

10:04:00 1 **THE TRIBUNAL RESUMED AS FOLLOWS ON THURSDAY,**
2 **20TH DECEMBER 2007, AT 10.30 A.M:**

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CHAIRMAN: Good morning, Mr. O'Neill.

10:36:58 5

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MR. O'NEILL: Good morning, Mr. Chairman, members of the Tribunal. The witness scheduled for today is An Taoiseach, Mr. Bertie Ahern.

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Mr. Ahern, could you come forward to the witness box, please.

10:37:11 10

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AN TAOISEACH, MR. BERTIE AHERN, PREVIOUSLY SWORN, WAS QUESTIONED

12

BY MR. O'NEILL AS FOLLOWS:

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14

CHAIRMAN: Good morning, Mr. Ahern.

10:37:23 15

A. Good morning, Judges.

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Q. 1 MR. O'NEILL: Good morning Mr. Ahern.

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A. Good morning, Mr. O'Neill.

18

Q. 2 Mr. Ahern, in this second phase of the inquiry in the Quarryvale II Module, you

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will be questioned in relation to certain savings and lodgements which were

10:37:39 20

made to your accounts between 1993 and 1995. You are aware of that?

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If I might outline the background of your present attendance. It stems from

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initially contact made with you on the 15th of October 2004, by the Tribunal

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seeking a narrative statement and discovery of financial records arising in the

10:38:08 25

context of an allegation which had been made by Mr. Tom Gilmartin that he had

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been informed by a developer, Mr. Owen O'Callaghan, that you had been paid a

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sum of 50,000 pounds in 1989 and 30,000 pounds at a date some time prior to

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1992, in the context of Mr. O'Callaghan's developments; a matter which you have

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denied and he, Mr. O'Callaghan, has denied at all times, isn't that so?

10:38:36 30

A. Correct.

10:38:37 1 Q. 3 And as a result of that inquiry made of you, we heard in your last testimony
2 that you responded by providing a narrative statement and a process of
3 discovery of documents was engaged in as between you and your solicitors and
4 the Tribunal and its legal team, isn't that so?

10:38:57 5 A. Correct.

6 Q. 4 And in the course of that it became apparent that you had not operated any bank
7 accounts between the years 1987 and 1993, encompassing the years in respect of
8 which it was alleged that payments had been made to you by Mr. O'Callaghan,
9 isn't that so?

10:39:20 10 A. That's so.

11 Q. 5 There were, however, documents available from the period at which your normal
12 banking was resumed at the end of 1993. And that documentation was produced to
13 the Tribunal and analysed. And it became apparent in the course of that, that
14 in the first year or so of your banking transactions, the lodgements to your
10:39:53 15 account represented a proportion of approximately three times your net income
16 at the time, isn't that so?

17 A. That's correct.

18 Q. 6 And I think this led to correspondence passing as between the Tribunal
19 solicitors and you, and the explanation was provided for the difference between
10:40:15 20 the funds lodged and the income earned, explained in a report provided by
21 Mr. Des Peelo, a tax advisor and accountant whom you had engaged for the
22 purpose of advising you in relation to your financial records, is that so?

23 A. Correct.

24 Q. 7 And in the body of that report, which was provided to the Tribunal on the 20th
10:40:44 25 of April of 2006, it was indicated that the monies lodged to your accounts
26 comprised, firstly, the cumulative savings which you had maintained from a
27 period commencing in 1987, and running up till 1993, of approximately 50,000
28 pounds, probably a little more, isn't that so?

29 A. Correct.

10:41:17 30 Q. 8 In addition, there was a receipt of two goodwill loans from two separate groups

10:41:26 1 of your friends, which were made in December 1993 and in October 1994,
2 totalling some 39,000 pounds, isn't that so?

3 A. Correct.

4 Q. 9 And in addition to that, an amount of approximately 8,000 pounds being the
10:41:48 5 equivalent of approximately 8,000 pounds Sterling which had been received as a
6 donation following a Manchester dinner which you had attended in the year 1994,
7 isn't that so?

8 A. Correct.

9 Q. 10 And I think in the first phase of examination of you earlier in September, the
10:42:09 10 focus of examination was in respect of the foreign exchange elements of certain
11 lodgements which were made to your accounts and accounts of Ms. Celia Larkin at
12 the time, isn't that right?

13 A. Correct.

14 Q. 11 And to a limited extent, it may be necessary to cross over on one or other of
10:42:31 15 those lodgements but this particular inquiry at present is focused on the
16 savings and loans aspects of the monies which were received by you, you
17 understand that?

18

19 Now, I think that I outlined briefly to you the explanations or rather the
10:42:51 20 individual components of the monies which were lodged to your accounts. And I
21 think it is the case that all of these funds, to one extent or another, were
22 related in the explanation furnished to the marital separation of yourself and
23 your wife in 1987, and/or to the subsequent legal proceedings which gave effect
24 to a legal separation of yourself and your wife in and about December 1993,
10:43:28 25 isn't that right?

26 A. Correct.

27 Q. 12 If we look to the savings of over 50,000 pounds which were made, the
28 explanation for this is given as being that there were bank accounts in
29 existence prior to 1987, which were joint accounts of your wife and yourself
10:43:53 30 and upon your separation in 1987, you did not use those accounts because you

10:44:01 1 were conducting in effect, a separate existence from her at that time, isn't
2 that so?

3 A. Correct.

4 Q. 13 As regards the first of the monies that was taken out by way of loan, this was
10:44:16 5 the AIB bank loan taken out in December of 1993, this is related to the legal
6 expenses or discharge of the legal expenses that followed upon the conclusion
7 of those legal proceedings in November/December of 1993, isn't that so?

8 A. Yes.

9 Q. 14 And in relation to the first of the goodwill loans, that is the sum of 22,500
10:44:46 10 pounds, that was attributed by its donors as being a gift to meet the legal
11 expenses that they understood you to have incurred in those proceedings that
12 I've just mentioned, isn't that right?

13 A. Correct.

14 Q. 15 As regards the Manchester dinner contribution, the contribution was intended to
10:45:10 15 assist you in your financial affairs following upon that separation and those
16 proceedings that I have mentioned, isn't that right; in relation to the
17 Manchester money?

18 A. Yes.

19 Q. 16 And the second payment from friends made in autumn of 1994, was intended to
10:45:32 20 assist you in relation to the acquisition of a dwelling house, stemming from
21 the fact that your previous family home was no longer in your ownership as and
22 from the conclusion of your legal proceedings.

23 A. Correct.

24 Q. 17 Isn't that right? So that it follows from what I have just said that to some
10:45:55 25 extent it will be necessary in the course of today's examination to touch upon
26 your matrimonial separation and to that extent, I can inform you that these
27 inquiries are being made of you not out of any purient interest but because
28 each one of the financial transactions that I just outlined, is tied back to or
29 connected with your marital separation, you appreciate that?

10:46:23 30

10:46:23 1 To that extent, Mr. Ahern, you may take it that I will not be asking you any
2 questions in relation to the cause of your matrimonial separation or to any
3 detail which arises from the court proceedings themselves or anything which
4 took place within the legal proceedings that were conducted in 1993.

10:46:48 5
6 If I could go back perhaps to when you were married and immediately prior to
7 your separation in 1986 as a start point, Mr. Ahern. In 1986, you were by that
8 stage a successful politician, having been returned to Dail Eireann
9 consistently since 1977, isn't that right?

10:47:18 10 A. Correct.

11 Q. 18 Whilst your party was in opposition at the time you were a spokesman for the
12 party on, for the opposition party on labour affairs, isn't that right?

13 A. Labour and public service.

14 Q. 19 And in addition to that, I think you at the time in 1986, were serving as the
15 Lord Mayor of Dublin, isn't that right?

16 A. Yes.

17 Q. 20 You were at that stage, I think 35 years of age, isn't that right?

18 A. Yes.

19 Q. 21 And by any measure you were a very successful man at that time, isn't that
20 right?

21 A. Well others could decide that but anyway ...

22 Q. 22 Well certainly from the point of view of anybody observing your political
23 progress to that point in time, they would see an unbroken chain of successful
24 political activities, isn't that right?

10:48:18 25 A. Yes.

26 Q. 23 And whilst I don't expect that everybody is aware of anybody else's matrimonial
27 situation, certainly at that point in time you had the appearance of being a
28 happily married man with two children living with your wife in Malahide at the
29 time, is that right? And in the course of 1986, when you were Lord Mayor, that
30 period extended to the early part of 1987 also, isn't that right?

10:48:46

- 10:48:52 1 A. January.
- 2 Q. 24 To January. Right. And shortly thereafter we know that in I think March of
3 1987, in the change of government which took place at that time, you found your
4 first full ministerial appointment as Minister for Labour, is that right?
- 10:49:16 5 A. Correct.
- 6 Q. 25 Now, that was in March and I'm not entirely clear as to when it was that the de
7 facto separation of yourself and your wife took place. Was it in prior to your
8 ministerial appointment in March or was it in the months immediately
9 thereafter?
- 10:49:38 10 A. The months preceding it.
- 11 Q. 26 The months preceding it, I see. So you had a certain amount obviously of
12 personal distress and turmoil arising from that separation at the time, isn't
13 that right?
- 14 A. Yes.
- 10:49:57 15 Q. 27 As with everybody who goes through that process, I take it that there is a
16 level of the blame game, if I can call it that, there are people making
17 allegations against each other, it is a time of intense personal difficulty for
18 any individual, isn't that right?
- 19 A. Yes.
- 10:50:17 20 Q. 28 And you had been married for a period of some 10 or 11 years before that. I
21 and I take it that you had a number of joint friends, perhaps some more align
22 to your wife's and some more aligned to you. And the separation I take it,
23 involved not only the disruption to your relationship with your wife but also
24 possibly a reappraisal of your relationship with your friends and her friends
10:50:45 25 and family, isn't that so?
- 26 A. Yes.
- 27 Q. 29 As a consequence, I assume some of your friends found themselves aligned with
28 your wife and others remained loyal to you and have done so to this day, isn't
29 that right?
- 10:51:04 30 A. I tried to avoid pulling friends into it but ...

- 10:51:08 1 Q. 30 Yes. I mean, it happens to many, many people, Mr. Ahern, and I'm not seeking
2 to pry into which friends or others went either way but it was a circumstance
3 in which your friends were effected just as you were, albeit to nothing like
4 the same extent.
- 10:51:26 5 A. Yes, yes.
- 6 Q. 31 And I think that your friends obviously the closer they were the more they knew
7 about the situation and the more they knew of the consequences for you of this
8 traumatic event in your life, isn't that right?
- 9 A. Yes.
- 10:51:45 10 Q. 32 The more immediate consequences and evident consequences of it were that you
11 were no longer living in Malahide, isn't that right?
- 12 A. Correct.
- 13 Q. 33 At that time, Mr. Ahern, you were, and had been a very busy politician up until
14 then, I'm just wondering had you managed at that point in time to accumulate
10:52:12 15 any significant savings?
- 16 A. Up to the time I separated?
- 17 Q. 34 Yes. 1987, when you had this de facto separation at the beginning of 1987 from
18 your wife, had you accumulated any substantial savings at that point in time?
- 19 A. Well I don't know before '86/'87 I might have had some money. But certainly in
10:52:37 20 '86/'87, I had because I was a TD, I was a minister for part of it, I was Lord
21 Mayor, I'd a Lord Mayor allowance and I had council expenses as a councillor.
- 22 Q. 35 Yes. I had understood that the ministerial, sorry, the Lord Mayor's function
23 effectively concluded at the beginning of 1987 and that it was subsequent to
24 that?
- 10:53:02 25 A. July 1987.
- 26 Q. 36 July 1987. I see. So you had, to some extent, an overlap in your functions
27 between, is it January and July, well sorry between March?
- 28 A. March and July.
- 29 Q. 37 Right. Between March and July you were both the Lord Mayor of Dublin and you
10:53:22 30 were also the Minister for Labour, is that right?

- 10:53:25 1 A. Only one that ever did it in the history of the State.
- 2 Q. 38 Yes. And during that period, obviously, you had an opportunity of saving on
- 3 the double, if I might put it that way, but that was for that limited period of
- 4 time, isn't that right?
- 10:53:40 5 A. But I also during that year just for correctness, that year as well as having a
- 6 TD's salary I also had a Lord Mayor's allowance.
- 7 Q. 39 Yes. Well I was really wondering whether and to what extent, prior to the
- 8 separation between yourself and your wife at that time, whether you had
- 9 accumulated to that point, and if we take it as the 1st of January 1987. Had
- 10:54:03 10 you accumulated any substantial savings at that time?
- 11 A. Well I can't. I can't put a break on it but I certainly had about 10,000 in
- 12 that year.
- 13 Q. 40 By way of savings? Right and that, I take it, would have commenced at a time
- 14 when you increased your earnings by your ministerial salary and by the Lord
- 10:54:27 15 Mayor's allowance, is that right?
- 16
- 17 Having left home at that particular time this, I take it, within your closer
- 18 circle of friends would become immediately known to them, isn't that right?
- 19 A. That's correct.
- 10:54:44 20 Q. 41 And would of, as a matter of course, elicit the considerable sympathy and
- 21 support of your close personal friends, isn't that right?
- 22 A. Yes.
- 23 Q. 42 And over a period of time, I take it, that that would extend outward as regards
- 24 the knowledge of who it was, was aware that your marriage at that point had
- 10:55:06 25 failed.
- 26 A. Yes.
- 27 Q. 43 Isn't that right? At that point in time, Mr. Ahern, did you receive any
- 28 financial dig out or financial contribution from any one of your friends to
- 29 meet this separation at that time?
- 10:55:26 30 A. In 1987?

- 10:55:28 1 Q. 44 In 1987, yes.
- 2 A. No.
- 3 Q. 45 Did any of them suggest or indicate to you that they would provide you with
- 4 money to acquire another dwelling house, now that you'd ceased to live in
- 10:55:42 5 Malahide?
- 6 A. Not in '87.
- 7 Q. 46 No. So they were aware of the fact that you had undergone this separation and
- 8 you had no home to live in at the time, isn't that right?
- 9 A. Yes.
- 10:55:58 10 Q. 47 Yeah. The friends you had then, I take it, extend to cover the friends who
- 11 subsequently were to make the donations to you in the years 1993 and 1994, with
- 12 two exceptions perhaps, Mr. David McKenna, whose evidence I think has been that
- 13 it was more or less in 1987, or thereabouts that he first came to have any
- 14 close dealings with you. And Mr. Barry English, who didn't meet with you until
- 10:56:28 15 1994. Other than that, if we perhaps go through the various parties who have
- 16 donated funds to you. They were friends of yours at that time in 1987.
- 17 Mr. Des Richardson, is that right?
- 18 A. Yes. Just if I can pick you up on Dave McKenna. I would have known, Dave
- 19 McKenna was a member of Fianna Fail, he was in Ogra Fianna Fail in Tallaght
- 10:56:55 20 when I started off, so I knew him from that period.
- 21 Q. 48 Yes. He, I think had been aware for some years immediately prior to 1987.
- 22 A. Yes.
- 23 Q. 49 As I understood it.
- 24 A. Yes.
- 10:57:05 25 Q. 50 And would not have been around at the time perhaps of your separation.
- 26 A. No.
- 27 Q. 51 But he came back immediately.
- 28 A. No, I just make the point it wasn't 1987, I got to know Dave McKenna I knew him
- 29 previously in the '70s before he went away.
- 10:57:21 30 Q. 52 Okay. So we can perhaps then put Mr. McKenna back into the list of persons who

- 10:57:26 1 were friends of yours in 1987 and were equally friends of yours in 1993, when
2 these contributions were made to you. Mr. Des Richardson was a friend of yours
3 at that time, is that right?
- 4 A. Yes.
- 10:57:42 5 Q. 53 I take it he was one of the persons who became aware within a relatively short
6 time of your change in matrimonial circumstances in 1987?
- 7 A. I couldn't be precise when they knew but some time like that.
- 8 Q. 54 Mr. Gerry Brennan was your solicitor at the time of his death in 1997, was he
9 also a close friend of yours in 1987?
- 10:58:06 10 A. Yes.
- 11 Q. 55 Mr. McKenna you say, you had known from Ogra Fianna Fail in the early '80s
12 perhaps the late '70s and you knew him also in 1987. Mr. Jim Nugent, I think
13 was somebody you had known also at that time, is that right?
- 14 A. 1969/'70.
- 10:58:33 15 Q. 56 Yes. You met him on a relatively frequent basis, isn't that right?
- 16 A. Yes.
- 17 Q. 57 And perhaps particularly around this time when you had the portfolio as
18 Minister for Labour.
- 19 A. Yes.
- 10:58:44 20 Q. 58 Isn't that right? And he obviously was somebody who became aware of your
21 matrimonial separation relatively early on, is that so?
- 22 A. Yes.
- 23 Q. 59 Mr. Fintan Gunne an auctioneer, possibly more based in Carrickmacross in 1987,
24 than in Dublin but is he somebody who you would have had dealings with?
- 10:59:08 25 A. Yes.
- 26 Q. 60 In 1987?
- 27 A. He started operating in Dublin in the early 80s.
- 28 Q. 61 Yes. And did you, in other words, have dealings with him in and around 1987 or
29 thereabouts?
- 10:59:19 30 A. Yes.

10:59:20 1 Q. 62 Mr. Collins, that's Michael Collins?
2 A. Yes.
3 Q. 63 Was he somebody who was a friend of yours in 1987?
4 A. Yes.
10:59:30 5 Q. 64 Or thereabouts. And Mr. Charlie Chawke?
6 A. Yes.
7 Q. 65 And would he also have been somebody who was made aware of the situation?
8 A. Yes.
9 Q. 66 Mr. Paddy Reilly the butcher, he was I think one of the trustees of St. Luke's
10:59:50 10 subsequently, closely aligned to you at that point in time, isn't that right?
11 A. Yes.
12 Q. 67 And Mr. Padraic O'Connor who is also identified as a person who is said to have
13 paid you money. Was he also a friend of yours in 1987?
14 A. Yes. Maybe not 1987 but from the early 90s.
11:00:12 15 Q. 68 So not in 1987, is that right?
16 A. No.
17 Q. 69 None of those people, though I take it you had dealings with them on a frequent
18 basis in or around that time, proposed to you that they would make any
19 financial contribution to you at that time, isn't that right?
11:00:36 20 A. That's right.
21 Q. 70 All right. As you progress in the years immediately following your separation,
22 you devoted, I take it, a lot of your time to your political endeavours. I'm
23 not suggesting for a moment that you hadn't done so when you were married but
24 you now were progressing your political career and you remained in ministerial
11:00:58 25 office in the next change of government which took place in 1989, is that
26 right?
27 A. That's correct.
28 Q. 71 In that government you were reappointed to the portfolio that you'd held from
29 1987, as Minister for Labour. And taking that as a sort of milestone for the
11:01:19 30 moment, it's some two years after your separation, you set about repairing your

- 11:01:25 1 life insofar as you could and going on to do whatever social activities and
2 other activities that were distinct from your political life, isn't that right?
3 You were, for example, a very keen football supporter?
4 A. Yes.
- 11:01:45 5 Q. 72 Isn't that right? We have, I think, learnt from other witnesses and indeed
6 from your own evidence on earlier occasions, that your support for Manchester
7 United went back possibly to childhood, did it?
8 A. School boys with Home Farm.
- 9 Q. 73 Right. Whilst your interest in Home Farm might be perhaps more local. You
11:02:15 10 started to visit Manchester for matches at what point can you say?
11 A. Well Home Farm is, has always been a very successful school boys club and all
12 down through the history they bring their school boy teams to see English games
13 and to play school boy teams in England. That's where I started.
- 14 Q. 74 Right. But ultimately you focused on Manchester United as being a place that
11:02:39 15 you would go to socialise and to go to football matches, isn't that right?
16 A. Well primarily English football matches.
- 17 Q. 75 Primarily. Can you tell me when that would have started by reference to '87?
18 In other words, when you were married and living at home did you go to matches?
19 A. Yes.
- 11:02:59 20 Q. 76 With the same frequency as you did after your separation?
21 A. Yes and before I was married.
- 22 Q. 77 And before you were married. So there was no alteration in that situation.
23 You went to Manchester and we know from some of the witnesses who have spoken
24 about your Manchester appearances, that they dated to your being a minister in
11:03:21 25 1987. It may be the case that having ministerial office you found that you
26 were dealing with a broader circle of people in Manchester than you had been
27 when you were going as a sole individual in your younger years, is that right?
28 A. Yes, though I would have been, I would have been going to the Irish club in
29 Manchester and heritage club in Manchester from the '70s.
- 11:03:46 30 Q. 78 Yes. The people you would meet in Manchester would be old friends some of them

11:03:53 1 by 1987, and you'd be making new connections as minister from 1987 onward,
2 isn't that right?

3 A. Yes.

4 Q. 79 And for those who knew you prior to 1987, at that time it would have become
11:04:06 5 apparent to them that you were separated, is that so?

6 A. Some of them. Not many people in Manchester would know. Some of them would.

7 Q. 80 And I accept that many people would not have any great interest as to whether
8 you were or you weren't separated?

9 A. Precisely.

11:04:24 10 Q. 81 But insofar as your separation was an issue, it is something that wasn't
11 concealed from anybody in Manchester, isn't that right?

12 A. No.

13 Q. 82 And those people who met you for the first time from the 1980's onward, would
14 be meeting somebody who in fact was a separated person and they have never
11:04:46 15 known you in your married state, in the sense of going over there with your
16 wife, isn't that right?

17 A. Correct.

18 Q. 83 Right. When we get to 1991, in a cabinet reshuffle at that time you were
19 appointed to the position of Minister for Finance, isn't that right?

11:05:06 20 A. November '91.

21 Q. 84 November '91. And in that position, I think you were probably were occupying
22 the second most senior position in the government, isn't that right?

23 A. Well third maybe.

24 Q. 85 Third maybe. Depending, I suppose, who's receiving the proceeds of the
11:05:34 25 minister's bequest as Minister for Finance, many other ministers might feel
26 that the Minister for Finance is indeed the most important member of government
27 but ...

28 A. Well I think Tanaiste Dick Spring would have considered he was number 2.

29 Q. 86 Right. This of course was a major step for you. You were I think just 40
11:05:55 30 years of age, now by the time, you'd perhaps, perhaps 41, having attained that

- 11:06:01 1 position. Again, I think a milestone for you, isn't that right?
- 2 A. Yeah, I was 40.
- 3 Q. 87 You were 40. By that time is it the case that you'd also formed a second
- 4 relationship.
- 11:06:22 5 A. Yes.
- 6 Q. 88 On the personal side?
- 7 A. Yes.
- 8 Q. 89 Isn't that right? And that was one which was to go on to develop and in the
- 9 parlance possibly of 2007, rather than that of 1991, Ms. Celia Larkin was your
- 11:06:34 10 life partner as a guide or a test of what that relationship was?
- 11 A. Yes.
- 12 Q. 90 Isn't that right? And in 1991 I think that obviously you'd been building your
- 13 political base, you'd always been building your constituency base from
- 14 Drumcondra, isn't that right?
- 11:06:58 15 A. Yes, from Dublin central.
- 16 Q. 91 From Dublin central. Physically insofar as one could locate it to a building,
- 17 I think it was to be St. Luke's as and from 1992, though perhaps prior to that
- 18 I think your offices were above Fagan's pub in Drumcondra, is that right?
- 19 A. Since 1982.
- 11:07:17 20 Q. 92 Since 1982. And that transition of your constituency office or the facilities
- 21 made available for your constituency running, started with the acquisition of
- 22 St. Luke's by a grouping of your supporters, isn't that right?
- 23 A. Well Fianna Fail supporters.
- 24 Q. 93 I accept, of course, that they are interlinked to the extent that everybody who
- 11:07:50 25 is a political supporter of yours was a political supporter of Fianna Fail.
- 26 But could I suggest that in the acquisition of the premises at St. Luke's it
- 27 was directed really towards advancing your political future and providing you
- 28 with an appropriate location in Drumcondra from which to conduct your political
- 29 affairs?
- 11:08:16 30 A. No, I wouldn't read it that way at the time or since, Fianna Fail had a house

- 11:08:24 1 in Amien Street from the early '50s or maybe the '40s, I can't remember. They
2 sold that house. So Fianna Fail hadn't got a base in the constituency. So
3 Fianna Fail got a new base in the constituency and the base was St. Luke's. It
4 was bought by a trust who were Fianna Fail supporters to be held in trust for
11:08:44 5 Dublin central constituency and for the party nationally. So the question is
6 that if I had have been, if, it was made very clear for me and the other
7 representatives, senators, councillors as soon as you stepped outside of Fianna
8 Fail you were out. So the acid test was were you Fianna Fail or not. If you
9 were a Fianna Failer you were in, if you weren't a Fianna Failer you were out.
- 11:09:07 10 Q. 94 Yes. I'm not for a moment suggesting that you would have a personal interest
11 in the premises which would extend beyond your political life. But was it not
12 the reality of the acquisition of this property in Dundrum (SIC) across the
13 road from your former office that this was being acquire for the purposes of
14 your political activity?
- 11:09:33 15 A. No, for Fianna Fail.
- 16 Q. 95 Would you have considered the offices above Fagan's pub to have been Fianna
17 Fail offices rather than your own constituency?
- 18 A. The office over Fagan's was my office.
- 19 Q. 96 Right.
- 11:09:49 20 A. The base for Fianna Fail that time was Amien Street, 72 Amien Street. The
21 party sold 72 Amien Street, and the party bought St. Luke's.
- 22 Q. 97 Yes. Which is across the road from Fagan's?
- 23 A. Yes.
- 24 Q. 98 Yes. And in any event, this was now a property as and from 1988, that was
11:10:10 25 available for the purposes of the constituency, isn't that right?
- 26 A. Correct.
- 27 Q. 99 And it is a premises into which you were to move your own constituency office,
28 isn't that right?
- 29 A. Correct.
- 11:10:24 30 Q. 100 And we understand from the evidence given so far by witnesses that this was a

- 11:10:31 1 property which perhaps like the Amien Street property had been, was in some
2 state of disrepair and dereliction before it was acquired, isn't that right?
- 3 A. Correct.
- 4 Q. 101 And over a period from 1988 until 1992, that premises was refurbished so as to
11:10:52 5 provide, firstly, the facilities for the constituency operation which was being
6 run from there. And secondly, to provide accommodation for you, isn't that so?
- 7 A. Yes, well it didn't quite happen that way. What happened was the house was
8 renovated, it took a good few years to renovate it because obviously some of it
9 was done by contract and some of it was done by voluntary workers and party
11:11:20 10 members. They built on an extension for Comhairle Ceanntair meetings Cumann
11 meetings, organisation meetings. They renovated the house. It had been
12 previously, years earlier a doctor's residence and in the planning that they
13 received that the house committee and trustees received, they had to keep a
14 residential part of it. And that was the planning stipulation.
- 11:11:46 15 Q. 102 Yes.
- 16 A. And that was a planning stipulation of 1987 if I remember or 1988, I can't
17 remember. But, so they did keep a residential part which was upgraded and I
18 did move, I did move into it.
- 19 Q. 103 Yes. Can you tell me briefly, Mr. Ahern, as between the upper and the lower
11:12:06 20 floor of the newly refurbished building, what facilities, what rooms were there
21 that represented the apartment within the building?
- 22 A. Well the upstairs has a meeting room but it's a meeting room that's, it's a
23 sitting room, it's not a meeting room in terms of an ordinary office meeting
24 room, it's a sitting room but it's used for meetings, there is a small kitchen
11:12:38 25 area and they are really part of the house and part of the office. And
26 separate to that, is a toilet and shower and a bedroom.
- 27 Q. 104 Yes.
- 28 A. So if -- I think your question is what was the apartment. The apartment was
29 the bedroom.
- 11:13:00 30 Q. 105 Did the apartment aspect of the house or the residential part of the house take

- 11:13:05 1 up the entire of the upper floor of the house other than the sitting room which
2 you describe as being used for meetings and as well as, I take it, available to
3 be a sitting room?
- 4 A. Yes, it was used. I mean, the day time it would be used for meetings and
11:13:23 5 sitting rooms and with access to the toilet facilities.
- 6 Q. 106 Yes. And downstairs I take it there were other function rooms as well, is that
7 right?
- 8 A. Downstairs is totally office.
- 9 Q. 107 Is there not a function room downstairs or an area used to hold functions?
- 11:13:39 10 A. It's a meeting room. It's Comhairle Dail Ceanntair meet there.
- 11 Q. 108 Right. It is a function room then, is it?
- 12 A. It's a meeting room. If -- well if you come up to this evening when we're
13 finished here they have the Christmas party there.
- 14 Q. 109 Yes.
- 11:13:57 15 A. Other than that, it would be a good party by the way but it is only for the
16 rest of the year, it's a meeting room.
- 17 Q. 110 It's a meeting room for the rest of the year?
- 18 A. It might be a -- in the summer time they might have a few functions as well.
- 19 Q. 111 Right. So de facto, in other words, from the moment that this building was
11:14:21 20 completed and available for use in 1992, as regards the residential aspect of
21 it, it was a matter for you to determine whether or not to use the upstairs
22 sitting room for meetings of the party or what have you, or whether to use the
23 function room downstairs, your choice, isn't that right?
- 24 A. I'm not too sure what you're getting at. No, I didn't decide, if party
11:14:52 25 officers were in and they wanted to use the upstairs meeting room, they held a
26 meeting. I didn't control. I didn't control the sitting room upstairs to say
27 no you can't be up there. When I had the apartment there the only thing I
28 could control was the bedroom.
- 29 Q. 112 Yes.
- 11:15:08 30 A. They didn't tend to come in and have meetings in the bedroom.

- 11:15:12 1 Q. 113 Are you saying, Mr. Ahern, that your use of this apartment was limited to the
2 extent that you had the use of the bedroom only and that other people could
3 wander in and out up and down carrying on their business?
4 A. Yes.
- 11:15:26 5 Q. 114 And that's the way it operated?
6 A. And to this day.
- 7 Q. 115 Right. And even from the point of view of addressing common politeness, would
8 you not suggest that if people were aware that you were living there, that they
9 would leave the upstairs use of the property to you?
11:15:45 10 A. Well they weren't there at night. They weren't there late at night. But there
11 would be meetings there until 10 o'clock at night. St. Luke's is run for a
12 political organisation. I mean it's where we hold our Comhairle Dail Ceanntair
13 meetings, our office and board meetings, most of our Cumann meetings are there,
14 there's residents meetings there, it's an active political office and a very
11:16:06 15 busy constituency office for me, for senators, for councillors. It's not -- I
16 think from your earlier question, you think that I was the only one using it.
17 I mean, there were several councillors and several senators and others use St.
18 Luke's.
- 19 Q. 116 I mean, in theory on that basis, Mr. Ahern, somebody could be sleeping in your
11:16:28 20 bedroom one night and somebody else sleeping there the next night?
21 A. No.
- 22 Q. 117 No. I mean, are you saying that you exclusively retained the use of the
23 bedroom to yourself and that anybody else could use the rest of the apartment
24 while you were living there from 1992 onwards?
11:16:47 25 A. Exactly. But they didn't tend to turn up during the middle of the night at ...
- 26 Q. 118 Ms. Carruth in the course of her evidence indicated that the upstairs of the
27 house was private, that is the witness who was dealing with your cheque
28 lodgements in evidence. Would you not agree that once one got to the stairs
29 that upstairs was private and private to you in that sense?
11:17:15 30 A. No.

- 11:17:15 1 Q. 119 No, you wouldn't. By 1992, I think you will agree that you clearly had an
2 identifiable need for residential facilities, isn't that right? You had left
3 the family home in 1987, obviously immediately upon that happening you'd
4 occupied various accommodations. You didn't purchase another property and
11:17:55 5 weren't to do so until 1997, isn't that right? But you did have a need for
6 accommodation, isn't that right?
- 7 A. Yes.
- 8 Q. 120 And in that context, was it addressed that the St. Luke's accommodation would
9 be made available for you on the basis that you did have this need, you were
11:18:16 10 the local representative, the office was going to be used to a large extent by
11 you and it would be convenient for you to live in this particular apartment?
- 12 A. Yes, the trustees gave me a letting agreement for a number of years on the
13 apartment.
- 14 Q. 121 Was that a formal letting agreement, Mr. Ahern? Is there any documentary
11:18:43 15 evidence of such a letting agreement?
- 16 A. I don't know to be honest.
- 17 Q. 122 No. Is there any evidence that you were paying rent on foot of that?
- 18 A. I paid a nominal rent.
- 19 Q. 123 And how was that paid and to whom?
- 11:18:58 20 A. Paid to the trustees.
- 21 Q. 124 By whom?
- 22 A. By me.
- 23 Q. 125 Right. And on an annual, monthly, weekly basis?
- 24 A. I can't -- I think it was an annual. It was a nominal rent.
- 11:19:11 25 Q. 126 The separation in 1987, involved not only the change of your residence but also
26 the change in your banking practices. Obviously, because of the nature of your
27 separate lives, one could envisage that you would have separate financial
28 arrangements and Mrs. Ahern's financial arrangements continued as they had
29 prior to 1987, isn't that so, as regards bank accounts which were in the joint
11:19:54 30 names of yourself and your wife, they remained extant throughout, isn't that

11:19:58 1 right?

2 A. Yes, we had several, our mortgage accounts and deposit account and current

3 accounts, we had several accounts, I think about ten accounts that were in our

4 joint names.

11:20:08 5 Q. 127 Yes.

6 A. After we separated she continued to use those accounts, I didn't.

7 Q. 128 Yes. Can you indicate to the Tribunal why it is that you did not open your own

8 account at the time to deal with your sources of income which at that point, as

9 I understand it in 1986/'87, would represent a separate cheque from the

11:20:33 10 Oireachtas on the basis of your TD's salary, then a second cheque from -- for

11 your ministerial salary, then payments from your Dublin County Council

12 function. Sorry, corporation function as Lord Mayor. There would be three

13 separate streams of income if I can call it that, coming to you in 1986 and

14 '87, isn't that right?

11:21:00 15 A. Yes.

16 Q. 129 Is there any reason why you did not open a bank account to receive these

17 monies?

18 A. Well there was, put it the other way around, there was no reason that I should.

19 I didn't.

11:21:10 20 Q. 130 Well were you being paid in cash?

21 A. No.

22 Q. 131 No. Your only cash amounts. Or sorry. If you were dealing with cash it was

23 not as a result of any sources of income from your public life, isn't that

24 right?

11:21:29 25 A. No, that's right.

26 Q. 132 So you'll have received these monies in cheque form and they would have to be,

27 obviously, dealt with, isn't that right? They were, in other words, worthless

28 as pieces of paper, they required to go through the banking system in order to

29 be translated into a means or medium through which you could expend those

11:21:52 30 monies, isn't that right?

11:21:53 1 A. Yes.

2 Q. 133 That involved dealing with some financial institution, isn't that right?

3 A. Correct.

4 Q. 134 Right. I understand the evidence will be that you did not have any direct

11:22:10 5 dealings with any financial institution yourself in relation to your cheques

6 but that you had them dealt with by members of your constituency staff or staff

7 within your ministerial office when you took ministerial office, is that right?

8 A. Mainly anyway. I might have cashed them sometimes myself.

9 Q. 135 Right. And in the instances where you would have cashed the cheques yourself,

11:22:42 10 what would that involve? Where would you conduct this?

11 A. Just walking into a bank in Drumcondra or Dorset Street or town and cashing the

12 cheque.

13 Q. 136 Yes. And did that present any difficulty to you?

14 A. No.

11:22:54 15 Q. 137 No. Was that because you went to bank accounts where you were known or people

16 would know you because of your public face?

17 A. As you said earlier on, I was kind of known.

18 Q. 138 Sorry.

19 A. You said earlier on I was kind of known.

11:23:09 20 Q. 139 Yes. Is that the explanation that you could go in to any bank at any location

21 and produce a cheque and have it cashed?

22 A. I think it was only once in my life I ever went in to a bank and they said they

23 wouldn't cash it for me unless I opened an account, so I opened an account.

24 Q. 140 When was that?

11:23:27 25 A. I declared that account back some time. At that stage the bank account that I

26 have, the dormant account in Bank of Ireland Drumcondra. The '70s I'd say.

27 Late '70s.

28 Q. 141 I see. And that is an instance you say, where you went in to a bank and though

29 known, they said that they'd only deal with the cheque on the basis that you

11:23:48 30 opened an account?

- 11:23:49 1 A. Yes. I kept the account opened for a souvenir.
- 2 Q. 142 Okay. So in 1987, when you have these three sources of income, they are coming
- 3 to different locations apparently. One is being sent to your constituency
- 4 office in the post, is that right?
- 11:24:08 5 A. Yeah.
- 6 Q. 143 And the other is being sent to your ministerial office?
- 7 A. Yes.
- 8 Q. 144 All right. And you decide to treat those two streams separately, is that
- 9 right?
- 11:24:17 10 A. Most of the time. I wouldn't say every time I did it exactly the same but that
- 11 was mainly what I did.
- 12 Q. 145 And the manner in which you treated them, Mr. Ahern, perhaps you can give
- 13 evidence now as to what it is you did with these pay cheques that were coming
- 14 in to you?
- 11:24:37 15 A. I cashed the cheques.
- 16 Q. 146 Right. How did you achieve that?
- 17 A. By either giving them to staff to cash or giving the staff to change them for
- 18 me or changing them myself.
- 19 Q. 147 Right. And had you made any arrangement with any particular financial
- 11:24:53 20 institution that they would permit somebody other than yourself to present your
- 21 cheques in their branch?
- 22 A. No.
- 23 Q. 148 And pay out money?
- 24 A. No and they never had a difficulty ever.
- 11:25:06 25 Q. 149 So no written authority was ever completed by you to either Ms. Carruth or to
- 26 anybody else who was to cash your cheques authorising them to do so, is that
- 27 right?
- 28 A. No, it was never a problem either.
- 29 Q. 150 They merely went with your cheques and produced them, is that right? These
- 11:25:30 30 would be paymaster general pay orders rather than individual cheques?

- 11:25:34 1 A. Yes.
- 2 Q. 151 Isn't that right? And you would be shown as the payee on foot of those
- 3 cheques, is that right?
- 4 A. Yes.
- 11:25:40 5 Q. 152 Right. And can you say did you ever receive any call from any financial
- 6 institution asking you whether or not you'd authorised either of your staff
- 7 members to present your pay cheques for encashment?
- 8 A. No, never did.
- 9 Q. 153 No. So this grew into a system of encashment of your cheques, is that right?
- 11:26:07 10 A. Yes.
- 11 Q. 154 Starting on the first day where you decided that you would not open an account
- 12 but that you would cash your cheques and deal with the cash in that way, is
- 13 that right?
- 14 A. Correct.
- 11:26:20 15 Q. 155 Yeah. Can you explain to the Tribunal, Mr. Ahern, why it is that you did that?
- 16 I take it firstly before answering that you would perhaps agree with me that
- 17 that is unusual, an unusual approach to one's finances either then or now that
- 18 you would not open a bank account?
- 19 A. Well it might be unusual but I didn't consider it unusual quite frankly, then
- 11:26:54 20 or now. I had several accounts in my name with my wife's name, with Miriam. I
- 21 was separated. I was out of the house and I didn't just think about going off
- 22 and opening another set of accounts, you know. It wasn't one day that you're
- 23 separated and the next day that you feel that you're never going back. So I
- 24 just started that process and I continued it.
- 11:27:17 25 Q. 156 You started a process, was it then an initial view that you would open a bank
- 26 account but for the moment you weren't going to do it, is that how you say it
- 27 started?
- 28 A. Yeah, I don't think I thought about it. I mean, I had the cheques I needed the
- 29 cash and I cashed the cheques. There are thousands of people that do that. I
- 11:27:39 30 mean, ordinary people, Mr. O'Neill, go into pubs and cash their wages cheque,

11:27:43 1 you see it happening all of the time it's not extraordinary.

2 Q. 157 I accept that, that is certainly the case probably both then and now,

3 Mr. Ahern. But you were in a situation here where you were the Minister for

4 Finance at the time, in let's say if we want to go back to the time that you

11:28:03 5 are Minister for Labour. I think the same consideration applies. We're

6 talking about not cashing a weekly pay cheque of a worker but rather the

7 bi-monthly or perhaps twice monthly payments of a government minister,

8 substantial cheques either one, isn't that right?

9 A. Yeah. But that's what I decided to do.

11:28:28 10 Q. 158 Well that's what I'm enquiring about, Mr. Ahern.

11 A. That's what I wanted to do and that's what I did.

12 Q. 159 Why that decision --

13 A. I wanted to do it that way. Some people want to open the account. There is

14 nothing in the law or the Constitution that you should, you know, follow the

11:28:42 15 normal issues. Some people put their hair yellow, some people wears rings in

16 their nose, it's not the normal thing. I decided to cash my cheques full stop.

17 Q. 160 Yes. Well I'm asking you why it is that you made that decision to cash your

18 cheques. What was the underlying purpose of not opening a bank account?

19 A. Because the accounts were in the name of my wife and myself and I decided that

11:29:02 20 I wasn't going to open up a replica one. So I decided to cash my cheques.

21 Q. 161 The accounts that were being operated by your wife were not accounts through

22 which you were going to do conduct any of your financial affairs and you did

23 not do so for the next seven years, isn't that right?

24 A. Correct.

11:29:18 25 Q. 162 So the fact that your wife had accounts, albeit accounts in your name, was not

26 a relevant consideration in deciding how you were going to treat your financial

27 affairs. These were your financial dealings. You were being paid a salary or

28 salaries and you would have to deal with those. I'm asking you why it is, what

29 was the underlying purpose in deciding to conduct your affairs effectively in

11:29:45 30 cash?

- 11:29:45 1 A. The relevant issue was that I was separated. That was the relevant issue. I'm
2 afraid you're wrong, Mr. O'Neill. Before from the time I was married my
3 accounts were with my wife's name in AIB Finglas. When I was separated I
4 wasn't using those accounts. You're right in that point. So I decided that
11:30:04 5 from there on I would cash my cheques. That was the decision that I made and
6 that's what I did.
- 7 Q. 163 I know you made the decision, Mr. Ahern. I'm seeking to establish from you
8 what the underlying purpose of deciding to conduct your affairs in cash was at
9 that time?
- 11:30:22 10 A. Because that's what I decided to do. I mean ...
- 11 Q. 164 Well was it for convenience, was it because you didn't want to record your
12 financial transactions was it, there must have been a reason?
- 13 A. No, I had a cheque and I needed cash. I needed to pay bills from it. Other
14 than that there was no reason.
- 11:30:41 15 Q. 165 But I mean --
- 16 A. In particular reason.
- 17 Q. 166 That paints a picture, Mr. Ahern, of a hand to mouth existence where you need
18 money you cash a pay cheque and you get the money?
- 19 A. Yes.
- 11:30:50 20 Q. 167 Can I suggest to you that that isn't the level of financial transactions which
21 you were conducting because you were at that stage from the very beginning, you
22 were a minister and in the initial stages you were both Lord Mayor and
23 minister. You were taking in a sizeable amount of money at that point in time.
24 I suggest to you that there must be an underlying reason for deciding that you
11:31:11 25 would not conduct this in a more ordinary or normal fashion and that is by
26 opening a bank account and lodging your accounts to it?
- 27 A. Well I didn't do that until the end of the separation.
- 28 Q. 168 That I know, Mr. Ahern. And what I'm trying to establish for the purpose of
29 the record and the consideration which the Tribunal will give to your financial
11:31:35 30 affairs is an explanation as to why it is that you conducted your affairs in

11:31:41 1 cash?

2 A. I thought it was easier to do that.

3 Q. 169 Easier. Was it --

4

11:31:47 5 MR. MAGUIRE: Sorry, Chairman. The last series of questions leads me to have

6 some anxiety about the length which this particular section is going to take.

7 I think that it provokes us all to try and be as efficient with the use of

8 time, particularly with the Taoiseach in the witness box.

9

11:32:06 10 The question was asked I think certainly five and perhaps six times as to and

11 answered as to what the reason as to why the witness intended to use cash as

12 opposed to use a bank account.

13

14 Now, of course, Mr. O'Neill is entitled to ask that question but if we are to

11:32:24 15 get finished in time surely the efficient use of time would demand that he

16 listens to the answer and that he moves on. Otherwise we will not finish.

17 This witness has been detained for quite a considerable amount of time here on

18 previous occasions. The estimate of time has always proved to be wrong. And

19 there is a prolongation going on here which is unnecessary and I would ask you

11:32:45 20 to control it, Chairman.

21

22 CHAIRMAN: Well, I can't see any basis for suggesting that Mr. O'Neill is not

23 moving along efficiently. It's some times necessary to repeat questions or to

24 ask questions in a different format. But that's the way cross-examination is

11:33:10 25 conducted. But I don't think it's fair to criticise Mr. O'Neill so far in

26 terms of taking too long to deal with the issues. So ...

27

28 Q. 170 MR. O'NEILL: I should say, Mr. Chairman, I am seeking to elicit a definitive

29 response to the question as to why it is that Mr. Ahern did not open bank

11:33:29 30 accounts. And as of yet I do not have an answer other than that it was easier.

11:33:34 1
2 CHAIRMAN: Well that is ...
3
4 MR. O'NEILL: To do so.

11:33:37 5
6 CHAIRMAN: That's as we understand it, that's Mr. Ahern's reasons.
7 A. Chairman.
8
9 MR. O'NEILL: If it is easier.

11:33:43 10 A. Chairman, if I can answer. I have no problem with answering the questions.
11 But what you are trying to do Mr. O'Neill. You have a form of life. You
12 believe that it should be this way. And when I tell you it's not that way you
13 don't accept it. I can only tell you from me. I was separated. The accounts
14 were in my wife's name. I had the cheques. You know, and that's what I did.
11:34:04 15 Now, I know it doesn't fit in with the way you do things but it's the way I did
16 things and I can't definitively convince you why I did it. All your questions
17 come back to that. The reason I did it I thought it was a good idea to do it
18 that way. Sorry if it doesn't suit you.
19

11:34:20 20 Q. 171 MR. O'NEILL: It's not that it suits me or otherwise, Mr. Ahern, I am asking
21 you for an answer to a relatively simple question.
22 A. Chairman, can I talk to you then. I have to say if Mr. O'Neill won't listen to
23 me.
24 Q. 172 MR. O'NEILL: I will, Mr. Ahern.

11:34:36 25 A. I was separated.
26
27 CHAIRMAN: Anyway the position is ...
28 A. And what I did was the accounts were in my wife's name and mine, after that I
29 wasn't around wondering should I talk to bankers, Bank of Ireland or AIB or
11:34:48 30 anything. I got the cheques. It was difficult enough. I cashed the cheques

11:34:52 1 and I continued on. I didn't know whether I'd go back home or whatever I'd do
2 that's how I lived for several years. And I only changed that after, after
3 things went through the High Court and they were finalised. That's the way I
4 lived. I wasn't getting up every morning saying will I go down to the bank,
11:35:10 5 will I check or put this through. I had no ulterior motive. That's the
6 answer, Chairman.

7
8 CHAIRMAN: Well your answer then is that you conducted your financial affairs
9 in this way because it was easier for you to do it in the circumstances?

11:35:23 10 A. Yes.

11 Q. 173 MR. O'NEILL: The effort, of course, of conducting your affairs in the way in
12 which you did, was no easier nor harder than had you opened a bank account
13 yourself, Mr. Ahern. You did not conduct your own banking affairs, they were
14 conducted by members of your staff. They had to go to a bank to conduct the
11:35:47 15 transaction, isn't that right?

16 A. Well ...

17 Q. 174 It would be no different if you had a bank account into which these persons
18 would lodge your pay cheque, it was the same thing. In fact it might even be
19 easier to post the pay cheque directly to the bank. From the point of view of
11:36:05 20 being easier, could I suggest to you that there was no easier method of dealing
21 with your finances than opening a bank account and lodging your money to it.
22 Would you disagree with that?

23 A. Yeah, well the staff would have been going to the bank anyway, so it didn't put
24 any extra work on them, didn't put any extra work on me.

11:36:24 25 Q. 175 Yes. That applies equally to opening an account. It was no more difficult for
26 them to lodge money to your account, if that was the case, than otherwise,
27 isn't that so?

28 A. Well I suppose that's why I eventually opened an account.

29 Q. 176 Yes. So then you indicated that you would cash the cheques and having cashed
11:36:45 30 the cheques, the member of staff usually a female, I think would come back with

- 11:36:52 1 this money to you, is that right?
- 2 A. Correct.
- 3 Q. 177 And that would happen both in your ministerial office and also in your
- 4 constituency office, is that right?
- 11:37:01 5 A. Correct.
- 6 Q. 178 And we're told that the cheques were issued fortnightly, is that your memory of
- 7 events?
- 8 A. I think one of them might have been, yeah, I think it was, that was it.
- 9 Q. 179 And I think you know from the inquiry that the Tribunal made of you as to the
- 11:37:20 10 reconciling of various lodgements to your accounts over the period in question,
- 11 on occasion your responses to those queries would be that the lodgement
- 12 represented an accumulation of cheques as far as you were aware, is that right?
- 13 A. Yes.
- 14 Q. 180 So that the business of cashing the cheques was not a routine matter of the
- 11:37:49 15 staff member taking the cheque every two weeks, going to the bank, cashing it
- 16 and coming back with the money. On occasion cheques would be accumulated and a
- 17 bundle of cheques would be brought down, is that right?
- 18 A. Yes.
- 19 Q. 181 And correspondingly, therefore, the amount of cash that the staff member would
- 11:38:08 20 be bringing back to you could be a month or two months of your salary, isn't
- 21 that right?
- 22 A. Correct.
- 23 Q. 182 Right. That I think would indicate possibly that your financial requirements
- 24 were quite small at the time and that you did not need cash with any urgency or
- 11:38:29 25 immediacy, given that you were prepared to hold on to cheques for a period of
- 26 time, isn't that right? Now, when you did get this money back in cash form, am
- 27 I correct in saying that the instruction that had been given to whoever it was
- 28 to cash the cheque was merely to cash the cheque and to bring the money back to
- 29 you?
- 11:38:51 30 A. Yes.

- 11:38:52 1 Q. 183 Right. I know that in 1992 for a brief period in 1992, there were a number of
2 minor lodgements made to accounts in the names of your daughters which were
3 opened at that time, small money. But other than that, there was no account
4 into which a staff member would be lodging any money, it was a matter of taking
11:39:18 5 the cash in total back, isn't that right?
6 A. Yes I think from 92/'93/'94 I opened two building society accounts for my
7 daughters.
8 Q. 184 Yes.
9 A. And every so often I would put in money.
11:39:29 10 Q. 185 Yes. But in the period from 1987 to 1993, effectively one is talking about
11 cashing cheques, taking the entire of that money back to you in cash form,
12 isn't that right?
13 A. I think up to '92.
14 Q. 186 Up to '92. Now, we know that you weren't being paid in even amounts, that with
11:39:52 15 deductions of PAYE and various other deductions and given that you're not
16 working off an even amount in the first instance, there was always going to be
17 an element of varying currency, some in coin, some in pound notes, that you'd
18 receive back, isn't that right?
19 A. Correct.
11:40:12 20 Q. 187 Now, we know that your staff cashed these cheques and in what circumstances did
21 they give the money to you? Was it always on the day upon which you had sent
22 them out with the cheque or did they retain the money until the end of the week
23 and give it to you or how was it that you were paid the money by them?
24 A. I think they would cash the cheque whenever they were going to the bank next.
11:40:38 25 I was never that pressed about it, rarely enough I'd be pressed about it. So
26 they'd just cash it and leave it back, leave it back to my desk.
27 Q. 188 Right. They'd leave the money on your desk. I mean, we are talking the
28 minimum in these instances of thousands rather than hundreds at that point in
29 time even, Mr. Ahern, isn't that right?
11:40:59 30 A. Yeah.

11:40:59 1 Q. 189 We know that, for example, in 1993 your net salary would have been about 35,000
2 pounds net?
3 A. Whatever.
4 Q. 190 Pounds.
11:41:11 5 A. Uh-huh.
6 Q. 191 I can give you the exact figure if you want.
7 A. No.
8 Q. 192 It was in or around 35,000 pounds. And on a monthly basis if one was doing it
9 then it's nearly 3,000 a month?
11:41:23 10 A. Uh-huh.
11 Q. 193 I appreciate split as between the two locations?
12 A. Sure.
13 Q. 194 The split was probably relatively equal in the sense that it was 22 and 18?
14 A. Uh-huh.
11:41:41 15 Q. 195 But there or thereabouts?
16 A. Yeah.
17 Q. 196 About 1,500 pounds would be a month's take from either one of these two streams
18 of income coming to you?
19 A. Yes.
11:41:52 20 Q. 197 Yeah. And are you saying that a member of staff would change the cheque, come
21 back and leave 1,500 pounds or thereabouts in cash on your desk?
22 A. Yes.
23 Q. 198 Right.
24 A. Or give it to me if I was there.
11:42:06 25 Q. 199 I appreciate that in a minister's office there's certainly a degree of security
26 that is probably greater than you'd find in any commercial office but
27 nonetheless there are people who would be visiting your office, secretaries and
28 others from time to time in the course of the day. And are you saying that
29 this money would be left there on a desk for anybody perhaps to take, is that
11:42:33 30 how it worked?

- 11:42:34 1 A. I never -- I've been working in government offices now since 1982 and nobody
2 ever took anything.
- 3 Q. 200 No, I am aware of that. I'm sure, Mr. Ahern. But people with whom you are
4 engaging in a work environment, I suggest would be concerned if they were going
11:42:52 5 in to an office in which there was a large amount of cash readily available. I
6 mean, if that was to go missing all of them would be subject to suspicion, it
7 might never be resolved as to who took it but it would be highly unusual I
8 suggest that in the office of a minister that money would be left on a desk in
9 the manner in which you described. Would you agree with that?
- 11:43:14 10 A. Whether it was unusual or not that's what we did and it never went missing.
- 11 Q. 201 Yes. Would you agree that it is unusual?
- 12 A. No, not really.
- 13 Q. 202 And do similar considerations apply then in your constituency office that the
14 person who changed the cheque in Drumcondra in the branch across the road or in
11:43:33 15 the building society or as the case may be, that that person would come back to
16 your office and leave this money on your desk?
- 17 A. Yeah, either normally I'd be the day I'd be in Drumcondra, most days I wouldn't
18 be in Drumcondra they'd be there I'd be there all day so I'd probably more
19 likely be there.
- 11:43:51 20 Q. 203 Yes. But there would be days you say you weren't be there?
- 21 A. Yeah.
- 22 Q. 204 The practice you say was that the money would be left on your desk.
- 23 A. Or just stuck in the drawer.
- 24 Q. 205 Stuck in the drawer. Well had you any procedure set up with your staff as to
11:44:03 25 how they were to deal with the cheques or do you say that it was done on a
26 cheque by cheque ad hoc basis?
- 27 A. No.
- 28 Q. 206 That --
- 29 A. No procedure.
- 11:44:12 30 Q. 207 No procedure whatsoever?

- 11:44:14 1 A. And never went missing.
- 2 Q. 208 Irrespective of them going missing or otherwise. Are you saying that you had
- 3 no procedure set up with your staff either in your constituency office or in
- 4 the ministerial office as to how your bi-monthly payment cheques were to be
- 11:44:31 5 debited?
- 6 A. No.
- 7 Q. 209 It changed from month to month. You might do-it-yourself, generally they would
- 8 do it, you mightn't do it in one month at all and wait a few months and
- 9 somebody would do it at that point in time?
- 11:44:42 10 A. Yeah.
- 11 Q. 210 That's how you conducted --
- 12 A. That's how I ...
- 13 Q. 211 And in the course of that seven year period that we're talking about then,
- 14 obviously a large amount of money would pass through both offices in cash,
- 11:44:57 15 isn't that right?
- 16 A. That's correct.
- 17 Q. 212 And is it correct to say that you did not keep any record either on a weekly,
- 18 monthly or annual basis as to what money you had in either of your offices
- 19 stemming from your salary?
- 11:45:12 20 A. Precisely.
- 21 Q. 213 You didn't know what it was that was in any one of your particular financial
- 22 safes or locations, is that right?
- 23 A. No.
- 24 Q. 214 No? Does it follow from that that if somebody was to make inquiries of you at
- 11:45:36 25 any particular time as to your assets or your liabilities, you were not really
- 26 in a position to give them any record of that?
- 27 A. No, count it. If somebody wanted to know the figure you'd count it.
- 28 Q. 215 You'd count it. Are you talking about counting the combined bulk of funds that
- 29 you had at these two locations?
- 11:46:01 30 A. You'd count what you'd left.

- 11:46:03 1 Q. 216 Okay. Well did you do so?
- 2 A. Oh, yes.
- 3 Q. 217 Yes.
- 4 A. Every now and again.
- 11:46:08 5 Q. 218 Okay. And in what circumstances would you find it necessary to count out the
6 monies and when did you do so? Start perhaps 1987, which might have been one
7 of the years where a greater amount came in than other years until you were
8 minister at a later stage when I think salaries had increased somewhat. But in
9 1987 or so, at year's end when it came to seeing how you stood, what the effect
11:46:41 10 of your separation was, how your finances were effected if at all by that
11 transition in your life, did you establish what funds were available to you?
- 12 A. I'd say most years. Maybe a few times a year I would just check if I'd a bill
13 to pay or if I, you know, if it was Christmas time or I needed to buy presents
14 I'd check. I wouldn't check much but I would check every now and again.
- 11:47:05 15 Q. 219 Okay. If we start perhaps with your ministerial office in the Department of
16 Labour. Would that have been in Mespil Road?
- 17 A. Yes.
- 18 Q. 220 In 1987. And the money would be brought to you or left on your desk. You
19 would, I take it, you would count the money when you got it back, would you, to
11:47:28 20 see if you had got back the amount of the cheques that you'd given or would you
21 take it as read that you had got everything?
- 22 A. Take it as read most of the time.
- 23 Q. 221 Okay. And when you had the money there obviously you're going to spend some of
24 it. How did you set about determining what money you were going to retain by
11:47:44 25 way of savings and what money were you going to spend? Did you have any plan
26 as to the proportion of the fund that you would keep a savings as opposed to
27 what you were going to spend?
- 28 A. Well I'd know roughly. I didn't spend a lot because I was, my biggest bill was
29 pay Miriam. So I, obviously that's the first thing I'd do.
- 11:48:07 30 Q. 222 But I'm asking you whether or not as between what were to become your savings

11:48:12 1 which started in 1987 and continued, had you any plan as to what proportion of
2 the monies that came in would be saved and what money would be spent?
3 A. Yeah well I had, yes. I changed the cheques I would obviously take out my only
4 big bill monthly at that time was maintenance and I would take the out the
11:48:33 5 maintenance and pay that and I would if I had some other bills I'd just take
6 the out the money for that and then keep some pocket money and then just put
7 the rest into my safe or into the drawer, that's what I did throughout the
8 period.
9 Q. 223 All right. Did you sort out the money into various denominations of notes?
11:48:54 10 A. No.
11 Q. 224 So you just had a bundle of notes?
12 A. I'd hold on to the bigger denominations obviously and use the smaller ones.
13 Q. 225 You'd use the smaller ones. As time went on this would get bigger and bigger,
14 isn't that right?
11:49:09 15 A. It's not that big. You are making it sound like hundreds of thousands. At the
16 end of the day I had 20,000 in one place and 30 in another.
17 Q. 226 Yes.
18 A. Over a seven or eight year period.
19 Q. 227 Right. To put that in some perspective, Mr. Ahern. If we make allowances for
11:49:28 20 a start the fact that pounds had a greater inherent value than the Euro did.
21 One has a greater number of Euros than one has pounds we'll say. One also has
22 to benchmark the salary of that time to the salary today. We're talking about
23 the income of the then Minister for Finance. And if we take by way of example
24 the gross annual salary which was being paid to you as minister in 1993. It
11:50:09 25 was 63,184.63 pounds, converted to Euro that's 80,227 Euro so that's just a
26 simple mathematical exercise. And if one tries to equate that to current terms
27 and one takes the gross salary of the current Minister for Finance, and I'm not
28 talking about the figure that may be ultimately made once the recommendations
29 of the body are implemented in some year's time. But rather today's figures
11:50:48 30 are 214,344 pounds is the income of the Minister for Finance today.

11:50:57 1
2 So that when we are talking about the figures that you say are small and are
3 20,000 pounds and matters of that sort. We have to apply really a multiplier
4 of approximately two and a half to those values to get an appreciation of what
11:51:17 5 figures we're talking about in today's terms. Do you understand?
6 A. I do.
7 Q. 228 Do you understand the principle?
8 A. No, I don't because you are querying me about what happened then.
9 Q. 229 Yes.
11:51:26 10 A. I mean if you want to put a multiplier on and try and relate it to today.
11 Q. 230 Yes.
12 A. I know precisely what you are doing. You're looking for a headline.
13 Q. 231 I'm not, Mr. Ahern.
14 A. I watched it carefully the last time. No, you don't put any multiplier. I'll
11:51:40 15 tell you what the sums were.
16 Q. 232 Yes.
17 A. After seven years. Let's talk. You talk about the period. No need to be
18 talking about today, it's nothing to do with today. It's to do with then and
19 the fact is between 1987 and 1995, I saved 30,000 in one location, 20,000 out
11:52:00 20 of another out of an income of 260,000, which was 20 per cent. Now, I mean 300
21 questions to get to that but, Chairman, that's the position. From 1987 to 1994
22 I'd saved 30,000 in St. Luke's, 20,000 in the other the department, out of
23 260,000 net. I mean, that's what the figures were then, it's irrelevant what
24 they are now.
11:52:23 25 Q. 233 Well with respect, Mr. Ahern, you are indicating that some of the figures that
26 are being dealt with are relatively small sums. They can only be relatively
27 small sums by comparison to what the actual earnings you were making at the
28 time were. And I'm suggesting to you that not only were they not relatively
29 small sums but they were very large sums and that the only way in which one can
11:52:50 30 get an accurate evaluation of just how large they are, is to look at them in

11:52:55 1 the context of today's earning and I'm putting to you that for you to have
2 savings of 50,000 pounds, pounds, in 1993 --

3 A. Uh-huh.

4 Q. 234 -- is the equivalent of dealing with 125,000 Euro today. In other words, that
11:53:16 5 is the figure that reflects.

6

7 MR. MAGUIRE: I'm sorry, Chairman.

8

9 MR. O'NEILL: If I may without interruption. That is the figure that reflects

11:53:22 10 --

11

12 MR. MAGUIRE: I've an objection to the interruption.

13

14 MR. O'NEILL: Well --

11:53:27 15

16 MR. MAGUIRE: I've an objection to the question.

17 It seem that is Mr. O'Neill is putting a calculation to the witness. I don't

18 know whether the basis of his evidence is first of all. If it is expert

19 evidence then we want to see the expert evidence. I am also concerned as to

11:53:43 20 his actual statement in respect of the salaries. Perhaps that's something that

21 can be cleared up during the break but is something that I, the figures do not

22 to us seem to be correct. That's a technical matter and I would like to clear

23 it up as to where he is getting those figures. But when it comes to equivalent

24 valuations now, I want to know where that expert evidence comes from. Who is

11:54:03 25 the expert that's giving this information to Mr. O'Neill. Is it his own

26 calculation? Then it's not an expert one if it is. And he is not here to give

27 evidence himself.

28

29 MR. O'NEILL: The expert is Mr. Ahern. Mr. Ahern is the recipient of the

11:54:19 30 funds. I have put to Mr. Ahern the actual income which he received in those

11:54:23 1 years. I should say that I did so on the basis of information which has been
2 provided by Mr. Ahern as to his income at the time. If they are incorrect
3 figures I'm perfectly happy to look at those figures but they are figures
4 provided by Mr. Ahern.

11:54:39 5
6 In making the comparison between those figures and now, the expert basis for
7 that is Mr. Ahern, who is knowledgeable as to the current income of the
8 Minister for Finance. So that the evidential base comes from Mr. Ahern. It
9 comes, firstly, from his own knowledge of his earnings at the time. And
11:54:59 10 secondly, from his own knowledge of the current income of the Minister for
11 Finance. It does not require any expert to draw the conclusion. It is a
12 simple matter of long division to establish that the equivalent sum he was
13 receiving in 1983 was 80,227.93 Euro. And that is set against the current
14 gross salary of the Minister for Finance which is 214,344 pounds.

11:55:35 15
16 MR. MAGUIRE: There are two separate matters in this, Chairman and they do
17 raise separate issues.

18
19 One is that we don't believe that the figures that have been put in terms of
11:55:45 20 the salary figures at the time that were pertinent at the time are correct.
21 That's a matter --

22
23 CHAIRMAN: Well that can be checked.

24
11:55:52 25 MR. MAGUIRE: That can be cleared up between us. That's one point. That's one
26 aspect of the point.

27
28 The second, which is different, and it's to do with what was being put and as
29 Mr. O'Neill well knows, that to put something to the witness means that you
11:56:09 30 have evidence which, upon which you base the putting of the question. And what

11:56:18 1 is being put is a comparison as to what that means in current day's terms.
2 Now, my understanding of that is, that that is a piece of expert evidence,
3 either done by Mr. O'Neill which he is not entitled to do, or done by an expert
4 and we haven't been supplied with the evidence of that particular assumption.

11:56:39 5
6 Now, if that is available to us we'll look at it but we certainly haven't been
7 provided with the evidence as to the calculation as to the present day value of
8 sums that were saved etc. at the time.

11:56:50 10 CHAIRMAN: But, Mr. Maguire, you would have to accept though that there is a
11 very significant increase in the value of 20,000 or 30,000 back in the early
12 1990's. What the buying power or income equivalent of that sum is now, even if
13 ... even if Mr. O'Neill's figure is simply an educated guess, it still remains
14 the fact that there is a very significant difference. And I think

11:57:27 15 Mr. O'Neill's line of questioning was as I understand it, arises because
16 Mr. Ahern has suggested that 20,000 wasn't a large sum of money then.

17
18 It's still large it's still a large sum of money. Clearly it's an awful lot
19 less now than it was then but there must be some allowance. I don't think it
11:57:46 20 necessarily means, nothing is going to rest at the end of the day as to whether
21 it's twice or two and a half times the value, the precise increase in value I
22 don't think is hugely relevant. What is important to, that it be put on the
23 record that the value of 20,000 then is now twice that or possibly more than
24 that.

11:58:14 25
26 MR. MAGUIRE: But Chairman, that's the very point I'm making. It's one thing.
27 You are talking about a question of degree that's the first thing to say.
28
29 And secondly, obviously in broad terms one can use comparison between what
11:58:27 30 pertained then and what pertains now. But if you are putting a particular

11:58:31 1 assumption to the witness, which is based on a calculation as to what a sum
2 then means in present day terms, that is a matter of expert evidence. All I am
3 saying is we haven't been provided with the basis of that and it may well be
4 very well be the mark, it may not be too wide of the mark, it may be correct.

11:58:49 5 It may be ...

6
7 CHAIRMAN: Well it may be possible. It should be possible for Mr. O'Neill and
8 yourself to ...

9
11:58:59 10 MR. O'NEILL: I have put it, with respect, Mr. Chairman, to the person who
11 knows and that is Mr. Ahern.

12
13 I have put to Mr. Ahern precise figures representing his actual income. And
14 the actual income of the current Minister for Finance. There is no variation
11:59:17 15 or embellishment on my part on those figures. They are the actual figures and
16 one divides one by the other and one gets a figure which represents the current
17 --

18
19 CHAIRMAN: Well.

11:59:30 20
21 MR. O'NEILL: And I'm not saying it's the only yardstick which can be used.
22 What I'm indicating is that this is a benchmark taking like with like. It is
23 taking the then Minister for Finance's salary as it then was in gross terms.
24 It is taking the current Minister for Finance's salary in gross terms. Nothing
11:59:51 25 could be more comparable than those two figures. And it is in that context
26 that I am questioning the witness about the extent to which this can be called
27 a small amount because it translates exactly into a sum of, if we need the
28 precise figures, 133,584.40.

29
12:00:17 30 CHAIRMAN: Mr. Maguire, do you have a difficulty with that means of

12:00:19 1 calculation?
2
3 MR. MAGUIRE: I have a considerable difficulty, Chairman
4
12:00:23 5 CHAIRMAN: Assuming that the figures are correct.
6
7 MR. MAGUIRE: And Mr. O'Neill uses the word "put" when it's obvious to anybody
8 dealing with situations such as this. If you are putting something it's on the
9 basis of evidence.
12:00:38 10
11 Now, what he is attempting to do, is to draw a mathematical conclusion from the
12 difference in earnings between the then Minister for Finance and the present
13 Minister for Finance. Of course politicians are paid differently now than they
14 were then. You could equally take the CPI, you could take the difference, the
12:00:56 15 average industrial wage, you would get different answers to each of those
16 situations. It's an inaccurate --
17
18 CHAIRMAN: All right.
19
12:01:04 20 MR. MAGUIRE: Matter and it's a matter for an economist to deal with not
21 Mr. O'Neill.
22
23 CHAIRMAN: No, no it's not a matter -- if the basis of the calculations put by
24 Mr. O'Neill are comparing a salary then and a salary now. That is the basis.
12:01:17 25 Now, you are perfectly entitled to take issue with that in the sense that there
26 probably and clearly is a difference between then and now as to ministerial pay
27 and pay in the public service generally has improved even on a comparative
28 basis. And that can be, that's an issue that you can put, Mr. Maguire, to
29 Mr. Ahern in due course and I'm sure that he will be well able to deal with it.
12:01:47 30

12:01:47 1 Ultimately we're talking about approximate percentages and approximate figures
2 and on that basis there is a, it is arguable that you can compare, but I accept
3 what you say that the basis on which they were paid then is different to now.
4 And that allowance has to be made.

12:02:11 5
6 We are just going to take a break for about ten minutes. All right.

7
8
9 **THE TRIBUNAL THEN ADJOURNED FOR A SHORT BREAK**
10 **AND RESUMED AS FOLLOWS:**

12:02:19 11
12 CHAIRMAN: Yes.

13
14 Q. 235 MR. O'NEILL: Mr. Ahern, before the break I was endeavouring to establish the
12:18:12 15 relationship which might exist between the values of monies now and then. And
16 I think you made the point that it was irrelevant that one deals with the money
17 then rather than the money now. I'm not going to go further on that point,
18 save to ask you to agree with me that the probable multiplier that one would
19 apply to income then and now, is accurately reflected by the rise in the
12:18:40 20 minister's salary between then and now. It's a fair measure of the value of
21 funds is to use the minister's salary as a benchmark. Would you dispute that?

22 A. To take the minister's salary in '93 and to take it now?

23 Q. 236 Yeah. And to say that that represents a fair. I am not for a moment
24 suggesting an exclusive measure of the money values then and now but it
12:19:07 25 represents a fair benchmark figure for what money now is worth by comparison to
26 then and vice versa what money in those days applying today's values would be
27 reflected by?

28 A. Well I didn't give any thought at that. I have no. I mean if you want to put
29 a multiplier on a figure that's not my point. My point and you of course I
12:19:31 30 think you took up that because I'm saying it's a small amount. The point I was

12:19:36 1 making to you, Mr. O'Neill, is that as I understand it from figures and there
2 is some dispute about the figures but anyway. Somewhere between 270; 280,000
3 something like that, that I received from 1987 to 1994, was the net amount.
4 The point I'm making when I was saying small. I said out of that I saved
12:19:59 5 20,000 for my daughters, I saved 30 for myself. I'm talking about it's small
6 in the context that if I had a net figure of 260,000 and I saved 50 in the
7 circumstances where I had very low costs, that I don't think that was a huge
8 part of my -- that was the terms I meant by "small". As far as the
9 multipliers, I don't really know. I'm not disputing your position and
10 multipliers. I am putting in the context that I think between '87, the
11 separated person to the August 1994, and the fact that I earned about 270,
12 280,000 net, subject to checking those out, 50,000; 20,000 I'd saved for my
13 daughters which was only for my daughters and 30,000 myself. It's not a figure
14 big figure. It's not a big figure in any terms.

12:20:51 15 Q. 237 Yes.

16 A. You took that up that I meant 30,000 isn't a big figure. I'm saying it's
17 30,000. That's the context that I meant it, Chairman.

18 Q. 238 You no doubt will check your figures, I suspect over lunchtime, Mr. Ahern, but
19 can I indicate to you that Mr. Peelo on your behalf indicated to the Tribunal
12:21:11 20 that your net earnings for the period in question, that is from 1987 until
21 1993, was 118,000 pounds.

22
23 Now, I'm not going to get into the minutae of this just at the moment,
24 Mr. Ahern, it's something that you can probably check. Equally I think the
12:21:35 25 documentation --

26 A. No, I think what he did was he put in -- he had 118,000. That was net of my
27 family maintenance. Net of my savings. So the figure that Mr. Peelo used was
28 252,000 if I recall correctly. But he only took nine months, three months of
29 1994, which he should have taken seven or eight. He left out My Lord mayor's
12:21:58 30 allowance and he might have had some other errors too. But anyway, the point,

12:22:04 1 Chairman. The point is either 260; 270 somewhere in that order and out of that
2 my net figure out of that I ultimately saved 20,000 for my daughters that I
3 would agree with my wife to do, and I did and I'm glad I did it it was used for
4 their education. I have given every shred of evidence to the Tribunal where I
12:22:27 5 sent them to Bruce College and I sent them to third level and what else I did
6 with them. I was left with 30,000.
7

8 Now, if I can, Mr. O'Neill, I think you'll accept this. If you'd been Minister
9 of Finance and if you'd been Lord Mayor and if you had been Chairman of the
12:22:44 10 Council and if you'd been a TD working your butt off which I'm sure you do, and
11 in the end of it you ended up after seven or eight years you ended up with
12 30,000. As I said to you previously, what I wonder about and the more I look
13 at this, never bother looking at it, money isn't that important to me one way
14 or the other. But if you look at it in the end of the day, I think it's very
12:23:05 15 little. It's very little. I'm not saying that 30,000 isn't a lot. Just in
16 the context of the figures for 1987 to -- now I'll stay here all day or
17 Christmas day talking about that. That's the position and the position won't
18 change.

19 Q. 239 So that I think that you agree that in principle, probably a measure of two and
12:23:23 20 a half from today's money to -- in Euro from those day's monies in cash is
21 probably a fairer --

22 A. I haven't got an idea. I haven't got an idea.

23 Q. 240 And I'm sure, Mr. Ahern, you --

24 A. Listen I don't know what the multiplier for senior counsel salary's is from '93
12:23:45 25 to now. I don't know what a TD is, I don't know what Minister for Finance is.
26 I don't know what Gerry McGinty's goat is. I don't know! If you tell me it's
27 two and a half times, if you want me to say yes, subject to someone checking it
28 I haven't got a clue, I just don't know.

29 Q. 241 Could I suggest to you, Mr. Ahern, that you must know.

12:23:59 30 A. I don't know.

- 12:24:00 1 Q. 242 We're talking about figures --
- 2 A. I don't know.
- 3 Q. 243 You don't know?
- 4 A. I'll check it at lunch time and ring Brian Cowen and ask him between the
- 12:24:08 5 multiplier and now if you're right, you're right, I don't know.
- 6 Q. 244 You know what the current Minister for Finance's salary is, Mr. Ahern?
- 7 A. I don't actually.
- 8 Q. 245 You don't I see?
- 9 A. I don't. I hardly know what my own salary is to be honest with you.
- 12:24:21 10
- 11 CHAIRMAN: Well anyway, it's probably just best left at that. We can check
- 12 the figures at the end of the day we're only concerned about approximate
- 13 multipliers whether it's two or two and a half.
- 14 A. Chairman, I'm not having any row. If it makes the Tribunal happy if you want
- 12:24:38 15 me to say three rather than two and a half I can't haven't got a clue.
- 16 Q. 246 MR. O'NEILL: Mr. Ahern, in any event, what the import of your evidence is,
- 17 over a period of seven years you are gradually accumulating whether month by
- 18 month or bi-monthly or perhaps once every quarter, sizeable amounts of money to
- 19 two separate locations in cash. And that continues for a period of seven years
- 12:25:03 20 or so until such time as your marital separation proceedings are finalised.
- 21 And at that point you vest the money in another way, isn't that essentially it?
- 22 A. That's correct.
- 23 Q. 247 And that involves purely from the point of view of the physical gathering of
- 24 funds, the accumulation of a sizeable amount of notes of various denominations
- 12:25:30 25 and conditions, it's not a question of getting brand new bank notes, it's not a
- 26 question of getting them in bundles of particular denominations, it is a random
- 27 grouping of notes as far as you're concerned, isn't that right?
- 28 A. Well insofar as my cheques were always cashed in the bank and whatever I saved
- 29 was from the bank, yes.
- 12:25:53 30 Q. 248 Yes. But it's not a question of you gathering this money at the end of every

- 12:25:57 1 year, bringing it in to the bank and saying give me 120 crisp 50s for this.
2 You were saving the money that you actually received through your secretaries,
3 isn't that right?
- 4 A. That's right. As I said I kept the higher denominations for obvious reasons it
12:26:14 5 would be easier to do that, it's easier to save it that way.
- 6 Q. 249 Did you ever bulk it up in any form and change it from its original form into
7 more, let's say usable notes? In other words, did you ever bring everything up
8 to 50s let's say or everything up to 100 or whatever it might be?
- 9 A. Well I would have always taken out because it's obviously easier to do it. I
12:26:39 10 said earlier on to you. You would take out the loose ones. You would always
11 save the bigger ones because it was easier to do that. But I never went back
12 and changed it and just every now and again I would check what I had. And over
13 that period from '87 to '94, I saved what did I saved.
- 14 Q. 250 54,000 I think in all you've told us about 50 you lodged?
- 12:27:00 15 A. Yes.
- 16 Q. 251 Yeah. So that it could well be the case that one of the first 50 pound notes
17 you saved in 1987, was still sitting in one or other of these accounts seven
18 years later?
- 19 A. Could have happened.
- 12:27:14 20 Q. 252 It could have happened. And you probably know as Minister for Finance that the
21 actual Irish currencies changed within that period, isn't that right?
- 22 A. I'm not sure what time 1990 ...
- 23 Q. 253 The format of the notes. There was the new five pound note, new ten pound
24 note?
- 12:27:33 25 A. Yes.
- 26 Q. 254 The B series and the C series notes changed within that period, isn't that
27 right?
- 28 A. Changed a few times I think.
- 29 Q. 255 Certainly within that period changed twice. Ultimately it was to change to
12:27:44 30 Euro in 2000 but before that the notes were of different types, isn't that

12:27:48 1 right?

2 A. Yes.

3 Q. 256 And it follows, therefore, from your evidence that these bundles of notes would

4 contain currency, Irish currency in two different formats, isn't that right?

12:28:00 5 A. The old, I think the old.

6 Q. 257 The old and the new five pound notes and 20 pound notes?

7 A. I launched them all.

8 Q. 258 You what?

9 A. I launched them all.

12:28:08 10 Q. 259 I'm sure. And having launched them and being aware of them did you ever bring

11 up all your currencies to the then current notes in 1993?

12 A. I can't, I can't recall.

13 Q. 260 No. It's unlikely that you did, isn't that right? Have you a memory of there

14 being these notes in different forms, different formats of Irish currency or

12:28:35 15 not?

16 A. I haven't.

17 Q. 261 You don't?

18 A. But I do remember as Minister for Finance I launched the new currency.

19 Q. 262 Of course. But did that not prompt you to bring all your currency in to line

12:28:47 20 with the then current tender?

21 A. I could have done it, I mean, I don't ...

22 Q. 263 If you had done it would have involved an exercise of going through all your

23 notes and sorting out which were in the current format and which were the old

24 notes. They could be exchanged of course for face value. They remain legal

12:29:08 25 tender?

26 A. They remain legal tender.

27 Q. 264 I am not suggesting that they ceased to be legal tender but they were two

28 different formats, isn't that right?

29 A. Yes.

12:29:16 30 Q. 265 You don't certainly recollect bringing them all into conformity with the last

- 12:29:22 1 current Irish?
- 2 A. I don't but I could very well have done that.
- 3 Q. 266 If you had done that would have required an exercise of going through these
- 4 various bundles of notes and extracting those which were no longer the
- 12:29:33 5 up-to-date notes, you'd remember that?
- 6 A. No, I wouldn't remember that.
- 7 Q. 267 You wouldn't?
- 8 A. I wouldn't remember that. I mean I don't even remember when it changed from
- 9 notes into Euros later on when I changed my money but I wouldn't remember that.
- 12:29:45 10 Q. 268 Yes. One of the consequences I think, Mr. Ahern, of the fact that you had this
- 11 money in notes was that you were foregoing any interest that would be earned on
- 12 this money, isn't that right?
- 13 A. That's correct.
- 14 Q. 269 Yes. And as I'm sure you know, interest rates were particularly high when you
- 12:30:05 15 commenced to take office in 1987, and running up all of the way to 1993, I
- 16 think peaking during a crisis where one could get something like 19 and a half
- 17 per cent interest on overnight deposit of funds, isn't that right?
- 18 A. Even higher for a while.
- 19 Q. 270 And even higher. Well the last -- the highest we've seen so far in the
- 12:30:27 20 recorded documents provided is 19.5 per cent but certainly that is a sizeable
- 21 amount of money even then, isn't that right, to have foregone?
- 22 A. Yes.
- 23 Q. 271 Did you give any consideration to the fact that if you were going to embark on
- 24 saving funds that the appropriate way to do it would be through some form of a
- 12:30:48 25 savings plan, which would be best able to maximise the legitimate return which
- 26 you could expect on a sum of 50,000 pounds, sizeable?
- 27 A. No I gave no thought to it. I can assure you during those years that was not
- 28 my worry.
- 29 Q. 272 Well I am suggesting you didn't have any particular worries during those years,
- 12:31:12 30 Mr. Ahern. I don't?

- 12:31:14 1 A. I had. I was Minister for Finance during the currency crisis. You have just
2 said it. I was the one in the driving seat.
- 3 Q. 273 That was not something?
- 4 A. It was a considerable worry.
- 12:31:23 5 Q. 274 That was not something of immediate concern with regard to your personal money,
6 isn't that right?
- 7 A. I didn't take any concern with my personal money.
- 8 Q. 275 No. So that this accumulation of funds was ongoing in two locations. The
9 money was never considered as being money which should be invested in any way
10 or deposited even in a bank account at that particular time. Although your
11 subsequent banking history shows considerable volume of transfers of funds to
12 and from accounts and deposit accounts of 30 days and longer, isn't that right?
- 13 A. At that time until I opened accounts back up again, I just saved what I had.
- 14 Q. 276 Yes.
- 12:32:14 15 A. And I think from 1991, I started to save some money for the girls.
- 16 Q. 277 Yes. Were you at all concerned about the fact that you had what I suggest were
17 sizeable sums of money effectively in your safe and effectively unaccounted for
18 in the sense of there being no record of those monies available to you?
- 19 A. Well they were part of my income.
- 12:32:42 20 Q. 278 I appreciate --
- 21 A. There was a record. I mean, you get your gross pay. You pay your taxes. You
22 pay your welfare like everyone else and what's left is net and that's the
23 record.
- 24 Q. 279 You had a record. Sorry. The paymaster general I take it had a record of what
12:32:57 25 he had paid you. But you hadn't kept any record of what you'd received in
26 gross or subsequently, isn't that right?
- 27 A. Sometimes I used to keep my pay slips.
- 28 Q. 280 Well I mean you've been asked and you were asked to discover all of the
29 documentation which you had in relation to --
- 12:33:14 30 A. I wouldn't.

- 12:33:15 1 Q. 281 -- your financial affairs. It doesn't include at that time?
- 2 A. I wouldn't keep to 2004. I mean, what do you think I am Scrooge or something,
3 keeping my pay slips in 2004 what I earned in the 1980's, but I would have kept
4 them at the time.
- 12:33:33 5 Q. 282 Yes. Well I would like to know just what your record keeping and accounting
6 was in those years starting in 1987. Can you tell me what financial records
7 you kept, starting about the receipt of money. Did you record in any journal,
8 account book or anything else the fact of your receipt of any of your pay
9 cheques?
- 12:33:51 10 A. No.
- 11 Q. 283 No. When it came to the presentation of those cheques for encashment, did you
12 record the amount of money you had received back upon those cheques being
13 cashed?
- 14 A. No.
- 12:34:05 15 Q. 284 No. When it came to making a record or rather of saving those monies did you
16 keep any record weekly, monthly or annually as to what the status of your
17 savings was in either of these two locations?
- 18 A. I'd count it now and again.
- 19 Q. 285 Well I'm asking you if you kept any record?
- 12:34:26 20 A. Sorry, no.
- 21 Q. 286 Did you say for example at the end of 1998, did you say well my savings to this
22 point are 15,000. 1989 they're now 25. Did you keep any of those?
- 23 A. No. I'm sure I wouldn't count it but I wouldn't have a record.
- 24 Q. 287 Is it the fact that the only record, the only knowledge you have of how much it
12:34:48 25 was that you actually saved, is when you came to lodge those amounts to the
26 accounts that we will see later as being the recipients of the sum of 30,000
27 and 20,000 in 1994. Is that the only paper record that exists?
- 28 A. Yes.
- 29 Q. 288 Of showing the existence of these monies?
- 12:35:11 30 A. Yes.

- 12:35:11 1 Q. 289 Yes. Now, is it the case that that circumstance arises, Mr. Ahern, because
2 there were at some point records of these transactions. By that I mean the
3 savings and you have since disposed of them or you simply never kept a record
4 of your savings, do you understand that?
- 12:35:32 5 A. The only record I would keep, you get, you get the counter foil of your cheque
6 with your records on it, keep them for a year maybe until you get your P60,
7 your tax returns, that's the only record I'd keep.
- 8 Q. 290 Is it the nature of your psyche, your make up that you simply are not a person
9 who keeps records, is that the explanation for this?
- 12:35:58 10 A. That I --
- 11 Q. 291 Most people keep a record, you agree, of their financial outgoings particularly
12 if they find themselves in circumstances where they might at later stage be
13 required to account for these funds?
- 14 A. No, I don't keep records. I don't keep receipts and stuff like that.
- 12:36:24 15 Q. 292 You are, you are trained in accounting methods, you appreciate, I take it, that
16 the value of contemporaneous records of expenditure and income. They are
17 matters which are generally retained by individuals for the purpose of
18 eliminating any misunderstandings or misinformation which might exist in
19 relation to a person's financial affairs, isn't that right?
- 12:36:56 20 A. Yes but I mean if you -- I was always paid PAYE with the exception of the few
21 payments. And if you go back over all of my working life, 38 years working,
22 there's only a few of these payments were given to me by others. But all of
23 the rest of my life was PAYE worker and paid and paid, I paid my income, paid
24 my taxes, paid my welfare, doing my tax return and that's it. I mean, I don't,
12:37:24 25 I would sometimes keep my monthly slip or pay slip for a period but I wouldn't
26 keep them.
- 27 Q. 293 Yes.
- 28 A. They're all on record anyway even on this I was able to go back and get all of
29 the records on these issues.
- 12:37:39 30 Q. 294 Yes. When you make reference, Mr. Ahern, to records, I take it you mean

- 12:37:44 1 records at other locations and with persons other than yourself. You had no
2 records?
- 3 A. No.
- 4 Q. 295 No. You're agreeing with me?
- 12:37:50 5 A. I'm agreeing but the records. When you are a PAYE person.
- 6 Q. 296 Yes.
- 7 A. Your records are there. I don't have a whole load of clients. I mean other
8 than a handful of lodgements I don't have clients paying me invoices if I was
9 in that business I would keep records but I'm not in that business.
- 12:38:07 10 Q. 297 But there are records that you have to keep in the event of receiving capital
11 sums, receiving gifts, receiving payments other than PAYE earnings, isn't that
12 right?
- 13 A. Yeah.
- 14 Q. 298 They are matters upon which you are obliged to keep records and obliged to make
15 returns, isn't that right?
- 12:38:24 16 A. Records when I purchased my household. I have records when I paid capital
17 gains tax. I had records on insurance policies and I gave you those records.
- 18 Q. 299 Yes. The running contemporaneously with your political career of course, was
19 the unresolved issue of your matrimonial separation proceedings, and that
12:38:53 20 didn't come to a head until 1993, isn't that right?
- 21 A. End of '93.
- 22 Q. 300 And the end of '93. Though those proceedings obviously were in being for a
23 while before that, isn't that right?
- 24 A. Yes.
- 12:39:02 25 Q. 301 And obviously, you must have had in your contemplation, the fact that issues
26 would arise in the course of those proceedings which would require you to
27 determine such matters as income, available funds for distribution for the
28 support of your family, all of those were issues that could well be raised in
29 those, in that litigation. I'm not concerned with whether they were or
12:39:25 30 weren't?

12:39:25 1 A. Oh, they were and I supplied all of the records that I had to supply including
2 what money I had.

3 Q. 302 Exactly.
4

12:39:31 5 MR. MAGUIRE: Chairman, my friend well knows that the question as to the
6 litigation that he is now, whether indirectly or directly leading to it, that's
7 not a matter that's appropriate to be raised in this Tribunal.
8

9 CHAIRMAN: Absolutely not. And Mr. O'Neill said he wasn't concerned -- and
12:39:51 10 we're not concerned and we don't want to hear evidence about what did or didn't
11 happen in the course of the ...
12

13 MR. MAGUIRE: Or the preparations for it.
14

12:40:00 15 CHAIRMAN: In the matrimonial case.
16

17 MR. MAGUIRE: Or the issues.
18

19 MR. O'NEILL: We're not concerned with the issues of Mr. Ahern's marital
12:40:08 20 separation. What we are concerned with is the consequences of that separation
21 and with the understanding which Mr. Ahern had of the obligations that he would
22 have in meeting such litigation with a view to financial record keeping and
23 otherwise.
24

12:40:31 25 CHAIRMAN: Yeah. Mr. Maguire, it's a legitimate question to put to Mr. Ahern.
26 And I suppose he has answered it to some extent. Was that another reason, good
27 reason, to keep records, namely, that you would probably find yourself in a
28 position where ultimately you would have to deal with proceedings in the
29 courts. That's not in any way prying into what was, what happened in the court
12:41:01 30 proceedings or what sort of a settlement or conclusion was arrived at.

12:41:10 1
2 And I mean, they are, those -- that sort of information is fully protected.
3 But it is a legitimate question to ask Mr. Ahern was, you know, given the fact
4 that this was an aspect of his life at the time and was likely to happen at
12:41:25 5 some stage in the future, would he not have -- why didn't he keep records. Or
6 was that another reason why he shouldn't have kept records.
7
8 MR. MAGUIRE: Chairman, it's clear in relation to this. My friend shouldn't
9 even refer to the proceedings in fact and certainly the preparation for them or
12:41:41 10 the consequences of them or the obligations that have arisen from them are not
11 a matter for this Tribunal.
12
13 CHAIRMAN: Well they have to be referred to, to the extent that one of the
14 reasons given by Mr. Ahern publicly for taking or accepting a loan from friends
12:42:00 15 was to discharge legal costs associated with those proceedings. I mean, we
16 just want to be clear about this. We are not interested in inquiring into what
17 happened in relation to those proceedings, what the evidence was or wasn't in
18 those proceedings, what the outcome of those proceedings was, other than the
19 question of legal costs.
12:42:25 20
21 MR. MAGUIRE: Or the preparation, Chairman. And the witness has in fact
22 said --
23
24 CHAIRMAN: Or the preparation -- Yes, absolutely. In fact --
12:42:32 25
26 MR. MAGUIRE: Is statutorily prohibited from answering. It's a matter of
27 statute law that he is prohibited from answering questions in relation to that.
28
29 CHAIRMAN: Well I agree. And the preparation for the proceedings. But he can
12:42:45 30 still be asked, you know, would you not have considered it wise to keep

12:42:50 1 accounts given that this was likely to happen at some stage and I mean he can
2 answer that as ...

3 MR. O'NEILL: As I indicated, I think before I commenced my examination of
4 Mr. Ahern this morning, the questioning in relation to his financial affairs
12:43:11 5 and its relationship to the separation proceedings will be confined to those
6 matters which are not in camera matters. In other words they are not the
7 proceedings of the court. They are not the evidence before the court.
8 The questioning will, however, touch upon the consequences of the change in
9 status which took place following upon that.

12:43:36 10

11 CHAIRMAN: Oh, yes absolutely.

12

13 MR. O'NEILL: Obviously, that involves consideration of the financial
14 consequences and the monies which flowed from that.

12:43:45 15

16 CHAIRMAN: But can we. Perhaps if we leave it at this. Mr. Ahern has been
17 asked would he not have felt it appropriate to keep records to assist him in
18 dealing with his matrimonial proceedings. He says he didn't and he took that
19 decision himself. So there is no issue arising from that. You didn't see that
12:44:05 20 as an additional or as an extra reason on its own to keep records?

21 A. Well no, Chairman, I don't want to leave this hang.

22

23 CHAIRMAN: Yes.

24 A. But when I -- I was required to produce records --

12:44:18 25

26 CHAIRMAN: Yes you did.

27 A. I did fully and comprehensively.

28

29 CHAIRMAN: All right. Well that's. I think that's best left.

12:44:25 30

- 12:44:25 1 Q. 303 MR. O'NEILL: I am talking now, I'm not sure from your last response,
2 Mr. Ahern, whether you're talking about records that you produced in
3 litigation. If so, I have no interest in them one way or the other.
- 4 A. No.
- 12:44:40 5 Q. 304 If on the other hand you are referring to records produced to the Tribunal I do
6 have an interest in them.
- 7 A. I'm talking about my High Court case, my separation.
- 8 Q. 305 Fine. Absolutely. The fact of the matter then leading up to the end of 1993,
9 was that you had accumulated this sum in savings. It was something in the
10 region of 50,000 pounds. I think you say possibly up to 54,000 at some stage.
11 It was divided into these two locations. And in both of these locations do I
12 understand that it was kept in safes?
- 13 A. Yes.
- 14 Q. 306 And in the office in the department, the smaller of the two amounts was in that
15 location and the larger of the two amounts was in your constituency office?
- 12:45:28 16 A. Yes.
- 17 Q. 307 Isn't that right? And a regards access to those safes, that was a matter which
18 was exclusive to you. Persons couldn't open the safes other than you, isn't
19 that right, in both locations?
- 12:45:45 20 A. No, that's not correct.
- 21 Q. 308 It's not correct?
- 22 A. In the -- in my office in Drumcondra I had access to the safe. In Government
23 Buildings, the staff would also have usually the private secretary would have
24 access to the safe.
- 12:45:59 25 Q. 309 Okay. And as regards the presence of these sums in either location, is it
26 correct to say that at no time did you ever indicate to any member of staff the
27 amount of cash which you were keeping in these safes whether by reference to
28 the actual sum or to the size of the financial -- the amount of the value of
29 the notes in the safe?
- 12:46:31 30 A. No, I had no reason to.

- 12:46:33 1 Q. 310 Well my question was whether or not you ever indicated to either of them?
- 2 A. I wouldn't imagine I did.
- 3 Q. 311 That there is a substantial amount of money in this safe and I wanted to keep,
- 4 just be aware of it. It is X thousand or Y thousand or any reference to it
- 12:46:55 5 being a substantial sum of money at all?
- 6 A. No, I don't think so.
- 7 Q. 312 No. Could I equally suggest that none of your staff were to know that in fact
- 8 you were keeping substantial sums of money in your account, perhaps if we start
- 9 with the figures that are there. Is it the case that you did not tell any of
- 12:47:14 10 your staff in the department that you had 20,000 pounds in notes in your safe
- 11 in the department?
- 12 A. No, I don't imagine I told. It was my money. It wasn't departmental money.
- 13 So I wouldn't tell departmental staff what money I had in the safe.
- 14 Q. 313 All right. Leaving the amount aside, did you ever tell them that you are
- 12:47:34 15 keeping your savings or accumulating amounts of money for savings in those
- 16 accounts?
- 17 A. I think all of the staff would have known because different members of the
- 18 staff would have cashed cheques for me and they knew that I either put it in
- 19 the drawer, put it in the safe at times. I think all of the staff would have
- 12:47:52 20 known that.
- 21 Q. 314 They would have known of whatever proceeds of the cheques they cashed came back
- 22 to you and you put that in the safe?
- 23 A. Yes.
- 24 Q. 315 They did not know that you were accumulating those amounts with a view -- well
- 12:48:04 25 whatever the view was -- but that you were accumulating large sums of cash.
- 26 A. Well as you said earlier yourself and a number of times, there would have been
- 27 a number of cheques. It wouldn't just have been one cheque so they would have
- 28 known that.
- 29 Q. 316 Sure. They would have known that the last cheques that they cashed went into
- 12:48:21 30 the safe, they would not know that you were accumulating money in the safes,

- 12:48:26 1 isn't that right?
- 2 A. Well, they could make their own assumptions.
- 3 Q. 317 Well they could only make that assumption if they counted out or saw what
- 4 monies you actually were keeping in your safe. And could I suggest to you that
- 12:48:39 5 none of them have given evidence to the effect that they did so. In fact, they
- 6 were careful not to have ever gone near your money.
- 7 A. No, no, no in fairness. I don't think any of the civil servants or my staff
- 8 would be counting my money.
- 9 Q. 318 No. Or would be aware of the fact that what money was in your safe was an
- 12:48:57 10 increasing year by year amount of money, isn't that so?
- 11 A. I mean, I don't know what they would have thought.
- 12 Q. 319 Yes.
- 13 A. I think some of them have said that they were surprised that I used to cash my
- 14 cheques but that was a well known fact, so.
- 12:49:13 15 Q. 320 Yes a well known fact that you cashed your cheques undisputedly. Could I
- 16 suggest to you that nobody can confirm that you were keeping 20,000 in your
- 17 safe in the department or that you were keeping 30,000 pounds --
- 18 A. No.
- 19 Q. 321 -- in the safe in your constituency?
- 12:49:28 20 A. No, they wouldn't have known the amounts, no.
- 21 Q. 322 Now, when your matrimonial proceedings were concluded in and around
- 22 November/December of 1993, you may be aware of the exact date, I'm not. But
- 23 that had certain financial consequences for you, isn't that right?
- 24 A. That's correct.
- 12:49:50 25 Q. 323 And those financial consequences result in there being three payments made from
- 26 a loan account which you opened with the AIB bank in O'Connell Street, isn't
- 27 that right?
- 28 A. That's correct.
- 29 Q. 324 And I take it that you are familiar with these particular individual payments
- 12:50:13 30 which were made, isn't that right?

12:50:15 1 A. Yes.

2 Q. 325 There are three sums. And the payments out were made obviously on a specific
3 basis. And can you tell me what these payments were for, the three individual
4 payments if you want to take them in sequence we can look at them at ... let me
12:50:38 5 see now. If we look to page 21399, please, Mr. Ahern. On screen you will see,
6 if we can turn that document, please, now, this document, Mr. Ahern, is an
7 internal AIB document. It's been briefed. You are probably familiar with it
8 it's been referred to in evidence on earlier occasions.
9

12:51:22 10 And what it is, is called respectively an All Items Report or a waste sheet
11 from the bank and it indicates a record prepared at the end of the day of
12 certain financial transactions conducted within the bank. And this particular
13 one was one prepared by Mr. McNamara, who was conducting a certain exercise to
14 try and establish the source of funds which were lodged to your accounts, both
12:51:51 15 in response to requests made of him by you and also by requests made of them by
16 the Tribunal. And in the course of that we'll see that there are three items
17 there.
18

19 If we start with the margin you will see the date 23rd 12th '93, you see that?

12:52:09 20 A. Yes.

21 Q. 326 Now, moving in from that then you will see that there are three amounts here.
22 The first of them is 1,302.36 pounds and if you follow that across you will see
23 that there's "CT" which is bank reference to credit transfer. And we can move
24 then down to the next document. The next entry I should say 12,813.61. And
12:52:41 25 that goes across to an account number, 99945246. Which is an internal AIB
26 account from which they issue bank drafts. And Mr. McNamara has written
27 "draft" against that. And then beneath that there is the item of 5,000 pounds.
28 Again, with the same number and the word "draft" written beside that, you see
29 that? They are the three amounts, Mr. Ahern, which total the 19,115.97 pounds
12:53:20 30 which was the loan taken out by you from AIB bank, isn't that so?

- 12:53:27 1 A. Correct.
- 2 Q. 327 And these are the three components of it. And I think we can probably gather
- 3 from this that you indicated a specific requirement for these three particular
- 4 amounts, isn't that right?
- 12:53:41 5 A. Correct.
- 6 Q. 328 And can you tell me now what these three items relate to?
- 7 A. Yeah, the 1,302.36 was to payoff my wife's car loan.
- 8 Q. 329 Yes.
- 9 A. The 12,813.61 was it pay my legal team.
- 12:54:01 10 Q. 330 Yes.
- 11 A. And the 5,000 was a contribution towards her senior counsel.
- 12 Q. 331 Right. And that, those figures represented the financial consequences of your
- 13 legal separation which had been concluded in and around two and a half weeks
- 14 before that, is that right?
- 12:54:19 15 A. Correct.
- 16 Q. 332 Now, obviously when we see the total of those sums, Mr. Ahern, and we compare
- 17 it with the amounts that we have been discussing this morning, this is a
- 18 liability which falls within your financial capacity to meet from your existing
- 19 savings, isn't that right?
- 12:54:44 20 A. Correct.
- 21 Q. 333 Because you've approximately 54,000 pounds or there or thereabouts call it 50,
- 22 available to you and out of that sum you could meet this, your financial
- 23 responsibility, isn't that correct?
- 24 A. Correct.
- 12:55:05 25 Q. 334 Can you indicate to the Tribunal why it is that you did not utilise the monies
- 26 which you had available to you at that time to meet this liability?
- 27 A. Yes. Well of the 50,000 I had, 20,000 was for the girls and I'd agreed that I
- 28 would pay 20,000 an account for the girls so that wasn't available to me
- 29 although I didn't lodge that into a bank account until the following August.
- 12:55:28 30 So I had 30,000 left. If I was to pay that to legal fees, or a little over

12:55:31 1 30,000. If I had to pay off that bill I would have had 10,000 left. And
2 having been saving from 1987 and ultimately realise at that stage I was going
3 to have to get a house all I would have had left was 10,000. So I opted to get
4 a bank loan.

12:55:48 5 Q. 335 Yes. Just a little difficulty with those mathematics if we can start from the
6 top. We have 50,000 in cash thereabouts available to you. We have an
7 identified liability of 19,000 odd. Call it 20 for the moment.

8 A. Well I'll say it again and I'll go slower, sorry.

9 Q. 336 Okay.

12:56:11 10 A. I had 50,000.

11 Q. 337 Yes.

12 A. 20,000 of that wasn't available to me because I'd greed to put it into an
13 account to educate my daughters.

14 Q. 338 Yes.

12:56:19 15 A. I did that and I have given you the details of precisely how I used that money
16 and expended that money after that. I paid it towards their education in Bruce
17 College, for clothes for them, for education costs for them and in the
18 Institute of Education in Tallaght. So that 20,000 I'd agreed to put into an
19 account for the girls, so I hadn't that available.

12:56:47 20 Q. 339 Those expenditure you've just mentioned, Mr. Ahern. Can you just refresh my
21 memory as to when it is that the first of those expenditures took place?

22 A. Later on. It was for their third level education.

23 Q. 340 Yes.

24 A. And second level education.

12:57:01 25 Q. 341 Six years later I think from recollection, I won't hold you to that. Five or
26 six years later these expenses are met, isn't that right?

27 A. Yes, yes.

28 Q. 342 I'm really concerned with the financial position as of the month of December of
29 1993. I appreciate that in the following year in August of 1994, you lodged a
12:57:23 30 sum of 20,000 pounds cash to the accounts of in the names of your daughters.

- 12:57:31 1 But when it came to the decision making process in December 1993, you
2 physically had in front of you or available to you 50,000 pounds in cash?
- 3 A. No, sorry, Mr. O'Neill. You're not listening to me.
- 4 Q. 343 Sorry.
- 12:57:44 5 A. Sorry. I said to you I had 50,000, a bit over 50,000 pounds as you said.
6 20,000 pounds of that I had agreed to put for my daughters future education.
- 7 Q. 344 Yes.
- 8 A. And I did that as I said to you repeating what I said. I said I put that into
9 the account in the following August.
- 12:58:01 10 Q. 345 Yes.
- 11 A. So I hadn't got 50,000. I had 30,000. If I had have taken that 30. And that
12 was a commitment that I had made and I had honoured it. The 30,000 I had
13 available, which was my savings from the time I was Lord Mayor right up to that
14 period which was the 23rd of December 1993. I had 30,000. If I had have paid
12:58:22 15 that 19,000 almost 20,000 I then only had 10,000 pounds. So all is my savings
16 having been saving for seven years I had 10,000 pounds. So I decided not to do
17 that. I decided to take out a bank loan and pay it.
- 18 Q. 346 But, Mr. Ahern, you didn't pay the 20,000 pounds towards your daughters
19 accounts until August of the following year?
- 12:58:43 20 A. It doesn't matter, Mr. O'Neill, with the greatest of respect to you and
21 Chairmen when I made it, I had a commitment from my separation to pay 20,000
22 into my daughters accounts which I accounted to this Tribunal for every penny
23 of it that I spent.
- 24 Q. 347 But --
- 12:59:00 25 A. Chairman, sorry, there is no but. I had 20,000 pounds in cash which I had a
26 commitment to put into my daughters accounts which I did and I have accounted
27 for every penny that was spent in that in subsequent years.
- 28 Q. 348 Mr. Ahern, by August of the of the following year, you had opened another
29 account and saved almost 20,000 pounds into that account?
- 12:59:23 30 A. No, no, Mr. O'Neill. Please don't do what people, you know, do sometimes in

12:59:28 1 politics with me. Don't change the goal posts.

2 Q. 349 I'm not aiming -- I'm asking you a question?

3 A. You asked me a question.

4 Q. 350 Yes.

12:59:35 5 A. You asked me a question. Why on the 23rd of December 1993, when I had 54,000

6 available to me why did I do X, Y and Z.

7 Q. 351 Not why did you do X, Y, Z?

8 A. No, please, Mr. O'Neill, you asked me a question. The answer to the question

9 that I gave you is that I did have 54,000. But I had commitments to put 20,000

12:59:53 10 of that into an account for my daughters which I subsequently did. So I didn't

11 have 54,000. And if I had paid that amount which I had to pay by that

12 Christmas because I'd agreed to do that the previous day, I would have had

13 only 10,000 left. So on the night of the 23rd of December, if I didn't do it

14 that way I only had 10,000 left. Now, that's what I did, Chairman, and I don't

13:00:16 15 think I did anything wrong, did I?

16 Q. 352 Mr. Ahern, I can't answer the question as to whether you did anything wrong or

17 otherwise. What I am suggesting to you, Mr. Ahern, is that on the day that you

18 took out the loan for 19,115.97 pounds you had available to you undisputedly

19 54,000 pounds. On that point we're agreed?

13:00:42 20 A. We're not, Mr. O'Neill.

21 Q. 353 We're not?

22 A. We're not Mr. O'Neill.

23 Q. 354 Tell me where the 54,000 pounds was then if it wasn't available to you in cash.

24 A. When you have a commitment for something, Mr. O'Neill, at least the way I

13:00:56 25 operate. You know if I -- and I go before the electorate every time based on

26 honouring my commitments and doing things. I had a commitment to my wife and

27 my children to put 20,000 pounds into an account. I didn't do it up to the 8th

28 of August. I had a commitment to do it. So it wasn't available to me.

29 Q. 355 It was available to you until the 8th of August?

13:01:18 30 A. No it wasn't available to me, it wasn't because I had it designated and clearly

13:01:22 1 linked in my mind and a commitment to give to my daughters. And that as far as
2 I was concerned. That's what I'd saved for it. I had saved it since 1987
3 through the whole period of my separation which I don't think is any of your
4 damn business. I saved it!

13:01:37 5 Q. 356 Mr. Ahern, the only reason that this is being --

6 A. Chairman, I think this is entirely unfair.

7
8 CHAIRMAN: No, no, we are going to break shortly. The position as you've
9 explained it to the Tribunal is that on that day in December you had bills of
10 just 20,000 to pay. You ear marked 20,000 out of 54,000. So notionally that
11 was put out of your mind.

12 A. Totally.

13
14 CHAIRMAN: You were now dealing with 34, 000. So if the question is and we
15 can be taken up after lunch, why didn't you use that 34,000 or part of it to
16 pay these fees, these particular bills. So we'll just forget for the moment
17 about the 20,000.

18 A. Yes.

19
20 CHAIRMAN: And that's ear marked. It's out of your mind as far as you are
21 concerned.

22 A. Yes.

23
24 CHAIRMAN: All right. It's now one o'clock so we'll sit at two o'clock.

13:02:33 25

26 **THE TRIBUNAL THEN ADJOURNED FOR LUNCH.**

27

28

29

30

THE TRIBUNAL RESUMED AS FOLLOWS AT 2:00 P.M.:

13:02:44 1
2
3 CHAIRMAN: Good afternoon, Mr. Ahern. Just before we start, we hope to sit
4 through until four or shortly after four o'clock without break but if you want
14:06:51 5 break or indeed if any of the legal team wants break, just indicate and we can
6 stop for a few minutes. All right?
7
8 MR. O'NEILL: Mr. Ahern, good afternoon
9 A. Good afternoon.
14:07:09 10 Q. 357 Just a housekeeping matter if I may before we resume.
11
12 This morning I indicated that the information provided to the Tribunal in
13 relation to salary of the minister at the time, that is your salary as Minister
14 for Finance in 1993, comprised two components; one as minister and one as TD,
14:07:34 15 they are combined together to represent the actual salary that you received. I
16 outlined certain figures this morning and apparently these figures were
17 challenged on the basis that they would be at odds with the information that
18 was available to your solicitors.
19
14:07:53 20 What I intend do at present now, is to put on screen the documentation which
21 was provided by your solicitors to the Tribunal, which included, I should say
22 in February of 2007, which included a letter from Mr. Michael Sludds. Sorry.
23 To Mr. Michael Sludds of your private office setting out your income with those
24 particular years.
14:08:18 25
26 If we could have on screen, please, firstly, page 1.
27
28 MR. MAGUIRE: Sorry, Chairman, just to say I'm grateful for Mr. O'Neill for
29 furnishing us with documents upon which he relied. The point that I was making
14:08:32 30 was and he has now said that he was taking both components into account. He

14:08:42 1 didn't say that he was asking the question.

2

3 MR. O'NEILL: I'm not sure that I understand what the objection is.

4

14:08:44 5 MR. MAGUIRE: The TD's salary and the minister's salary are two different
6 component which you now admit are what you were referring to.

7

8 MR. O'NEILL: There is no question with respect to admission.

9

14:08:52 10 CHAIRMAN: Our understanding was we were just simply comparing Mr. Ahern's
11 total salary and his total salary or the total salary of a Minister for Finance
12 today.

13

14 MR. O'NEILL: In this morning's evidence I read four figures. The first of

14:09:09 15 which was TD's gross salary 30,782.67. If we could turn, please, to page
16 number 5, and if we could turn that, please.

17

18 I should say we're trying to work off internal pagination at this point since
19 these documents have just been -- haven't been scanned. If we try firstly page

14:09:54 20 2. Yes, page 2 for the year 1993, these are salary payments made as Minister
21 for Finance and Tanaiste, the period December '91 to December '94. And if we
22 look to '93, we'll see in the very bottom line there 32,401.96 pounds. You see
23 that? In the second column in from the right, please in the bottom line.

24 Bottom line, 32,401.96 pounds. That's one of the figures I read out this

14:10:49 25 morning, Mr. Ahern. And it represents the gross salary of the Minister for
26 Finance, which was you, at that time.

27

28 We can see also that the net salary there is 18,142.92 pounds. The other

29 figure I mentioned was the TD's figure of 30,782.67. I think we'll find that

14:11:22 30 at page 5 of the internal documentation. The heading "salary payments made as

14:11:33 1 TD". And again if we go down to 1993, the bottom line, the gross figure there
2 is 30,782.67. And the net figure is 17,346.32.

3
4 Now, the third figure I mentioned this morning was the sum of 63,184.63 pounds.
14:12:02 5 That is the total of the two figures that we've just seen on screen as the
6 gross figures for the earnings as TD and as Minister.

7
8 And the fourth figure I mentioned was that sum converted to Euro which is
9 80,227.93 Euro. Now, just to finish off on that. It's a housekeeping matter.
14:12:34 10 It establishes that that was your salary as of the date that we were looking
11 at, Mr. Ahern.

12
13 Now, shortly before the lunch break we were dealing with the circumstance in
14 which you had available to you approximately 54,000 pounds in savings and you
14:12:56 15 had an identified immediate liability in relation to a car loan of your wife's,
16 legal fees to you your legal team and a contribution towards your wife's legal
17 expenses, the sum total of which was 19,115.97 Pounds. And the line of
18 questioning I was pursuing with you was to establish why it was that you hadn't
19 applied the cash available to you towards the discharge of that sum. And in
14:13:33 20 particular you had focused in indicating where the monies were to go upon the
21 fact that it was part of your understanding and agreement that 20,000 pounds
22 would be made available by you for the purpose of meeting your daughters'
23 future education costs, isn't that so?

24 A. Correct.

14:13:59 25 Q. 358 And that was obviously identified, as you say, by you at that time as being
26 monies which could not be applied as far as you were concerned for another
27 purpose, isn't that right?

28 A. Correct.

29 Q. 359 And with that in mind, you segregated that in your own mind from the other
14:14:17 30 available funds to you when considering the issue as to how you were to meet

14:14:23 1 the identified liability of 19,115.97 pounds, isn't that right? And I was
2 questioning you in relation to that. And in particular, your subsequent
3 savings.

14:14:40 5 Now, before getting to the subsequent savings point and allowing for the fact
6 that this money had been so identified, that is the 20,000 pounds by you as
7 being ear marked, if I can use that expression, for future expenses. Having
8 gone through that process, is there any reason why you didn't lodge it there
9 and then to an account bearing interest in the name of the girls, given the
14:15:05 10 high rates of interest which were applicable at that time and the fact that you
11 were, as you say, ear marking a fund towards a future expense?

12 A. It was in to 199 -- I didn't open I think my current account until the end of
13 1994, and it was from then I started organising banking arrangements. But just
14 no particular reason, just busy doing other things and didn't get around to
14:15:31 15 doing.

16 Q. 360 Well, Mr. Ahern, you opened your bank accounts first in December 1993. In
17 other words, in and around the time when it came to the payment of the
18 liabilities which were generated from your matrimonial separation, you set up
19 bank accounts that same month?

14:15:56 20 A. Yes.

21 Q. 361 Isn't that so?

22 A. An SSA account.

23 Q. 362 Yes. You set up firstly a loan account and we know you opened an SSA account
24 also. That involved you having dealings with banking institutions both as a
14:16:09 25 lender and as a depositor. And in those circumstances, I'm asking you why it
26 is given that you say you'd identified that sum as being a sum which would be
27 set aside for the benefit of your daughters, why you didn't invest that money
28 at that name December 1993, for that purpose?

29 A. No particular reason. I just didn't get moving on all my bank affairs until
14:16:35 30 1994. Just pressure of business doing other things, there was no particular

- 14:16:41 1 reason.
- 2 Q. 363 You had available to you allowing for that set aside in your own mind of 20,000
- 3 pounds for the girls, you had approximately 30,000, maybe 34,000 pounds in cash
- 4 leaving that aside, isn't that right?
- 14:17:02 5 A. Correct.
- 6 Q. 364 And I think you offer by way of explanation for not using that money for the
- 7 purpose of discharging your identified liability, the fact that you had an
- 8 intention of buying a house, is that right?
- 9 A. That's correct.
- 14:17:19 10 Q. 365 We are now talking about late 1993, and I think you'd agree with me that it was
- 11 not until a date in 1997, that you actually purchased a house, isn't that
- 12 right?
- 13 A. That's correct. I started looking at houses from about the spring of '94.
- 14 Q. 366 Yes. It, therefore, was an aspiration of yours at the time that in the future
- 14:17:52 15 you would purchase a house, isn't that right?
- 16 A. Yes.
- 17 Q. 367 But the liability which you had was an immediate liability and not a future
- 18 liability, that is the liability to discharge costs, isn't that right?
- 19 A. Correct.
- 14:18:05 20 Q. 368 And insofar as you would purchase a house in the future, that again is a matter
- 21 which would be funded in the main by borrowings, isn't that right?
- 22 A. Eventually, yes.
- 23 Q. 369 So the issue really I'm enquiring into again is as to why it is that you did
- 24 not use part of the 34,000 pounds available to you to discharge this liability?
- 14:18:35 25 A. Well I had saved this money from, for a period from 1986 on.
- 26 Q. 370 Yes.
- 27 A. And this was a liability, as you know, it's highly usual that people when they
- 28 have to purchase something they take out loans. It doesn't mean that every
- 29 time somebody takes and out a loan that they have no money. People take out
- 14:18:58 30 car loans, they take outhouse refurbishment loans doesn't mean that they don't

14:19:03 1 also have a deposit account. So from my point of view I was happy to take out
2 a loan to deal with these issues and to put them through my records and to hold
3 on to my money so it gave me an option of buying a house later on. That was my
4 consideration.

14:19:19 5 Q. 371 But you in fact went on to open in January, that is a month after this, an
6 account with the Irish Permanent Building Society in Drumcondra on the 31st of
7 January of 1994, isn't that right?

8 A. Yeah. From that period on, as soon as the separation was over, the legal
9 separation was over, I then I opened up, I took out a loan in the bank AIB
14:19:49 10 O'Connell Street. I took out an SSA loan in O'Connell Street in the same month
11 '93, and I opened up a building society loan in Irish building society in
12 Drumcondra in '94, and I opened a current and account in '94. So since the
13 separation was over I went back into the banking system.

14 Q. 372 Yes. I am not clear as to why there should be a connection, if at all, between
14:20:18 15 the formalisation of your separation in legal terms and the opening of bank
16 accounts. Is it, what is that particular reason do you know?

17 A. The particular reason is that the accounts had been in my wife's name and I
18 wasn't using them. They were in our joint names. We were then legally
19 separated so there is a bit of a distinction when you are legally separated as
14:20:43 20 against separating.

21 Q. 373 You could have continued the operation which had been established over the past
22 seven years of conducting all of your affairs in cash by saving money in safes
23 by having your staff bring money back from the bank or institutions in which
24 they had exchanged this money, isn't that right?

14:21:12 25 A. I did continue doing that partially as you know from your records I continued
26 doing that right until '97.

27 Q. 374 So that didn't alter by reason of your separation. In principle there was no
28 reason to change that system?

29 A. Well if you're asking me, Mr. O'Neill, why did I open the accounts. Is that
14:21:27 30 the question you're asking me?

- 14:21:30 1 Q. 375 The question I was asking you is why you changed a system which you found to be
2 adequate for your needs over the seven years prior to 1993, once your
3 separation proceedings were concluded? That's what I'm asking.
- 4 A. That's why I did it.
- 14:21:47 5 Q. 376 Yes.
- 6 A. Because my separation was concluded and I hadn't been using the accounts during
7 the period when I had been going through the various forms of the separation
8 took from 1997 or even 1987.
- 9 Q. 377 We will see at page 25282, which is a document on screen now, Mr. Ahern.
14:22:09 10 The opening document for an account in the Irish Permanent Building Society
11 which you opened at 130 Lower Drumcondra Road, Dublin, on the 31st of January
12 1994. Are you familiar with that?
- 13 A. I am, yes.
- 14 Q. 378 And on the next page, 25283, if we can turn that account over, please. We see
14:22:34 15 that that account commences with a lodgement on the 31st of January 1994,
16 described as a cheque lodgement for 2,500 pounds, isn't that right?
- 17 A. Correct.
- 18 Q. 379 And as you go down through that account if we take it down as far as, in 1994
19 down to October of 1994 perhaps, there were lodgements to that account in and
14:23:07 20 around 19,000 pounds in that period, isn't that right?
- 21 A. Correct.
- 22 Q. 380 That's in and around the period that you decided to make a transfer of the
23 funds into your daughters' accounts by way of opening a deposit account in
24 their names, isn't that correct?
- 14:23:28 25 A. That's correct.
- 26 Q. 381 Obviously in the ear marking process that had gone on in December of 1993, you
27 hadn't given any consideration to the fact that you would be making substantial
28 lodgements to accounts, savings accounts commencing in January the following
29 month?
- 14:23:50 30 A. What do you mean?

- 14:23:52 1 Q. 382 You had gone through a process apparently in December of 1993 of ear marking
2 20,000 pounds as being money that would be applied for the benefit --
3 A. Yes.
- 4 Q. 383 -- of your daughters. For reasons of time pressure or otherwise, or being
14:24:09 5 concerned with other matters, you didn't implement that intention until eight
6 and a bit months later.
7 A. Yes.
- 8 Q. 384 And you did so in August by the lodgement of 20,000 pounds in cash --
9 A. Yes.
- 14:24:24 10 Q. 385 -- to open an account.
11 A. Yes.
- 12 Q. 386 In that ear marking process you appear to have looked at your 54,000 pounds as
13 a sum which was not going to be altered to the better, if I could put it that
14 way, by incoming funds. You saved a further 20,000 pounds then and the time
14:24:44 15 when you actually lodged the money to the girls' accounts?
16 A. Yes.
- 17 Q. 387 In round figures, isn't that right?
18 A. From the beginning of '94, most of these maybe not all of them but I gave you
19 as much details as I had on them, but from the beginning of '94, I didn't
14:25:02 20 totally but I started fairly fully using the banking system. I didn't touch.
21 I lodged the 20,000 to the girls accounts in August.
- 22 Q. 388 Yes. Is there any reason why having opened this account on the 31st of January
23 of 1994, you didn't lodge either the 20,000 which you had in mind for the girls
24 or the balance of the savings which you had at that point in time?
- 14:25:34 25 A. I did it later on. I think it was April before I lodged the balance of the
26 savings. It was in April. I lodged the balance of the savings in April and I
27 lodged the girls money in August.
- 28 Q. 389 Well to this point in January here on the 31st, you hadn't lodged any part of
29 the savings to any account, isn't that right?
14:25:57 30 A. No, I held the savings.

14:25:58 1 Q. 390 Yes. You had the 54,000 pounds in savings and you then opened this account on
2 the 31st of January, into which you didn't lodge any part of your savings,
3 isn't that right?
4 A. No, or into any of the other accounts that I opened in January 1994, my
14:26:14 5 separation was over.
6 Q. 391 Yes.
7 A. I had a loan account, I had an SSA account and I'd a current account.
8 Q. 392 Yes. I am concerned now with this account here. This account is available to
9 you, it's an account into which you can lodge any part of the 54,000 pounds
14:26:34 10 that you had in savings?
11 A. Yes.
12 Q. 393 Isn't that right?
13 A. Yes.
14 Q. 394 You elect not to do so but to open this account and to put other funds into
14:26:44 15 this account?
16 A. Yes.
17 Q. 395 And that position pertains until April of this particular year 1994.
18 A. Yes.
19 Q. 396 When you lodge 30,000 pounds of the savings, partly into the savings account of
14:27:03 20 the SSA account, isn't that right?
21 A. Yes.
22 Q. 397 And partly insofar as there is a balance into another account, deposit account?
23 A. Into the current account.
24 Q. 398 Current account. Now, I am trying to understand how it is that having made the
14:27:22 25 decision that you should engage with the banking process and in the knowledge
26 that you have funds available, that you open a deposit account and you don't
27 lodge the savings to it for a period of almost four months after this date we
28 see here, about three months?
29 A. No particular reason. I mean, I'd saved it over a number of years, it was
14:27:48 30 there.

- 14:27:48 1 Q. 399 Yes.
- 2 A. And when I opened this account I could have on day one walked in and put it all
- 3 in but I didn't do that.
- 4 Q. 400 I see. Well what I'm trying to establish is why --
- 14:27:59 5 A. No particular reason. It was safely in the safe.
- 6 Q. 401 Uh-huh.
- 7 A. And I put it in over the next few months. But from -- but I thought you would
- 8 have been saying to me that it was quite obvious from after the separation that
- 9 I'd opened up my accounts and I started putting everything in and that's what
- 14:28:16 10 clear out of this that I opened up this account.
- 11 Q. 402 Uh-huh.
- 12 A. In fact I had another small cashsave building society account as well for the
- 13 hole in the wall accounts. I opened up my current account and I opened up an
- 14 SSA, all within a matter of a month between the end of 1993 and early 1994.
- 14:28:35 15 Q. 403 Well in fact what we see here is a savings account opening with a deposit of
- 16 2,500 pounds and being incrementally increased in various sums over time. The
- 17 option was open to you, of course, at this point in respect of each one of
- 18 these sums to have them translated into cash and stored in either your safe in
- 19 your office or otherwise, isn't that right?
- 14:29:05 20 A. Yes. I started phasing that out from the time my separation was over. I
- 21 started using the accounts system and I opened a number of accounts in January
- 22 of 1994.
- 23 Q. 404 Right. We'll deal with some of those accounts going back now to 1993,
- 24 Mr. Ahern. As you know, the purpose or the connection between the taking out
- 14:29:33 25 of the loan from Allied Irish Bank and the separation proceedings was that
- 26 there were clear, three clearly identified consequences of your change in legal
- 27 status which were implemented by the taking out of this loan from Allied Irish
- 28 Bank, O'Connell Street, isn't that right?
- 29 A. Correct.
- 14:29:54 30 Q. 405 And whilst you had had a banking history with Allied Irish Banks that was one

- 14:30:00 1 which was on the basis of having joint accounts in the main with your wife, I
2 think based in Finglas rather than in O'Connell Street, isn't that right?
- 3 A. Correct.
- 4 Q. 406 And so when it comes to the opening of this particular account this is,
14:30:16 5 firstly, a decision taken by you to go to a bank at which you had had no prior
6 dealings, isn't that right?
- 7 A. That's correct.
- 8 Q. 407 We understand that the individual assistant manager in the branch in O'Connell
9 Street at the time Mr. Philip Murphy, was a person who was known to you perhaps
14:30:42 10 socially in the context of the Bankers Club, where you may have attended from
11 time to time with your wife who had had been a banker in her working life, her
12 employed life rather. And also you had met Mr. Murphy from your sporting
13 connections, is that right?
- 14 A. Correct.
- 14:31:04 15 Q. 408 I think he had had a role representing the bank's support of football clubs and
16 you'd met him in that regard, isn't that right?
- 17 A. Correct.
- 18 Q. 409 Having said that, you would probably not disagree but that there was a
19 considerable period between your having last met Mr. Murphy socially perhaps,
14:31:26 20 and the meeting which was to take place in December of 1993, which resulted in
21 the taking out of a loan, is that correct?
- 22 A. Correct.
- 23 Q. 410 Insofar as Mr. Murphy can recall this, he indicates that it commenced with a
24 telephone call which he believed to be a hoax in fact, but rapidly came to the
14:31:53 25 conclusion that it was in fact the Minister for Finance he was speaking to on
26 the telephone and as a result of that a meeting was arranged, isn't that right?
27 And you may be aware from the examination of Mr. Murphy that there appears to
28 be at a minimum, a wide discrepancy as to when exactly this took place by
29 reference to dates. There being no diary kept either by himself or indeed by
14:32:18 30 you as to when these bank visits took place and parties are relying, to some

- 14:32:32 1 extent, upon the documentation which post dated or certainly followed upon the
2 banking relationship having been completed between the parties as regards the
3 opening of the loans and otherwise, isn't that so?
- 4 A. Correct.
- 14:32:45 5 Q. 411 If you could look, please, Mr. Ahern, now, at a document at page 24578 on
6 screen, which is a document recently provided to the Tribunal. It's headed
7 "Special Savings Account other than a joint account" in the top right hand
8 corner. Declaration and undertakings to a deposit account and you will see if
9 we can move to the bottom of that page, please. That it bears your signature,
10 isn't that so?
- 11 A. Correct.
- 12 Q. 412 And it bears a date. And the date we'll see if you can enlarge that somewhat.
13 Certainly one can make out with clarity that it's the year 1993, and probably
14 certainly that it's December. After that we're talking about a 2 and another
15 figure, isn't that right?
- 14:33:46 16 A. Yes.
- 17 Q. 413 Yeah. Now, have you a recollection of signing this document, applying your
18 signature to this document, Mr. Ahern?
- 19 A. I don't have a recollection.
- 14:34:01 20 Q. 414 Not specifically. Do you agree that A, it is your signature and B, that at
21 some point and I'm not fixing a specific date at the moment, at some point it
22 was necessary for you to complete this documentation in order to open an SSA
23 account?
- 24 A. Yes.
- 14:34:24 25 Q. 415 Isn't that right?
- 26 A. The law on the an SSA loan is that you have to sign a declaration. It's not a
27 banking position as I understand it, it was a legal position. You have to sign
28 a declaration with the bank prior to opening an account.
- 29 Q. 416 We are told by the bank that the SSA account had a special status vis-a-vis the
14:34:46 30 Revenue insofar as a lower rate of DIRT Tax was charged on the interest which

- 14:34:53 1 accrued on an SSA account, you would recall that I think possibly from being
2 minister?
- 3 A. I do, I brought in the legislation on SSA.
- 4 Q. 417 Yes. I think it's primary purpose as the time was to encourage savings in a
14:35:08 5 time of high inflation and to do that to give a beneficial rate of tax to those
6 parties who were prepared to allow their money to remain on deposit on a longer
7 term, isn't that right?
- 8 A. That's correct.
- 9 Q. 418 And perhaps to create a savings habit amongst people who would not otherwise
14:35:30 10 regular savings, isn't that right?
- 11 A. It was the forerunner to what is now the SSA 1 loans which are just completing
12 their schedule. This was the first one of these kind of loans that we did.
- 13 Q. 419 Yes. It didn't in this instance involve the State making any capital
14 contribution towards the fund but rather to treat the fund more favourably from
14:35:52 15 a tax and Revenue point of view than otherwise, isn't that right?
- 16 A. Correct.
- 17 Q. 420 Now, this document, Mr. Ahern, has been examined forensically on behalf of the
18 Tribunal by a forensic expert in documents, a Ms. Barrett, and that report of
19 Ms. Barrett has been furnished to you in the course of the brief and circulated
14:36:18 20 and you may have had an opportunity of considering its content. The conclusion
21 which was drawn by Ms. Barrett in relation to the date on this document is to
22 be found at page 25112 on screen. And I think we need only consider paragraphs
23 6.2 and 6.3.
- 24
- 14:36:46 25 And I shall read them as follows "I have examined the date on the AIB bank form
26 using microscopy, specialising lighting techniques and digital enhancement. It
27 has not been possible to reveal any difference between the ink lines within the
28 date. However, as noted above where inks are found to be indistinguishable it
29 does not necessarily follow that the same individual pen was used since pens
14:37:10 30 containing the same ink are manufactured in large numbers.

14:37:13 1 6.3. I have examined the alteration microscopically in an attempt to decipher
2 the original figures. The layouts of the other pen strokes are consistent with
3 the shapes of the figures 1 and 4 and in my opinion there is strong evidence
4 that the original date on the AIB bank form read "14th of December 1993".

14:37:38 5
6 I cannot completely exclude the possibility that the he original figures were
7 not 1 and 4 but I consider this to be unlikely.
8

9 I produce exhibits showing magnified images of the date as EMB 1 and EMB 2".

14:38:07 10
11 And if we just look to those now at page 25114. We'll see that what the
12 forensic examiner was endeavouring to do was to look behind the apparent
13 letters 2/3 on the day of the month entry with a view to establishing what the
14 underlying figures were representing as a matter of probability I suppose, the
15 original date upon which the document was completed.

14:38:27 16
17 And you will see in the magnification there what she is referring to as the
18 interpretation of the one and the four. If we can revert back now to page
19 25112. She had expressed the opinion that there was strong evidence that the
20 original date form read the 14th of December 1993. And in judging the scales
21 themselves at .8 she says "scales of opinion. Where possible I use the
22 following scale of opinions in expressing my conclusions.
23
24 Conclusive evidence. This may be positive or negative.
25 Strong but not conclusive evidence. This may be positive or negative.
26 Limited evidence. This may be positive or negative. And inconclusive."
27
28 So if we apply back now to .63 she is staying that there is strong evidence
29 that the original date on AIB Bank form should read the 14th of the of December
14:39:39 30 of 1993.

14:39:43 1 Using that as an aid perhaps to recollection and memory, Mr. Ahern, is it
2 possible that this document was signed by you on the 14th of December of 1993?
3 A. No.
4 Q. 421 No? You are saying that in the context of firstly having seen the document on
14:40:06 5 screen, having seen the magnification of the date and having seen the opinion,
6 qualified as it is, which is offered by the expert, isn't that right?
7 A. Yes.
8 Q. 422 And why do you say that it was not the 14th of December 1993, that this entry
9 was made?
14:40:26 10 A. Well of course the 14th of December could have been on the form but my
11 signature would have been written on the 23rd. It was the 23rd that I was in
12 the bank.
13 Q. 423 Right.
14 A. And I wasn't in the bank on the 14th. I have looked at my own diary if we look
14:40:45 15 at my own diary on the screen you'll ... I think you have that. You'll see
16 that I wasn't there. And I remember going in the 23rd because it was the only
17 day that I met Mr. Burns. It was the first day that I went in to a bank and I
18 was brought to meet Mr. Burns in his office and I was in doing my Christmas
19 shopping, so I wasn't in the bank on the 14th. Not that I think it makes a lot
14:41:09 20 of difference quite frankly but it's nothing, I wasn't in the bank on that ...
21
22 MR. MAGUIRE: I'm sorry. Chairman, would it be possible to show the page from
23 Mr. Ahern's diary for that date. For the 14th.
24
14:41:24 25 CHAIRMAN: Have we got that?
26
27 MR. O'NEILL: It will be and indeed at a time appropriate I will refer to it
28 in a moment.
29
14:41:35 30 MR. MAGUIRE: ... Would ask for it.

14:41:38 1 MR. O'NEILL: Counsel asked for it to be more accurate.
2
3 MR. MAGUIRE: No the witness has asked for it.
4
14:41:44 5 CHAIRMAN: Mr. Ahern suggested that if it went up on screen it would show that
6 he couldn't have been in the bank.
7
8 Q. 424 MR. O'NEILL: Yes. 23759. 23759. This is a diary of yours, Mr. Ahern. You
9 might tell us whether this is a diary kept by you or by your secretary?
14:42:12 10 A. No it's the official diary.
11 Q. 425 Well the entries we see here, are they written in by you or are they written in
12 by your secretary?
13 A. No I didn't fill in my own diary, Mr. O'Neill, my secretary did that.
14 Q. 426 So this is the record of your diary that you described as the official record
14:42:29 15 is that right? And if we start on Tuesday the 14th of December 1993, at nine
16 o'clock there is a meeting with the Taoiseach. One assumes that being a
17 reference to Taoiseach, isn't that right?
18 A. Yes, that's the, that was the meeting before the government meeting.
19 Q. 427 Yes. And then at 11:30 government meeting?
14:42:53 20 A. Which would run until lunchtime.
21 Q. 428 Yes. And then at 1:30 lunch?
22 A. In the Davenport Hotel.
23 Q. 429 P Tansy possibly a journalist Paul Tansy?
24 A. Paul Tansy.
14:43:06 25 Q. 430 In the Davenport Hotel?
26 A. Yes. He was an economic reporting expert at that stage. He wasn't doing
27 journalism at that time I think.
28 Q. 431 I see. In any event, you met him in the Davenport Hotel.
29 2:30 to 12 midnight then Dail.
14:43:25 30 2:30 Taoiseach's questions. That tells us, well if we go back to the 2:30 to

- 14:43:44 1 12 midnight that it was a day upon which the Dail was sitting, isn't that
2 right?
- 3 A. Yes.
- 4 Q. 432 You do not attend every meeting or every sitting of the Dail when minister,
14:43:49 5 isn't that so?
- 6 A. No, you don't attend in the chamber but you're in the Dail except you're
7 paired. If you're paired it will be on the diary paired.
- 8 Q. 433 Yes. 2:30 Taoiseach's questions. 3 o'clock Sean Healy.
- 9 A. That's Father Sean Healy Comhairle.
- 14:44:13 10 Q. 434 Yes. A meeting presumably in Leinster House, is that it?
- 11 A. Probably in the department. Department of Finance is beside Leinster House.
- 12 Q. 435 Yes. Liam Murphy at 3.45?
- 13 A. He was an official in my department.
- 14 Q. 436 Order of business.
- 14:44:33 15 A. That's in the chamber.
- 16 Q. 437 Oh, these are diarying events that are going to come up in the course of the
17 ... the Dail business doesn't necessarily mean that you're there for that, is
18 that right?
- 19 A. Not -- as Taoiseach yes, but many not as minister.
- 14:44:52 20 Q. 438 Right. Seamus Brennan.
- 21 A. But normally as a minister. Normally ministers would come in for my order.
- 22 Q. 439 Yes. What then do we have, task force I'm not sure?
- 23 A. Yes that was task force on small business that was sitting at the time.
- 24 Q. 440 Now Seamus Brennan is above it, is that right?
- 14:45:16 25 A. Yeah it's Seamus Brennan was the chairman. Sorry. Seamus Brennan was the
26 chairman of the task force on small business and I used to go to the meetings.
27 That meeting would have ran for an hour, an hour and a half maybe.
- 28 Q. 441 And where would that be held?
- 29 A. Either in Leinster House in Seamus Brennan's office or in my office.
- 14:45:36 30 Q. 442 Yes. Attendance I take it wasn't mandatory from your point of view. You could

- 14:45:40 1 attend if you wish or otherwise?
- 2 A. I attended most of them.
- 3 Q. 443 Yes. At your discretion. You were neither chairing this task force nor were
- 4 you an essential element to it conducting its business?
- 14:45:52 5 A. Well I was because any of the issues that had to be implemented out of it had
- 6 to go in to the finance bill.
- 7 Q. 444 Yes. We then move to 6 o'clock and your diary continues to 8.30 I think that
- 8 evening. Padraig Burke. Ron Bolger 7.30 ACC board dinner. 6 to 8.30 p.m.
- 9 something about City Enterprise, I'm not sure about that. A Christmas party in
- 14:46:22 10 the Clarence Hotel. You may drop in for a few minutes. These are the schedule
- 11 of your activities, is that right?
- 12 A. Yeah, they would have been the issue, the Padraig Burke, Ron Bolger. Ron
- 13 Bolger was in one of the banks and ACC board would have been Padraic O'Connor
- 14 inviting me to his Christmas dinner.
- 14:46:44 15 Q. 445 Now, you have asked that this document be put on screen. It is on screen. And
- 16 the relevance of it is, presumably, that there is no reference to Mr. Philip
- 17 Murphy there, is that right?
- 18 A. There was no reference to Philip Murphy and there is no reference to me being
- 19 paired on that day.
- 14:47:08 20 Q. 446 Right. And on that basis you say that it follows that you could not have been
- 21 in a bank that day and therefore the document on screen at 24578 is not a
- 22 document which could have been prepared as far as you're concerned, with you
- 23 present and signing it on the 14th of December, is that right?
- 24 A. I don't want to. I suppose if I can make a point. I can't say that the bank
- 14:47:34 25 hadn't got a declaration and wrote in the 14th.
- 26 Q. 447 Yes.
- 27 A. I wouldn't want to argue with a forensic expert in the UK who you have sent
- 28 this to.
- 29 Q. 448 Uh-huh.
- 14:47:45 30 A. But I can tell you, I wasn't in the bank and I wasn't Bertie Ahern didn't sign

14:47:49 1 it on that date because I couldn't have been.

2 Q. 449 I take it that you, when you signed a document, if it's a document to be dated

3 you sign the document on the date in question. You don't sign predated

4 documents or post dated documents as a matter of course particularly if you are

14:48:09 5 making a declaration for Revenue purposes on which you are setting out your

6 status vis-a-vis operating other accounts, isn't that right?

7 A. Yes. In the normal course of events I would have. In the normal course of

8 events I would sign that and I'd put the date on it. But that date isn't my.

9 That date isn't my handwriting that's what I'm saying. It's hard to believe.

14:48:36 10 I'm just trying to be for some reason, Mr. O'Neill, you went to the trouble of

11 sending this to a forensic expert in the U K --

12 Q. 450 Yes.

13 A. -- to check it out.

14 Q. 451 Yes.

14:48:55 15 A. So I'm not going to say a forensic expert, as a matter of interest if you will

16 allow me say it. I was quite amused when I saw the document because I wondered

17 how when you had Mr. Gilmartin in for weeks in here for weeks on end, changing

18 diaries, changing years, changing months, making it up on the hoof, you never

19 bothered to send any of his diaries but you send a declaration which is a legal

14:49:13 20 document which is of no great significance off to a forensic expert in England

21 costing a fortune but anyway. Everybody gets amused --

22

23 CHAIRMAN: Mr. Ahern, first of all it didn't cost a fortune.

24 A. Yes, Chairman.

14:49:28 25

26 CHAIRMAN: But secondly, the Tribunal had reason totally unconnected with

27 yourself to have certain documentation forensically tested in England and yours

28 went along with it. That was the --

29 A. Don't mind me being amused now and again, Chairman, thanks.

14:49:45 30

14:49:45 1 CHAIRMAN: Is it -- you accept that it could have been dated the 14th by a
2 bank official.

3 A. Well, Chairman, to be honest. I believe I was in the bank on the 23rd.
4

14:49:57 5 CHAIRMAN: All right. But you are saying that as I understand it, it could
6 have been dated. You wouldn't take issue with the fact that the original date
7 might have been the 14th. It seems to be then over-written with the 23rd.

8 A. That wasn't my handwriting, so I'm not taking responsibility.
9

14:50:16 10 CHAIRMAN: But the 23rd is the day that you accept that it probably was signed
11 because you were in the bank then.

12 A. Yes.
13

14 CHAIRMAN: Okay.

14:50:22 15 Q. 452 MR. O'NEILL: The person who completed the information on the document here
16 with the absence I should say of the serial number of the account, was
17 Mr. Murphy the bank official who you took the loan from, isn't that right? Do
18 you know that to be the case? He has given evidence --

19 A. That's his writing.

14:50:44 20 Q. 453 That's his writing.

21 A. Oh, yes. I think so yes.

22 Q. 454 Sorry, if we put it up the full page, please. The manuscript entries which are
23 here are 37/38 Upper O'Connell Street, Dublin. Bertie Ahern 161 Lower
24 Drumcondra Road, Drumcondra, Dublin 7. And the date then if we can go to the
14:51:07 25 bottom of it. All of these are entries which were put on what was in effect at
26 that point a blank form by Mr. Murphy, the bank official with whom you had
27 dealings?

28 A. That's his handwriting.

29 Q. 455 Yes. And in relation to your signature on it, as a matter of probability you,
14:51:30 30 I take it, would agree with me that the date that appears beside your signature

- 14:51:36 1 is probably the date upon which you affixed your signature, isn't that right?
- 2 A. It's a matter of probability.
- 3 Q. 456 Yes. You would not have signed a document dated for another date when what you
- 4 were being asked to do is to certify and declare for purposes of Revenue the
- 14:51:56 5 status of accounts that you had as of that time?
- 6 A. I don't think so, no.
- 7 Q. 457 Right. Do you remember completing documentation with Mr. Murphy, whether it be
- 8 the 1st or the 31st of December, of that year?
- 9 A. If it would be helpful if I just briefly. I remember going to the bank that
- 14:52:25 10 day it was the only time I think I was brought to the manager's office in a
- 11 bank and I met Mr. Burns, and Philip Murphy brought me up to Mr. Burns office
- 12 and I told him I had some talk about him, he obviously knew me and I would have
- 13 known a lot of his colleagues from Finglas branches and other branches, just as
- 14 you say I was familiar with AIB staff in other branches and I told him why I
- 14:52:50 15 wanted the loan. I told him what it was for. I told him I would be opening up
- 16 current accounts and I also told him I had savings. And I said I would lodge
- 17 them into that branch.
- 18 Q. 458 I see. Do you say that at that meeting, firstly, that there was only one
- 19 meeting which you had in December?
- 14:53:14 20 A. That was the only time I was ever in that branch in, that manager's office.
- 21 Q. 459 All right. And are you saying that all of your business affairs, banking
- 22 affairs of that month were conducted within the branch on that day?
- 23 A. Yes.
- 24 Q. 460 That involved two separate streams of activity. One, the taking down of money
- 14:53:35 25 and one, if we look to this document, the preparation of the declaration of the
- 26 lodgement, is that right?
- 27 A. Yes.
- 28 Q. 461 All of that took place in the same month?
- 29 A. I imagine so, I don't remember ever signing that form but I obviously signed
- 14:53:51 30 it.

- 14:53:51 1 Q. 462 Well is it possible, Mr. Ahern, that your recollection on that is incorrect and
2 that in fact you had made an arrangement before you collected the loan monies
3 or the loan drafts as they were at that time, under which you would come back
4 at a subsequent stage and complete the documentation and take the drafts, do
14:54:16 5 you understand what I'm putting to you?
6 A. No, I think I would have come in and got the drafts at the same time.
7 Q. 463 Yes. Now, in selecting this particular bank you've indicated the reasons why
8 that was. You identified Mr. Murphy as being the person you would deal with.
9 How did you know that he was based in O'Connell Street? I appreciate that you
14:54:40 10 had met him I think in years before both socially and also in the context of
11 the bank's supporting organisation sporting. What inquiries did you make to
12 establish that he was actually attached to 37/38 O'Connell Street?
13 A. He was already dealing with accounts with people I knew.
14 Q. 464 Yes.
14:55:00 15 A. He had the accounts for I think Celia had an account there.
16 Q. 465 Yes.
17 A. And I certainly my security people had accounts there.
18 Q. 466 I see. Well was it for that reason that you then you went there rather than --
19 A. Yes.
14:55:14 20 Q. 467 -- particularly your prior history?
21 A. Oh, no I knew him. I mean I knew him through sport, not particularly well but
22 I knew he was there through other people that I knew.
23 Q. 468 Is there any reason, for example, that you wouldn't have gone to the AIB in
24 Drumcondra, which is a bank where you had which was close really to where you
14:55:34 25 were based at the time, I suggest. Close to where you had your constituency
26 office and more amenable to conducting your banking affairs personally rather
27 than through O'Connell Street, which I suggest would be out of the order for
28 you?
29 A. Well, it was in the area but I think the reason was I knew Philip.
14:55:57 30 Q. 469 I see.

- 14:56:00 1 A. Even though I probably knew the manager in Drumcondra too.
- 2 Q. 470 Yes. You didn't open an account there?
- 3 A. No, not in my own name.
- 4 Q. 471 Although --
- 14:56:09 5 A. The constituency accounts are there.
- 6 Q. 472 Yes. But I don't think that would be an impediment to open a personal account
7 there would it?
- 8 A. No, no.
- 9 Q. 473 And indeed it would be, as I think you acknowledge, more convenient for you if
14:56:20 10 it was, if it had been in Drumcondra, isn't that right?
- 11 A. Probably would have been.
- 12 Q. 474 Now, if this document on screen is an accurate document and if one assumes for
13 a moment and it is an assumption, that the forensic evidence is correct and
14 that the -- it's more probable than otherwise, that this is a document that was
14:56:47 15 completed on the 14th of December 1993. It would mean at a minimum that the
16 bank official, Mr. Murphy, was involved in some aspect of your banking affairs
17 on the 14th of December, isn't that right?
- 18 A. No. Well --
- 19 Q. 475 I am making an assumption?
- 14:57:07 20 A. Well what you said more probable I can't agree with that. I don't believe this
21 was on the 14th. I can't see in my diary how I could have been there on the
22 14th. As well as that I know why I wanted, I wanted to take out those
23 particular payments to pay people at Christmas and I know that it would have
24 been only a day or two days before that I said I would do my Christmas, so in
14:57:32 25 my view this is, this is 14 years ago today but in my view that is not the
26 14th. If that to me it's the 23rd.
- 27 Q. 476 Yes. I know, Mr. Ahern, that you say that it cannot have been as far as you're
28 concerned the date upon which you went to the bank and in support of that you
29 ask the Tribunal to consider the content of your diary which you say
14:57:58 30 effectively precludes you from being anywhere other than within the confines of

- 14:58:02 1 Dail Eireann or your ministerial office throughout the banking hours of that
2 particular day, isn't that right?
- 3 A. That's right.
- 4 Q. 477 Fine. But my questioning really was based upon an assumption or an assumption
14:58:18 5 I was inviting you to agree with at the moment. And that was, that if this
6 document is accurate and if it is in fact showing that the document was
7 completed on the 14th of December, and subsequently altered on the 23rd. It
8 would follow that the bank official who acknowledges that he completed this
9 document was engaged in an aspect of your banking affairs on the 14th.
- 14:58:48 10
- 11 Now, I have invited you to accept for a moment the premise that he did write
12 this document on the 14th. If he did, it follows that he was dealing with your
13 banking affairs on that day irrespective of whether you were present in the
14 branch or not, isn't that right?
- 14:59:07 15 A. Why would I be filling up the form on the 14th if I wasn't in the branch?
- 16 Q. 478 He would be filling up the form on the 14th either because he'd received some
17 form of communication from you by telephone or otherwise or that he had gone to
18 you rather than you going to him to discuss with you, the question of opening a
19 Special Savings Account on the 14th of December of 1993?
- 14:59:36 20 A. Well he didn't come to me. He came to me later on so he didn't. And my phone
21 call to him, whether it was ... did you not say earlier that it wasn't me that
22 rang him he was surprised he thought it was a wind up. He thought someone else
23 rang him to arrange the appointment.
- 24 Q. 479 That is what Mr. Murphy's evidence has been. That he understood when a
15:00:01 25 colleague communicated with him that there was a phone call from the Minister
26 for Finance that it was a wind up. But having picked up the phone and spoken
27 to you he was satisfied that it wasn't a wind up.
- 28 A. Yes.
- 29 Q. 480 That's his evidence on the issue.
- 15:00:12 30 A. Yeah.

- 15:00:12 1 Q. 481 I'm not dealing with his account of events but rather with the document which
2 is on screen. And I am inviting you to assist the Tribunal in relation to the
3 circumstances in which it came to be completed?
4 A. Well maybe, Mr. O'Neill, if I could be helpful.
- 15:00:29 5 Q. 482 Yes.
6 A. I don't want to be, Chairman, wasting time. But from my understanding is what
7 happened on the 21st -- on the 21st of December, I was asked would I sort out
8 the legal fees and the car loan by Christmas. I was asked that 21st, 22nd. So
9 it could possibly be that I went in on the 22nd but more likely the 23rd. I
10 hadn't been asked prior to the 14th, so it's the 21st/22nd that I was asked.
11 And I went in on the 23rd. So I don't want to be wasting time.
- 12 Q. 483 The 23rd is a date which was superimposed, as we see, over an earlier date so
13 that at a minimum this document was completed on the 23rd, isn't that right?
14 A. That's what I believe.
- 15:01:33 15 Q. 484 That's what you now believe?
16 A. Yeah.
- 17 Q. 485 If so, it was intending to open a Special Savings Account, isn't that right?
18 A. No.
- 19 Q. 486 That's what it states is that it's a declaration which is in effect an
15:01:50 20 essential prerequisite to the lodging of funds to a Special Savings Account is
21 that there should be a declaration, isn't that right?
22 A. Yes. Your second statement is correct, by itself it doesn't open a Special
23 Savings Account, you have to sign the declaration and then you open up the
24 Special Savings Account.
- 15:02:08 25 Q. 487 Now, whether it be the 14th or the 23rd, it clearly indicates that you had the
26 intention at that point in time of opening a Special Savings Account?
27 A. Oh, yes Sir, I remember telling Mr. Burns that I had money and that I would put
28 it into the bank.
- 29 Q. 488 Yes. And the money that you intended to lodge to that account was what money?
15:02:26 30 A. The 30,000.

- 15:02:27 1 Q. 489 30,000. Did you lodge that 30,000 to the account on the 23rd of December, or
2 on the opening of the bank on the 30th of December, which was the next banking
3 day after it closed for half day on the 24th?
- 4 A. No, I lodged it in March or April.
- 15:02:49 5 Q. 490 Right. The money which you used to open the Special Savings Account was the
6 sum of 22,500 pounds, isn't that so?
- 7 A. That's correct.
- 8 Q. 491 Are you saying to the Tribunal that at the time of completion of this document,
9 you were unaware of the fact that the money that was going to be lodged to open
15:03:10 10 this account was the 22,500 pounds which you ultimately lodged to this account?
- 11 A. Precisely.
- 12 Q. 492 I see. And why is it that you didn't lodge the 30,000 in addition to the
13 22,000?
- 14 A. Well it was just after Christmas. I'd say I had got that money I think on
15:03:35 15 Stephen's day and I lodged that money and subsequently I lodged the other
16 money.
- 17 Q. 493 Yes. My question was; if you had had in mind on the 23rd of December 1993, to
18 lodge in the account, the monies which you had accumulated over a period of
19 seven years and is now available for lodgement, why did you not lodge any part
15:03:55 20 of that money to the Special Savings Account which you in fact opened?
- 21 A. I would imagine because what I told Mr. Burns when I was asking for the loan
22 that I would open up the Special Savings Account and lodge the money that I had
23 saved into it. Once I was lodging money into it I felt quite happy that I
24 honoured what I told him and I subsequently lodged the rest then.
- 15:04:19 25 Q. 494 In your, that evidence can we take it, Mr. Ahern, that at the time of the
26 taking out of the loan, the question of a lodgement being made to the account
27 was to that particular bank was discussed at the same time?
- 28 A. Yes. I said this a half an hour ago but I'll say it again.
- 29 Q. 495 Yes, do.
- 15:04:49 30 A. When I went in to meets Mr. Burns I told Mr. Burns that my legal separation had

15:04:49 1 gone through, firstly. Secondly, I told him I hadn't been operating accounts
2 my accounts were in Finglas, if he wanted to check those I would have known the
3 managers out there, there was no issue about that.
4

15:05:01 5 Thirdly, I told him I'd open up a current account in the bank. And fourthly, I
6 told him I had savings and would lodge it into the accounts. Now, they must
7 have mentioned I don't remember it's 14 years ago, but they obviously mentioned
8 put that into a Special Savings Account and I obviously agreed and I obviously
9 signed that issue on that day. And that's what I did. When I got the other
15:05:24 10 money after Christmas, Stephen's day or the day after Stephen's day I lodged
11 that money. And subsequently, I lodged the 30,000 that I had.

12 Q. 496 Yes.

13 A. And for that matter, I lodged all my other, I lodged the money that I had for
14 the girls and my current account. So I did all my business with that bank then
15:05:41 15 and I still do it to this day.

16 Q. 497 The evidence of Mr. Murphy was that the loan was given to you on the basis
17 solely of your public status as a minister. That no discussion took place as
18 regards security for the loan or the condition or relationship of there being
19 monies put on deposit to back this loan or anything of that nature?

15:06:10 20 A. That's correct, they didn't look for any security. I told them I had money and
21 I told them I'd open an account in the bank. I hadn't had a current account in
22 my own name and I did that.

23 Q. 498 Mr. Murphy in effect prepared no loan documentation at all in relation to the
24 19,115 pounds which was going to be lent to you, isn't that right?

15:06:35 25 A. I find that unbelievable to be honest with you.

26 Q. 499 Yes.

27 A. I --

28 Q. 500 And that is something that the Tribunal will obviously have to dwell on,
29 Mr. Ahern.

15:06:44 30 A. My recollection is, I must have signed it. I don't think a bank would give you

15:06:49 1 19,115, go off an issue three drafts and give you the three drafts and let you
2 out the door without signing it but maybe they did.

3 Q. 501 A possibility of course is that?

4 A. If that's the case, I should have got more than 19,000.

15:07:01 5 Q. 502 They would do so however if you produced to the bank that on day, an amount
6 which would equal the borrowing in cash and an amount which would cover the
7 interest repayment on that amount for the next number of years.

8 A. No, I don't -- I know what you're getting at but you know that's balderdash.

9 Q. 503 Balderdash?

15:07:24 10 A. Total balderdash and you know it too. A bank, a bank has its own procedures.
11 If a bank is giving you a loan and giving you drafts on that loan they'll deal
12 it with that in its own separate way. If you are giving in money for another
13 account, then they would have opened the SSA account on that day and they
14 didn't do that. So that's not -- that's not what happened. What happened was
15:07:46 15 I told him I had savings. I told them what I was doing and I subsequently did
16 that and I paid the money that I got at Christmas and then I paid in the other
17 money. So that's ...

18 Q. 504 You accept I think one thing from me, Mr. Ahern. And that is that it would be
19 extraordinary if the bank had lent you this money, that is their money, without
15:08:08 20 there being any security and without any documentation in normal circumstances?

21 A. No I --

22 Q. 505 Isn't that right?

23 A. I don't think they would have been worried about the security with me. I don't
24 think I was going to run out of the State or anything like that.

15:08:21 25

26 MR. MAGUIRE: The witness is being misquoted and two separate questions have
27 been asked of the witness at at same time; one as to his security and the other
28 as to documentation unrelated questions. Now, I think that and the witness was
29 misquoted. I think that Mr. O'Neill should be more careful with this line of
15:08:38 30 cross-examination.

15:08:39 1 CHAIRMAN: Well as I understand it, Mr. O'Neill is it asking Mr. Ahern does he
2 accept that it would be most usual to get a loan from the bank without there
3 being documentation signed. And I think he accepts that that would be unusual.

4
15:08:54 5 MR. MAGUIRE: Yes, Chairman. But he is adding in security.

6
7 CHAIRMAN: Well yes. Okay. And whether Mr. O'Neill intended to say
8 documentation plus security or documentation and/or security. But I think
9 Mr. Ahern accepts that no documentation would be unusual. But you believe that
15:09:12 10 security wouldn't necessarily have been looked at given your public persona.

11 A. Yes, Chairman.

12 Q. 506 MR. O'NEILL: Look to the documentation first then Mr. Ahern. Obviously if
13 you take out a loan in the normal course you would complete loan documentation
14 which sets out your personal details. It records your financial history. It
15:09:35 15 shows what assets and liabilities you have. It contains a schedule generally
16 of the repayments which would be made and certainly it specifies the rate of
17 interest which the bank would tend to, which would hope to charge you on the
18 loan, isn't that right? That's standard procedure, isn't that right?

19 A. Yes.

15:09:52 20 Q. 507 Are you saying that you completed such documentation in the bank?

21 A. It's 14 years ago, Mr. O'Neill, I can't remember. I couldn't remember the
22 documents I signed this week as secretary to government or as Taoiseach of the
23 country but I'd imagine that I did.

24 Q. 508 Well, Mr. Ahern, would be could I suggest --

15:10:12 25 A. I would be surprised if I didn't.

26 Q. 509 Yes.

27 A. I would be surprised if I didn't.

28 Q. 510 Yes. And you would be equally surprised if you didn't get a copy of that
29 documentation from the bank. They will give you a letter generally a facility
15:10:26 30 letter telling you that they've approved the loan for you, various things of

15:10:31 1 that nature?

2 A. They send it out to you at times.

3 Q. 511 They send it out to you and generally you would keep such documentation?

4 A. Sometimes.

15:10:40 5 Q. 512 And you yourself have, do not have this documentation?

6 A. No.

7 Q. 513 Nor does the bank have any documentation, isn't that right?

8 A. No.

9 Q. 514 And the documentation which was ultimately prepared was documentation prepared

15:10:53 10 in the year 1995, isn't that right?

11 A. Correct.

12 Q. 515 And that documentation was documentation which would be the normal

13 documentation one would use to open a loan account, isn't that right?

14 A. That's right.

15:11:05 15 Q. 516 So in effect it either was duplicating what was already there or it was the

16 first time that the bank recorded the terms of the loan to you other than by

17 means of a withdrawal slip on the account itself, isn't that right?

18 A. Yeah well I understand the bank couldn't find the documents.

19 Q. 517 Well, if there had been an original document, Mr. Ahern, there would be no need

15:11:34 20 to complete a second document in 1995. The original document should have

21 provided for the loan details, the capital sum and the question of the accruing

22 interest was something that could be established from the day-to-day operation

23 of the bank rather than from the loan opening documentation?

24 A. I don't know. You are telling me that are you?

15:11:58 25 Q. 518 No no no I'm asking you, Mr. Ahern. This is a circumstance where you take out

26 a loan apparently, a largish loan for the time. You, it's probably as far as

27 we know the largest loan you ever took out, other than your building society

28 loans. It's certainly the largest personal loan you took out. You have no

29 documentation in your possession showing that you took out that loan, save

15:12:26 30 monthly statements showing that there was a loan account. There, what we see

15:12:34 1 from that statement is that not only was there no repayment of capital on that
2 loan but there was no repayment of interest on that loan for a period of 18
3 months after the loan had been taken out. They are the facts, aren't they?
4 A. Yeah, well the facts. First of all, I wouldn't say for AIB O'Connell Street
15:12:55 5 19,000 pounds 14 years ago would have been one of the biggest loans that they
6 gave out, one of the biggest banks in the country I'd be surprised at that. I
7 don't know. I'm sure when I bought my first house back in 1974, would have
8 been probably as proportionately or I don't know what loan I'd have. Anyway, I
9 don't know what that's got to do with the Tribunal. But anyway ...

15:13:21 10
11 CHAIRMAN: Well I think, Mr. Ahern, the point that Mr. O'Neill is making is
12 that it wasn't. I know it wasn't an enormous loan. And I'm sure it wasn't the
13 biggest loan in the bank. But it was a significant loan for you as a private
14 individual.

15:13:35 15 A. It was.

16
17 CHAIRMAN: And it was, it was a significant -- it was of some significance I
18 would imagine to the bank.

19 A. Oh, it was. It's the cost of the legal teams I'm afraid.

15:13:53 20 Q. 519 MR. O'NEILL: The absence of any documentation for the setting up of this
21 loan, Mr. Ahern, is the reason why you were being asked about the loan in
22 circumstances where on its face it would appear the loan was an unnecessary
23 financial step for you to take. That is why you are being asked about the
24 loan, you are a person who has money on your evidence, you have that money in
15:14:21 25 cash, you don't lodge that money to a bank account, you take out a loan in
26 circumstances where your actual financial assets exceed that loan by a
27 multiple. You then incur a liability for interest in respect of it. You have
28 taken out the loan on terms which are unusual, that involve no capital
29 repayments and no interest repayments for a period of 18 months.

15:14:54 30

15:14:54 1 Now, they are unusual features about the transaction and in the light of the
2 lodgements which are made to your account, you are being asked questions to
3 explain if you can and assist the Tribunal how it is that this came about.

4 A. Okay.

15:15:04 5 Q. 520 And that is why?

6 A. I understand that question. I understand that question. Well if I can answer
7 your question then. How it came about. And I'll do it right through and do it
8 briefly. I separated in 1987, I stopped using my accounts, they were in joint
9 names. I cashed my cheques for the period from January '87 to until up until
10 the end of 1993.

11
12 In November, end of November 1993, the separation agreement had gone through
13 the High Court and it was at this time I was signing over my own house. And I
14 decided to start regularising my affairs. I had to pay, which I wanted to do.

15:16:00 15 I was asked on the 21st of December to pay off the loan. To pay off my wife's
16 loan before Christmas. And I was asked to put in place, that was the main
17 issue. There wasn't pressure to pay the legal issues. I went into the bank.
18 I got a loan because while I had 53,000, I had ear marked 20 of it for the
19 girls and saved it for that purpose. I had 30. If I was to pay 20 off I only

15:16:32 20 had 10. So I decided like half the world does when you want to, you're getting
21 something new you take a loan out rather than just write down what's in your
22 deposit account. Okay in my cash I had cash. Most places people would
23 probably have a current account and a deposit account. They would take out a
24 loan. Very few people statistical fact take their money out of their deposit
15:16:56 25 account or current accounts to pay car loans, they take loans from the bank.

26 That's why the banks high profile this. I do not think it's odd. I do not
27 think it's unusual but it's what I done. And because the separation was
28 finished, legally separated in the High Court at the end of '93 I proceeded to
29 take out the loan, pay the money that I owed 19,000, let that loan there until
15:17:17 30 the bank came after me about it. I didn't start paying that off until the

15:17:22 1 summer of the following year summer of 1995. And I paid it off with the money
2 that my colleagues had given me on the 27th of December 1993, to pay it off.
3 And it had built up some interest but that's what I did and that's the full
4 story, so I hope that answers your question comprehensively.

15:17:42 5
6 JUDGE KEYS: Taoiseach, that what were the actual terms of the loan when you
7 got the money from the bank? What were the actual terms?

8 A. No particular, no form that ...
9

15:17:55 10 JUDGE KEYS: Leaving aside the form. I mean obviously the bank I would have
11 thought here we're giving you 19,500 pounds whatever the actual amount is. I'm
12 sure they would have been interested to know A, when it was going to be repaid.
13 Especially if there was no security requested for the loan?

14 A. Well there is no term that. I mean there was terms when they filled up the
15 form eventually and that was to pay it over a seven month period. But there
16 was no question of me having to pay off. There was no question that I had to
17 pay it off in 1994, because if there was, even if you take it, Judge Keys, that
18 they didn't fill up the form they would have been coming after me that I hadn't
19 complied with the terms.

15:18:40 20
21 JUDGE KEYS: That's what I would have thought.

22 A. They just kept building up the interest. But they came after me in April '95,
23 I think they asked me to agree terms.
24

15:18:49 25 JUDGE KEYS: Well is it then when it came on to the following year that you
26 negotiated a situation where you didn't have to pay back capital and didn't pay
27 back any capital or interest for a period of 18 months.

28 A. No I did pay interest.
29

15:19:06 30 JUDGE KEYS: I appreciate that. I paid interest right from the start.

15:19:09 1 JUDGE KEYS: But the reality of it is, which I find surprising is that in
2 essence, you managed to obtain a loan for 19,500 pounds, no security. And at
3 the end of the day didn't have to pay back a penny until 18 months later.
4 A. Pay a penny on the capital.

15:19:28 5
6 JUDGE KEYS: Capital, yes, or interest from 1995 on --
7 A. Well it was accumulating interest.
8
9 JUDGE KEYS: It was accumulating interest.

15:19:36 10 A. It was accumulating interest.
11
12 JUDGE KEYS: When did you start to pay back any of it then?
13 A. I think about the summer of 1995.
14

15:19:42 15 JUDGE KEYS: That's what I thought.
16 A. And finished it in January '96.
17
18 JUDGE KEYS: Thank you.
19

15:19:47 20 Q. 521 MR. O'NEILL: Just to clarify, if there is any clarification needed in
21 relation to that, Mr. Ahern. There was effectively a moratorium on any form of
22 repayment in respect of this loan from the date upon which it was taken out,
23 the 24th of December of 1993, until the date when repayments commenced in June
24 1995. Whilst interest was accumulating, there were no interest payments being
15:20:15 25 made nor was there any repayment of capital during that sum, isn't that right?
26 A. That's what I just said to Judge Keys, yes.

27 Q. 522 Exactly. It was rolled up as a figure. The rolled up figure is the figure
28 entered in the documentation which was completed in May of 1995, and the loan
29 was subsequently discharged by equal payments over the months that followed of
15:20:42 30 approximately 2,700?

- 15:20:45 1 A. Seven payments of 2,861.
- 2 Q. 523 Yes. Now, what I was endeavouring to establish from you, Mr. Ahern, was that
- 3 in the context of finding yourself in the bank in circumstances where on the
- 4 one hand you were borrowing money, and the on the other hand you were intending
- 15:21:05 5 to lodge money. It would appear that the documentation in respect of the loan
- 6 aspect of it is not there, other than a withdrawal slip with your name on it
- 7 showing that this money is drawn down, isn't that right?
- 8 A. No.
- 9 Q. 524 There is no loan application form?
- 15:21:22 10 A. That isn't right. You are asking me the question if I take you right. Sorry
- 11 for interrupting you.
- 12 Q. 525 Not at all.
- 13 A. You are asking me the question. If I find myself in the bank taking out a loan
- 14 and lodging money, that's what you said. I wasn't taking out. I wasn't
- 15:21:38 15 lodging any money, I was getting a loan to get three drafts to pay off the
- 16 three issues.
- 17 Q. 526 Yes.
- 18 A. I wasn't lodging any of it.
- 19 Q. 527 You were in the bank at a time when you were going to open a deposit account?
- 15:21:49 20 A. Correct.
- 21 Q. 528 And you were going to take out a loan?
- 22 A. Correct. And I did.
- 23 Q. 529 Those two items would have to be matters that would be recalled by a bank
- 24 official who was conducting these transactions. And Mr. Ahern has, Mr. Murphy,
- 15:22:06 25 I should say, has no recollection of there being such an arrangement where both
- 26 the taking out of the loan and the opening of a deposit account were discussed
- 27 at the same time, though you say that is what happened.
- 28 A. I think there are two issues. The sheet that you had up earlier on.
- 29 Q. 530 Yes. Is that 24578?
- 15:22:29 30 A. The bank sheet. You know the one with the three items. No ...

- 15:22:33 1 Q. 531 No.
- 2 A. The sheet that you had with you had the 19.
- 3 Q. 532 Oh, yes the All Items Report. 21399, please.
- 4 A. Thank you.
- 15:22:41 5 Q. 533 That's the waste sheet of the 23rd of December.
- 6 A. Yeah.
- 7 Q. 534 Turn that please.
- 8 A. Now, that waste sheet shows that they had given me the loan and they gave me
- 9 the three drafts because the 19,115.97 is the loan that they're giving me. So
- 15:23:05 10 it shows that that was all done on the one time. The waste sheet that you have
- 11 there shows that that's what happened. So the transactions were all done
- 12 together.
- 13 Q. 535 And what the waste sheet in fact shows is that the components involved the
- 14 three elements, one of which is a credit transfer, that credit transfer as you
- 15:23:25 15 may know subsequently is shown as having been lodged to the account which was
- 16 closed with that lodgement on the 30th of December of that year. The second
- 17 item is the cheque. Sorry a draft for 12,813, that went to a computer suspense
- 18 account where it stayed until the 24th apparently of December. And the item
- 19 beneath that the 5,000 pounds draft, that is a draft which was processed on the
- 15:24:03 20 23rd?
- 21 A. Yes.
- 22 Q. 536 So certainly it would appear from such records as were generated in the bank?
- 23 A. Uh-huh.
- 24 Q. 537 Treating dealing with this matter that it had some element of overlap as
- 15:24:14 25 regards the bank's records between the 23rd and the 24th, in dealing with the
- 26 components of the loan?
- 27 A. Yes but the point I'm making is the three drafts or two drafts and one credit
- 28 transfer.
- 29 Q. 538 Yes.
- 15:24:30 30 A. The 19,115.97 is the sum that I was given the loan on. So that all went

15:24:36 1 through on the one day. Now, I had told the bank that I had money that I had
2 money that I was going to put in and obviously they must have said well the
3 thing to do with that is put it into the SSA loan. But I mean they had given
4 me. It wasn't a question of security. I told them that I was going to put my
15:24:59 5 accounts into the bank. It's all on the one sheet. I quite honestly don't
6 know what we're talking about. I mean I don't know what the issue is.

7 Q. 539 The first -- firstly is --

8 A. I filled up. Please. I filled up an SSA declaration form.

9 Q. 540 Yes.

15:25:14 10 A. Which is the precursor to opening up an SSA account.

11 Q. 541 Yes.

12 A. I did open up the SSA account. I put the first money in on the 30th of
13 December. I put in the other money in April. And this is the loan that I had
14 with the bank. Now as I said to Justice Keys and I understand the point that
15:25:35 15 was left roll over for a period. But I mean. If I knew what the issue was. I
16 mean it's ...

17 Q. 542 Well I think the issue --

18 A. I hope that there is no planning corruption or Mr. Gilmartin didn't give me
19 this or something.

15:25:48 20 Q. 543 The issues are relatively straight forward and you probably have identified
21 them, Mr. Ahern. And they are these. If the document which is on screen at
22 page 24578. The SSA account. If that document was completed on the 14th of
23 December 1993. And I'm using the word "if".

24 A. Uh-huh.

15:26:10 25 Q. 544 That is contingent upon the forensic scientist's report being accurate number
26 one. Upon Mr. Murphy's recollection of events being inaccurate, number two.
27 That would mean as of that date you were intending to make a lodgement to a
28 Special Savings Account, if that is correct. We know that at that point in
29 time the 22,500 pounds which was to be lodged to this account was not money of
15:26:43 30 which you were aware at the time, isn't that so?

15:26:45 1 A. That's correct.

2 Q. 545 So that if this document had been completed with the intention of lodging the

3 22,500 pounds to the account, it would indicate that you had an awareness of

4 the existence of that amount of money on the 14th of December, which would be

15:27:04 5 13 days before the date upon which you actually received it in St. Luke's as a

6 surprise, isn't that right?

7 A. Well ...

8 Q. 546 On that sequence.

9 A. But I -- how long is a bit of string? You know, the 22,500 if I recall

15:27:24 10 correct, I mean, this is really you're really trying to stretch. The 22,500, I

11 wasn't given it until the 28th.

12 Q. 547 Yes.

13 A. Well even if you didn't believe that, which I'm not sure what you believe on

14 it. But even if you didn't believe that, wasn't the draft the 2,500 of the

15:27:44 15 5,000 draft in it was not that draft the 15th of December.

16 Q. 548 No, it was the 22nd of December?

17 A. 22nd of December.

18 Q. 549 Yes, the day before?

19 A. So you are now saying. So therefore you are saying that on the 14th -- on the

15:27:58 20 14th of December.

21 Q. 550 Yes.

22 A. I was in the bank.

23 Q. 551 I'm --

24 A. Please. I was in the bank. Signed the declaration. Put in the money at the

15:28:09 25 same time on the 14th with a draft that was made out on the 22nd, be Jesus I'm

26 some fella.

27 Q. 552 I'm not suggesting that. Can I put the following scenario to you, Mr. Ahern,

28 since you invite it. On the 14th of December you go to the bank with the

29 intention of borrowing money from them. The bank indicates that they're

15:28:34 30 willing to lend you the money but on terms. Those terms being that there will

15:28:39 1 be a back-to-back arrangement whereby you will put in a deposit which
2 represents the same amount as the money which is going to be lent to you and
3 also the interest that would accrue on that sum over the next 18 months. At
4 then rates of interest being approximately 22,000 pounds. That they are
15:29:01 5 prepared to give you a loan facility on that basis and that that happens on the
6 14th. You do not have that money on the 14th but you set about acquiring that
7 money between the 14th and the 23rd. On the 23rd you return with the money,
8 15,000 pounds in cash. A draft dated the 22nd of December, drawn upon the bank
9 in Montrose, a cheque dated the 22nd of December written by Willdoover, so that
10 you now have 15,000 pounds in cash and a total of 22,000 pounds.

11
12 On that basis the amended, the document is amended by the substitution of
13 23414. The process of setting up the loan account, Special Savings Account is
14 progressed and the loan is also progress. It goes in the first instance into
15:30:03 15 the suspense account, computer suspense account. It is dealt with then through
16 the banking system. The result of it is that by the 30th all of the components
17 of the loan and the deposit have been completed. On the loan side, the account
18 which was to be cleared by the 1,302 pounds is cleared off on the 30th. The
19 drafts have been debited to the account on the 23rd and the 24th. And the SSA
15:30:36 20 account is opened as and from the 30th. Now, that is another scenario that is
21 open on the documentation?

22 A. It is unbelievable, Mr. O'Neill.

23 Q. 553 I see.

24 A. It is unbelievable! And I really, really don't believe.

15:30:50 25 Q. 554 Fine.

26 A. That you or anybody else would put that together, other than really trying to
27 set me up and stitch me up. That is just unbelievable. Unbelievable!

28
29 MR. MAGUIRE: Chairman, I have a submission to make in relation to this.

15:31:03 30 A. Before any submission. Could I just say, you know, to think, I mean, I didn't

15:31:07 1 know what you were coming at.

2

3 MR. O'NEILL: What?

4 A. I didn't know what you were coming at. I didn't know. But to think that you

15:31:12 5 know that AIB would get into a conspiracy with me and to put such a convoluted

6 set of circumstances. Listen, all that happened, Mr. O'Neill, is that I was

7 asked on the 21st or 22nd of December 1993, to organise the pay a bill on the

8 car loan and I went in and got a loan to do that and the other two legal bills

9 that I had to do. I got a loan to do that. When I was in there I met

15:31:40 10 Mr. Burns and told him that I had other money that I'd open up the accounts

11 which I did.

12

13 I opened up a current account, I opened up an SSA loan. I don't remember

14 signing the SSA declaration but obviously Philip Murphy who was in the business

15:31:54 15 of selling these or promoting them asked me to sign it. I mean, why, why I

16 would get into that. And how you can think that a draft which is dated on a

17 later date. I mean, you know, a few friends gave me the money and afterwards I

18 lodged it. I mean, it's just ...

19 Q. 555 MR. O'NEILL: On the 14th of December --

15:32:15 20

21 MR. MAGUIRE: Sorry, Chairman, I have an objection and I do want to make a

22 submission and I it arises in a very serious way.

23

24 CHAIRMAN: All right. Yes, go on.

15:32:27 25

26 MR. MAGUIRE: Mr. Chairman, I would like if possible that the letter of the 5th

27 of December of 2007, which was written on behalf of the Taoiseach to the

28 Tribunal which deals with an issue under the heading "issue of fair procedures

29 and advance notice of Tribunal hypothesis". I would like that letter to be put

15:32:48 30

on the screen.

15:32:49 1 CHAIRMAN: Fine. What's the reference number?

2

3 MR. O'NEILL: It's not immediately available.

4

15:32:55 5 CHAIRMAN: And there is a reply I think to that letter.

6

7 MR. MAGUIRE: Well in essence. A letter of complaint was written to the
8 Tribunal on the 5th of December of 2007. And essentially it was the question
9 of the advance of various hypothesis by the Tribunal without notice.

15:33:19 10

11 And it referred in fact to the afternoon of the 21st of November when
12 Mr. O'Neill on behalf of the Tribunal described the nature of the inquiries
13 proposed by the Tribunal. I am quoting from the letter "legal team over the
14 coming weeks in very broad terms for the purpose of the ongoing inquiries in
15 connection with specified transactions. No specific allegation or potentially
16 adverse suggestion was made regarding my client. My client is unable to
17 ascertain any conceivable connection between these transactions and Mr.
18 O'Callaghan. And he emphatically rejects that any such connection exists.

19

15:33:57 20 Over a considerable period of time, I have been furnished with approximately
21 25,000 pages of materials without any index or necessary or stated logical
22 order.

23

24 On previous occasions the Tribunal counsel have presented theories or
15:34:16 25 propositions which while << rooted in those raw materials clearly were the
26 product of considerable analysis and further work.

27

28 In my contention, fair procedures require that the Tribunal informs my client
29 in advance of any -- in advance of any specific hypothesis, proposition or
15:34:36 30 theory regarding his affairs that is to be put to the witness or advanced in

15:34:41 1 evidence during this portion of the Tribunal."
2
3 Now, the rest of the letter deals with other matters. But I just want to deal
4 specifically with this.

15:34:50 5
6 A response was received to that by letter dated the 13th of December. And
7 again I'm dealing under the heading of "advanced notice of Tribunal
8 hypothesis".
9

15:35:01 10 And again, I would ask that that would be put up. "The Tribunal through its
11 counsel is not seeking to advance any hypothesis, propositions or theories at
12 public hearings."
13

14 Now, just to stop there, Chairman. What has happened here, just witnessed it
15:35:22 15 234 the last ten minutes or so. That what was being put to the Taoiseach is an
16 elaborate hypothesis. And it is fanciful. It is not rooted in the evidence.
17 It ignores the evidence that was given by Mr. Philip Murphy when he was here.
18 It fails to point out the consistencies of Mr. Murphy's evidence with that of
19 the Taoiseach and the documentary evidence. And it is clearly a hypothesis and
15:35:51 20 it is clearly in contradiction to the Tribunal's letter of the 13th of December
21 2007.
22

23 And I repeat that under the heading "advance notice of Tribunal hypothesis".
24 The Tribunal through its counsel, is not seeking to advance any hypothesis,
15:36:12 25 propositions or theories at its public hearings."
26

27 Nothing could be further from the truth in light of the last contribution of
28 Mr. O'Neill. And this is clearly a breach of the witness' -- of the
29 Taoiseach's constitutional rights to fair procedures.
15:36:29 30

15:36:29 1 And it was in that particular connection that this matter and others were
2 raised in very serious correspondence that took place between the Tribunal,
3 between us in the letter of the 5th of December 2007, and the letter of the
4 13th of December 2007, from the Tribunal.

15:36:51 5
6 CHAIRMAN: But, Mr. Maguire, if you continue on you'll see a quotation from a
7 judgement of the High Court in O'Brien and Moriarty which explains the position
8 of the Tribunal in relation to the suggestion that the -- that any suspicions
9 or scenarios or whatever you want to call it, must first be notified to a party
10 before they give evidence.

11
12 Every question which probes or challenges a version of events is capable and is
13 often in fact interpreted as in effect an alternative scenario being put to a
14 witness. I mean, that's part and parcel of the job that the Tribunal has to
15 do. If Mr, as I understand Mr. Ahern, Mr. Ahern was concerned, he said he was
16 puzzled by the line of questioning being put to him by Mr. O'Neill.

17
18 MR. MAGUIRE: Not by the question but by the hypothesis that was being put to
19 him and it was a hypothesis.

15:38:19 20
21 CHAIRMAN: Mr. O'Neill put to him what is a possible scenario given the
22 documentation that we have from the bank and also the lack of documentation.
23 It doesn't mean that -- it doesn't mean that that case is being put to him. In
24 other words, it's not being suggested to him that that this is what the
25 evidence shows. It's a scenario. It's a possible outcome that based on the
26 evidence and the documentation and questioning. And it's a matter for
27 Mr. Ahern then to reject that scenario as being impossible or not realistic.

15:38:40 28
29 MR. MAGUIRE: Chairman, you used the word "scenario" but I don't know how you
15:39:10 30 could not describe what is being put to the witness other than as a hypothesis.

15:39:16 1 The "the Tribunal through its counsel is not seeking to advance any hypothesis,
2 propositions or theory at its public hearings".

3
4 That plainly isn't so. It goes on to say in the letter that "The Tribunal is
15:39:29 5 testing the information furnished to it". But this, as you acknowledge,
6 Chairman, is a scenario. I don't understand the difference in this context of
7 between what could be described as a scenario or as a hypothesis. It's clearly
8 a hypothesis. And worse still, it's a hypothesis that is not rooted in the
9 evidence. It's not a testing of the evidence.

15:39:52 10
11 CHAIRMAN: If you say to the witness in the course of evidence. If the
12 witness says I did this and relies on certain evidence or documentation to
13 support what he says he did and counsel for the Tribunal suggested to him that
14 that couldn't have happened. That is putting to him a hypothesis or a scenario
15 or whatever you want to call it.

16
17 I mean, are you suggesting that that that has to be notified to the witness in
18 advance of him coming before the Tribunal?

19
15:40:23 20 MR. MAGUIRE: I'm not, Chairman.

21
22 CHAIRMAN: Because the alternative is that you just sit and take the evidence,
23 you don't challenge or probe the evidence or suggest possible other
24 alternatives. If that was the case we'd be finished thankfully a long time
15:40:38 25 ago.

26
27 MR. MAGUIRE: Chairman, the purpose of our letter of the 5th of December was to
28 ask that if hypothesis were to be put to the Taoiseach when he was in the
29 witness box, that we should have notice of them.

15:40:50 30

15:40:50 1 Now, the response that was given to that is plainly at odds with what has
2 happened here. "The Tribunal through its counsel is not seeking to advance any
3 hypothesis, propositions or theories at its public hearing".
4

15:41:04 5 Now, it's an entirely different thing for the witness to say that plainly isn't
6 so -- or for Mr. O'Neill to say that plainly isn't so. But he is going much
7 further than that. He is putting, as you described it as a scenario. I
8 describe it as a hypothesis. A sequence of events, an elaborate sequence of
9 events which he puts to the witness with no evidence of it without giving the
10 evidence upon which its based and then asks him to comment on it.

11
12 That is plainly a hypothesis. And if it is, then this letter should be
13 withdrawn and at least we'd know where we stand because in our view, the
14 Tribunal counsel has misconceived his role here. He has become taking a
15 prosecutorial view of his role. This Tribunal should be outcome neutral. The
16 witness is a witness. He is there for the establishment of fact and he should
17 be treated like any other witness. And it's for that purpose that we asked for
18 any notice of any hypothesis to be put to us.
19

15:42:04 20 MR. O'NEILL: I would like to respond if I may to what has been urged on you
21 by Mr. Maguire.
22

23 Firstly, may I say that neither I nor any other member of the legal team is
24 seeking to advance any particular hypothesis. We certainly are seeking to
15:42:19 25 address or to deal with any possible alternative scenario which arises on foot
26 of the evidence which is before you, Members of the Tribunal.
27

28 There is a clear distinction between advancing a particular theory which means
29 that the Tribunal adopts a particular interpretation, insists that it
15:42:44 30 represents the only alternative, the only legitimate explanation for facts as

15:42:51 1 opposed to exploring which is what I'm doing in this instance, every reasonable
2 alternative proposition or possible explanation to these facts.

3
4 Now, if it's suggested for a moment that the obligations of counsel in a
15:43:06 5 Tribunal are that every possible sequence of facts which might occur must first
6 be put to each witness in advance of his being a witness at a Tribunal, that is
7 comprehensively dealt with in the judgement of his Honour Judge Quirke in the
8 High Court which is quoted in the response which was given to the complaint or
9 concern that was expressed by Mr. Maguire's solicitor to the Tribunal's
10 solicitor earlier this month.

11
12 It is perfectly reasonable, acceptable and indeed necessary that where a
13 witness in answering a question to counsel asks him for an alternative what he
14 says might be the situation, that counsel can freely indicate what alternative
15:44:03 15 scenarios exist. And that is as much as what has taken place in this instance.
16 Mr. Ahern has had put to him an alternative scenario to that which he believes
17 took place and the basis upon which that has been put has been grounded in the
18 evidence which has been heard before the Tribunal and which has been circulated
19 in advance of this hearing.

15:44:29 20
21 In this particular instance, we're dealing with a limited range of
22 documentation, not 25,000 documents on this issue. It is an issue concerned
23 with the opening of a bank account of Mr. Ahern's, into which funds were lodged
24 and the circumstances in which it is either absent of documentation or where
15:44:52 25 certain documentation which has been generated by the bank would appear on one
26 interpretation to be at odds with the account that has been given.

27
28 Nothing more than that is being done. It is being explored fully. Mr. Maguire
29 in assisting the Tribunal by cross-examining or by examining his own witness
15:45:14 30 can touch upon each of these issues and draw to the attention of the Tribunal,

15:45:19 1 matters which he believes are relevant in interpreting any of these documents.

2

3 I intend to adduce all of the factual evidence which is there. And if it is

4 necessary to test any of those facts against a range of different

15:45:35 5 possibilities, I see it as my function to do so. And to allow the witness the

6 opportunity of commenting as Mr. Ahern has, in this instance, on the legitimacy

7 or illegitimacy of any such scenario. And the Tribunal undoubtedly will

8 consider his responses in reaching its determination. But to approach this on

9 the basis that the legal team for the Tribunal is obliged to take upon itself

15:46:09 10 an indictment role to reduce issues to the form of an accusation against the

11 witness and then to present those in a format which is entirely appropriate in

12 a prosecutorial situation or indeed in a civil action in a Tribunal, is

13 manifestly wrong.

14

15:46:29 15 The purpose of this examination is to endeavour to establish what the

16 underlying facts are which created the circumstance in which Mr. Ahern came to

17 lodge these large sums of money to his accounts and to test the explanations

18 which have been given by him against other possible explanations and to explore

19 any inconsistencies or apparent unusual or extraordinary features in that

15:47:00 20 account that is being given by him. I do no more than that and I believe that

21 I am doing so in accordance with every constitutional right and fair procedure

22 to which Mr. Ahern is entitled.

23

24 MR. MAGUIRE: Chairman, if I might respond to that. I will be brief in respect

15:47:18 25 of it.

26

27 Mr. O'Neill, to use the legal term, is approbating and reprobating. On the one

28 hand you have the Tribunal saying one thing in a letter and on the other hand

29 doing a different thing at the Tribunal. And that's clear and no amount of

15:47:34 30 semantics is going to get over that.

15:47:36 1 The position couldn't be clearer. He says and uses the words that the
2 "proposition" or the "thesis" or the "scenario" that that is grounded in the
3 evidence. It is not grounded in the evidence. It is nothing other than a
4 hypothesis. And the evidence of Mr. Murphy upon whom it is allegedly based
15:47:57 5 hasn't in fact been quoted to the witness because it doesn't suit the
6 hypothesis.

7
8 It's a very, it's an extremely serious matter. The letter of reply to which
9 you have referred, Chairman, and to which Mr. O'Neill has referred, makes a
15:48:16 10 quotation from O'Brien and Moriarty from Mr. Justice Quirke's judgement in
11 O'Brien and Moriarty. It neglects of course to give the full quotation which
12 refers specifically to the particular circumstances in which that judgement and
13 that portion of the judgement was given and it is in fact taken out of context.
14 And it doesn't have the application that it purports to have.

15:48:41 15
16 As far as the Taoiseach is concerned. He is being confronted with what is
17 clearly an attempt to put to him something that discredits him, discredits his
18 evidence and discredits Mr. Murphy's evidence without any basis in evidence,
19 any proper basis in evidence and without further which is more important,
15:49:02 20 without any notice to him of the hypothesis that so discredits him and
21 discredits his evidence

22
23 CHAIRMAN: Well first of all and you can take this assurance from me. The
24 Tribunal is not seeking to advance any hypothesis.

15:49:16 25
26 The scenario. It is possible to take from the evidence that we have the
27 scenario that Mr. O'Neill has put to Mr. Ahern. If Mr. O'Neill is in a
28 position to arrive at that possible scenario, so are members of the public and
29 so are members of the press. And it's only right and proper that Mr. Ahern
15:49:40 30 should be put into a position where he is entitled to knock that on the head.

15:49:47 1 Because to leave that untested or uninvestigated would be doing Mr. Ahern a
2 disservice. But we are certainly not advancing any hypothesis. We are not
3 making any case. The Tribunal is not making any case or preferring any case to
4 Mr. Ahern. And I think Mr. O'Neill is entitled to pursue this line of inquiry.

15:50:13 5 And equally, you are entitled to deal with it in cross-examination in due
6 course if you deem it necessary.

7

8

Mr. Ahern may be well able to deal with it himself.

9

15:50:24 10 MR. MAGUIRE: Chairman, I note particularly that you say that you are not
11 advancing any hypothesis.

12

13

CHAIRMAN: Uh-huh.

14

15:50:30 15 MR. MAGUIRE: Mr. O'Neill has no independent existence here other than counsel
16 for the Tribunal.

17

18 CHAIRMAN: No but Mr. O'Neill I don't believe is advancing -- he is putting a
19 possible scenario based on the evidence that we have heard as a possible

15:50:45 20 scenario. It's not a hypothesis. It's not a case that's being put to

21 Mr. Ahern as being the most likely, the most likely story or understanding to
22 emerge from his evidence.

23

24 MR. MAGUIRE: Well I'd have to submit to you, Chairman, that to all reasonable

15:51:06 25 observers it would appear that this is an allegation that is being made to the

26 witness in the witness box. And that in those circumstances an allegation of

27 which we should have had notice. I would like to specifically reserve my

28

position in respect of that.

29

15:51:20 30 CHAIRMAN: All right. You can certainly do that. But it's not an allegation.

15:51:22 1 As far as we are concerned we are not making an allegation.

2 A. Chairman, can I. Chairman, could I just say a few words. I have listened
3 carefully. If I can then just answer Mr. O'Neill and you, Chairman, what you
4 have said. Just my position on it.

15:51:42 5

6 I had, after notification from me on the 21st of December or 22nd of December
7 1993, a requirements to pay three drafts. The drafts were 12,813.97; 5,000 and
8 13,002.48 or whatever it was, something like that. And I went to the bank
9 about it the following day or the day after that, which I believe was the 23rd
10 of December 1993. Met Philip Murphy, was brought to Mr. Burn's office. Stated
11 that I wanted to take out a loan. I don't think Mr. Burns asked me for any
12 security but I stated that I had been separated. That my High Court judgement
13 was finished. That I would resume banking and opening my accounts in that
14 bank, which I subsequently did. But that I wanted to get this loan out. As I
15 said earlier on to Justice Keys, I don't know why there was no schedule done
16 but obviously they put on interest from day one. I didn't start paying the
17 loan until 1995, April 1995 or June 1995. Paid it over seven months. And that
18 was that.

19

15:53:14 20 I wasn't aware that I signed a declaration to set up an SSA loan, but I
21 wouldn't remember that. But I did say and I said it before to the Tribunal in
22 private session, that I did tell them that I put in my savings. Mr. O'Neill
23 asked me the question, fair question, what money was I going to put in at that
24 stage, was it the money that I had in Drumcondra the 30,000 which I
25 subsequently in, 28,000 of it in. Couldn't put in the 30 because there was a
26 limit of 50,000 on the SSA. The remaining piece went into my current account.
27 I don't believe that the expert is right on the 14th because I couldn't have
28 been in on the 14th, that date I was in government buildings. And I know that
29 I wasn't asked until the 21st of December. And I don't quite frankly, I
15:54:15 30 understand what you say, Chairman, I can be asked a question. It doesn't mean

15:54:18 1 that it's an allegation that I can answer the question.

2

3 I don't understand but how I could be coming in on either the 14th or the 23rd

4 with 22,500 to do a back-to-back loan. If the draft, there's only two bits of

15:54:38 5 documentation in that lodgement which was given to me by friends, Mr. O'Neill

6 tells me that one of the dates on that draft was the 23rd of the 12th. So how

7 I could be coming in either on the 14th or the 23rd with what was taken out of

8 a separate bank in the Montrose that day. But anyway, just for the record of

9 this Tribunal, I didn't. Whatever date was on the draft, it doesn't matter I

15:55:01 10 did not come in that day with 22,500 pounds. I came in that day seeking a

11 loan.

12

13 I subsequently received that money. And I did lodge that money to the SSA. I

14 don't think I was under any time stipulation from the banks to come in with

15:55:18 15 anything for the SSA. But I paid that part first, which wasn't the part I

16 intended and then I paid the other part subsequently in April. And for

17 completeness. I opened the current account in that bank in October -- in

18 January 1994, which was a month later. And I opened an account in August

19 1984 -- or 1994. August 1994, on behalf of Georgina and Cecelia Ahern my

15:55:47 20 daughters. So everything I said I would do I did. And whatever hypothesis I

21 didn't, this is a simple matter.

22

23 And Chairman, the only thing I'd say to you, I know it comes near the end of

24 the day again. But what I find hard all of the time coming down and dealing

15:56:05 25 with these issues is what I could possibly, what it could possibly have to do

26 with the central allegation which I'm meant to be dealing with; is that this

27 guy O'Callaghan and Gilmartin who had a row about lands out at Quarryvale, how

28 a loan that I get to payoff two legal bills and my car loan and for money that

29 other colleagues down here said in fact that they gave it to me, what that's

15:56:32 30 got to do with it.

15:56:33 1 I totally miss that point. I'm not even asking you to answer that I'm giving
2 up on what I'm trying to be answering

3
4 CHAIRMAN: I'll try and explain it. The evidence the Tribunal has from Mr.
15:56:45 5 Gilmartin is that he was told by Mr. O'Callaghan that sums of 30 and 50,000
6 pounds had been paid to you. Mr. O'Callaghan denies saying it and he denies
7 paying it and you deny receiving it. But that prompted necessarily the
8 Tribunal to, as it has done in similar instances involving other witnesses, in
9 this and other modules. It necessarily prompted the Tribunal to look at your
10 personal finances. When the Tribunal looked at your personal finances it sees
11 the lodgements that we're talking about. And that necessitates the inquiry and
12 the level of inquiry that has been conducted since. That is the basis for the
13 probing of your finances.

14
15:57:38 15 In relation to the more recent questioning of Mr. O'Neill and the issues
16 surrounding the events in the bank in December of 1993. It has always been a
17 possible scenario, as far as the Tribunal is concerned, that you yourself have
18 told the Tribunal that the -- that it was your intention on the 23rd when you
19 instructed Mr. Murphy in the bank to prepare the documentation which would
15:58:12 20 allow you open an account some days later. That your evidence to the Tribunal
21 and the information given by you to the Tribunal always has been that you
22 weren't then aware that friends were going to club together and give you money
23 some days later. You were completely, you were completely ignorant of that
24 plan which was then being hatched by your friends, so to speak. And that what
15:58:42 25 you were intending to do on the 23rd in relation to the SSA account was to
26 deposit money from your 50,000 odd savings.

27
28 And so that's the evidence as we -- that's -- that's your evidence. We have to
29 probe the possibility, and it's not a hypothesis, the possibility that you were
15:59:08 30 in fact aware on the 23rd, of the money that was going to be given to you by

15:59:14 1 your friends. And that's an issue that the Tribunal has to probe and reach a
2 conclusion about ultimately.

3
4 In relation to the 14th of December. You have clearly provided very strong
15:59:33 5 evidence indicating that you, as a matter of probability, weren't in the bank
6 on that day but there is still remains the possibility. And I'm only
7 suggesting it's a possibility, that on instructions from you or contact from
8 you, which doesn't necessarily mean that you have to physically attend the
9 bank, Mr. Murphy was preparing documentation on the 14th for you to open an SSA
16:00:04 10 account. And in that, again, you were conscious that you had savings. And if
11 your evidence is correct that you intended initially to open an SSA account
12 with your savings, there's no -- there's nothing wrong about having reached
13 that decision on the 14th. And conveying in some way other than physically
14 visiting the bank that this is what you wanted to do.

16:00:34 15
16 So that's the backdrop as best I can explain it at four o'clock.

17 A. I accept --

18
19 CHAIRMAN: Can I just say this to Mr.-- a scenario has been put to you by
16:00:48 20 Mr. O'Neill which gave rise to Mr. Maguire's interjection. Insofar as that
21 scenario as identified by Mr. O'Neill is concerned, can we take it that it's
22 your evidence that you reject that in all its detail?

23 A. Yes.

24
16:01:08 25 CHAIRMAN: All right. And because it's important given that we're coming to
26 the close of business for today that that is clear; that you insofar as that
27 scenario is there, it's a possibility which you rejected in its entirety.

28 A. I do, Chairman. And I appreciate and thank you for your analysis. But
29 Mr. O'Neill's own questioning earlier on and his leading me in questions. He
16:01:39 30 showed that at that particular time I didn't know Mr. Murphy that well from a

16:01:45 1 banking point of view. So if I was going in to open up a loan to get money to
2 pay off whatever two legal bills and a car loan, I wouldn't have prefaced it by
3 saying listen, I want the loan but I want you to open up a savings account so I
4 can put other money into it. I mean, it would sound bizarre and it's not
16:02:26 5 something I --

6
7 CHAIRMAN: Well --
8 A. It's not something I would do. I wasn't in that relationship with him to do it
9 at that time from a banking point of view anyway.

16:02:26 10
11 CHAIRMAN: Yes. But that does happen in the banking world. I mean, your own
12 evidence is that you were on the 23rd and presumably you would have been in
13 that position on the 14th as well.

14 A. Exactly.

16:02:34 15
16 CHAIRMAN: To say to the bank I'm going to need a loan. I know you didn't say
17 it. You said it until the 23rd. It's not the end of the world if it
18 transpires that it was said on the 14th. You could have said on the 14th I'm
19 going to need a loan as an alternative to security or whatever I'm also going
16:02:53 20 to be in a position to lodge money to an SSA account. That's -- it's called I
21 think in bank parlance a back-to-back loan. It doesn't mean. I mean there's
22 nothing wrong and banks then are perhaps more inclined to sort of ease any
23 concern that they might have. So insofar as there might have been that type of
24 arrangement and insofar as that scenario is a possibility, it doesn't in any
16:03:20 25 way suggest that there's anything wrong.

26 A. Well I don't think, Chairman, that I was doing it back-to-back.

27
28 CHAIRMAN: All right, that's fine

29 A. When I did go in and I think it was the 23rd, I'm not going to start arguing
16:03:34 30 about that. When I did go in, I did say that I had money and that I would

16:03:38 1 lodge that money ultimately, which I did.

2

3 CHAIRMAN: And that --

4 A. That's it.

16:03:43 5

6 CHAIRMAN: And that may well have eased the mind of the bank manager about
7 security.

8 A. Yes.

9

16:03:48 10 CHAIRMAN: Even though it mightn't have been stated to you in those terms.

11 A. I accept that.

12

13 CHAIRMAN: All right. Well it's now four o'clock so we'll sit. We'll sit
14 tomorrow at half ten.

16:05:08 15

16 **THE TRIBUNAL THEN ADJOURNED UNTIL THE FOLLOWING DAY,**

17 **FRIDAY, 21ST DECEMBER 2007, AT 10.30 A.M:**

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