that we can get that...

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

MR. HEALY: Mr. Philip Dalton.

PHILIP DALTON, HAVING BEEN SWORN, WAS EXAMINED AS FOLLOWS BY MR. HEALY:

Q. Thank you for coming, Mr. Dalton. I just want to ask you one or two short questions about types of transactions which might have involved exchange control implications.

You are an official of the Central Bank, isn't that right?

A. Correct.

Q. And you have been for many years, including some of those years during which the exchange control regime operated?

A. Correct.

Q. And as we have heard from other witnesses from the Central Bank, exchange control regulations ceased to have effect on midnight on the 31st December, 1992, is that right?

A. Correct.

Q. Up to that date, they had to be complied with?

A. Yes.

Q. The basic principles have been alluded to time and again in the course of evidence in this Tribunal, and the ultimate principle was the protection of the currency?

A. Yes.

Q. We don't need to go into too many details except to say most of the witnesses giving evidence, indeed all of them I think have agreed that the ban operated in broad terms in two ways first of all by granting specific permissions for particular types of transaction which could be authorised only on specific permission and secondly, by delegating to the banks authority to approve a large range of what might be described as ordinary commercial day to day trading transactions involving Irish and overseas business people, isn't that right?

A. That's correct.

Q. Now, if you were an Irish resident trading with a foreign customer and you wished to pay that customer, then in order to obtain exchange control permission to send that foreign customer foreign currency in payment of your bills, you'd have to come within the exchange control regulations which meant and correct me if I am wrong that the bank had

to in some cases physically see the invoice that you intended to pay or perhaps later on when things were relaxed a little, see a statement against which you were seeking to discharge a particular debt. Would that be a general description of how it operated at its most relaxed, in its most relaxed form?

A. Yes.

Q. Now, there was certain types of transactions which always required specific permissions, isn't that right?

A. Yes.

Q. And were they the opening of accounts abroad?

A. For individuals, yes.

Q. For individuals?

A. For individuals.

Q. Now, there were certain types of accounts that individuals could open abroad where they could satisfy the Central Bank that they had a need to have access to an account abroad, is that right?

A. Yes.

Q. I suppose the easiest example is where they might be travelling abroad and might need to defray expenses of themselves or staff or whatever, is that right?

A. Yes.

Q. But I think I am right in saying that under the regulations, an individual could not have a deposit account abroad?

A. Correct.

Q. For the purposes merely of accumulating capital and doing what he wished with the currency as it suited him or as the currency moved up and down against other currencies?

A. Yes.

Q. Now, evidence has been given to this Tribunal that a sum of £55,000 sterling was sent abroad in the form of a draft for that amount from the O'Connell Street branch of Allied Irish Banks to the Channel Islands and that that money was subsequently used to open an account in the Channel Islands in the name of an Irish resident, Mr. Michael Lowry. I think if you look on the monitor you will see the draft in front of you. And I think I will just show if you I can, a copy of the letter, sending that draft to the Channel Islands. Now, can you see that draft or that letter, sorry, on your monitor?

A. I can, yes.

Q. It says "Re: proposed account Mr. Michael Lowry." .

A. Yes.

Q. It's dated 14th January, 1991. It's from AIB bank, O'Connell Street in Dublin, to the manager AIB bank in the Channel Islands and the date is within the period of exchange control. It's from an Irish bank, you may take it it's in respect of an Irish resident and it's in regard to a proposed account. And it says "I enclose draft in the sum of £55,000 sterling as discussed by telephone today and I should be obliged if you would deposit the same in the above account at interest rate 13 and a quarter percent

per annum for three months. Please confirm transaction to us, copy history card enclosed."

Now that's the part of the letter sending out the €55,000 to be deposited at a particular rate of interest for a period of three months. And then the next paragraph says, "We would be obliged if you would kindly contact us as maturity date for further instructions."

Now, that would seem to suggest that money was being sent offshore for the purposes of being deposited in an investment-type account, isn't that right?

A. Yes.

Q. This is clear from the fact, if from no other fact, than the fact that instructions were sought at maturity date to re-deposit it or do something else with the money?

A. Yes.

Q. And am I right in thinking that that is the type of account from which exchange control could not be obtained?

A. Correct.

Q. And would you be surprised if any bank manager thought he could get exchange control for that?

A. I would think so.

Q. You mean you would be surprised in any bank manager thought he could get exchange control for that?

A. Yes.

Q. Thank you very much.

MR. CONNOLLY: No questions, Chairman.

CHAIRMAN: Mr. Sheridan?

MR. SHERIDAN: No questions.

CHAIRMAN: Thank you for your attendance, Mr. Dalton.

MR. HEALY: There are no further witnesses today, Sir, and subject to a number of queries arising from today's evidence which may have to be directed to, as it would appear, Allied Irish Banks, it doesn't seem that there would be any evidence tomorrow. It may be that the Tribunal may, subject to you Sir, see fit to give notice of a sitting on Friday, depending on what those inquiries produce.

CHAIRMAN: Yes, well I think it is the case, Mr. Healy, that there is very considerable ongoing work with regard to the next separate phase of the hearings. And well then, will I take it that tomorrow will be confined to private work?

MR. HEALY: Yes.

CHAIRMAN: And that there may be a sitting on Friday dealing with certainly residual aspect of the present sittings and should there be any change of plan in that regard an announcement will duly be made. Failing that, the matter will switch to another phase.

MR. HEALY: That's correct, Sir.

CHAIRMAN: Thank you very much.

THE TRIBUNAL THEN ADJOURNED UNTIL FRIDAY, 2ND JULY, 1999 AT
10:30AM. (PROVISIONAL DATE)