

**THE TRIBUNAL RESUMED AS FOLLOWS ON FRIDAY,**

**10TH DECEMBER 2004 AT 10.30 A.M:**

CHAIRMAN: Mr. O'Neill, before we start the day's business, I am going to read into the record of the Tribunal an explanatory statement relating to the recently amended Terms of Reference. As has been widely publicised in the media, the Oireachtas has recently voted in favour of additional or amended Terms of Reference for the Tribunal.

The instrument giving effect to the Terms of Reference was signed by the Minister for the Environment and Local Government on Friday, 3rd December last. In addition, the government has agreed to a request from the Tribunal for additional resources to assist the Tribunal in its work and these additional resources are currently in the course of being put in place.

In relation to the new amendments to the Terms of Reference, the Tribunal has confirmed in writing to the Attorney General and the Minister for the Environment and Local Government that it is satisfied that the amendments do not prejudice the legal rights of any person who has cooperated with or provided information to the Tribunal under its Terms of Reference in compliance with the requirement of section 1 of the Tribunals of Inquiry Evidence Act 1921 as amended by Section 1 of the Tribunals of Inquiry Evidence (Amendment) Act of 1998.

The purpose and intent of the new amendments to the Terms of Reference are primarily to enable the Tribunal better manage its enormous workload and to provide it with a mechanism to conclude its work within a reasonable timeframe. The original Terms of Reference as amended on the 15th July 1998 were interpreted by the Tribunal in October 1998.

10:32:00 1 Those Terms of Reference detailed the substantive areas which were to be the  
2 subject of investigation by the Tribunal. The recent amendments to the Terms  
3 of Reference do not have the effect of extending or changing the substantive  
4 terms of inquiry as provided for this the Terms of Reference as amended which  
10:32:20 5 were formally interpreted in October 1998.

6  
7 The Tribunal is satisfied that the recent amendments to the Terms of Reference  
8 are self-explanatory and do not require further or formal interpretation, by  
9 way of general explanation they have the following effect.

10:32:34 10  
11 1. Subject to the exercise of its discretion pursuant to paragraph J6 of the  
12 amended terms, the Tribunal is directed to proceed to conclude its inquiries  
13 into a number of identified modules, most of which have in fact concluded or  
14 are largely concluded.

10:32:54 15  
16 2. On or before the 1st May 2005, the Tribunal shall decide on any additional  
17 matters for public inquiry and in respect of which the Tribunal has of that  
18 date conducted or is in the process of conducting a preliminary inquiry.  
19 Whether in fact any such matter actually proceeds to a public inquiry will  
10:33:08 20 remain a matter for decision by the Tribunal.

21  
22 3. Matters not identified for investigation by the Tribunal on or before the  
23 1st May 2005 may only be investigated by the Tribunal if the Tribunal deems it  
24 necessary and appropriate to conduct such an investigation to enable it  
10:33:25 25 conclude an investigation into a matter which was, in fact, identified prior to  
26 the 1st May 2005.

27  
28 4. Except insofar as additional matters may require investigation as provided  
29 for in paragraph J2 of the amended Terms of Reference, no new matters shall be  
10:33:40 30 considered for investigation of which the Tribunal is unaware by the 16th

10:33:45 1 December 2004.  
2  
3 5. Paragraphs J6 provides that in deciding whether any matter should actually  
4 proceed to a public hearing, the Tribunal may exercise its discretion in  
10:33:59 5 relation to factors provided for in a number of subparagraph to paragraph J6.  
6 The Tribunal is satisfied that the exercise of its discretion as provided for  
7 in paragraph J6 can only be properly exercised by it alone and based on  
8 information which in its totality is only available to the Tribunal. The  
9 Tribunal does not therefore propose to invite or entertain submissions made by  
10:34:23 10 any party or member of the public as to how and in what circumstances its  
11 discretion should be exercised.  
12  
13 In so far as the deadline dates of 16th December 2004 and the 1st May 2005 are  
14 concerned, the Tribunal will not publicise details of any decisions it makes as  
10:34:40 15 to matters destined for public inquiry until such time as it deems it  
16 appropriate so to do. The identification of inquiries or any matters which the  
17 Tribunal decides shall not proceed to public inquiry, having exercised its  
18 discretion pursuant to the provisions of paragraph J6 of the amended Terms of  
19 Reference, will not at any time be publicly made known and will remain  
10:35:03 20 confidential to the Tribunal.  
21  
22 The foregoing is merely a summary of the main provisions of the amendments to  
23 the Terms of Reference, the full text of the amendments may be sourced through  
24 the Government Publications Office or from the Tribunal and is on or certainly  
10:35:17 25 from today will be on the Tribunal's website.  
26  
27 Any party seeking further information or clarification relating to the amended  
28 Terms of Reference may write to the Tribunal and the Tribunal will, insofar as  
29 it is practical and appropriate, endeavour to provide the necessary information  
10:35:34 30 or clarification.

10:35:38 1  
2 MR. LAWLOR: Chairman, could I be permitted to thank you for the explanation.  
3 As you know, I wrote requesting the opportunity to make an oral submission on  
4 the revised Terms of Reference and you, by correspondence on the 6th December,  
10:35:51 5 decided that you wouldn't accede to that request.

6  
7 The reason I made a request, chairman, was based on the previous chairman's  
8 explanation on the 21st October and at paragraph 4, the former chairman said it  
9 should be clearly understood by any person or entity that has an interest in  
10:36:10 10 the work of the this Tribunal that they are entitled to make any submission to  
11 the Tribunal relative to the interpretation of these Terms of Reference.

12  
13 And because of your refusal to allow me to make an oral submission and my  
14 further consideration concerning the related matters, it is nowhere in my  
10:36:28 15 opinion to be found that they are within your Terms of Reference and based on  
16 my further consideration as to how the Tribunal is operating, I have decided to  
17 urgently seek from the High Court a judicial review of the workings of your  
18 Tribunal and I therefore now intend to withdraw from the Tribunal and await the  
19 outcome of the High and possibly Supreme Court judgments concerning the case.  
10:36:51 20 I request the courts to decide upon.

21  
22 Chairman, you and I are answerable to the High and Supreme Courts and no  
23 productive purpose can be served by my continued presence at this Tribunal  
24 until the courts have spoken. Thank you.

10:37:05 25  
26 CHAIRMAN: That's your prerogative.

27  
28 MR. O'NEILL: Good morning, Mr. Chairman. The next witness listed for hearing  
29 is Mr. Larry Goodman. Mr. Goodman, could you come to the witness-box please?

10:37:16 30

10:37:16 1 MR. GLEESON: Mr. Chairman, just before Mr. Goodman takes the stand, I appear  
2 for Mr. Goodman, instructed by A&L Goodbody, I wish to make an application for  
3 representation on his behalf.

4  
10:37:26 5 CHAIRMAN: That's granted. Thank you very much.

6  
7 MR. GLEESON: Thank you, chairman.

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9 MR. O'NEILL: Mr. Goodman, please.

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**MR. LAURENCE GOODMAN, HAVING BEEN SWORN, WAS QUESTIONED**

**AS FOLLOWS BY MR. O'NEILL:**

- 10:37:34 1
- 2
- 3
- 4 Q 1 MR. O'NEILL: Good morning, Mr. Goodman.
- 10:38:16 5 A Good morning.
- 6 Q 2 I don't believe you require any introduction to the Tribunal. You are a
- 7 successful businessman now, as you were in 1987, when the events which
- 8 concerned the Tribunal took place, isn't that so?
- 9 A Yes.
- 10:38:37 10 Q 3 Your involvement with this Tribunal arises because of the fact that you
- 11 financed a project in which lands at Coolamber in Lucan, County Dublin, were
- 12 acquired in that year 1987, isn't that so?
- 13 A Correct.
- 14 Q 4 And I think your connection with the Tribunal commenced following upon the
- 10:39:01 15 evidence of Mr. Liam Lawlor, which was given before the Tribunal on the 14th
- 16 December of 2000.
- 17 A Yes, I think that's correct.
- 18 Q 5 On that occasion, Mr. Lawlor ultimately came to give evidence before the
- 19 Tribunal having refused to do so to that point in time and in the course of his
- 10:39:27 20 evidence, he made certain references to payments which were made to a company
- 21 called Advanced Proteins Limited. And following upon those references, the
- 22 Tribunal wrote to you on the 22nd December of 2000 and I'll just briefly read
- 23 into the record the content of that letter which triggered your response and
- 24 ultimately your attendance before the Tribunal here today.
- 10:39:54 25
- 26 The letter was addressed to you at your private home and reads as follows:
- 27
- 28 "Dear sir, I write to inform you that the Sole Member of the above Tribunal,
- 29 the Honourable Mr. Justice Feergus Flood, is carrying out inquiries pursuant to
- 10:40:12 30 clause A5 of his Terms of Reference, a copy of which is enclosed herewith, into

10:40:15 1 certain payments made to Liam Lawlor, TD. In the course of evidence given by  
2 Mr. Liam Lawlor at the public session of the Tribunal at the Print Works,  
3 Dublin Castle on Thursday, 14th December 2000, Liam Lawlor gave evidence to the  
4 effect that sums of 250,000 pounds, 65,000 pounds and 50,000 pounds were paid  
10:40:38 5 to him by you or by your companies on the 30th September 1987, the 22nd October  
6 1987 and the 29th of February 1988 respectively.

7  
8 These sums were lodged to the account of Advanced Proteins Limited. He further  
9 gave evidence that a bank draft in the sum of 203,125.61 pounds dated the 10th  
10:41:08 10 December 1987 were refunded to you or your companies by him or his company.

11  
12 The Sole Member has directed me to request you to provide to the Tribunal a  
13 detailed narrative statement of your involvement and knowledge of the payment  
14 to or the receipt by Liam Lawlor of the sums referred to above. Your statement  
10:41:30 15 should include details of the agreements under which such payments were made  
16 and should be accompanied by all relevant documents evident in the making of  
17 such payments and return the funds. As the Sole Member is mandated by his  
18 Terms of Reference to conduct his inquiry with expedition, I would be grateful  
19 if you treat this letter as urgent and let me have your statement as soon as  
10:41:55 20 possible, in order for circulation of such statement to affected parties in  
21 advance of the resumed public hearings.

22  
23 I would be grateful to receive your statement and enclosures by close of  
24 business on Monday, 8th January 2001."

10:42:09 25  
26 And that was signed by solicitor to the Tribunal.

27  
28 I think having received this letter, Mr. Goodman, you considered its content,  
29 you sought the advices of your legal advisors and they communicated with the  
10:42:26 30 Tribunal acknowledging receipt of this letter and indicating that they were

- 10:42:31 1 pursuing the inquiries with you so that the comprehensive report or details  
2 could be provided to the Tribunal, isn't that so?
- 3 A Correct.
- 4 Q 6 And I take it that having received this document at the time you understood it  
10:42:47 5 to mean that Mr. Lawlor to that point in time was claiming that a sum of some  
6 365,000 pounds had been advanced by your company to his company, Advanced  
7 Proteins Limited, for the purpose of a blood plasma development plan, is that  
8 as you understood the evidence of Mr. Lawlor at that time?
- 9 A Correct.
- 10:43:12 10 Q 7 Do I take it that that was not your understanding of what in fact had been  
11 instances of funds being provided to Mr. Lawlor, we'll go into the detail of it  
12 subsequently but merely on receiving this letter, was possible for you to  
13 identify what was to be a conflict between your account of events and his?
- 14 A Well what was stated wasn't correct.
- 10:43:38 15 Q 8 Now in the course of Mr. Lawlor's evidence obviously on the 14th December,  
16 there had been no mention whatsoever of lands at Lucan and in particular lands  
17 at Coolamber and any connection between those lands and payments by you, isn't  
18 that so?
- 19 A That's correct.
- 10:44:05 20 Q 9 Your solicitor, after initial communications with the Tribunal, wrote on your  
21 behalf to the Tribunal on the 23rd January 2001 and I'll now read into the  
22 record that document, Mr. Goodman. I know that you haven't been before the  
23 Tribunal before and you will note that before you, there's a monitor screen and  
24 the documents which I will be referring to by number will appear on screen in  
10:44:33 25 the course of your evidence and you may be able to check the detail on screen,  
26 should there be any difficulty about that and if you need a hard copy, if you  
27 indicated that to us, we will see if we can provide one?
- 28 A Thank you.
- 29 Q 10 Otherwise it might be simpler to follow it on screen.
- 10:44:50 30 A Okay.

10:44:50 1 Q 11 So the document I'm going to refer to now is at page 2638 of the brief of  
2 documents and it is a letter of the 23rd January 2001. It's headed  
3 "Mr. Laurence Goodman and Goodman International re: Tribunal of Inquiry into  
4 Certain Planning Matters and Payments."

10:45:12 5  
6 "Dear sirs, we refer to your letter dated the 22nd December 2000 addressed to  
7 Mr. Laurence Goodman. The Sole Member has requested Mr. Goodman to respond to  
8 the evidence of Mr. Liam Lawlor given on Thursday, 14th of December and in  
9 particular to address a number of payments lodged to the account of Advanced  
10:45:34 10 Proteins Limited, APL, between September, 1987 and February, 1988.  
11  
12 Our clients appreciate the extension of time provided to the 31st January 2001.  
13  
14 So that our clients will understand the context in which Mr. Lawlor described  
10:45:56 15 those payments, we did obtain a copy of the relevant transcript from Doyle  
16 Court Reporters in response to question 560, page 108, Mr. Lawlor gave evidence  
17 that to the best of his recollection, the sums totalling 365,000 pounds were  
18 invested by Goodman International, GI, in the feasibility study for the blood  
19 project.

10:46:21 20  
21 As we took instructions from our clients, it became clear that a response  
22 specifically in relation to these payments would not suffice and that for the  
23 assistance of the Tribunal, our clients should detail the relationship with  
24 Mr. Lawlor and his companies, their involvement in the blood project of APL and  
10:46:42 25 the reasons for payment to him.  
26  
27 As recollection and documentation spans a number of decades, it has taken some  
28 time to collect together the information which is now set out in this letter.  
29 Given that some of the matters, particularly those relating to the sums  
10:46:58 30 specified are somewhat more complex than your original inquiry suggests, and as

10:47:06 1 they relate to events which took place some time ago, we have suggested to our  
2 clients that the most useful approach to the Tribunal is to set out in this  
3 letter information which they believe may be of assistance and interest to the  
4 Tribunal. And propose a meeting which might take place this week prior to  
10:47:23 5 furnishing a statement and if possible, documentation.

6 Our clients are still working to clarify a number of issues where uncertainty  
7 as to the facts remain.

8  
9 Background: In brief, the first contact between Mr. Lawlor and the Goodman  
10:47:45 10 Group that can be recalled goes back to 1974, 1975. The group was looking at  
11 purchasing refrigerator plant and equipment manufactured by Hall Thermo Tank  
12 Limited, a UK company. Mr. Lawlor was the Irish agent for this company and  
13 following discussions on the group's requirements, orders were placed for two  
14 of its meat processing plants.

10:48:09 15  
16 It would appear that in June/July 1987, Mr. Lawlor asked for a meeting with  
17 Mr. Goodman to discuss the by-product project which he was promoting. During  
18 that meeting, Mr. Goodman recalls Mr. Lawlor also asking for assistance by way  
19 of a bridging facility both of these matters are set out in more detail below.

10:48:36 20  
21 2: Mr. Lawlor's involvement in Food Industries plc: In October 1987, GI  
22 acquired a small cold store and warehousing company called Merchants  
23 Warehousing plc. The business was inefficient and required modernisation, it  
24 was felt that Mr. Lawlor's experience in the refrigeration business would be  
10:48:59 25 helpful in this regard. In November 1987, Mr. Lawlor was appointed as a  
26 non-executive director to Merchants Warehousing with a fee of 2,000 pounds per  
27 annum.

28  
29 In December 1987, the group was invited to bid for the Bailieborough Co-op  
10:49:16 30 which was in financial trouble. The co-op was owned by several thousand

10:49:23 1 shareholders and as part of the process, a series of public meetings with  
2 shareholders, suppliers, employees etc, were held. The group had no expertise  
3 in the arrangement or conduct of public meetings and Mr. Lawlor whose  
4 experience and expertise was very helpful, volunteered his services to act as a  
10:49:44 5 consultant. The process commenced around the 12th December 1987 and there was  
6 intense activity, including public meetings, etc, which continued until the  
7 final vote in mid January 1988 which was successful for the group.

8  
9 In 1998 -- I think that's in error and it should be 1988, Bailieborough Dairies  
10:50:06 10 and certain other non-meat subsidiaries of GI, were reversed into Merchants  
11 Warehousing Plc and the enlarged group floated on the Stock Exchange as Food  
12 Industries Plc.

13  
14 Due to Mr. Lawlor's time commitment to this project, he was paid a fee of  
10:50:27 15 15,000 pounds in respect of costs and expenses to date. Mr. Lawlor remained as  
16 a non-executive director and was involved in various acquisitions which Food  
17 Industries subsequently made. Attached is schedule 1, detailing payments to  
18 Mr. Lawlor against his expenses claim. Although expenses were to the account  
19 of Food Industries, it would not have been unusual for them to have been  
10:50:54 20 discharged by GI, which was the 68 percent shareholder. The clients assume  
21 that Mr. Lawlor was also paid a director's fee, but does not have details.

22  
23 Advanced Proteins Limited:  
24 The GI group has been involved in the manufacture of functional proteins which  
10:51:17 25 are used as food ingredients since 1983. At that time, they acquired a  
26 northern Ireland company called Regal Foods which had been in business for a  
27 number of years. Regal Foods collected bovine blood from meat factories in  
28 northern Ireland. The blood was separated into plasma and haemoglobin and then  
29 dried. The dried plasma was marketed in Europe. Regal expanded the business  
10:51:47 30 to include some of GI's meat factories in the Republic of Ireland, but it did

10:51:53 1 not have the capacity to provide a general service of bovine blood collection  
2 and processing in the Republic. During the mid 1980s, there was no other  
3 company in the Republic operating in this field, so the potential raw materials  
4 source was under utilised. The IDA were keen to encourage investment and GI  
10:52:12 5 understood that they were supporting two new entrants. One was a company  
6 called APL, promoted by Mr. Lawlor, and a second was a Swedish blood processing  
7 company called Pro Force. As GI were slaughtering circa 25 percent of all the  
8 cattle in the Republic of Ireland, they would have been a major and extremely  
9 important supplier for either of the two parties.

10:52:39 10  
11 It is believed that Mr. Lawlor requested a meeting with Mr. Goodman which took  
12 place in July of 1987. From recollection, Mr. Goodman believes that this was  
13 the first occasion that he spoke to Mr. Lawlor about the APL blood project. It  
14 was a project which was of keen interest to GI. APL's business plan envisaged  
10:53:05 15 the construction of a blood processing plant in the Republic which would  
16 collect and process blood from the Irish meat factories. APL certainly wished  
17 to discuss the possibility of a contract with AIBP for raw material supply.

18  
19 At the time, Mr. Goodman spoke to Mr. Lawlor, he understood that APL had  
10:53:27 20 already advanced to the stage where IDA and Feoga had agreed to support the  
21 project with capital grants. GI did not have any involvement in this process  
22 which it is understood was concluded in 1986. Mr. Goodman had also chosen  
23 equipment from Argentina and had identified a site. Mr. Goodman's recollection  
24 is that the project now required a substantial cash injection so that a site  
10:54:01 25 could be purchased, plant and equipment purchased and construction of the  
26 factory itself got underway."

27  
28 Rather than --

29 A Excuse me. I think it's Mr. Lawlor.

10:54:12 30 Q 12 I beg your pardon. The last reference to Mr.--

10:54:19 1  
2 CHAIRMAN: It should read "Mr. Lawlor had also chosen equipment from -- "  
3  
4 MR. O'NEILL: I correct that, "Mr. Lawlor had also chosen equipment from  
10:54:33 5 Argentina and had identified a site. Mr. Goodman's recollection is that the  
6 project now required a substantial cash injection to that a site could be  
7 purchased, plant and equipment purchased and construction of the factory itself  
8 got underway.  
9  
10:54:48 10 Rather than entering into a supply agreement, GI's preference would have been  
11 to build a blood processing plant itself. The outcome of the meeting was that  
12 GI would make an offer to acquire the project if GI's executive believed that  
13 it was viable. This required a degree of good faith between the parties. It  
14 would appear that minuted meetings between representatives of GI and APL did  
10:55:15 15 not commence until February 1988. The meetings were for the purpose of  
16 discussing technical issues, tender requirements and site selection, etc. The  
17 point of contact at APL was a Mr. Joe Byrne, who GI understood was a consultant  
18 working on the project.  
19  
10:55:34 20 There was a lot of work to be done on the project before an assessment could be  
21 made as to its viability, GI was aware that there was a number of competing  
22 processes which could be used apart from the quotations APL had received from  
23 an Argentinian supplier to build the factory on a turnkey basis. GI also  
24 wanted to investigate the alternative methods to produce the product with a  
10:56:01 25 view to using the best technology available. GI also wanted to increase the  
26 scale of the project before entering into any formal purchase agreement. For  
27 these reasons GI agreed instead to fund the costs incurred to date and to  
28 provide funds for the project to continue during the feasibility period.  
29  
10:56:26 30 It would appear that GI did not in fact make a contribution to the project

10:56:32 1 costs to date but in May 1988, it was agreed that in relation to ongoing costs,  
2 a monthly payment of 3,500 to cover overheads would be paid. In the attached  
3 schedule 2, records show payment for overheads starting in June of 1988 at  
4 7,000 pounds (presumably including May). Thereafter, monthly payments were  
10:57:02 5 3,500 pounds.

6 These payments terminated in August of 1990 (when the group went into  
7 examinership) at which time, 27 monthly installments of 3,500 pounds had been  
8 paid to a total of 94,500 pounds.

9 No further work on the project took place after the group went into  
10:57:26 10 examinership.

11

12 4. Lucan lands:

13 In July 1987 when Mr. Lawlor and Mr. Goodman were discussing the APL project,  
14 Mr. Goodman also recalls an additional discussion with Mr. Lawlor. Mr. Lawlor  
10:57:42 15 indicated that he was trying to put finance together to fund a property he  
16 wished to purchase. Mr. Goodman's recollection is that Mr. Lawlor had  
17 indicated that the site and development cost would amount to 350,000 pounds and  
18 that Mr. Lawlor believed that he could fund this by bank loan once the purchase  
19 was completed.

10:58:04 20 Mr. Lawlor said that he was confident he could sell the property in the next  
21 two to five years for 600,000 pounds. He was in essence asking if GI would  
22 provide him with a short-term bridging finance, but also offering to share half  
23 the profits on the first 600,000 pounds of proceeds (after deducting the  
24 purchase price, stamp duty, etc.)

10:58:33 25  
26 In terms of the group's business at that time, (a turnover of approximately 20  
27 million pounds a week) the sum sought was not significant. And as GI  
28 understood the arrangements, the risks involved were negligible. In the  
29 circumstances, our clients were prepared to accommodate Mr. Lawlor particularly  
10:58:52 30 given their interest in the APL project.

10:58:55 1  
2 The finance GI was making available was to be repaid by a bank loan to be made  
3 to the company purchasing the lands. This company was called Southfield  
4 Property Company Limited, ("Southfield").

10:59:13 5  
6 In order for Southfield to obtain the loan from Bank of Nova Scotia, it would  
7 provide security on the lands themselves in the bank, GI would pay the monthly  
8 loan interest which would be repaid by Southfield to GI when the lands were  
9 sold and Mr. Goodman was required to give a letter of comfort to the bank for  
10 the loan of 350,000 pounds. At the time there were no foreseen problems and  
11 the finance was provided by GI.

12  
13 The agreement was short-term financial help only. Whilst details cannot be  
14 recalled at this remove, it is likely that the group would have asked  
10:59:53 15 Mr. Lawlor to provide some form of security. As the property was mortgaged to  
16 the Bank of Nova Scotia, the only thing available was the residual upside via  
17 the equity. It is believed that Mr. Lawlor may have been asked to complete a  
18 blank share transfer form which could be used to recover the debt in the event  
19 of default but the formalities were not pursued. It is expected because of the  
11:00:21 20 intense activity surrounding the Bailieborough and Food Industries deals in  
21 late December 1987 to May 1988.

22  
23 The sales brochure prepared by Lisneys is attached. It is understood that the  
24 house and the lands were sold separately from the 55 acres comprising lots two  
11:00:42 25 and three purchased by Southfield. The vendor requested 5 percent with tender,  
26 a further 5 percent if accepted, with a contract to close by the 30th September  
27 1987.

28  
29 Having agreed to provide the bridging finance to Mr. Lawlor, three payments  
11:01:00 30 totalling 350,000 pounds were made. The first sum of 30,000 pounds was paid in

11:01:08 1 July of 1987 (not apparently mentioned by Mr. Lawlor in his evidence). 250,000  
2 pounds was paid in September 1987 and 70,000 pounds paid in October of 1987.  
3 The lands cost in the region of 230,000 pounds with a further 120,000 pounds  
4 required for development. The first payment of 30,000 pounds in July would  
11:01:39 5 have been a round sum reimbursing the 5 percent tender and 5 percent  
6 acceptance. The second draw down of 250,000 pounds would have been a round sum  
7 for the expected completion plus legal fees etc. The third payment of 70,000  
8 pounds in October was the balance of GI's commitment. The clients believe that  
9 the 65,000 pounds referred to by Mr. Lawlor in evidence was in fact the third  
11:02:09 10 payment of 70,000 pounds. It is believed that on Mr. Lawlor's request, the  
11 cheques were paid to APL.

12  
13 It is believed that Southfield was offered a 350,000 pounds loan from Bank of  
14 Nova Scotia in December 1987. GI was then repaid its 350,000 pounds on 31st  
11:02:30 15 December, 1987, thus removing their cash exposure. The remaining exposure was  
16 Mr. Goodman's agreement to Bank of Nova Scotia to pay the interest.

17  
18 In relation to the sum of 203,125 pounds, which Mr. Lawlor describes as a  
19 refund on the basis that the project was not going ahead, this sum was not paid  
11:02:59 20 to GI. As indicated above, the company received its 350,000 pounds from Nova  
21 Scotia at the end of December 1987.

22  
23 There was one further payment made to Mr. Lawlor in relation to the Lucan  
24 lands, a sum of 50,000 pounds in February of 1988. Whilst at this stage, it  
11:03:22 25 cannot be recalled with any certainty, it appears that in that month -- it  
26 appears in that month that Mr. Lawlor asked if GI would fund an additional  
27 50,000 pounds in respect of cost overruns. He remained confident that the  
28 property would be sold within the next two years. His assistance in  
29 Bailieborough had generated goodwill towards him and his request was agreed to.  
11:03:52 30 Our clients also paid a further 12,513 pounds to the solicitors acting for

11:04:00 1 Mr. Lawlor in August 1988 in respect of stamp duty.

2

3 Two years later and with no sign of the lands being sold, the clients became

4 uneasy in relation to outstanding funds due from Mr. Lawlor. Mr. Lawlor was

11:04:16 5 pressed to repay his debt. GI stopped paying interest in June of 1990. They

6 were told that Southfield had sold the property to a third party whose identity

7 was not disclosed. The sale price, they were told, was disappointing with just

8 enough proceeds to repay the bank loan. At that time, GI was due 157,560

9 pounds which was the 50,000 pound paid in February 1988, the stamp duty of

11:04:49 10 12,513 pounds and interest on the loan to Bank of Nova Scotia, at the time

11 amounting to 95,047 pounds.

12

13 The sale on to the third party did release Mr. Goodman from his undertaking to

14 continue interest payments but it meant that there was no profit under the

11:05:17 15 agreement described above to be shared between GI and Mr. Lawlor or repayment

16 by Southfield of the 157,560 pounds to GI.

17

18 The clients subsequently learned from Mr. Lawlor that the company that

19 Southfield sold the lands to, Vino Properties Limited (an Isle of Man

11:05:38 20 registered company) controlled by Mr. Lawlor and others had shortly thereafter

21 sold the lands on to a company called Tiernan Properties for a sum in the

22 region of 2.2 million pounds. Our clients are not in a position to verify this

23 information. Obviously it is clear that our clients had nothing to do with the

24 management of Southfield, nothing to do with the sale on of the lands or with

11:06:04 25 the planning or development of the lands.

26

27 The outstanding issue was recovery of the 157,560 pounds debt. Mr. Lawlor and

28 his then solicitors, Messrs. Binchys, were actively pursued to repay this debt.

29 Recovery was not helped by the fact that in 1992, Southfield had been struck

11:06:29 30 off the companies registration. Despite efforts made by our clients then

11:06:36 1 solicitors between 1992 and 1995 to recover the debt it remains unpaid to date,  
2 a situation which is of considerable annoyance to Mr. Goodman.  
3  
4 Our clients hope that the above addresses the request for information from the  
11:06:52 5 Sole Member. You may on a perusal of this information appreciate why we say  
6 the replay to the request was somewhat complex. Despite the passage of time,  
7 the clients have located some documents which may or may not be of interest to  
8 the Tribunal. The scope of a statement and documentation to be provided would,  
9 we feel, be more clearly understood following a meeting with Tribunal lawyers.  
11:07:24 10 We look forward to hearing from you. Yours faithfully."  
11  
12 It's referred to Mr. Goodman in the body of that letter there were two  
13 schedules which were attached to that letter and I'll refer to those now.  
14  
11:07:32 15 The first of them being schedule 1 at page 2898 on screen and this is headed  
16 "Payments to Mr. Lawlor, Bailieborough/Food Industries."  
17 It's divided into a column of expenses and fee and a date sequence which  
18 commences in May 1988 and against May 1988 is shown a fee of 15,000 pounds.  
19 Beneath that then is 21st November, 7,263.48. And running through it a series  
11:08:13 20 of payments ending on the 20th April 1990 in the sum of 580 pounds.  
21  
22 That was information presumably, Mr. Goodman, that you had been able to  
23 assemble for the purpose of your solicitors at that point in time and provide  
24 to them in this format, is that right?  
11:08:33 25 A I think that's correct, it may have been produced at another format earlier.  
26 Q 13 The next document I'd ask you to look at is the second schedule to that letter,  
27 it's at page 2899 on screen and it's headed "APL blood project payments" and  
28 the first entry is for July 1988 and the last is for the 7th August 1990. With  
29 the exception of the first payments, all payments are identical in the sum of  
11:09:12 30 3,500 pounds and we may take it by deduction that the first payment of 7,000

- 11:09:19 1 pounds was intended to cover not only the month of July but also the previous  
2 month of which would have been the month of June.  
3
- 4 CHAIRMAN: Do you reach that conclusion yourself or have you a recollection as  
11:09:33 5 to how it was that the first payments to Mr. Lawlor was a payment of 7,000  
6 pounds as expressed here?  
7 A I don't recall but it seems to be correct, yes.
- 8 Q 14 MR. O'NEILL: I think it follows from that that it might require correction of  
9 the information initially provided in the letter that I have just read to you  
11:09:54 10 which suggested that the payments which were being made to Mr. Lawlor commenced  
11 in May of 1988 as evidenced by the fact that the first payment was for 7,000  
12 pounds in which case the payment would have been for May and June for 7,000  
13 pounds and the first 3,500 payment would have commenced in July, isn't that so?  
14 A That seems to be correct. Yes.
- 11:10:18 15 Q 15 So it seems more likely that the agreement would have been made in June then,  
16 rather than in May of 1988 to pay him this amount of money?  
17 A I am not sure but that's possible.
- 18 Q 16 Again in relation to this particular schedule, it is specific as to the dates  
19 of the individual payments and we will see from them that in the main not only  
11:10:43 20 account month be given but that the date of the month can be given. If we take  
21 for example December of 1988 and January of 1989, one payment was made on the  
22 21st December, the next was on the 4th January, there clearly wasn't a calendar  
23 month between them for a start but secondly it has been possible for whoever  
24 prepared this schedule, to identify the source from which these payments can be  
11:11:11 25 identified, do you know how that came about?  
26 A I don't. It's a possibility that they were produced for a different venue, the  
27 Beef Tribunal.
- 28 Q 17 Certainly in response to this Tribunal, there was a basis upon which these  
29 schedules could be prepared from existing material which you had, isn't that  
11:11:36 30 so?

- 11:11:36 1 A I don't know if it was from what I just said or what it was from, more recent  
2 material but I imagine if it was going back to the early requirement in 1991  
3 and 1992. This would have been all been assembled.
- 4 Q 18 And whilst it may have been assembled at that particular time, it was in some  
11:11:55 5 written form available to you and to your solicitors at the time of the  
6 response in the year 2001 to this Tribunal. Isn't that so?
- 7 A It seems so, yes.
- 8 Q 19 And the Tribunal hasn't received -- in other words the back up documentation  
9 that lies behind these particular schedules, do you appreciate that?
- 11:12:18 10 A I don't because I think the Tribunal would have received everything we had. I  
11 mean if you go back to what you read out, we were trying to be extremely  
12 helpful, so I don't support the view that we weren't giving everything that we  
13 had.
- 14 Q 20 Yes. I was asking you specifically, Mr. Goodman, in connection with these  
11:12:34 15 schedules here as to their origin. Obviously they were generated in this  
16 format that we see here appended to the letter, as two schedules to follow on a  
17 letter but that involved somebody typing this material from other material into  
18 this format, do you appreciate that?
- 19 A It would seem like that, yes.
- 11:12:58 20 Q 21 Now that documentation from which this information was gleaned is not  
21 documentation which has been provided to the Tribunal. I'm asking you if you  
22 know why that is. It may be you may have to do more, in other words to  
23 establish the source of this information, which is here but I'm asking you now  
24 if you can recall what documentation it was that led you to that led to this  
11:13:25 25 document being prepared?
- 26 A I can't recall but I would believe that it probably was from information that  
27 had been available to the previous Tribunal for any payments to any politicians  
28 or whatever. I would imagine it was all assembled at that time and I would  
29 imagine this is only a photocopy of something that's previously been submitted  
11:13:44 30 but I'm not sure of that but that's what I think would be the case.

- 11:13:47 1 Q 22 Well I take it you are happy to make inquiries now to establish what the source  
2 of this information was.
- 3 A I'm very happy to do that. We did ask at the time within the company, we did  
4 solicit all the support we could to collect everything we could for the  
11:14:07 5 Tribunal and I think our earlier response to the Tribunal demonstrates that.
- 6 Q 23 You made a subsequent response to the Tribunal, I will deal with that shortly.  
7 Just to refer to certain orders for discovery which were made both against you  
8 or directed towards you and also directed towards your company, but in relation  
9 to this particular information on the two schedules that we have discussed just  
11:14:34 10 now, I suggest to you that that information has not been discovered to the  
11 Tribunal?
- 12 A I see, I didn't understand that.
- 13 Q 24 The document which I have just read on the two schedules which I have just read  
14 were provided to the Tribunal by your solicitors and in the course of events,  
11:14:59 15 two orders for discovery were made by the Tribunal; one, on the 1st April 2004,  
16 the second on the 12th May 2004 and you, as the deponent, the person swearing  
17 the affidavit, swore the affidavit both of the company and of yourself to  
18 comply with those two orders, isn't that right?
- 19 A Yes.
- 11:15:25 20 Q 25 And in that affidavit, you enclosed an amount of documentation, eight files in  
21 all, and you swore an affidavit to the effect that other material which had  
22 existed was not available to you and it was set out in the second schedule to  
23 the affidavit. That was certain bank accounts and documents which were no  
24 longer in your possession, isn't that so?
- 11:15:52 25 A Correct.
- 26 Q 26 We may return to this at a later stage, I'm just putting the matter in sequence  
27 as to how you have dealt with the Tribunal and the Tribunal has dealt with you  
28 so far on these issues. Following then upon the provision of information  
29 through your solicitor in the letter of the 23rd January 2001, it became  
11:16:22 30 apparent obviously to the Tribunal that what you described as the Lucan lands

11:16:27 1 were intimately connected with the payment of monies to Mr. Lawlor. Whereas  
2 Mr. Lawlor to that point had not made any connection between the payment of  
3 monies to him and land transactions in County Dublin involving yourself, isn't  
4 that so?

11:16:44 5 A Correct.

6 Q 27 I think over time you have been informed by the Tribunal that the Tribunal  
7 intended to enquire into the particular land transaction which it would do so  
8 under the heading of Coolamber. It had not specifically identify been  
9 identified or named in your letter as Coolamber but merely as the Lucan lands?  
11:17:10 10 Isn't that so?

11 A Correct.

12 Q 28 You were invited then to provide a narrative statement specifically dealing  
13 with Coolamber to the Tribunal and such a statement was provided by your  
14 solicitors on your behalf and received by the Tribunal on the 1st December 2004  
11:17:27 15 and I intend to put that document on screen and we'll go through that. It  
16 deals in the main with the same subject issue as had been covered in the  
17 earlier letter containing information which was provided by your solicitor but  
18 it is more specific in the context of Coolamber, isn't that so?

19 A Correct.

11:17:49 20 Q 29 This document can be seen on screen now at page 2848, it's received in fax  
21 copy. It's from the faxed copy that I'm intending to read. Page 2848.  
22 There's the date stamp, 1st December 2004.  
23  
24 Statement of LJ Goodman. "The involvement of either myself or Goodman  
11:18:15 25 International in the Coolamber lands was intended to relate only to the  
26 provision of a short-term bridging loan. Neither I, nor my company, ever had  
27 any interest in the Coolamber lands. As we will be seeing below, I agreed to  
28 provide short-term bridging finance to the sum of 350,000 pounds, which was to  
29 be repaid by a bank loan to be made to the company purchasing the lands. It  
11:18:39 30 was agreed that the group would receive one half of the net profits on the

11:18:47 1 first 600,000 pounds of proceeds of sale (after deduction of the purchase  
2 price, costs and interest). In the event as will be seen, this did not  
3 materialise and indeed I am owed 157,560 pounds in respect of interest payments  
4 and stamp duty which has never been repaid.

11:19:08 5  
6 I never met Mr. Caldwell or Mr. Kennedy. I did however meet with Mr. Tiernan  
7 in November 1991 in an effort to recover monies outstanding.

8  
9 Notwithstanding an undertaking given by Mr. Tiernan that the original agreement  
11:19:25 10 made by Mr. Lawlor with me would be honoured, I had little faith in these  
11 representations. As it has transpired, my reservations were well founded.

12  
13 1. Background:

14 The first contact between Mr. Lawlor and myself that I can recall goes back to  
11:19:42 15 1974/1975. The group was looking at purchasing refrigerator plant and  
16 equipment manufactured by Hall Thermo Tank Limited, a UK company. Mr. Lawlor  
17 was the Irish agent for this company and following discussions on the group's  
18 requirement, orders were placed for two of its meat processing plants.

19  
11:20:03 20 Advanced Proteins Limited:

21 It would appear that in June/July 1987, Mr. Lawlor asked for a meeting with me  
22 to discuss the by-product project which he was promoting. During that meeting  
23 I recall Mr. Lawlor also asking for assistance by way of a bridging facility.

24 Both of these matters are set out in more detail below.

11:20:25 25  
26 The GI Group and in particular its by-products division has been involved in  
27 the manufacture of functional proteins which are used as food ingredients since  
28 1983. At that time, we acquired the northern Ireland company called Regal  
29 Foods which had been in business for a number of years. Regal Foods collected  
11:20:46 30 bovine blood from meat factories in northern Ireland, the blood was separated

11:20:49 1 into plasma and hemoglobin and then dried. The dried plasma was marketed in  
2 Europe. Regal expended its business to include some of the GI's meat factories  
3 in the Republic of Ireland but it did not have the capacity to provide a  
4 general service of bovine blood collection and processing in the Republic.

11:21:11 5  
6 During the mid 1980, there was no other company in the Republic operating in  
7 this field, so the potential raw material source was under utilised. The IDA  
8 were keen to encourage investment and GI understood that they were supporting  
9 two new entrants, one was a company called APL, promoted by Mr. Lawlor and the  
11:21:27 10 second was a Swedish blood processing company called Pro Force. As GI were  
11 slaughtering circa 25 percent of all cattle in the Republic of Ireland, we  
12 would have been a major and extremely important supplier for either of the two  
13 parties.  
14

11:21:45 15 From recollection, I believe that the meeting which took place in June/July  
16 1987 was the first occasion that I spoke to Mr. Lawlor about the APL blood  
17 project. It was a project that was of keen interest to GI. APL's business  
18 plan envisaged the construction of a blood processing plant in the Republic  
19 which would collect and process blood from the Irish meat factories. APL  
11:22:08 20 certainly wished to discuss the possibility of a contract with AIBP for raw  
21 material supply. At the time I spoke to Mr. Lawlor, I understood that APL had  
22 already fans advanced to the stage where IDA and Feoga had agreed to support  
23 the project with capital grants. GI did not have any involvement in this  
24 process which it is understood, concluded in 1986. Mr. Lawlor had also chosen  
11:22:32 25 equipment from Argentina and identified a site. My recollection is the project  
26 now required a substantial cash injection so that a site can be purchased,  
27 plant and equipment purchased and construction of the factory itself got  
28 underway. Rather than entering into a supply agreement, GI's preference would  
29 have been to have its by-products division build a blood processing plant  
11:22:57 30 itself. The outcome of the meeting was that GI would make an offer to acquire

11:23:02 1 the project if GI's executive believed that it was viable. This required a  
2 degree of good faith between the parties. Informal meetings were held for the  
3 purpose of discussing technical issues, tender requirements and site selection,  
4 etc. The point of contact at APL was a Mr. Joe Byrne who GI understood was a  
11:23:24 5 consultant working on the project.

6  
7 There was a lot of work to be done on the project before an assessment could be  
8 made as to its viability. GI was aware that there was a number of competing  
9 processes which could be used apart from the quotations APL had received from  
11:23:41 10 an Argentinian supplier to build the factory on a turnkey basis. GI also

11 wanted to investigate the alternative methods to produce the product with a  
12 view to using the best technology available. GI also wanted to increase the  
13 scale of the project before entering into any formal purchase agreement. For  
14 these reasons GI agreed instead to fund the costs incurred to date and to  
11:24:02 15 provide funds for the project to continue during the feasibility period. It

16 would appear that GI did not in fact make a contribution to the project cost to  
17 date but in May 1988, it was agreed that in relation to ongoing costs, a  
18 monthly payment of 3,500 pounds to cover overheads would be paid.

19  
11:24:22 20 These payments terminated in August 1990 when the group went into examinership  
21 at which time 27 monthly installment of 3,500 had been paid to a total of  
22 94,500 pounds.

23  
24 No further work on the project took place after the group went into  
11:24:41 25 examinership.

26  
27 Lucan lands: I have a very vague recollection only of the detail of this  
28 matter and this statement has been compiled by looking at the files available  
29 to me. The this transaction was not of much importance to me and the monies  
11:24:58 30 involved represented a very small fraction of our daily turnover, which was 20

11:25:04 1 million pounds a week. I took a very limited part in the detail of this  
2 matter.  
3  
4 In July 1987, when Mr. Lawlor and I were discussing the APL project, I also  
11:25:16 5 recall an additional discussion with Mr. Lawlor. Mr. Lawlor indicated that he  
6 was trying to put finance together to fund a property he wished to purchase.  
7 My recollection of is that Mr. Lawlor had indicated that the site and  
8 development cost would amount to 350,000 pounds and that Mr. Lawlor believed  
9 that he could fund this by bank loan once the purchase was completed.  
11:25:41 10 Mr. Lawlor said that he was confident he could sell the property in the next  
11 two to five years for 600,000 pounds. He was in essence asking if GI would  
12 provide him with a short-term bridging finance but also offering to share half  
13 the profits on the first 600,000 pounds of proceeds after deducting the  
14 purchase price.  
11:26:05 15  
16 In terms of the group's business at that time, a turn over of approximately 20  
17 million pounds a week, the sum sought was not significant and as GI understood  
18 the arrangements, the risks involved were negligible. In the circumstances, we  
19 were prepared to accommodate Mr. Lawlor particularly given his interest in the  
11:26:27 20 APL project.  
21  
22 The finance GI was making available together with the interest thereon was to  
23 be repaid by a bank loan to be made to the company purchasing the lands. This  
24 company was called Southfield Property Company Limited (Southfield). In order  
11:26:42 25 for Southfield to obtain the loan from the Bank of Nova Scotia, it would be  
26 provide security on the lands themselves to the bank. GI would pay the monthly  
27 loan interest which would be repaid by Southfield to GI when the lands were  
28 sold and I was required to give a letter of comfort to the bank for the loan of  
29 350,000 pounds. At the time, there were no foreseen problems and the finance  
11:27:05 30 was provided by GI.

11:27:09 1  
2 The agreement was short-term financial help only. I did not consider that I  
3 had any interest in the property. While I cannot recall details at this  
4 remove, it is likely that the group would have asked Mr. Lawlor to provide some  
11:27:23 5 form of security. As the property was mortgaged to Bank of Nova Scotia, the  
6 only thing available was the residual upside via the equity. I believe that  
7 Mr. Lawlor may have been asked to complete a blank share transfer form which  
8 could be used to recover the debt in the event of default but the formalities  
9 were not pursued, I suspect because of the intense activity surrounding the  
11:27:48 10 Bailieborough and Food Industries deals in late December 1987 to May 1988.  
11 Further, at that time, I was personally running the international division of  
12 Goodman International and that necessitated extensive travel all over north  
13 Africa and the middle east and South America at that time.  
14  
11:28:07 15 Having agreed to provide the bridging finance to Mr. Lawlor, three payments  
16 totalling 350,000 pounds were made. The first sum of 30,000 pounds was paid in  
17 July 1987. 250,000 pounds paid in September 1987, and 70,000 pounds paid in  
18 October of 1987. I understood that the lands cost in the region of 230,000  
19 pounds with a further 120,000 pounds required for development. The first  
11:28:46 20 payment of 30,000 pounds in July would have been a round sum reimbursing the 5  
21 percent tender and 5 percent acceptance. The second draw down of 250,000  
22 pounds would have been a round sum for the expected completion, plus legal fees  
23 etc. The third payment of 70,000 pounds in October was the balance of GI's  
24 commitment. I believe that on Mr. Lawlor request, the cheques were paid APL.  
11:29:11 25  
26 I believe that Southfield was offered a 350,000 pounds loan from Bank of Nova  
27 Scotia in December of 1987. GI was then repaid its 350,000 pounds on 31st  
28 December 1987, thus removing their cash exposure, the remaining exposure was my  
29 agreement to Bank of Nova Scotia to pay the interest.

11:29:37 30

11:29:37 1 There was one further payment made to Mr. Lawlor in relation to the Lucan  
2 lands. This was a sum of 50,000 pounds in February of 1988. Whilst at this  
3 stage I cannot recall with any certainty, it appears that in that month,  
4 Mr. Lawlor asked if GI would fund an additional 50,000 pounds in respect of  
11:29:58 5 costs overruns. He remained confident that the property would be sold within  
6 the next two years. His assistance in Bailieborough had generated good will  
7 towards him and his request was agreed to. Goodman International paid a  
8 further 12,513 pounds to the solicitors acting for Mr. Lawlor in August 1988 in  
9 respect of stamp duty.

11:30:21 10  
11 Two years later and with no sign of the lands being sold, I became uneasy in  
12 relation to the outstanding funds due from Mr. Lawlor. Mr. Lawlor was pressed  
13 to repay his debt. The last payment of interest by Goodman International was  
14 made in June 1990. Goodman International went into examinership in August. I  
11:30:42 15 was eventually told that Southfield had sold the property to a third party  
16 whose identity was not disclosed. The sale price we were told was  
17 disappointing with just enough proceeds to repay the bank loan. At that time,  
18 157,560 pounds, which was the 50,000 pounds paid in February 1988, the stamp  
19 duty of 12,513 pounds and the interest on the loan to Bank of Nova Scotia at  
11:31:07 20 the time amounting to 95,047 pounds. The sale on to third party, of which I  
21 was unaware, did release me from my undertaking to continue interest payments  
22 but it meant there was no profit under the agreement described above to be  
23 shared between GI and Mr. Lawlor or repayment by Southfield of the 157,560  
24 pounds to GI.

11:31:31 25  
26 I learned years later that the company that Southfield sold the lands to, Vino  
27 Properties Limited, controlled by Mr. Lawlor and others, had shortly thereafter  
28 sold the lands on to a company called Tiernan Properties for a sum in the  
29 region of 2.2 million pounds. I am not in a position to verify this  
11:32:02 30 information. Obviously it is clear that I had nothing to do with the

11:32:06 1 management of Southfield, nothing to do with the sale on of the lands or with  
2 the planning or development of the lands.

3  
4 The outstanding issue was recovery of the 157,560 pounds debt. Mr. Lawlor and  
11:32:21 5 his solicitors, Messrs. Binchys, (John Caldwell) were actively pursued to repay  
6 this debt. Recovery was not helped by the fact that in 1992, Southfield had  
7 been struck off the Companies Registration. Despite efforts made by my then  
8 solicitors between 1992 and 1995 to recover the debt, it remains unpaid to  
9 date, a situation which is of considerable annoyance to me.

11:32:51 10  
11 Goodman International and the Cork company were wholly owned subsidiaries of  
12 Goodman Holdings and I was the beneficial owner of Goodman Holdings. Goodman  
13 International, the operational company, made advances to the Cork company which  
14 was an investment holding company to enable it to make investments.

11:33:11 15 Accordingly, this debt was owed by to the Cork company.

16  
17 When Goodman International went into examinership in August 1990, the assets  
18 and liabilities of the Cork company were assumed by Goodman International. The  
19 examiner took the view that this was a debt that was unlikely to be realised.

11:33:32 20 The debt was thereafter written off by the Cork company as is shown by the  
21 statement of affairs dated 21st September 1990. Being written off is not an  
22 extinguishment of the right to recover the debt but reflects an accountant's  
23 view of the recoverability of the debt at a particular time.

11:33:52 25 I was unhappy that this debt would be forgiven and I also felt that I had a  
26 personal exposure, given the letter of comfort I had given to the Bank of Nova  
27 Scotia, so I personally through Elangrove Limited, a Noel Smyth & Partners  
28 shelf company, took an assignment by deed, dated the 6th January 1992 from  
29 Cork. To do this, I funded Elangrove to pay Cork the debt. In fact, the given  
11:34:24 30 the assumption by Goodman International of Cork's assets liabilities by this

11:34:30 1 time, the money was paid to Goodman International. There was no discussion  
2 with or notice to Mr. Lawlor in relation to the assignment of this debt. The  
3 matter was being handled on my behalf by Noel Smyth & Partners who continued to  
4 press Mr. Lawlor on behalf of Elangrove."

11:34:50 5  
6 Signed LG Goodman. And dated the 1st December 2004.

7  
8 I think that's your narrative statement in relation to the events which are the  
9 subject of the current phase of the in query, isn't that right, Mr. Goodman?

11:35:12 10 A Correct.

11 Q 30 And it's apparent I think from the detail of your statement and indeed from the  
12 earlier outline contained in your solicitor's letter, that this is indeed a  
13 complex series of events, isn't that so?

14 A Well it didn't start off way but that's the way it ended up.

11:35:31 15 Q 31 And if we could start perhaps with the background to these events by  
16 identifying the individuals concerned, obviously you were one of the  
17 negotiating parties in the arrangements that was entered into with Mr. Lawlor,  
18 isn't that right?

19 A Correct.

11:35:49 20 Q 32 And as you say in the background to your statement, the background was one in  
21 which you had had a previous commercial dealing with a company with which  
22 Mr. Lawlor was at that time involved, I'm talking about the 1974/1975  
23 arrangement, isn't that so?

24 A Correct.

11:36:11 25 Q 33 At that time, do you have any personal recollection of actually meeting with  
26 Mr. Lawlor himself or were your dealings with other executives of that company  
27 or perhaps dealings with the English company associated with --

28 A Yes, I remember we wanted to buy very heavy industrialised refrigeration  
29 equipment remember than what was normally used in the industry and we went  
11:36:41 30 along to Guinness's in Dundalk, the Harp Lager Brewery and met the chief

11:36:47 1 engineer there and eventually went to Guinness Dublin and they recommended this  
2 company in the UK, Hall Thermo Tank and the individuals that should be  
3 contacted. And that's how it came about that we were in touch with Hall Thermo  
4 Tank and their representative turned out to be Mr. Lawlor.

11:37:09 5 Q 34 When you say their representative, is that their representative in Ireland?

6 A Yes, they had apparently bought into his company, as shareholders in his  
7 company. That was our first introduction to him that I can recall.

8 Q 35 Do you have any personal recollection of meeting with Mr. Lawlor himself at  
9 that time?

11:37:27 10 A Yes, I don't remember dates or anything but yes we would have met with him.

11 Q 36 And we know from your statement that your contact with Hall Thermo Tank  
12 resulted in their products being used in two factories which were constructed?

13 A Correct.

14 Q 37 Is that right. And once that work had been completed, is it correct to say  
15 that your dealings with Mr. Lawlor ceased as and from the completion of those  
16 contracts?

17 A Yes, that's my recollection.

18 Q 38 In the course of your dealings with Mr. Lawlor in that commercial enterprise,  
19 did you develop any personal or other relationship with him other than a purely  
20 commercial relationship dealing with that particular contract.

21 A No, I think he or his companies would have continued service agreements or  
22 something for a period of some time.

23 Q 39 At the time that Mr. Lawlor was dealing with you and during those years, he had  
24 yet to enter politics and he held no political office at that time to your  
25 knowledge?

26 A Not that I recall.

27 Q 40 Have you any specific recollection of meeting him again then between 1975  
28 perhaps 1974-1975 and your next meeting with him in the year 1987?

29 A I think I was to, I was along to a dinner party he had at one stage for lots of  
11:39:03 30 people when he -- for some particular occasion, I can't remember what it was.

- 11:39:10 1 That's my only recollection, I may have met him from time to time but not  
2 regularly certainly.
- 3 Q 41 The dinner party you refer to, would that have been a fund-raising event, do  
4 you know, or was it purely social occasion?
- 11:39:25 5 A It wasn't a fund-raising event.
- 6 Q 42 It had no outward political connection?
- 7 A Not that I recall.
- 8 Q 43 So that in 1987 when he came to visit to you, it was of itself relatively  
9 unusual that he would be meeting with you is that so?
- 11:39:46 10 A Well it wouldn't have been a regular occurrence. That's for sure.
- 11 Q 44 And by that time in 1987 of course, Mr. Lawlor had entered into political life  
12 and was no longer involved as far as you were aware in Hall Thermo Tank, the  
13 company he had disposed of prior to 1997, did you know that?
- 14 A I am not sure of what but I don't think we had any commercial involvement with  
15 him in relation to refrigeration. When he exited, I just don't remember.
- 11:40:15 16 Q 45 It would appear to be prior to 1977 that he ceased his involvement with Hall  
17 Thermo Tank and if that's so, it's unlikely you had any dealings with him in  
18 this context from that date forward, approximately ten years before the meeting  
19 that you had in June, July of 1987. But at that time, he had entered political  
20 life and had, was a well known political figure, isn't that right?
- 11:40:42 21 A Yes.
- 22 Q 46 He had I think been in opposition until the return of a Fianna Fail government  
23 in March 1987 and on his return at that time he in addition to being a TD, held  
24 a position as the Chairman of a particular committee and Dail Eireann which was  
25 responsible for the overseeing of bodies in which the State had an interest,  
26 the semi-State companies, isn't that right?
- 11:41:19 27 A I am not sure about that.
- 28 Q 47 You weren't aware of that?
- 29 A I can't recall.
- 11:41:33 30 Q 48 But I take it that you would have known at the time that you met Mr. Lawlor

- 11:41:41 1 obviously in June, July, that he was a prominent politician at that time?
- 2 A Yes.
- 3 Q 49 And did you know of any other business dealings that he was conducting at that  
4 time other than the APL project?
- 11:41:56 5 A No, I had no knowledge of -- certainly we weren't involved in any projects with  
6 him.
- 7 Q 50 Right. And is it correct to say that he approached you rather than vice versa?
- 8 A That's correct.
- 9 Q 51 And you were willing to meet with him and to discuss whatever proposal he had  
11:42:16 10 to make to you at that time? Is that correct?
- 11 A Correct.
- 12 Q 52 And this is a meeting which took place, you say, June, July in your narrative  
13 statement, I take it that's because you can't fix it with certainty as to when  
14 exactly it was that this meeting took place. Is that correct?
- 11:42:33 15 A Correct.
- 16 Q 53 Can we assume that it was relatively close to the meeting which Mr. Lawlor  
17 subsequently had with your deputy chief executive of finance, Mr. Britton? He  
18 has produced certain documents to us, they are on your file, which record a  
19 meeting between himself and Mr. Lawlor at which he seems to be taking down the  
11:42:58 20 initial details of the project and that's dated the 17th July. Do you think  
21 that they were very close?
- 22 A Yes, I would say I thought -- well I thought that the day I met with  
23 Mr. Lawlor, that I then called Mr. Britton in and introduced the subject and  
24 left it to Mr. Britton after that. I thought it was the same day, whatever  
11:43:23 25 date Mr. Britton says that was.
- 26 Q 54 So you think then that Mr. Lawlor came to you with a project, the project being  
27 APL, in the course of that, he drew attention to the possibility of this land  
28 deal. At the conclusion of that meeting on the same day, you passed  
29 effectively Mr. Lawlor on to Mr. Britton to work out the details of it, is that  
11:43:49 30 a fair summary?

- 11:43:50 1 A Correct.
- 2 Q 55 Well, perhaps anyway if we could just consider what the details were of the APL  
3 project firstly. As you say in your statement, since the acquisition by you or  
4 companies connected with you, of the northern Ireland plant of Regal Products,  
11:44:15 5 your company was the only operating company in Ireland which was in the  
6 business of blood processing, is that correct?
- 7 A Correct.
- 8 Q 56 So that insofar as there was an established business in that area, and insofar  
9 as there was expertise being applied practically, it was through your own  
11:44:39 10 existing companies, isn't that right?
- 11 A In edible blood processing, that's correct, in the Island of Ireland. There  
12 were other companies. One or possibly two handling blood in an inedible  
13 process.
- 14 Q 57 Would that be a less pure system using it for fertilizer or something like  
11:45:00 15 that?
- 16 A Correct.
- 17 Q 58 But the scheme which Mr. Lawlor came to you with was obviously one which would  
18 your company had an existing level of knowledge and expertise sufficient to  
19 market the product abroad, isn't that right?
- 11:45:21 20 A Correct.
- 21 Q 59 He, Mr. Lawlor, to that point, as far as you are concerned, had no proven track  
22 history of involvement of anything to do with blood, blood products or  
23 refinements, is that correct?
- 24 A Correct.
- 11:45:37 25 Q 60 In fact I think it's correct to say from your statement that his approach to  
26 you initially was one where he was perhaps looking for a contract for supply of  
27 blood from your factories rather than otherwise or have I got that wrong?
- 28 A That's my recollection, yes.
- 29 Q 61 And who was it then rose the issue and possibility that in fact you would  
11:46:06 30 become involved in some point way? By that, other than the supply contract.

- 11:46:13 1 A Well we were looking to expand. We had a by-products division that was  
2 involved in a number of by-products type of processing. And this was just one  
3 of them and we had a plant at that stage in northern Ireland, the only one in  
4 Ireland, that had advanced processing capability, but it wasn't the only type  
11:46:36 5 of processing available in the industry internationally.  
6  
7 We wanted to expand that business which we had acquired five or six years  
8 earlier. So it would have been a natural process for us to take over a  
9 company, cut the costs, try and improve the marketing and try and build a  
11:46:55 10 company from there into something much bigger, either nationally or  
11 internationally. So it would have been a natural progression for us to build a  
12 larger plant in the Republic of Ireland rather than just confine our activity  
13 to Lurgan in northern Ireland.  
14 And anyone constructing a competing project or with different technology would  
11:47:19 15 have been of interest to us. And I suppose that would have been how we got  
16 interested in what was being proposed. And at that stage the IDA were trying  
17 to promote added value and they were talking to lots of about various processes  
18 in the food industry. And so I think that's how we certainly were interested  
19 in expanding in a business we were already in. I don't know how Mr. Lawlor got  
11:47:47 20 into it. Certainly we weren't involved in the early stages until he was well  
21 past the post in terms of his FEOGA grant and his partnership with some  
22 Argentinian people, we were not involved in any of that.
- 23 Q 62 And whilst Mr. Lawlor had assembled a good deal of knowledge about the process  
24 itself, the actual construction of a plant was something which was apparently  
11:48:21 25 going to be done by an Argentinian on a turnkey basis?
- 26 A It seemed that way, yes.
- 27 Q 63 So that you didn't have any discussion with him at that point in time about how  
28 he was going to finance the building of this project himself?
- 29 A My recollection is that he talked initially about a supply of blood. It may  
11:48:45 30 have developed into perhaps an equity investment or something but we would have

- 11:48:50 1 had no interest in doing anything like that. We were in the business ourselves  
2 and we didn't want any partners in it. I think it developed on some time later  
3 to our saying, our people saying they'd look at the technology to see was it  
4 better than ours, to see if there was something to be gained by going with that  
11:49:11 5 particular technology supplier that Mr. Lawlor was dealing with and so on.
- 6 Q 64 I think that the technology involved was technology which wasn't unique to  
7 Mr. Lawlor, isn't that right?
- 8 A We were using a ball running system which was Scandinavian, there was another  
9 Scandinavian system, there was a flat bed drying system, a ring bed drying  
11:49:37 10 system. And we don't think it was unique but it was one of the systems that  
11 was out there that we weren't using and we were prepared to look at that.
- 12 Q 65 And sourcing that information, could I suggest, was something that could have  
13 been achieved by means of direct contact between your company or its  
14 subsidiaries or any other company with suppliers of this type of product. It's  
11:50:06 15 relatively specialised, could I suggest, and the parties who provide this type  
16 of equipment are relatively limited, isn't that so?
- 17 A I suppose that's reasonable. Yes.
- 18 Q 66 And obviously you were conducting meat business in a very large way at this  
19 time and would be considered by any supplier of plant or equipment to be a very  
11:50:30 20 valuable customer to have, if you could be persuaded to buy their product,  
21 isn't that right?
- 22 A I'd say so, yes.
- 23 Q 67 And any company that was going to come into build such a plant would be doing  
24 so, if not for Mr. Lawlor as a promotor, would be doing so on the basis of  
11:50:53 25 probably a turnkey operation because of the complexity of the plant and the  
26 need to integrate each one of the components in such a plant, isn't that right?
- 27 A Not necessarily correct. No. We didn't intend by turnkey plants, in fact I  
28 can't ever recall us buying one. We would tend to take a piece of this and a  
29 different part of that one and put it together ourselves, we wouldn't  
11:51:20 30 necessarily be going for a turnkey plant.

- 11:51:20 1 Q 68 Is that why you had your own project consultant company Ardee International  
2 Project Consultants?  
3 A Correct.  
4 Q 69 And that was a company which was wholly owned and controlled by you, is that  
11:51:33 5 correct?  
6 A Correct.  
7 Q 70 And insofar as any one of the companies within your group would be disbanded to  
8 investigate the potential for plant or equipment, it would be through that  
9 entity, isn't that right?  
11:51:48 10 A Correct.  
11 Q 71 And it was tried and tested as far as you were concerned, it had been  
12 successful in its efforts as part of the group in acquiring the most up to date  
13 plant that was required, necessary, isn't that so?  
14 A Well the IPC's function was more or less on the civil side and the mechanical  
11:52:09 15 and the electrical side, on the R and D side, somebody else would have been  
16 dealing with it, a Mr. McDonald, there would have been an R and D section would  
17 be looking at it and any views we had in relation to a particular product or  
18 processing or whatever and then if we were moving forward, it would move to the  
19 AIPC who would deal with the engineering side or perhaps with the R and D  
11:52:32 20 people as well.  
21 Q 72 But could I suggest to you that you had within your group I'll call it  
22 in-house, the capacity to evaluate the benefit of any particular scheme that  
23 was being advanced, including Mr. Lawlor as, isn't that right?  
24 A Correct.  
11:52:49 25  
26 CHAIRMAN: Mr. O'Neill a break for the stenographer. We'll break for about  
27 ten minutes.  
28  
29  
11:53:27 30 **THE TRIBUNAL THEN ADJOURNED FOR A SHORT BREAK**

**AND RESUMED AS FOLLOWS:**

- 11:53:32 1
- 2
- 3 Q 73 Mr. Goodman, I think you indicated that you agreed with me that as regards
- 4 Mr. Lawlor's project that you had within your own organisation in house the
- 12:10:11 5 capacity to evaluate the benefit of any particular scheme that might be
- 6 necessary for why you blood product, isn't that right?
- 7 A That's correct.
- 8 Q 74 So that insofar as Mr. Lawlor had anything to put to you in July of 1987, it
- 9 wasn't something of any tangible commercial value?
- 12:10:34 10 A Well we weren't able to decide that until we, I would have thought, until we
- 11 reviewed what the project was because we weren't familiar with South American
- 12 technology and we wouldn't be in a position to know whether it was better or
- 13 worse or something new. I don't remember the detail of it but -- you know --
- 14 what I do know is there were lots of meetings took place and I think we have
- 12:10:59 15 given you all the details of those, involving some senior executives from our
- 16 side and there's no way we would have let them go on a wild goose chase if we
- 17 didn't feel there was something in it. There were dozens of meetings over the
- 18 period and I think you have that detail, it has been submitted to you.
- 19 Q 75 I don't think it extends to dozens of meetings, Mr. Goodman, certainly the
- 12:11:21 20 documentation which has been provided to us --
- 21 A Sorry --
- 22 Q 76 Contains an amount of exchanges which took place between parties often by fax,
- 23 are you referring to the discovered documentation? There's a schedule to your
- 24 affidavit in which there is an outline of the documents which are available to
- 12:11:39 25 you and which were provided to the Tribunal by way of discovery. That
- 26 comprised eight files of documents?
- 27 A I see you had Mr. O'Connor involved, he was a senior executive, you have
- 28 Mr. John O'Donnell involved who is a senior executive. You have Mr. Eddie
- 29 Lowry involved who was head of our by-products division. He was involved with
- 12:12:02 30 meetings. You had Pat Lynch who heads up the AIPC, we had Pat McQuillan who is

- 12:12:11 1 one of his team, draughtsman. We had Declan McDonnell who is head of research  
2 and development. And so on. So --
- 3 Q 77 Are you referring to the schedule to your affidavit?
- 4 A Yes and my notes here from -- yes.
- 12:12:33 5 Q 78 Yes. It's just that for the record and so that the members of the Tribunal can  
6 see the documentation, we put it on screen. I can do that.
- 7 A There was certainly lots of meetings and lots of senior people involved and  
8 they must have thought there was something worthwhile in it, these are not time  
9 wasting people they wouldn't have gone to the meetings unless they felt there  
10 was something to be gleaned from this process.
- 11 Q 79 Yes, could I suggest to you that the documentation which you have provided to  
12 us by way of Affidavit of Discovery, whilst it includes references to all of  
13 the gentlemen who you mentioned, the exchanges that took place that involved  
14 them were often merely notes as between them rather than lengthy or detailed  
15 evaluations or meetings. Do you understand what I'm putting to you?
- 12:13:20 16 A I wouldn't subscribe to that because they looked at sites as well as where this  
17 project was going to be sited and so on or was proposed to site it, so I think  
18 there must have been more to it than what you are suggesting.
- 19 Q 80 You believe there was in any event?
- 12:13:42 20 A Well it depends what you mean by that but I'm saying that there was a blood  
21 project proposed, that the people in the IDA obviously researched that, the  
22 people in FEOGA in Europe research that, they must have been satisfied there  
23 was more to it or they wouldn't have grant aided it.
- 24 Q 81 Sure. They certainly as of 1986 apparently had sanctioned various grants that  
12:14:08 25 might be given to a successful operator who would build the plant but it wasn't  
26 going to be 100 percent funded by any means from these sources, is that right?
- 27 A Well in those days if you were west of the Shannon or in whatever the region  
28 was, there was up to 75 percent available, with was 50 percent available from  
29 Feoga, we never availed of that and 25 percent from the IDA, so there was 75  
12:14:35 30 percent available if you were to locate in the right part of the country.

- 12:14:38 1 Q 82 In any event, nobody set about building this APL project, isn't that correct?  
2 It simply was not a runner at the end of the day?
- 3 A Well I don't know whether it's -- I don't know why it ended but I imagine it  
4 may have ended when our interest in it would have ended when our company had  
12:14:53 5 the problem in August 1990.
- 6 Q 83 Yes. But I think we know that APL, according to Mr. Lawlor never traded, never  
7 acquired a property, never engaged in any development. I suggest to you that  
8 that position was apparent as of 1989, for example.
- 9 A I don't know about that because I don't know what discussions Mr. Lawlor would  
12:15:19 10 have had with anyone else apart from ourselves. I know our involvement in it  
11 ended when I said.
- 12 Q 84 The person who was liaising in a technical way with your technical people who  
13 you have mentioned was a Mr. Joe Byrne, isn't that right?
- 14 A Yes.
- 12:15:38 15 Q 85 You may have seen his name?
- 16 A Yes.
- 17 Q 86 On the documentation which is there. Mr. Joe Byrne was a consultant in his own  
18 right, a firm called JB Consultants, based in Lucan in County Dublin, isn't  
19 that right?
- 12:15:52 20 A Yes.
- 21 Q 87 Did you know that? And you make reference in your statement to Mr. Byrne being  
22 the point of contact with APL and your technical people.
- 23 A That's what I'm led to believe, yes.
- 24 Q 88 Could I suggest to you that as of the 4th August 1989, Mr. Joe Byrne was  
12:16:19 25 providing to Ardee International Project Consultants his own CV, I suggest,  
26 with a view to indicating that he might be a person who they would be  
27 interested in taking on themselves.
- 28 A I don't recall that. I don't recall that maybe -- the project ended then, I  
29 didn't think so, I thought it was 1990.
- 12:16:46 30 Q 89 This is material that has come to us in your discovery, Mr. Goodman. Firstly,

12:17:02 1 the affidavit to which you swore and which contains this documentation, it's  
2 Tribunal reference is A & L Goodman, AFF 1, at page 8. Put that on screen?  
3 Now, if you look about halfway down the page, Mr. Goodman, in front of you  
4 there you will see a reference F020061, folder two, page count six and then a  
12:17:37 5 date, 10th of the 8th 1989, document, fax, author Pat Lynch, Ardee  
6 International, Project Consultants, recipient Eddie Lowry, Munster Proteins and  
7 then in margin, letter of the 10th August 1989 from Pat Lynch, AIPC to Joe  
8 Byrne, JB Consultants, letter, 4/8/89 from Joseph B, JB Consultants to Pat  
9 Lynch CV of Joseph Byrne, do you see that?

12:18:12 10 A No, I don't see it actually.

11 Q 90 Sorry, if I try and identify it a little more. It's the fifth box down from  
12 the top of the document in front of you under the heading -- sorry -- it's the  
13 fifth box down under the heading "enclosures" on the right hand column?

14 A Yes, I see it now.

12:18:42 15 Q 91 So within that box, there is a description of two documents and a CV of  
16 Mr. Byrne. Do you see that?

17 A Yes.

18 Q 92 Now this document as you probably know is the schedule which accompanied your  
19 affidavit of the discovery to the Tribunal, in other words, these are the  
12:19:02 20 documents that you are providing to the Tribunal with your Affidavit of  
21 Discovery. And where, if you go across to the left hand column there where  
22 there's reference to a particular reference, that is your solicitor's or  
23 yourselves attribution of a particular reference to this document and the  
24 folder, folder two is the second of eight folders that you sent to the  
12:19:36 25 Tribunal. So if you were to find this document in other words it's within the  
26 eight folders of document that you sent to the Tribunal at folder number two  
27 with that particular date on it.

28

29 So, what I have to suggest to you, as of the 4th August 1989, the gentlemen who  
12:19:53 30 had been dealing with your technical people in particular with Mr. Lynch in the

12:19:59 1 Ardee International Projects Consultancy at Castle Street, Ardee was sending  
2 his own CV on to them to indicate the areas in which he worked and indicating  
3 how he believed that he might be of benefit to that organisation. Do you  
4 understand?

12:20:18 5 A I understand.

6  
7 MR. GLEESON: Just, Mr. Chairman, before Mr. O'Neill asks another question, I  
8 think it would be appropriate if the witness could be referred to a document,  
9 if he is being asked a question about a document.

12:20:29 10  
11 MR. O'NEILL: I'm happy to do that.

12  
13 Q 93 MR. O'NEILL: So the Tribunal reference to this document, Mr. Goodman, is at the  
14 very top, I mention that for the purpose of the transcript so we can find it  
15 again. It's Goodman 1.2, page 65. That would indicate that it's the second  
16 volume of documentation that you provided to the Tribunal and the 65th page  
17 within that. You will see it's from JB Consultants, Engineers and Projects  
18 Managers at Rusheen House, Main Road Lucan County Dublin, it's received by  
19 Ardee International Project Consultants on the 10th August 1989. It's dated  
12:21:29 20 the 4th August 1989. For the attention of Pat Lynch, you see it was filed  
21 under JB Consultants (Munster Proteins, Longford). I take it Munster Proteins  
22 is one of your companies?

23 A Correct.

24 Q 94 And obviously a particular reference or importance to those involved in the  
12:22:03 25 Munster Proteins scheme of things. It reads "re: blood plant. Dear Pat,  
26 further to our recent telephone conversation regarding the above, I enclose a  
27 CV to give you some background on my work experience etc.

28  
29 As you can see from the attached I have worked in two areas, consultancy and  
12:22:42 30 contracting which I believe would be an asset on the proposed project. I look

12:22:45 1 forward to hearing from you to arrange a mutually suitable appointment to discuss  
2 the above in further detail."

3  
4 Behind that there's a CV which we needn't necessarily go into, it details

12:23:01 5 Mr. Byrne's experience dating back from 1963 onwards, Mr. Byrne is a gentleman  
6 who had been dealing as you can see from your earlier discovery with your  
7 people, if I can call them that, since the inception of the project, he was the  
8 technical interface with them, isn't that so

9 A It seems like it, yes.

12:23:19 10 Q 95 I suggest to you that at this point and from this point forward really, there  
11 was nothing further done about the APL project which was of any significance?

12 A Well I think they looked at sites afterwards. Maybe they got to a stage  
13 technically, then there would be the financial side and the availability for  
14 the whole project, there would be a technical side and viability side and then  
15 we would be looking at sites if they were thinking of going ahead. I see  
16 Longford referred to there, I think they were in fact looking at something in  
17 the Longford area. So when it exactly finished, I don't know.

18 Q 96 Well, we were discussing APL really in the context at the moment of the initial  
19 meeting you had with Mr. Lawlor, this was his entree to you obviously, had he  
12:24:09 20 rung to say were you interested in a property deal you wouldn't particularly  
21 have met him I would take it if that were the case?

22 A No.

23 Q 97 No. But having mentioned the possibility of the APL deal, you had the  
24 discussion with him and you say that as a result of that discussion, there was  
12:24:26 25 an arrangement reached as between you which was not formalised in any way but  
26 that you were going to consider the viability of the APL project with your  
27 people when once it had been evaluated, is that right?

28 A Yes.

29 Q 98 Right. Now to that point, apparently Mr. Lawlor had been engaged for some  
12:24:48 30 years in the project. He had got it to the point which you identified that he

- 12:24:52 1 had received grant -- approval of grant aid but he hadn't actually done  
2 anything about building the plant itself. And your memory I think of events  
3 was that it was initially intended that some of the costs which had been  
4 incurred to that date perhaps would be met by your firm but that didn't happen  
12:25:17 5 and it was in respect of future costs that an arrangement was reached, is that  
6 a fair summary?  
7 A I think that's correct, yes.  
8 Q 99 If I can just deal with that future arrangement, it's one which is documented  
9 to the extent that the schedule that accompanied the information provided to  
12:25:38 10 the Tribunal sets out the series of payments we saw it a little earlier,  
11 commencing with the 7,000 payment and then the 25 other payments of 3,500  
12 pounds. Isn't that right?  
13 A Yes.  
14 Q 100 The date upon which that started is either May or June of the following year,  
12:25:58 15 1988?  
16 A Yes.  
17 Q 101 Ten months or so after the meeting which APL had been discussed?  
18 A Yes.  
19 Q 102 Initially. And can you say what it was or how it was that you came to be  
12:26:16 20 paying Mr. Lawlor 3,500 pounds a month from this day forward?  
21 A Well my recollection is that he had incurred a lot of costs in getting to the  
22 point he was at and he wanted payment for those. If we were to going to take  
23 up the project and we said we were we are not going to take up the project  
24 until we look at it, we might or might not take it up, we don't know and we  
12:26:43 25 would have negotiated to the point where we say we won't pay but we'll pay  
26 ongoing costs until we get to a point we make a decision. It would be that  
27 type of discussion.  
28 Q 103 And do you remember whether that discussion was one conducted between you and  
29 Mr. Lawlor face to face or was it done with one of your financial employees?  
12:27:02 30 A I don't recall. It may have been done with me, I can't remember. This is 17

- 12:27:06 1 years ago.
- 2 Q 104 I appreciate that but I take it there are very few occasions upon which you
- 3 have the opportunity of discussing payments to somebody who is in political
- 4 office such as Mr. Lawlor.
- 12:27:18 5 A Mr. O'Neill, I listed all our political contributions at that last Tribunal.
- 6 Q 105 Yes.
- 7 A In detail.
- 8 Q 106 Yes.
- 9 A So -- it's not a -- I thought perhaps you were.
- 12:27:29 10 Q 107 I am not suggesting that you didn't, Mr. Goodman, what I'm suggesting to you,
- 11 Mr. Goodman is that it's not -- "it's memorable" might be the wrong word to use
- 12 but it's not something that you would forget if you were sitting down with Liam
- 13 Lawlor to discuss payments to him. I just offer that to you, you may agree or
- 14 disagree with it but I would suspect or suggest that it is a memorable enough
- 12:27:57 15 occasion to have met with him to discuss these payments with him?
- 16 A Well I wouldn't account it a memorable occasion and it's not something that I
- 17 would recall dealing with something at that level. The detail of it and as I
- 18 said, we trawled through everything we had to ensure we included every
- 19 political contribution so it wasn't a political contribution. It was a
- 12:28:20 20 commercial contribution. And perhaps it has something to do would the
- 21 Coolamber lands but I don't seem to personally understand where this comes
- 22 together with the Coolamber lands.
- 23 Q 108 Well you will have seen firstly from your own statement, Mr. Goodman, that it
- 24 is quite clear that Mr. Lawlor is attributing the monies which were used to
- 12:28:42 25 purchase the Coolamber lands to the APL projects which he says was funded by
- 26 you whereas in fact your evidence is to the contrary, that it wasn't funded by
- 27 you but that the investment was through the Coolamber lands. Mr. Lawlor in
- 28 other words is interweaving his dealings with the APL project with the
- 29 Coolamber lands and has done so consistently both in his dealings with the
- 12:29:09 30 Tribunal and also with in his dealings with you which we'll examine in some

12:29:15 1 detail a little later?

2 A Yes, but we sought to clarify that four years ago. When we sent in to the

3 Tribunal details of exactly what took place and that's what we did four years

4 ago. And you outlined that and brought us through it earlier and I fail to see

12:29:31 5 what a blood project has to do with lands.

6 Q 109 Well --

7

8 CHAIRMAN: That's well -- sorry Mr. Goodman, I mean that's fair enough comment

9 but the fact is that Mr. Lawlor has mixed them together and we have to

12:29:46 10 investigate that.

11 A I understand, Chairman.

12

13 CHAIRMAN: I can understand, I mean you don't see any connection.

14 A Yes.

12:29:53 15

16 CHAIRMAN: But Mr. Lawlor has said under oath that there is a connection. So

17 for that reason, we have to look at it and Mr. Lawlor's is entitled to have the

18 matter probed and it's obviously important to the Tribunal that --

19 A I can understand, Chairman, but I mean the number of meetings that I had, the

12:30:17 20 number of people we had involved, how many meetings, this was wasn't top of our

21 agenda and I can understand --

22

23 CHAIRMAN: I accept that but you are only being asked to do your best to

24 recall.

12:30:31 25 A Indeed, well we will certainly do that, Chairman.

26

27 MR. O'NEILL: In the -- obviously you say there was a meeting at which you

28 decided that you would pay Mr. Lawlor on the basis that he was paid 3,500

29 pounds per month. I want to explore that with you because these are payments

12:30:55 30 received by Mr. Lawlor and they appear to be payments on a regular basis for a

12:31:00 1 fixed amount with an apparently indeterminate duration and it's those matters I  
2 want to explore with you.

3  
4 Firstly, you believe that he came to you indicating that he had incurred  
12:31:14 5 significant costs in the project to date and that he would like you to pay for  
6 those costs and you declined to do so and there was then a suggestion that you  
7 would contribute towards ongoing cost. Is that right?

8 A Well my recollection is that he looked for, when negotiations were ongoing,  
9 that he looked for payment to meet his costs to date and we didn't know who  
12:31:42 10 those were and we didn't know if the project was going to be of any interest to  
11 us but a competing company that was already grant aided would have been of  
12 interest to us. We had three choices, make a payment up front and maybe it  
13 would go nowhere. Not make any payment at all and maybe it would go to some  
14 other competitor. Or make a smaller payment as we go along until we keep a toe  
12:32:10 15 in the water and make a decision at a later date and that's obviously the route  
16 we chose.

17 Q 110 Can you recollect whether it was your suggestion or his suggestion that the  
18 amount should be 3,500 pounds per month?

19 A I really can't recall. In most situations like this, people would look for  
12:32:30 20 five or six and there would be horse trading and we'd arrive at some particular  
21 figure. Not in all cases but in some cases but I just can't recall the detail  
22 of it.

23 Q 111 Was there any detail given to you about what his likely ongoing costs were? To  
24 this point in time in May of 1988, there had been exchanges between your  
12:32:50 25 technical people and his technical people and presumably it would have been  
26 open to you to ring Mr. Lynch, for example, and say what's the level of cost  
27 that could be carried here. For example, how much is Mr. Byrne likely to be  
28 paid for work that he does and that type of thing. Do you have any  
29 recollection of establishing what the basis, the cost basis of Mr. Lawlor's  
12:33:19 30 ongoing claim for expenses could be?

- 12:33:22 1 A Well I don't have a knowledge of that and he was perhaps trying to recoup his  
2 cost that is he had incurred historically on looking at the thing technically.  
3 I don't know if he travelled to South America. I don't know what, to a apply  
4 to Feoga, and IDA you have to put business plans and everything together. We  
12:33:42 5 weren't funding any of that and maybe he was trying to recoup that but I just  
6 don't remember quite frankly and perhaps it's something you are going to have  
7 to put to Mr. Lawlor.
- 8 Q 112 And as we moved forward then through those payments, obviously they'd have to  
9 be accounted for within your organisation at the end of every financial year.  
12:34:02 10 Do you know if these were accounted for as payments in advance or as a loan to  
11 APL or as wages to Mr. Lawlor or -- how did you provide for the 3,500 pounds  
12 per month to be treated within the accounts of your company?
- 13 A The financial people would have dealt with that. I don't know how they  
14 accounted for it, it would have been I suppose as against R and D or  
12:34:32 15 development or the by-products division. I don't know how they dealt with it  
16 but it certainly would have been accounted for.
- 17 Q 113 It would have to be as a result of you giving them a direction obviously.  
18 Firstly that the payment should be made and secondly, as to what its nature  
19 was. Isn't that right?
- 12:34:48 20 A Well that seems to be the case, yes.
- 21 Q 114 Sure. And since it was intended to be something which would continue for so  
22 long as you were evaluating the project, I take it that once you reached a  
23 determination that you weren't going to go forward with the project, you would  
24 then cease the payment?
- 12:35:08 25 A I -- of course we would yes. If we decided not to go ahead at some point in  
26 time.
- 27 Q 115 Now you have indicated in your statement that a total of 94,500 pounds was paid  
28 to Mr. Lawlor by means of these monthly payments totalling 27 months, the last  
29 payment of which was made in August of 1990:
- 12:35:38 30 A Yes.

- 12:35:38 1 Q 116 Do you say that the APL project was still under consideration or evaluation by  
2 your firm at that date?
- 3 A Yes, we were still keen to expand our by-products division and to go down the  
4 value added route within that division and this type of project would have been  
12:36:08 5 of keen interest to us on an ongoing basis until August 1990.
- 6 Q 117 And the payment ceased upon the examinership, isn't that right?
- 7 A Correct.
- 8 Q 118 So of course we can't forecast what would have happened had that not occurred  
9 but when do you think the ultimate decision would have been taken as to whether  
12:36:28 10 to go or not to go with this project?
- 11 A After the 2nd August 1990.
- 12 Q 119 Is that because of the examinership?
- 13 A It's because Iraq invaded Kuwait and resulted in problems that occurred. That  
14 was the date it happened. That is the date I do remember.
- 12:37:02 15 Q 120 The documentation that you have discovered to the Tribunal in relation to the  
16 APL payments doesn't indicate that there was any dealing, by that I mean any  
17 exchange of documentation in the year 1990. Or dealings with the APL project.
- 18 A I don't know.
- 19 Q 121 Could I suggest to you that if Mr. Byrne was tendering his CV in August 1989 to  
12:37:32 20 your firm, and if there wasn't really any communication on the APL project in  
21 1990, that in effect a decision had been taken not to proceed with Mr. Lawlor's  
22 APL project, whatever about deciding within the organisation to build a blood  
23 processing plant for its own purposes and independent of Mr. Lawlor.
- 24 A No, I don't agree with that.
- 12:38:01 25 Q 122 When do you think you last met with Mr. Lawlor in the context of the ongoing  
26 payments, was it only on one occasion that you decided that he would be paid  
27 the three and a half or did you review that either on an annual or any other  
28 basis?
- 29 A I don't recall reviewing it.
- 12:38:18 30 Q 123 Did you ever ask, have you ever, have you a recollection of ever asking him to

- 12:38:27 1 account for how the 3,500 pounds per month was expended in the context of APL?
- 2 A As I said, it would all be down to our division, each division would be doing a
- 3 number of things that I wouldn't be involved in, day in and day out, year in,
- 4 year out.
- 12:38:46 5
- 6 You got to understand that this is 3,500 pounds against millions of pounds of
- 7 cheques being written daily, not monthly and whatever, by various divisions
- 8 that I would not have sight of and it just isn't, wouldn't have been logical
- 9 for me to be dealing with this on an ongoing basis.
- 12:39:11 10 Q 124 Unlike the millions of transaction you have been involved in through your
- 11 companies, this is one in which you were directly involved with Mr. Lawlor in
- 12 that it was a face to face agreement reached between himself and yourself
- 13 regarding the payment of this amount of money, so that limits the number of
- 14 transactions that one would be dealing with.
- 12:39:29 15 A I don't think that's so because that's just unrealistic. I would have been
- 16 involved initially. That's no different to me meeting a customer and me being
- 17 involved initially in negotiations, discussions and transaction that others
- 18 would then handle afterwards that might go on for weeks, months or years,
- 19 involving product and everything else. So you know, I wouldn't be dealing with
- 12:39:52 20 that level of detail on an ongoing basis.
- 21 Q 125 I see. You indicated in the course of your statement that one of the reasons
- 22 why you considered making this payment to Mr. Lawlor was because he had been of
- 23 considerable assistance to the group in its endeavours to acquire the
- 24 Bailieborough Co-op, is that right?
- 12:40:19 25 A Correct. That's -- he offered his services at that point in time.
- 26 Q 126 Yes. Can you tell us how that happened? Firstly, dating it I think you
- 27 believe it's probably December of 1987, is that right?
- 28 A Around that time, yes.
- 29 Q 127 And to that point in time, your dealings had been limited with Mr. Lawlor
- 12:40:44 30 insofar as there was the meeting in July at which Coolamber was discussed and

- 12:40:49 1 APL was discussed but this was entirely outside those meetings, those  
2 discussions, isn't that right?
- 3 A Sorry say again?
- 4 Q 128 The involvement in December 1987 in relation to the Bailieborough Co-op project  
12:41:03 5 was something which was entirely outside the range of discussion you had had in  
6 August which dealt with APL and which dealt with Coolamber, isn't that right?
- 7 A Yes, I think Bailieborough came afterwards, I think.
- 8 Q 129 It did and you indicated that Mr. Mr. Lawlor volunteered, your word, his  
9 services in this regard. Can you indicate to the Tribunal how that  
12:41:25 10 volunteering happened? Did he present himself one day in your offices or how  
11 did it happen?
- 12 A He presented himself many days in our office once that project started.
- 13 Q 130 Well let's start with the first day. Had you extended an invitation to him to  
14 offer his services to your firm for that purpose or did he self appoint  
12:41:45 15 himself?
- 16 A No, he came along himself.
- 17 Q 131 And how did he know you were going to have this meeting in connection with  
18 Bailieborough?
- 19 A The whole country knew that. It was the first cooperative that was taken  
12:41:59 20 private. It was in every media station in the country. All the farming  
21 organisations were involved, the media were involved and it became a regular  
22 circus, so everybody knew about it.
- 23 Q 132 Everybody knew that it was something that was going to happen, is that right?
- 24 A Everybody knew it was something that was being discussed and looked at and  
12:42:17 25 debated as to whether this company was going to be sold to a cooperative or  
26 whether it was going to be sold to a private organisation and there was a lot  
27 of media attention around it.
- 28 Q 133 And when Mr. Lawlor presented himself to your office, was that in Ardee?
- 29 A Correct.
- 12:42:36 30 Q 134 And I take it you had your own PR agents, your own accountants and advisers,

12:42:47 1 what role did you see Mr. Lawlor performing? I know you will tell us that he  
2 did organise public events and matters of that nature but was it a surprise to  
3 you to see Mr. Lawlor presenting himself to you in this fashion?

4 A It was, somewhat. My recollection is that we were well down the road in our  
12:43:06 5 discussions with the management of the cooperative entity. And those  
6 discussions were called off because the management were told they couldn't  
7 proceed to sell out to the cooperative movement, the shares would have to be  
8 traded at one pounds each, they couldn't be sold at any more than that and so  
9 on, so there was a lot of that going on and we decided that when they called  
12:43:34 10 off the discussions, we decided we would appeal directly to the shareholders  
11 and the only way we could do that was call them to a public meeting and had we  
12 known that was going to be the outcome, we never would have started but we were  
13 in the middle it have and we were there to win and that was so it.

14  
12:43:51 15 So public meetings were called and Mr. Lawlor presented himself and suggested  
16 he had a lot to offer in terms of organisation of these things. And he did.  
17 He was full of energy and full of buzz and that's my recollection of it.

18 Q 135 And it's in relation to that that the payments on the first of two schedules  
19 were made, is that right? The 15,000 pounds a fee in '88?

12:44:19 20 A I don't know when that came in, I'm sure it was later at some stage.

21 Q 136 Well was this a matter of negotiation between you and/or at what point was it  
22 determined that he would be rewarded in this way for the services he was  
23 providing to you?

24 A I don't remember. I think it may have been paid -- at that stage we had a plc  
12:44:54 25 company and the payments would have been made from that company, I think, and I  
26 am not sure if they were made from that company or from GI but in any case, the  
27 payment would have been agreed. I don't believe I agreed that. I can't  
28 remember who did.

29 Q 137 Right. It seems to have been in any event after the event to some extent, if  
12:45:17 30 it started in May, the payment was made -- sorry it started in December, the

- 12:45:22 1 payment was made in May of the following year?
- 2 A Well he was certainly deeply involved for quite a while and I mean there were
- 3 meetings every night of the week in rural areas and he was involved in all of
- 4 that and the setting up of that.
- 12:45:37 5 Q 138 You received then bills for expenses from him which were satisfied apparently
- 6 by your company between the 21st November 1988 and up to the 20th April of
- 7 1990.
- 8 A Correct.
- 9 Q 139 The acquisition was still progressing, was it, through that period or were
- 10 these expenses incurred other than in canvassing, public meetings, etc?
- 11 A He was a director of Food Industries at that stage and it may have been in
- 12 relation to other expenses that he incurred in looking at something.
- 13 Q 140 But that documentation is not available to you at this point in time, obviously
- 14 or you would have discovered it?
- 12:46:18 15 A We would have sent, discovered anything we had certainly.
- 16 Q 141 Yes. The meeting which you had in July at which the APL issue was discussed
- 17 and the Coolamber lands issue was discussed, was that a very detailed meeting
- 18 or was it a relatively brief --
- 19 A Very brief.
- 12:46:43 20 Q 142 And it seemed to have achieved a lot in a very short time from the point of
- 21 view of Mr. Lawlor certainly, he would have come away from that meeting in the
- 22 expectation that at some point he could have a business deal with you on the
- 23 APL side but also a more tangible and immediate conclusion is that he was to
- 24 receive money within a number of days of your meeting which would allow him to
- 12:47:13 25 acquire a land interest, isn't that so?
- 26 A Correct.
- 27 Q 143 And if we look at some of the documentation now which was generated subsequent
- 28 to that meeting and it might assist us in considering what took place. The
- 29 first document I'd ask you to look at, Mr. Goodman, is document prepared by
- 12:47:33 30 yourself, it's undated but it's at page number 190 of the documentation

- 12:47:39 1 available and circulated. It's a handwritten memo prepared by yourself. I  
2 think you can confirm your own handwriting here, Mr. Goodman, I think.
- 3 A Yes.
- 4 Q 144 Deciphering it as best I can and I'll read briefly through it and correct me if  
12:48:09 5 I err anywhere. Firstly it starts "LL and LG proposal, bridging finance for  
6 deposit. If successful, bridging purchases and costs, fees"?
- 7 A Costs.
- 8 Q 145 "If successful, bridging finance "--
- 9 A Yes.
- 12:48:28 10 Q 146 "Costs and fees, up to say 350,000 pounds to 400,000 pounds. Bank borrowing  
11 against land and he or we will be paid back four to six weeks' requirement,  
12 agreed take out 600,000 pounds plus interest plus costs over 350,000 pounds.  
13 Split 50-50 over 350,000 pounds and interest repayment. Timing requirement up  
14 to five years but will happen in two. LG will help but wants price fixed. No  
12:49:15 15 exposure. BB will arrange." Is that right?
- 16 A That's correct.
- 17 Q 147 Was there any particular reason at that time why you considered this at all  
18 with a person whom you had no great dealings with, who was coming to you with a  
19 project who was in future and he was making more or less an immediate demand  
12:49:41 20 for you to make funds available to him?
- 21 A Well I wouldn't say he was making an immediate demand. He was making a  
22 request. And it wouldn't be unusual to be getting such requests from people  
23 for involvement in projects, would be getting -- regularly we'd be getting  
24 suggestions as to what we might get involved in or not so it wouldn't be all  
12:50:06 25 that unusual.
- 26 Q 148 This was your normal procedure, was it, to sketch out in rough outline the  
27 essential elements of the transaction?
- 28 A It depends on what was involved, I might just be sketching out, talking to  
29 somebody who the key things were and, you know, that -- that, I suppose it  
12:50:33 30 would be just a note of what we were discussing about or whatever. But that

- 12:50:37 1 would be the normal for me to sketch something like that out.
- 2 Q 149 The actual implementation of this is recorded here as being something that
- 3 would be done by BB, who is Brian Britton, your deputy chief of finance, isn't
- 4 that correct?
- 12:50:52 5 A Correct.
- 6 Q 150 And obviously he and you would have to discuss the application or the
- 7 implementation of such agreement as you had reached with Mr. Lawlor?
- 8 A Correct.
- 9 Q 151 And in doing so, in this instance, you believed that this was done orally
- 12:51:12 10 because there was no written memorandum passing from you to him, setting out
- 11 the terms of the agreement but you believe you met with him on the same day
- 12 with Mr. Lawlor and left it to them to implement it, is that right?
- 13 A Correct.
- 14 Q 152 So you had to understand of course fully what you were committing yourself to,
- 12:51:32 15 so that Mr. Britton could implement it and equally would have to know what was
- 16 in your mind as to what was to be done, isn't that right?
- 17 A Correct.
- 18 Q 153 Do you remember Mr. Lawlor at any time when he was discussing the details with
- 19 you indicating how his interests and your interests would be reflected or
- 12:51:57 20 protected in the event that you were agreeable to providing what you understood
- 21 to be short term finance for the project?
- 22 A Well he was talking about a very short involvement in terms of the funds
- 23 requirement. I think there was only 5 or 10 percent required for the deposit
- 24 with the tender, so the initial amount of quite small. And then he said he was
- 12:52:30 25 sure he could get finance afterwards if he was successful in buying the land.
- 26
- 27 So I just assumed he was going to bid for the land. He may get or may not get,
- 28 probably won't get it. If he gets it, he is going to raise funds against that
- 29 land and I didn't see us having to put up the rest. If we did, it would only
- 12:52:52 30 be until banking arrangements were agreed and I said we'd get Brian to give him

- 12:52:58 1 whatever help we could on that project.
- 2 Q 154 Sure. So your initial view of it was that once it was acquired and owned by a  
3 company or entity, that a bank would finance that one 100 per cent, you would  
4 get your money back, you would have facilitated him by affording the initial  
12:53:19 5 cash advance to allow for its acquisition?
- 6 A Correct, that's exactly it.
- 7 Q 155 You know that Mr.-- sorry you may know from statements that have been  
8 circulated to you, including those of Mr. Lawlor, that Mr. Lawlor says that the  
9 lands were at all times yours and it was your money and your hands lands?
- 12:53:37 10 A I haven't read all the papers I have to confess but I have seen that, yes and  
11 that quite clearly is not the case.
- 12 Q 156 By way of an aid to your own memory of events, I'd ask you to look at a  
13 document which was generated by Mr. Britton and it's dated the 17th July and I  
14 think we may take it that this was probably generated at the same time or  
12:54:02 15 immediately after the meeting which you held with Mr. Lawlor. It's page 191.  
16 That document contains the first reference that we see to Coolamber and I think  
17 that we can take that from the fact that you had been given a hard copy of a  
18 document prepared by Lisneys Auctioneers for circulation to the public of a  
19 tender process going to take place in relation to the Coolamber lands, isn't  
12:54:41 20 that so?
- 21 A Yes, I remember that document.
- 22 Q 157 That was passed to you by Mr. Lawlor at the time and it named the property. We  
23 see it here. Coolamber, 17/7 and then beneath that, under paragraph 1, I think  
24 so that's requires or requirements, I am not sure. You are probably better at  
12:55:01 25 deciphering Mr. Britton's handwriting than I can.
- 26 A I think it's -- requirement or requires.
- 27 Q 158 Requirement. ECU, unit of currency I think for the loan? Ecu's I think they  
28 were known at the time, the manner in which it was to be financed. Five years,  
29 350,000 and then 2, Nova Scotia, that's one of two banking institutions that  
12:55:36 30 was contacted by Mr. Britton at the time with the view to financing the

12:55:40 1 contract. The second being Standard Chartered Bank which is in paragraph 3  
2 beneath it and in relation to the reference to the bank of Nova Scotia there  
3 are a number of details set out here.  
4

12:55:52 5 Firstly a charge over the property, secondly a 1 and a half percent over I  
6 think the London inter-bank rate and then letter LG, yourself, indicating he  
7 would main -- perhaps maintain -- control of company during period of loan and  
8 aware of it. And beneath that, Irish company in front of Isle of Man company.  
9 Then we see beneath that at 3: Standard Chartered -- something a lot more  
10 certain. Need a lot more detail perhaps.

11  
12 3 and a half percent over London inter-bank right and risk capital and lower  
13 cost, no. With a rejection. So obviously in this attendance or note which  
14 Mr. Britton was preparing he had rejected the terms of the Standard Chartered,  
12:56:58 15 would be prepared to offer facilities in favour of Nova Scotia's and then  
16 there's a note beneath that again, it might I think be a sticker that was  
17 applied on the file here, "Indicative rates for property finance" and they are  
18 listed there. And on the bottom of the page you see "John Caldwell of Binchy  
19 and Partners, Fitzwilliam Square."

12:57:23 20  
21 So that as of the inception of the first day this matter was discussed,  
22 Mr. Caldwell's role in this, whatever it was to be, he was identified as having  
23 a role, isn't that so?

24 A Yes.

12:57:35 25 Q 159 Do you remember when you were speaking with Mr. Lawlor, whether any of this  
26 detail had been raised and we'll just go through firstly, the question of there  
27 being an Irish company behind which there would be an Isle of Man company. Was  
28 that something which was discussed?

29 A No, I wasn't involved in this discussion about which banks or which solicitors  
12:58:00 30 or anything like that. This was a tender that Mr. Lawlor was going to embark

12:58:07 1 upon and it was a public tender so -- but certainly I wasn't involved in  
2 deciding on which bank or which solicitor -- I had no involvement in that, no.  
3 Q 160 Are you saying that Mr. Britton would have taken it upon himself to make the  
4 decisions insofar as there were decisions without reference to you or would he  
12:58:34 5 have come back to you to say what they are proposing is the following but I'm  
6 recommending is whatever it might be?

7 A No, that wouldn't happen. He would be told to get on with it and do it  
8 himself. That would be normal.

9 Q 161 Right. He would have to be satisfied that you would be happy to give some form  
12:58:55 10 of personal guarantee in this situation because what is recorded as one of the  
11 requirements of the Nova Scotia loan, which was not a requirement of Standard  
12 Chartered's loan was that you would maintain control of the company during the  
13 period of the loan. Do you appreciate that?

14 A We would want to do that, I would assume we would want to try protect ourselves  
12:59:19 15 as long as there was an exposure in some way, but Mr. Britton would have been  
16 dealing with this level of finance all the time, every day, and he would be  
17 told what the deal was. It would be left to him to get on with it quite  
18 frankly and he wouldn't be referring to and fro with me, he would be expected  
19 to get it at the most competitive rate if he had an involvement and if he was  
12:59:42 20 helping Mr. Lawlor in this, it isn't really our involvement except where we are  
21 exposed and the exposure was going to be a for a short period of time, so it  
22 would be normal for him to deal with it without reference back to me.

23  
24 CHAIRMAN: Mr. O'Neill, it's after one o'clock, we'll rise until two o'clock.

13:00:10 25

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

27

28

29

30

**THE TRIBUNAL RESUMED AS FOLLOWS AT 2.00 P.M.**

MR. O'NEILL: Mr. Goodman please.

**CONTINUATION OF EXAMINATION OF MR. GOODMAN BY MR. O'NEILL:**

Q 162 MR. O'NEILL: Before lunch, Mr. Goodman, we were discussing the role that you saw for Mr. Britton and in particular, in this particular relationship where you identified really his role as one which protected you and your company's interests in the project but that the project essentially was Mr. Lawlor's, is that right?

A Yes, he brought the project to us and we really only saw it as a short-term financing arrangement that was going to give someone that we knew a helping hand and there wasn't very much in it for us but we didn't want to be exposed either.

Q 163 The exposure that would come would be a financial exposure, is that right?

A A financial exposure, yes.

Q 164 And for that reason, I take it that you wanted your own financial man, Mr. Britton, to organise the finances so you knew where it was coming from, what terms it was on, what the repayment schedules would be and what your exposure would be at the end of the day, is that right?

A Not totally. My thoughts were that Mr. Lawlor wanted some assistance with the initial tender and the deposit. And I suggested that if Brian could be of any help, I assumed he was going to be raising the fund. I see from Brian's note that they were straight into who'd do what, but it wasn't my view earlier on that would be the case. I thought if the land was bought whoever bought it would arrange the funding and I said if Brian could be of any help he was welcome to that help.

Q 165 All right of the well we'll chart Mr. Britton's role as we go through the documentation here but it would seem that Mr. Lawlor didn't take on board any

14:09:29 1 other financial adviser in this transaction, isn't that so, he seemed to have  
2 gone in tandem with Mr. Britton?

3 A Yes, it seems that way.

4 Q 166 Four days after the last document we were considering, which was the one where  
14:09:43 5 the discussions were taking place with the bank as to what terms they would  
6 lend money on, we see that on the 21st July, at page 193, a more comprehensive  
7 note is taken by Mr. Britton in which he refers to the role which is to be  
8 played by the various parties. You see here that the reference is firstly to  
9 "LL" which is an abbreviation which Mr. Britton uses for Liam Lawlor. Beneath  
14:10:21 10 that there's a paragraph dealing with legals. It says "decide on company.  
11 Director/secretary, offshore. Shareholding through nominee company.  
12 Declaration of Trust in favour of LL or accompany nominated by LL. Has to tie  
13 in with tax scheme" and then beneath that, the initials of Liam Lawlor, John  
14 Caldwell and Mr. Britton.

14:10:46 15

16 And on that if we focus for a moment on the declaration of trust in favour of  
17 LL. It would seem what was in discussion here was a nominee company might well  
18 own the land in question, it would have a secretary director offshore but that  
19 there would be a Declaration of Trust in favour of Mr. Lawlor or a company  
14:11:14 20 nominated by him. So it was a two-stage process where perhaps the legal  
21 ownership would be shown to be registered in one particular company but that  
22 there would be a Declaration of Trust by the secretary or shareholders of that  
23 company in favour of Mr. Lawlor or a company nominated by him.  
24

14:11:35 25 In those circumstances, Mr. Lawlor's identity in this project would be  
26 confidential. Did you ever learn that there was to be a process or an  
27 anticipated scheme of things under which Mr. Lawlor's interest would be  
28 protected behind a declaration of trust?

29 A No, that detail wasn't discussed with me or suggested to me and I didn't have  
14:12:05 30 any meetings with Mr. Lawlor or Mr. Britton afterwards as to who would do what.

- 14:12:12 1 It wasn't certainly suggested to me.
- 2 Q 167 It wasn't.
- 3 A No.
- 4 Q 168 Is there any reason that you know of, or did Mr. Lawlor at any time advance in
- 14:12:22 5 the project to you indicate that if you were prepared to provide the finance to
- 6 him, it was not his intention to be publicly associated in any way with the
- 7 project?
- 8 A No, that was never stated to me at all.
- 9 Q 169 Did you have any understanding that might be what might happen?
- 14:12:41 10 A No.
- 11 Q 170 I see. There's a further paragraph here dealing with the manner in which the
- 12 funding would be arranged, it says "a cheques, 30,000 pounds, blank, to LL,
- 13 probably in favour of solicitors, subject to legal advice and then the dates
- 14 are identified as the 22nd July, tender date, 5 percent, 10th August
- 14:13:08 15 acceptance, 5 percent and 30th September, closing date".
- 16
- 17 So to date, to put this particular attendance or memorandum in context, this
- 18 was on the eve for the last day of submissions of the tender. We know from
- 19 earlier documentation that the tender was submitted on the 22nd, the day after
- 14:13:32 20 this event. So that this appears to be an endeavour by those involved to get
- 21 their affairs in order in advance of the tender date, do you agree with that?
- 22 A Yes, it would be typical of Brian Britton to abbreviate things like that to
- 23 list sort of an action list as to who is doing what, that would be his normal
- 24 style of dealing with all projects in fact or most projects.
- 14:14:02 25 Q 171 Sure. The tax elements then are dealt with beneath that. And you will see
- 26 that there was to be a meeting between John Caldwell and Liam Lawlor and Brian
- 27 Britton. Brian Britton was to find out what he could from the bank.
- 28 Presumably that was to do with their securities. Brian Britton to talk to SKC
- 29 about best tax scheme. SKC, I think at that point in time -- firstly that's an
- 14:14:28 30 abbreviation for a firm of accountants, Stokes Kennedy Crowley? Is that right?

- 14:14:32 1 A Correct.
- 2 Q 172 And they were your personal accountants at this time, is that correct?
- 3 A Correct.
- 4 Q 173 The reference here to Mr. Britton talking to them would be in order to receive  
14:14:42 5 advice from them as to your tax structure, is that right?
- 6 A I don't know what he had in mind. I don't know whether it was the structure  
7 for the company or what, I just don't know what he had in mind.
- 8 Q 174 On the financial side then under paragraph 4, you will see that one of the  
9 matters that he wanted to put in hand was a summary of the project, a business  
14:15:06 10 plan, with the facility flow, it's the third item down under the heading  
11 "Finance" and at paragraph 5 thereof, underneath that, you will see "business  
12 plan to be provided" and Liam Lawlor's initials are put to the side of that.  
13 It would indicate that certainly Mr. Lawlor was the person who was to provide  
14 the business plan as to what was to happen to the land.
- 14:15:31 15 Does that accord with what your understanding was from the start that  
16 Mr. Lawlor was the person who knew what the business plan was and he would  
17 reduce it to writing?
- 18 A Correct.
- 19 Q 175 Now we know that it took sometime for that to happen but it did in fact produce  
14:15:49 20 for you a business plan, are you aware of that?
- 21 A I never saw a business plan.
- 22 Q 176 We will see it a little later in the document although it may not have been  
23 personally considered by you.  
24
- 14:16:02 25 Two days after this meeting, Mr. Britton takes another attendance or a note  
26 rather on his file, we will see at page 210, which is headed "Liam Lawlor, 23rd  
27 July 1987." And it says "Isle of Man registered company. Navona Limited."  
28
- 29 And that's the first reference to appears in the documentation which is  
14:16:29 30 produced from your side of the arrangement here which identifies Navona Limited

14:16:40 1 and indicates that it is an Isle of Man registered company. You may take it  
2 that that information is correct, Navona is an Isle of Man company. Were you  
3 ever particularly advised of its existence and the role that it had in the  
4 context of Mr. Lawlor?

14:16:55 5 A No.

6 Q 177 We see that Mr. Britton continued to have dealings with Mr. John Caldwell and  
7 approximately a month later at page 234, there's an attendance or note by  
8 Mr. Britton headed:

9  
10 "John Caldwell, 17th August 1987. 1, original plan" and I am not quite sure  
11 what's beneath it. It looks like inter or intro "tax planning and  
12 confidentiality. Wants borrowings drawn down by and property owned by either a  
13 new Irish company or now Irish company."

14 You see that, or non-Irish company, it could be either non EU, beneath that are  
15 the initials "SM", I think Mr. Sean Mooney is the tax adviser who you were  
16 viewing in SKC at the time of this transaction, is that right?

17 A Correct.

18 Q 178 Insofar as there might be tax planning issues or confidentiality issues of your  
19 own, you would expect him to be the source of whatever information came forward  
20 on those issues. Is that right?

21 A Correct. Well he might be giving advice on it. As to what to do or what not  
22 to do and Brian would have direct access to him and would deal with him on  
23 various matters.

24 Q 179 Sure. The reason given for "want borrowings drawn down by and property owned  
25 by the Irish companies for tax reasons" and then you see beneath that,  
26 "ownership, trustees in the Isle of Man".

27 So again this would indicate there were to be two companies, one an Irish  
28 company and an Isle of Man company and if we hark back to the earlier  
29 documentation which we saw, it seems to conform with the idea that there would  
30 be an Irish company behind which there is an Isle of Man company which would

- 14:19:01 1 hold the ownership. Isn't that so?
- 2 A It seems that way, yes.
- 3 Q 180 Did you ever intend to have any role in the Isle of Man company?
- 4 A No, none whatever.
- 14:19:13 5 Q 181 We see that in September, the 17th -- this is page 259 -- Mr. Britton writing  
6 as the deputy chief executive finance of Goodman International wrote to Bank of  
7 Nova Scotia and in particular to Mr. Brian Perry.  
8  
9 "Further to our discussions during August, I enclose the following for your  
14:19:46 10 attention. Business plan and planning plan for 55 acres, Coolamber lands.  
11 Location of lands and other information relating to site.  
12 I will contact you shortly to arrange a short meeting to discuss the proposed  
13 facility of 350,000 pounds in respect of this development. Perhaps we may get  
14 a few minutes prior to or after our meeting on Monday next, 21st September. If  
14:20:09 15 not, I can meet you on another day."  
16  
17 Now, as of this date, just to date this in the context of the acquisition of  
18 the lands, the tender as we know is the 22nd July and the successful tenderer  
19 was notified on that date that his tender had been successful and was required  
14:20:31 20 to put up, what was in effect 10 percent of the contract price, which was a  
21 deposit of 20,900 or thereabouts, so that finance had been paid to that date.  
22 Isn't that so?
- 23 A Yes.
- 24 Q 182 And this is all prior to any loan actually emanating from the Bank of Nova  
14:20:52 25 Scotia, isn't that so?
- 26 A Correct.
- 27 Q 183 And we'll see that three days later on the 24th September 1987 at page 267,  
28 there is a cheque from Anglo Irish Meat Company Limited, number two account  
29 signed by yourself in the amount of 250,000 pounds made payable to APL, isn't  
14:21:26 30 that so?

- 14:21:27 1 A Correct.
- 2 Q 184 Now, we see from your statement that you identify this as the payment which was  
3 intended to complete the acquisition of the lands from their former owners, the  
4 Tyrrell family, isn't that right?
- 14:21:43 5 A Correct.
- 6 Q 185 To this point in time, there were obviously discussions between yourself,  
7 between your representative, Mr. Britton, and Bank of Nova Scotia but they, in  
8 fact, had not lent the money to this point in time and wouldn't do so until  
9 December, is that correct?
- 14:22:03 10 A I don't know if they wouldn't do so or it hadn't progressed.
- 11 Q 186 Sorry, wrong phraseology, they hadn't done so until the 31st December, is that  
12 right?
- 13 A It seems that way, yes.
- 14 Q 187 So these are your funds which you are out at this point in time.
- 14:22:21 15 A Correct.
- 16 Q 188 As of the date of this cheque which is the 24th September, you had already  
17 advanced the 30,000 pounds by way of the initial deposit monies, isn't that  
18 right?
- 19 A Yes.
- 14:22:36 20 Q 189 So your expenditure to this date is 2800,000 pounds?
- 21 A Correct.
- 22 Q 190 At this point, there has been no documentation in any way acknowledging the  
23 receipt of these funds by Mr. Lawlor or by any company or entity connected with  
24 the land, isn't that so?
- 14:23:00 25 A I don't know if that is true or not.
- 26 Q 191 Yeah. Certainly your file insofar as there is a file on it, makes no reference  
27 to there being receipts or acknowledgements or indeed correspondence to this  
28 point in time between your firm and Mr. Lawlor regarding the project or the  
29 advance of monies to him, isn't that right?
- 14:23:23 30 A It appears so but our clear -- I want to be clear about this -- these funds

14:23:29 1 were specifically for the purchase of this land which had been tendered for.  
2 The tender was awarded, there was a deposit paid with it and if the banking  
3 arrangement hadn't been progressed by that time for whatever reason, this was  
4 obviously a short-term payment. I assume it was going directly to the  
14:23:46 5 solicitors dealing with it. If the payment had to be made by a certain date.

6 Q 192 But in fact whilst we don't have the first cheque, that is the 30,000 pounds  
7 cheque, we do have this cheque and it is made out to APL Limited, which is not  
8 a contracting party in the contract between the Tyrrell's and Navona Limited,  
9 the Isle of Man company, which was to acquire this property for a sum of some  
14:24:15 10 209,000 pounds.

11 So there isn't any immediate or direct contact looking at the cheque which  
12 would relate it to a land transaction at Lucan, isn't that right?

13 A Well I would be expecting Brian Britton to protect us in relation to that. And  
14 I would expect the solicitors dealing with it to protect us in relation to  
14:24:35 15 that. I see I have signed the cheque book but I haven't filled out the cheque.  
16 So I would assume those dealing with it would have ensured that we were not at  
17 risk. That's Brian's writing in the cheque.

18 Q 193 It is.

19 A And if he was dealing with a reputable firm of solicitors which we thought to  
14:24:55 20 be the case at the time, I don't see why there would be any problem in relation  
21 to that.

22 Q 194 But is there any reason why at this point in time we are now at the 24th  
23 September 1987, you initially had your dealings with Mr. Lawlor in a date  
24 probably the 17th July, that there is no documentation passing between Liam  
14:25:17 25 Lawlor and your firm or your firm and Mr. Liam Lawlor regarding this  
26 transaction?

27 A It might seem so 17 years later. But we would readily write cheques that would  
28 go to solicitors' offices to close deals or transactions and we would expect  
29 all the paperwork to be in order. We are dealing with professional people here  
14:25:42 30 on the accountancy side and on the legal side and we would regularly send

- 14:25:47 1           cheques for the closing of transactions or whatever. It wouldn't -- it might  
2           seem that way now 17 years later, that's just not the way commercial business  
3           is run.
- 4           Q 195    One would expect, I suggest, when one is sending money to a solicitor who you  
14:26:05 5           expect to act on your behalf, you would instruct the solicitor in the first  
6           instance to act and there's no indication of you instructing Messrs Binchy &  
7           Partners or Mr. Caldwell to act on your behalf, is that right?
- 8           A           Well the first thing is he hadn't ever done any business with either  
9           Mr. Caldwell or Binchy and Company. We didn't engage them, to the best of my  
14:26:28 10          knowledge. We didn't engage Mr. Caldwell. We had no dealings with him before  
11          that or after that transaction. We were funds providers.  
12          We weren't deal drivers or we weren't anything else. If this was a deal for  
13          us, we would have been negotiating 80 percent or 70 percent or 60 percent. Not  
14          just what we agreed to. Which was for the reasons I said earlier on.
- 14:26:58 15          Q 196    So what you are saying is this was a favourable deal from Mr. Lawlor's point of  
16          view and not necessarily from your own point of view but it doesn't really  
17          explain the absence of documentation from your point of view?
- 18          A           No but we would have done other favourable deals for people and not all  
19          politicians, many many such deals where somebody asked us for help short-term  
14:27:17 20          for weeks or months, it wouldn't be the only isolated case, there would be  
21          numerous cases like that.
- 22          Q 197    For example, Mr. Goodman, this cheque is made to APL, we assume and we can  
23          establish that it was lodged to an account of APL.
- 24          A           I don't know if that's the case. I see it's made to APL. I would have been  
14:27:36 25          asked to sign it probably before it was even made out. I don't know. But I  
26          would trust the people dealing with it, Mr. Britton, if he asked for a cheque  
27          to be signed, I would sign it. So I think that's something you would have to  
28          put to him.
- 29          Q 198    Sure. Well just in case there's any doubt as to where the cheque went, we see  
14:27:58 30          from page 266, the bank account of Advanced Proteins Limited for the year 1987.

14:28:10 1 And the first item to be shown there is on the 30th September by express post  
2 lodgment, 250,000 pounds lodged on that date. So that the monies didn't go to  
3 an intermediary such as a trustee or a bank or a solicitor or somebody who  
4 would hold it on your behalf in escrow or otherwise, it went straight into the  
14:28:42 5 account of this company which could, I suggest, have spent it, had it wished,  
6 or if it was unfortunate enough to be subject to bank overdraft or whatever at  
7 the time, it might have been snaffled, if I put it that way by the bank,  
8 anything could have happened, isn't that right?

9 A I'm sure the people dealing with it would have ensured that that -- I mean the  
14:29:05 10 cheque was written on that date, maybe it didn't go in until, I see it didn't  
11 go in until seven days later. Maybe it was signed by me and maybe it was  
12 handed over at some transaction and do you remember our undertaking was to  
13 provide the cost of the lands and the development costs. Mr. Lawlor had talked  
14 about having to do works and having to do drainage in the first meeting. So  
14:29:31 15 you know how much of it went for the land, I think it's 200,000 it says there  
16 but I notice it's not lodged until the 1st, perhaps it wasn't given over until  
17 the 1st, I don't know that. I am not in possession of that level of detail.

18 Q 199 Sure. But certainly as regards your protecting your own interests, your  
19 interests was not protected by writing a cheque in favour of a limited  
14:29:57 20 liability company, unless there was some other security given and we don't know  
21 of any having been given, is that right?

22 A Just to be clear, as I said earlier, I would have depended on Mr. Britton, he  
23 was in charge of finance, to ensure that we were protected. And I didn't know  
24 this until now but I'm sure we were protected.

14:30:20 25 Q 200 And why are you sure that you were protected if you take it that this cheque is  
26 in the format it is, the money went in the way in which it is and certainly  
27 there was nothing on your file to indicate that in any way APL was restricted  
28 from disposing of these funds as it saw fit.

29 A It may appear that way, but I mean one might as well say we have a manager in  
14:30:46 30 Bandon today writing a cheque to form -- how do we know it's the right form,

14:30:52 1 people are there to deal with this, competent people are in place to deal with  
2 this sort of thing day in and day out and I don't police them in the doing of  
3 their business.

4 Q 201 So by inference you say that there must be secondary documentation that  
14:31:05 5 protected your interests because the cheques on its face made payable to APL  
6 wouldn't have protected you, is that what you say?

7 A No I'm saying I depended on the people who were charged with the responsibility  
8 of dealing with such matters to deal with them in the appropriate credible  
9 manner and these were people, Mr. Britton was a person of integrity and I would  
14:31:27 10 have expected him to have dealt with it in the appropriate manner.

11 Q 202 Well do you think that there's any documentation that was generated by  
12 Mr. Britton which exists other than what we see in the contemporaneous notes  
13 prepared by him at this time?

14 A I'm sure you would have been given every scrap of documentary detail that we  
14:31:50 15 had. I would be more than surprised if that wasn't the case.

16 Q 203 But are you saying that you are happy that the level of documentation that we  
17 have been provided, reflects the documentation which was in fact created or are  
18 you saying that Mr. Britton must have created other documentation which would  
19 have protected your interests but it merely is not available to you?

14:32:14 20 A I am not saying any such thing. I'm saying about Mr. Britton that I would have  
21 depended on him to deal with it in the appropriate manner.

22 Q 204 In one of the earlier attendances there taken by Mr. Britton, there was a note  
23 to the effect that a business plan would be prepared by Mr. Lawlor and if we  
24 look to page 250, you will see that there's a business and planning plan for  
14:32:41 25 the 55 acres of Coolamber, the date of that is the 10th September 1987 and on  
26 page 251 we see an introduction setting out the format of the report itself.

27  
28 It's a comprehensive report and you will see that at page 256, under the  
29 heading "land sales agreement", there's a reference to:

14:33:21 30

14:33:21 1 "The land will be purchased on a five year option agreement by Coolamber  
2 Limited. Coolamber Limited has the necessary wayleave and services connection  
3 agreement with Pentagon Property Services Limited, the company responsible for  
4 the installation and provision of the main drainage services.

14:33:42 5  
6 A. The land to be drawn down within the five year option period as required.  
7 This will ensure the reducing of the borrowings and the contribution to the  
8 interest as shown on the planning programme.

14:33:55 10 B. The provisions of services to the land as an integral part of the sales  
11 agreement and if the option is not exercised sanitary and foul services will be  
12 provided at a figure of 625 per house site" .

14 13 And then it deals with the areas which are the lots two and three which are  
14 divided into 36 acres and 19 respectively. "Sale price for the 19 acres was to  
14:34:13 15 be 17,000 pounds per acre, 612,000 pounds, the area in green the 19 acres is  
16 15,000 per acre, total of 285,000. So there was to be a total land sales price  
17 of 897,000 pounds."

14:34:39 20 Now in relation to that plan, Mr. Goodman, it is a plan which was provided to  
21 Mr. Britton who was acting on your behalf and it was forwarded by him to the  
22 bank as part of its arrangement. It disclosed here that the arrangement was  
23 with yet another company to do two things, firstly, it was a company which had  
24 a connection with Pentagon Property Services Limited. Now that I take it was  
14:35:12 25 not a company which had ever been mentioned by name to you, Mr. Lawlor, to this  
26 point. Were you aware of the existence of that company?

27 A I was not aware of, no.

28 Q 205 Did you know that the intended development of these lands at this time was  
29 contingent upon there being a means of draining these lands through a pipe  
14:35:33 30 network called the Pentagon Pipeline?

- 14:35:36 1 A No, I don't hear about that. He did mention on day 1, that land works had to  
2 be done and drainage works had to be done. I didn't hear of this company or --
- 3 Q 206 Now, while you had thought in July that the provision of finance would be a  
4 very short-term arrangement, in this particular land sales agreement here, it  
14:35:59 5 seemed to suggest that the land would be drawn down in five year, over a five  
6 year period by this company, from the company which would acquire the land. Do  
7 you see that?
- 8 A Yes.
- 9 Q 207 You didn't see that as incompatible with the function that you were to provide  
10 of short-term finance?
- 11 A Yes, but we were going to get our finance back surely when the bank provided  
12 it.
- 13 Q 208 But, well what it seems to suggest, having elected for the Bank of Nova Scotia  
14 option over the Standard Chartered bank option was that you would control the  
14:36:41 15 company in question for the duration of the loan.
- 16 A Yes.
- 17 Q 209 Now, the duration of the loan was to be a five year loan and therefore your  
18 involvement by electing to go with Bank of Nova Scotia was a five year  
19 commitment?
- 14:36:59 20 A Just to be clear, I didn't elect to go with anyone. I had no further  
21 discussion with it. Brian would take that decision, which bank to go with and  
22 what the negotiations were, what deal he arrived at and all that sort of thing.  
23 And he would know that we would expect to be covered in terms of the financial  
24 exposure, if there was an exposure after the funds were drawn down. So which  
14:37:22 25 bank he went in and why he went with that particular bank, it wasn't discussed  
26 with me.
- 27 Q 210 But insofar as you had an understanding and he implemented the understanding,  
28 there appears to be a chasm there, in the sense that you believed you would be  
29 in for a number of weeks, that the finance would come from the bank to take out  
14:37:48 30 your involvement in its entirety and that you would have facilitated Mr. Lawlor

- 14:37:53 1 in that way but you would have no ongoing commitment, is that what you  
2 understand the position?
- 3 A No, we would pay the deposit. If the bank funds weren't through, obviously we  
4 paid for the land. When the bank funds came through, that was the company out  
14:38:09 5 of it in terms of providing the funds. We were committed on an ongoing basis I  
6 understood later for the interest and for an ongoing involvement until the bank  
7 was released from its exposure.
- 8 Q 211 Yes. I appreciate that that is what happened at the end of the day but what  
9 I'm trying to establish is whether that was your initial understanding of your  
14:38:33 10 agreement with Mr. Lawlor or is it the case that that is what you ended up  
11 being committed to? Because I had understood the arrangement from you  
12 initially to be that you would provide the money for so long as it took for  
13 Mr. Lawlor's company to become the owner of the land, that is having acquired  
14 it from the Tyrrell family and that he would then finance it him entirely on  
14:38:59 15 the security of the land.
- 16 A Yes.
- 17 Q 212 Is that your original understanding?
- 18 A That's my understanding.
- 19 Q 213 Right. And that's what you would have communicated to Mr. Britton at the time  
14:39:10 20 on the 17th July?
- 21 A I would have told Mr. Britton exactly what I agreed with Mr. Lawlor which is  
22 what I outlined earlier this morning and I wouldn't have had discussions after  
23 wards in relation to it.
- 24 Q 214 Had that intention gone through, applying it to the history as it was here,  
14:39:27 25 what would have happened was that as of the 30 -- as of the 18th December 1987,  
26 the Tyrrell family would have been paid in full for their lands, they would  
27 have executed a legal transfer in favour of Mr. Lawlor's company Navona and  
28 Mr. Lawlor's company Navona would be the owner of the lands as of that date.  
29 They then, Navona or Pentagon, sorry, Navona or Southfield as it transpired  
14:40:01 30 would then have gone to the bank, to raise finance, would have got a hundred

- 14:40:04 1 percent of the finance from the bank and you would have got your money back.
- 2 A Correct.
- 3 Q 215 Could I suggest to you that it is apparent from the memorandum prepared by
- 4 Mr. Britton to date that we have looked at and from the business plan that we
- 14:40:23 5 see here, that what was intended by Mr. Britton at this point in time, whether
- 6 it was intended or whether it was a consequence, the consequence was that you
- 7 were going to be tied into this arrangement for five years.
- 8 A Well we had given an undertaking, we were told it would be one, two or up to
- 9 five years and that wouldn't be inconsistent with what I said to Brian that
- 14:40:51 10 day, this is a short-term finance but we are into this for one, two, three, our
- 11 five years. And I think that was on my scribbled note earlier on.
- 12 Q 216 Yes but what was one to five years or the project to take place?
- 13 A Oh correct.
- 14 Q 217 And the profit to be realised?
- 14:41:05 15 A Correct.
- 16 Q 218 I suggest there was more focus at that time on when you might see the ultimate
- 17 profit that you got out of the deal, rather than you financing for five years
- 18 because that was never your intention?
- 19 A That was never the intention. No.
- 14:41:17 20 Q 219 The document that we are looking at here is a document which seems to have
- 21 emanated from Mr. Lawlor, certainly Mr. Britton indicates that this was the
- 22 function of Mr. Lawlor to provide the business plan, although it's not signed
- 23 or acknowledged as being from either Mr. Lawlor or APL within the body of the
- 24 report itself. You appreciate that?
- 14:41:52 25 A Yes.
- 26 Q 220 However in the document itself at page 255, there's a schedule which sets out
- 27 how the lands were intended to be developed. And it involved a two phase
- 28 development. The initial phase being one where a service, petrol service
- 29 station and other facilities was to be constructed on the lands. You see under
- 14:42:29 30 the "planning programme" heading there it says:

14:42:32 1  
2 "It's proposed to proceed with an immediate planning application for a licensed  
3 premises, petrol station and garden centre as these facilities are required  
4 South America of the Lucan bypass to serve the Esker parish."

14:42:45 5  
6 And then there's a break down in the scheduled format of how that development  
7 will take place over a timescale between September 1987 and January 1988 and  
8 then part two, the overall development of the plans between October of 1987 and  
9 November 1988.

14:43:07 10  
11 I take it you weren't particularly concerned with the detail of how it was that  
12 Mr. Lawlor intended to implement the ultimate development of the lands but your  
13 view was that you wanted to be out of it as soon as possible, is that right?

14 A Correct.

14:43:23 15 Q 221 On the 8th October 1987 we see at page 292, Mr. Britton is reviewing the  
16 situation. He identifies firstly a company called Springfield Property  
17 Company. Now we know that the company which ultimately became the legal owner  
18 of these lands was Southfield, but there appears to be an interchange between  
19 Southfield and Springfield at this initial stage of the development. But the  
14:44:08 20 company Southfield property company is an Irish registered company. And  
21 beneath that, you see two nominee directors, one of those directors is Mr. John  
22 Caldwell. But this note records that their capacity is that of nominees. Have  
23 you any idea of who they were nominees for? Was it for you or was it for  
24 Mr. Lawlor?

14:44:35 25 A I have no knowledge of that at all.

26 Q 222 It then sets out the land position. "The lands bought by the above company,  
27 lands cert on the way to close the sale. Funds temporarily by LG and now funds  
28 needed. Bank to Binchy Solicitors to LG."

29  
14:44:57 30 I think this might be the return of the funds to you, you having advanced funds

14:45:03 1 by this date. "Plan option figure to say 600,000 pounds and dispose of to Isle  
2 of Man company, exercising on a draw down basis, keeping bank interest paid.  
3 SM -- I think it's Sean Mooney -- BP, Brian Perry, bank official, is dealing  
4 with it in Bank of Nova Scotia, to agree wording bank conditions with LG  
14:45:34 5 maintaining control of company during the period of loan and aware of it."  
6

7 Then the consideration and cost and stamp duty, 225,000 pounds, other costs,  
8 125,000 pounds. The monies then expended are noted beneath that. I think as  
9 the deposit, 30,000 in July, the advance in September of 250,000 and there then  
14:46:05 10 is a balance in October of 70,000, so that the 350,000 figure envisaged is  
11 brought up by means of a payment of a balance in October. Isn't that so?

12 A Correct.

13 Q 223 Do you understand and are you satisfied from your analysis of the information  
14 available to your companies that you did in fact make the three payments that  
14:46:31 15 are recorded here in the manner recorded here, namely 30, 250 and 70?

16 A Correct.

17 Q 224 Whilst Mr. Lawlor spoke in his evidence to which you were initially responding  
18 in your communication to the Tribunal in February, that he had received 365,000  
19 pounds for an alternative purpose, 250,000 of that is the same 250,000 that is  
14:47:04 20 catered for here, isn't that right?

21 A That's correct.

22 Q 225 The other figure of 70 here is a figure out of which you believe 2 -- sorry  
23 65,000 pounds came from Mr. Lawlor to fund his purchase, are you aware of that?

24 A Sorry?

14:47:25 25 Q 226 The 70,000 pounds which you paid to Mr. Lawlor was lodged to his account and he  
26 took out 65,000 of that which went on this land acquisition project.

27 A I didn't realise that until recently.

28 Q 227 Certainly from this document as of October '87, it was clear that Mr. Mooney,  
29 who is your accountant, an the bank official, Mr. Perry, were aware, were going  
14:48:02 30 to be aware certainly of you retaining a control of the company during the

- 14:48:07 1 period of the loan and that you would be aware of that throughout the loan.  
2 That is something that you have no recollection of and you didn't understand to  
3 be the case, is that right?
- 4 A Correct.
- 14:48:19 5 Q 228 The requirement to in effect personally guarantee this loan, while I accept you  
6 never executed a formal document of guarantee, isn't that correct?
- 7 A I think it was a letter of comfort, was it not.
- 8 Q 229 The bank was satisfied with the letter of comfort believing that that would be  
9 sufficient to achieve their purposes but it was a requirement of the banks  
10 rather than something volunteered by your side, I suggest.
- 11 A I don't know and I would have assumed that the bank would have a lien on the  
12 land and would be covered by the assets.
- 13 Q 230 Sure.
- 14 A And they just wanted some additional comfort.
- 14:49:10 15 Q 231 If one was to look at the consideration for the contract itself, Mr. Goodman,  
16 one would see that this 55 acres was sold by tender publicly, the highest bid  
17 achieved was 208,000-odd, the loan was for 350,000, so there was a considerable  
18 unsecured amount involved in this loan and because it was, if the bank had to  
19 realise the sale of the property again and assuming they got what it had got,  
14:49:46 20 the public had tendered beforehand, they would stand to lose 140,000 pounds or  
21 so?
- 22 A Well not if the funds provided by the bank were used to help develop the land  
23 as was originally stated was going to be happen. The lands had to be developed  
24 apparently and I don't know whether that required bulldozing or draining or  
14:50:17 25 whatever but there was from day one, a requirement for the development of the  
26 lands and perhaps that made them substantially more valuable. I actually don't  
27 know but certainly there was that request from day one.
- 28 Q 232 Well that's as you understood it but it transpires that there was no work done  
29 on the lands during the period of their ownership by Southfield.
- 14:50:38 30 A There was no work done on them?

14:50:40 1 Q 233 No?

2 A Any realise that until now.

3 Q 234 Any work would require planning permission. Planning permission didn't

4 ultimately issue until 1994. The letter of comfort requirement I think was in

14:50:57 5 fact the banks requirement as we see on page 293, which is a letter of the 9th

6 October 1987. It's addressed to Mr. Britton from J Barry Miler who had just

7 become the account manager of the bank at that time.

8

9 He says "Further to our meeting 9th, I have had an opportunity to draft an

14:51:22 10 appropriate letter of comfort a copy of which is enclosed herewith. I feel

11 that best way to proceed at this stage is to complete a letter of comfort as

12 attached and effect a legal mortgage on the property as I understand that we

13 are dealing with the land certificate and would not be practical to complete an

14 equitable deposit. I look forward to hearing from you."

14:51:41 15

16 The very next document we see at page 294, is the draft of that document, the

17 letter of comfort. It says:

18

19 "Dear sirs re: Irish pounds 350,000 loan facility to Springfield Property

14:51:58 20 Company Limited, the borrower. I'm aware of and support the arrangement

21 whereby you intend providing facilities totalling 350,000 Irish pounds to the

22 borrower. I confirm that I'm the beneficial owner of one hundred per cent of

23 the issued share capital of the borrower and will maintain this shareholding as

24 long as any sums remain outstanding under the above facility. While your banks

14:52:26 25 loan and facilities to the borrower are outstanding, I will cause the borrower

26 to be managed in such a manner as to enable the latter to honour its

27 obligations to your bank at all times."

28

29 So that was the bank's requirement to have the letter in those terms, isn't

14:52:47 30 that so? You'd accept, I think, that the consequence of this would be to

14:52:53 1 impose, if you were the signatory on it, an obligation upon you which was  
2 personally enforceable against you and was not limited to the security of the  
3 lands themselves, isn't that right?

4 A Correct.

14:53:05 5 Q 235 The bank then wrote Southfield Property Company which at that point had its  
6 offices at 14 Castle Street, Ardee, County Louth and we see this at page 393.  
7 Your centre of operations is at that address, isn't that so?

8 A Correct, yes.

9 Q 236 We see on the 23rd December 1987, a letter is sent to the bank which is an  
14:54:09 10 offer of a loan. It's addressed to Southfield Property Company Limited at that  
11 address and therefore we assume it's received at that address and considered by  
12 Mr. Britton. It provides that the name of the borrower is Southfield Property  
13 Company Limited so that while the bank may have thought at some point it was  
14 Springfield, they accept it was a letter of offer which was the one which was  
14:54:35 15 signed by the company, that Southfield was the appropriate partner, is that  
16 right?

17 A Yes.

18 Q 237 It was a loan of 350,000 pounds or its equivalent, a non-revolving facility, it  
19 was to purchase the 55 acres of land at Lucan at a cost of 230,000 pounds plus  
14:54:58 20 development fees and incidental costs and expenses. The interest rate is not  
21 particularly material.

22

23 The next page, 394, the security is specified there, "two forms of security,  
24 the first being a first legal mortgage over the 55 acres together with relevant  
14:55:16 25 fire insurance where applicable, wouldn't apply because there are no buildings  
26 here. Secondly a letter of comfort in a format acceptable to the bank from  
27 Mr. L G Goodman, the letter of comfort shall include inter alia the provision  
28 that Mr. Goodman shall not relinquish one hundred percent beneficial ownership  
29 of the borrowing so long as any amounts remaining outstanding on this  
14:55:43 30 facility".

- 14:55:44 1  
2 Now we see that this is accepted by both, by the company I should say, at page  
3 397. On the 30th December 1987, Mr. John Caldwell signs as a director on  
4 behalf of Southfield Property Company Limited. This was a week after the loan  
14:56:13 5 documentation had issued to Ardee, so presumably it was sent on to him for the  
6 purpose of signature and the bank equally signs it by its two managers there.  
7  
8 The effect of this document, Mr. Goodman, clearly was that money was going to  
9 be generated by way of a loan to this company which was secured upon, the  
14:56:41 10 property itself and your personal letter of comfort, isn't that right?  
11 A Correct.  
12 Q 238 The letter of comfort had been signed by you the day before Mr. Caldwell signed  
13 on behalf of the company. We see that on page 401 on the screen. And this is  
14 your signature at the bottom of it and it is in identical terms to the earlier  
14:57:26 15 letter that we read, save that Southfield has been substituted for Springfield  
16 as the company. Have you a recollection of this document at all, Mr. Goodman?  
17 A I don't have, no.  
18 Q 239 No. I take it you'd agree with me that it's very clear in its terms so far as  
19 it imposes an obligation on you to manage the affairs of a particular company  
14:58:08 20 in such a manner as to enable it to meet its obligations to the bank which are  
21 specified at 350,000 pounds, isn't that right?  
22 A Yes, but there were other directors, professional people as we saw a moment  
23 ago, Mr. Caldwell and others, we took it they were running the company and that  
24 they were going to do everything in a professional manner. We didn't engage  
14:58:36 25 ourselves in any of that activity.  
26 Q 240 But at a minimum, it's a very high risk strategy to give a letter of  
27 undertaking which in effect this was in relation to the affairs of a third  
28 party entity, isn't that right?  
29 A One lives and learns.  
14:58:48 30 Q 241 But you would have expected, I take it, that you would be in some way taking

14:58:59 1 control of the company in question so as to ensure that it could not act in  
2 such a manner as either to deplete its shareholding or to, in any other way,  
3 reduce its assets, either by your taking a mortgage over the lands personally  
4 or through a company or alternatively by appointing your own nominee directors  
14:59:24 5 to control it.

6 A That might seem a logical thing to do now after the event but bearing in mind  
7 that we were not going to gain all the benefits. We were told that a deal was  
8 available after a period of time for 600,000 pounds. We just wanted to get on  
9 with it and get our commitment closed off. There were professional people  
14:59:51 10 controlling this company, including solicitors, and they seemed to be running  
11 the whole show and we expected them to carry out everything in a prudent  
12 manner. Brian dealt with all of this on my behalf. I didn't deal with any of  
13 it. I signed the letter but I signed many things in my time and I am not  
14 saying I wasn't aware of it, I don't recall it. It's obviously my signature.

15:00:14 15 And I would have expected him and the solicitors, the directors, to ensure not  
16 alone was the bank looked after but that we were looked after and we were not  
17 looked after. The bank was looked after. The bank got all its money, in fact  
18 the only one that didn't get its money was me.

19 Q 242 The document that we see here is one which Mr. Lawlor indicates supports his  
15:00:44 20 account of events and I'm putting this to you because Mr. Lawlor has decided  
21 for his own reasons not to present himself here and if he is to pursue that  
22 particular course, he won't be putting this document to you and therefore I'm  
23 putting it to you that he, Mr. Lawlor, will say that this evidences the fact  
24 that Southfield Property Company was your company and that you had control of  
15:01:10 25 the lands by reason of this particular letter. Do you reject that?

26 A I reject that. And could I add that if I was the owner, I wouldn't have let  
27 it -- I mean it seems to have been sold and I only read this at the opening  
28 statement of the Tribunal a couple of days ago, it was sold for around three  
29 million pounds, if we were the ultimate owner we didn't receive any of that.  
15:01:34 30 In fact we didn't even get our interest, 157,560. If we were the owner, we

- 15:01:40 1 wouldn't have stood for that.
- 2 Q 243 I think it follows from that, as we will see that whilst there was a subsequent  
3 sale, you were not consulted in the course of that sale. The disposition  
4 onward by Southfield was not a matter which was brought to your attention?
- 15:01:58 5 A Absolutely not.
- 6 Q 244 We'll reach that hopefully shortly. The documentation which was completed by  
7 Mr. Caldwell included the provision to Bank of Nova Scotia of the details of  
8 the officers of the company that was the borrower, Southfield Property Company  
9 Limited. You see that at page 405.
- 15:02:29 10
- 11 This is a printed form generated by Bank of Nova Scotia for signature by  
12 borrowers where they are corporate entities. It reads "The undersigned on  
13 behalf of Southfield Property Company Limited herein called the company hereby  
14 certifies that the following persons are the officers of the company. Cauldry  
15 Secretariat Limited and secretary and the following persons are the directors  
16 of the company, John Caldwell and Oliver Burke. The undersigned undertakes to  
17 notify you of any change in the directors or officers of the company and until  
18 you receive such written notice you may assume that the above persons are the  
19 officers and directors of the company".
- 15:03:09 20
- 21 And that was signed at the same time as the loan agreement, the 30th December  
22 of 1987. Now we'll see that whilst the money has been raised by Southfield  
23 Limited it never actually gets to Southfield, it goes directly to your company  
24 we see at page 406. Mr. Tom Walsh I think is the group treasurer or certainly  
15:03:44 25 was of Goldman International, is that right?
- 26 A Yes.
- 27 Q 245 This undated document, I believe that it is obviously immediately prior to the  
28 30th December, it reads as follows, it's to Bank of Nova Scotia in a, re:  
29 Southfield Property Company Limited.
- 15:04:05 30

15:04:05 1 "Dear sirs, we should be obliged if you would pay 350,000 pounds under the  
2 facility of Southfield Property Company Limited to Allied Irish banks, 73  
3 Clanbrassil Street, Dundalk, County Louth for the account of AIBP Finance, and  
4 it gives the account number, for value the 30th December 1987. Yours  
15:04:30 5 faithfully."

6  
7 We see then at page 421 a bank statement of Anglo Irish Beef Processors  
8 Limited, Clanbrassil Street, Dundalk, the redacted extract is the relevant one  
9 here. It's for 350,000 pounds and it's paid on the 31st December of 1987. You  
15:05:03 10 see that? So we see take it that Mr. Walsh's direction given to bank, Bank of  
11 Nova Scotia is acted upon with the result that the bank loan raised by  
12 Southfield through the signatory of Mr. Caldwell on that documentation finds  
13 itself going directly to Dundalk.

14 A Correct.

15:05:30 15 Q 246 Again, to that extent it might be put to you that that is indicative of your  
16 company, Goodman International, controlling Southfield Property Limited insofar  
17 as it was able to direct that the funds, the sole funds of that company would  
18 be paid to Goodman International, rather than Southfield itself executing the  
19 documentation which directed that that would happen, do you understand?

15:06:05 20 A I understand but I don't agree because the directors would direct that and we  
21 weren't directors of that company. We had loaned the money. We were  
22 outstanding the money. The funds were raised against the asset and paid back  
23 to us. Which must have been an undertaking of the directors of that company  
24 that to do. But I was trying to explain that we didn't see ourselves as owning  
15:06:32 25 the company, running the company, or having anything to do except the  
26 short-term finance and I'm obviously explaining it very poorly but the  
27 directors would be responsible for that.

28 Q 247 But as regards the bank which was providing these funds, it certainly does not  
29 appear at any time to have been informed that the monies were being advanced by  
15:06:57 30 you to Mr. Lawlor, isn't that so?

15:07:01 1 A Well I understood they were being advanced to buy the land, not to Mr. Lawlor.

2 Q 248 But they had to go to somebody, some individual?

3 A Well a company. They went to APL they went, I assume to the lawyers dealing

4 with the sale of the land. I didn't follow the transactions. I think it would

15:07:21 5 be useful to understand what my involvement was in 1987 in September/October.

6 Q 249 In the context of this transaction?

7 A In the context of everything. I was running a company with 30-odd meat

8 processing plants. We were slaughtering between 16 and 20,000 cattle every

9 week. These were being deboned into -- that equates to about four to 500,000

15:07:50 10 cuts of beef. These were being exported all over the world. So there were

11 thousands of cattle being bought, being processed by thousands of employees,

12 being sold in Europe and internationally. I was running all of those

13 companies, I was the chief executive, together with running the international

14 division which I had started in 1979. That was because live exports were

15:08:17 15 leaving this country, they were getting a very high subsidy on live exports of

16 cattle and various companies in our industry couldn't compete for the raw

17 material.

18

19 If we didn't get out to those countries and supply those oil rich countries, we

15:08:31 20 wouldn't compete for the raw material. I spent a lot of time in those

21 countries in '79 and '80 and '81 and '82 and so on. To a point where I was

22 doing all the negotiations initially in places like Bahrain, Dubai, Saudi

23 Arabia, Baghdad, Tehran and Morocco. Many of those were delegated to other

24 people later but I held on to the Moroccan business, the Egyptian business, the

15:09:01 25 Iranian business and the Iraqi business. I negotiated all of those personally.

26

27 Now, that involved in being in each of those countries three or four times a

28 month. I would be more often in Tehran than I would be in Ardee in a month. I

29 might be there once in the month, it might be twice. It might be for an hour,

15:09:22 30 it might be for a day. And at the same time, during that period in September,

15:09:32 1 of '87 we required Channel Meat Company from a cooperative, that took a lot of  
2 negotiation, I negotiated that. In the same month we acquired Lyons of  
3 Longford meat company, I negotiated that in. In September I negotiated Lyons  
4 of Dromod, I negotiated all that. In October, we acquired Merchants  
15:09:54 5 Warehousing, which was a plc and we had planned to put our non-meat interests  
6 into that plc and you know yourself what's involved in acquiring a plc, there's  
7 a lot of time consuming discussions. That was in October. In the same month  
8 we acquired Minch Norton, plc, so now we acquired two plc in the same month.  
9 Now we also acquired a 40 percent share in Rye Valley Foods, in Carrigmacross.  
15:10:26 10 We set that company up and provided the funds for it and took a 40 percent  
11 shareholding and that was only my day job. We had lots of other things going  
12 on at the same time.  
13 So it entailed travelling at least three weekends out of every four and  
14 travelling through the night and in '87 we negotiated three year deal in  
15:10:52 15 September 1987 with the Egyptian government for the supply of 50,000 tons of  
16 meat a year, that's nearly a million cattle. We negotiated a barter deal in  
17 September and October for 60,000 tons with the Iranian government, that's a  
18 third of a million cattle a year as well. We had to take oil for it, we were  
19 selling beef and buying oil and laying off the oil. And we were doing the same  
15:11:20 20 in Iraq and we know what happened in Iraq and we were doing much the same in  
21 Morocco. Now how I go to go into the detail that you are expecting me to have  
22 knowledge of when all this was going on. We had eight grain companies and that  
23 was by the way, it wasn't our main business and those grain managers reported  
24 to me. When we bought Minch Norton we finished with 16 grain companies and all  
15:11:43 25 sorts of other things and we decided to float this company for non-meat  
26 interests. So it all entailed a tremendous amount of work and time and effort  
27 and it's most unreasonable for me to be expected to have detailed knowledge and  
28 what I'm clearly saying it the following, one, we provided the funds, two, it  
29 was short-term. Three, we had no involvement whatever in the running of the  
15:12:07 30 company. Four, we had nothing to do with the planning or whether it should get

15:12:12 1 planning or not get planning. Five, we had nothing to do with the sale of the  
2 company when it was sold over and when we got cheated, clearly, and six, we  
3 never got paid even the interest on it.  
4

15:12:24 5 Now I'm here to be of whatever help I cannot Tribunal but -- But the level of  
6 detail you expect me to respond to, with respect, chairman, I think just  
7 isn't -- I don't have that level of detail.

8 Q 250 Mr. Goodman, I don't think that the Tribunal is setting out in any way to be  
9 critical of you but you will appreciate that the only source of much of this  
15:12:47 10 information is through you. The Tribunal is not in a position to draw  
11 inferences without establishing insofar as it can, through the evidence what  
12 evidence there is on these particular issues. And whilst you had a huge  
13 workload that you have accurately summarised in the short recital that you have  
14 given there, it nonetheless remains the case that the Tribunal's limited  
15:13:11 15 function or purpose is to examine this particular transaction and whilst it  
16 sympathises I am sure with your situation, it is endeavouring to establish at  
17 present, through you, exactly how much you know about this transaction and the  
18 extent to which you can assist the Tribunal in interpreting the events which  
19 are being put to you for your assistance.

15:13:33 20 It's not intended in any way to be unduly onerous on you firstly or indeed to  
21 be in any way critical of you because you can't remember exact detail but there  
22 are obvious inferences that can be drawn from some of this documentation and  
23 you are being merely asked to deal with those insofar as you can. And it is  
24 also appreciated that the events that are under examination here are indeed 16  
15:13:57 25 years ago in some instances. Although we will be moving forward into the later  
26 1990s as we progress through the documentation.

27 A Could I just say that we gave every we could to the Tribunal when we responded  
28 to the inquiry in 2000. We went along and had an interview that lasted four or  
29 five hours and we gave absolutely everything we knew about the transaction  
15:14:25 30 openly and honourably. Now, I will do the best I can to facilitate you in the

15:14:32 1 detailed knowledge but I have very limited knowledge and unfortunately I didn't  
2 have the level of support as one would see around this room, if I did, one  
3 wouldn't have this type of problem and perhaps that's what we should have had,  
4 undoubtedly we should have had but we will do our best to facilitate you in any  
15:14:50 5 way we can.

6 Q 251 Thank you. I don't intend to use the word critically, but to an extent in your  
7 dealing with the bank, you were fronting for another entity, the beneficiary of  
8 this deal, as far as you were concerned, was going to be Mr. Lawlor rather than  
9 your own companies save to the extent that you would share in profit limited to  
15:15:15 10 125,000, is that right?

11 A No, it's not right. I wasn't fronting for anyone.

12 Q 252 Well, the transaction here was one where you say you were going to acquire the  
13 money in the short-term to facilitate Mr. Lawlor, who presumably couldn't get  
14 it through another method and during that period, you would be exposed, though  
15:15:40 15 he would be the beneficiary of the funds, isn't that right?

16 A Yes, but Mr. O'Neill, I didn't have any further discussion with Mr. Lawlor  
17 about this land earlier on. I understood he was going to get the funds. I  
18 asked Brian to help him. I didn't realise that this was being dealt with in  
19 this way. I want you to be quite clear that I didn't front for him, it was  
15:16:01 20 never my intention -- sorry, surely the company Southfield and its directors  
21 front for him after my limited involvement in day one. It goes on that  
22 Mr. Caldwell is a director and others are directors. I wasn't fronting for him  
23 or surely I would have been a director? I never undertook to front for him. I  
24 want to be very clear about that and I didn't front for him.

15:16:26 25 Q 253 Would you not accept that the circumstances were such that any person reviewing  
26 the application which is being made through Mr. Britton, who was your deputy  
27 chief of finance, seeking loan facilities, that the negotiations that were  
28 taking place between Mr. Sean Mooney and Mr. Perry with regard to an  
29 appropriate wording for an undertaking that will be given on behalf of you to  
15:16:57 30 stand behind the loan and that the other documentation in particular, the

15:17:03 1 direction which is given by the group treasurer of Goodman International to the  
2 bank to pay the money, which is Southfields into their account. Is that not  
3 all documentation which any person, without knowing of your particular  
4 arrangement with Mr. Lawlor, would assume that you were the person who was  
15:17:24 5 behind this loan?

6 A I don't think so.

7 Q 254 Well you will see, it's been circulated to you in the brief, at page 324 the  
8 internal memorandum of the bank and what they understood the application to be  
9 which was being made of them. This is a document which is generated in the 5th  
15:17:47 10 November 1987, it's really an internal memo of the bank being sent to head  
11 office and it's the second paragraph of it that is of interest I think in this  
12 context.

13  
14 "Southfield is a personal investment vehicle of Mr. Goodman. The company has  
15:18:05 15 agreed to purchase a site of 55 acres of land known as Coolamber, Newcastle,  
16 Lucan, Co Dublin, site currently has access to mains drainage and sanitary  
17 services, it's well located adjacent to amenity and educational facilities and  
18 Lucan bypass, main road to and from Dublin city from the midlands and west of  
19 Ireland.

15:18:22 20 Southfield is paying 230,000 pounds or 4,181 pounds per acre for the site. The  
21 land is currently zoned agricultural but our client believes that planning  
22 permission can be obtained for a residential/commercial development. On  
23 receipt of this planning permission the land will be worth 17,500 per acre. An  
24 offer has already been made for the land at this price subject to the relevant  
15:18:47 25 planning permission being in place. The offeror obviously believes that  
26 Mr. Goodman has the ability to deliver on the planning permission, otherwise he  
27 would have competed to purchase the land with its current zoning. Our facility  
28 is being used to purchase the property for 230,000 pounds with the remaining  
29 120,000 pounds required for technical planning, architectural fees, site  
15:19:09 30 servicing, etc.

15:19:12 1  
2 Although the credit is being established on a five year bullet basis, it may be  
3 repaid in the short-term subject to obtaining the required planning permission  
4 and carrying out preliminary development work. Our agreement to proceed with  
15:19:24 5 this facility is based purely on the relationship with Goodman International  
6 and the standing and reputation of Mr. L J Goodman who is satisfied with the  
7 security arrangements and we believe it's inconceivable that Mr. Goodman would  
8 renege on his commitment which is embodied in the draft letter of comfort which  
9 we hold. " And it is signed by the respective managers.

15:19:45 10  
11 They clearly were of the view that this was a Goodman International transaction  
12 solely and exclusively for your benefit through a personal investment vehicle  
13 of your own, which is wrong what you say, isn't that right?

14 A It seems that way from that document and I agree with that but I wasn't  
15 involved in that. It wasn't portrayed to me as that. I didn't realise that  
16 until I saw that now and I didn't certainly set out to front for anybody and I  
17 wasn't involved in the bank discussions. I don't know what was said. I wasn't  
18 present. I gather all of that was dealt with by both Mr. Britton and  
19 Mr. Caldwell, so I don't know what was said but they certainly had the comfort  
15:20:06 20 of our standing over it.

21 Q 255 Well could I suggest they had considerably more than that. It wasn't the  
22 comfort of some third party standing behind it, it was intended to be and was  
23 represented to be the Goodman International transaction and had not been so,  
24 Mr. Walsh would not have written the letter that he did not bank which seems to  
15:20:52 25 exercise control over Southfield within the Goodman International Group.

26  
27 I appreciate that you say that it was it never was and certainly it may assist  
28 you to know that Mr. Caldwell also has indicated that Southfield was  
29 independent of your firm. Nonetheless, the documentation which was generated  
15:21:12 30 in connection with the transaction and the role of your executives, including

- 15:21:21 1 Mr. Walsh and Mr. Britton, would all indicate this was being presented to the  
2 bank as a Goodman and by that I mean you personally and your company's  
3 involvement and not anybody else's. Do you accept that?
- 4 A With reservation. I wasn't at the meetings. And obviously we had nothing to  
15:21:40 5 do with the control. I mean later on, papers, it appears, were signed for the  
6 property to be sold while we still had an exposure to it and we weren't in  
7 control of that. So who signed what doesn't necessarily give you control which  
8 is quite evident when it was moved at a figure that didn't even cater for our  
9 interest. So I don't accept that we were in control. I accept that what was  
15:22:05 10 put to the bank certainly said that we were going to support this project. And  
11 I also see the price is 4,000 pounds an acre, it was very cheap after all, it's  
12 a pity one didn't have it today.
- 13 Q 256 The bank, I think you will agree, Mr. Goodman, believed as you say erroneously,  
14 that this was solely your particular project, is that right?
- 15:22:33 15 A Yes and I want to emphasise that I didn't have any involvement in dealing with  
16 the bank directly. I never had in fact, had any discussions with them and we  
17 certainly wouldn't set out to mislead them, that's for sure.
- 18 Q 257 But such discussions as took place with the bank took place between the  
19 executives at the highest level of your organisation, it's not a matter that  
15:22:55 20 some manager in a meat plant in the remote part of the country, making a  
21 decision, this is the top level decision by both Mr. Britton and Mr. Walsh,  
22 isn't that right?
- 23 A I agree and I also see something in that letter if you turn it back, it refers  
24 to they believe Mr. Goodman can deliver the planning permission.
- 15:23:16 25 Q 258 That was the bank's view, yes?
- 26 A Well certainly I never had any discussion or any belief that I could deliver  
27 that and none of our executives could make that statement because they would  
28 know I didn't have the ability to deliver that. And it was never the intention  
29 so just it put it on the record, we had nothing to nothing to do with planning,  
15:23:36 30 we had no ability to deliver planning and we weren't even going to benefit

- 15:23:40 1 planning, it was Mr. Tiernan who said he could deliver planning, you will see  
2 from the paperwork.
- 3 Q 259 The net effect of the letter we just considered -- sorry the last letter we  
4 looked at, that was Mr. Walsh's letter which translated into the deposit in  
15:24:05 5 Allied Irish Banks in Clanbrassil Street was that you had advanced 350,000  
6 within the year 1987 to APL. Within that year, you had been refunded or you  
7 had been paid 350,000 pounds by Southfield via Bank of Nova Scotia?
- 8 A Correct.
- 9 Q 260 So from the point of view of accounting and I think your accounting period  
15:24:36 10 within the company Allied Irish Beef Processors was to the calendar year 31st  
11 December.
- 12 A Correct.
- 13 Q 261 Is that it would not be necessary to record any loan to APL of 350,000 pounds,  
14 is that so?
- 15:24:55 15 A I don't know.
- 16 Q 262 In any event, the books balanced at the end of the year insofar as 350,000 went  
17 out, 350,000 went back but the ongoing consequence of that was that because of  
18 your letter of comfort, you were in the frame in the event of there being an  
19 ongoing default, is that right?
- 15:25:18 20 A Correct.
- 21 Q 263 The memorandum which had been prepared by Mr. Goodman -- I beg your pardon, by  
22 Mr. Britton had recorded costs and stamp duty, this was the document at page  
23 292 at 225,000 pounds. This was as of the 8th October 1987. Mr. Britton was  
24 obviously doing some costings, you see just at the very end there under the  
15:25:56 25 heading consideration cost plus stamp duty 225,000. Do you see that? Have you  
26 found that on screen under the heading "Consolidation"?
- 27 A Yes, cost, yes.
- 28 Q 264 Costs and stamp duty 225,000 and beneath that, other costs.
- 29 A Yes.
- 15:26:27 30 Q 265 We had dealt earlier with the payments out by you of the 350,000 but just to

15:26:33 1 establish that at that point in October, Mr. Britton was in a position to know  
2 what the cost and stamp duty outgoings were for the acquisition of the land.  
3 You will see now on the 29th February 1988, some four months later at page 465,  
4 Mr. Britton is doing another calculation of expenditure and he records costs of  
15:27:06 5 acquisition I think it is, AQ, actual costs and then budget. He is comparing  
6 what was spent with what had been budgeted for.

7  
8 "Costs of acquisition, 212,372 and then budget, September 1987 was 220" and  
9 beneath that "other costs phase one, phase two, LL to provide" and then  
15:27:35 10 Mr. Lawlor was to provide the details of whatever expenditure had been incurred  
11 to that date and if we move across then to two other figures, you will see  
12 "130,000 pounds, September" and beneath that then "50,000, February". Do you  
13 see that?

14 A Yes.

15:27:55 15 Q 266 The top then is 400,000 pounds. So we will see that whilst there had been  
16 expenditure of 350,000 pounds in 1987, which was reimbursed in full by the  
17 350,000 pounds payment on the 31st December 1987 to Clanbrassil Street, there  
18 now has been an additional 50,000 pounds generated by way of a payment, you see  
19 that?

15:28:25 20 A Yes.

21 Q 267 Mr. Britton obviously on receiving this documentation was aware that the costs  
22 and stamp duty had been costed at 225,000 pounds in October so that there was  
23 an available 125,000 pounds or thereabouts out of the initial advance with  
24 which to meet expenditure, isn't that so?

15:28:52 25 A Correct.

26 Q 268 And now some two months later, there is a request for an extra 50 which was  
27 satisfied apparently, so that there should be within the pot of funds available  
28 to be expended on a costs, 175,000 pounds or thereabouts, isn't that right?

29 A Correct.

15:29:14 30 Q 269 Do you know of any reason why there was this request made for an additional

15:29:19 1 50,000? I know that in your statement you suggest that there may have been an  
2 overrun but what possible overrun was there?

3 A I don't know, we were told initially that this project was 350 to 400,000 and I  
4 know we were told at that stage -- when I say we, I don't know if it was Brian  
15:29:39 5 Britton but it wasn't me, I assume it was Brian, we were told there was cost  
6 overruns, I assume the directors were looking at the day to day running of the  
7 company and what it was spending and what it was, what costs it was incurring  
8 and what finance it required. But there was a request for 50,000 pounds and  
9 once it was within the budget as Brian has here, that request was acceded to.

15:30:06 10 Q 270 Do you remember being personally approached by Mr. Lawlor or for the extra 50  
11 or did he approach Mr. Britton or anybody else?

12 A He may have approached me, I can't remember but I think he may have approached  
13 me. I am not sure.

14 Q 271 You see insofar as a business plan had been provided and it was the business  
15:30:22 15 plan of Mr. Lawlor, you appreciate that?

16 A Yes.

17 Q 272 And that business plan specified a schedule of activities that were going to  
18 take place over a period of time running throughout 1987 and into 1988 and the  
19 work that was envisaged between 1987 and January of 1988 was really very  
15:30:57 20 preliminary work which would not have involved any significant capital cost, if  
21 we look to page 4 -- sorry, page 255, the expenditure in line with the business  
22 plan would have involved in September the closing of the purchase. Obviously  
23 that was -- Sorry I'm referring to phase one at this point. Closed purchase,  
24 that would have the financial implications have already been costed in  
15:31:31 25 Mr. Britton's document in October at 225,000. There still is in other words  
26 125,000 left in the kitty. The next move is that in October there's the  
27 preparation of necessary drawings and planning application. Then in December,  
28 a council decision. In January a third party appeal period and if no appeal  
29 period was lodged, full planning permission would issue and if third party  
15:32:02 30 appeals, it would take 12 to 16 weeks, certainly there would have to be an

15:32:07 1 appeal period, and therefore when one looks to any expenditure which might have  
2 taken place between October and February, it would be very limited expenditure  
3 indeed.

4 A This is the first I saw of this today, I haven't seen it before.

15:32:26 5 Q 273 It is part of the documentation discovered by you to the Tribunal. It's from  
6 the Goodman files that we received this documentation. It is in the discovery  
7 which as I say --

8 A It may well be but I certainly didn't see it and I wasn't dealing with it at  
9 the time, so I wasn't aware of what level had activity had taken place within  
10 that company in terms of their development of the lands.

11 Q 274 Just for completeness, Mr. Goodman, you will see in phase two below, there's  
12 isn't any radical difference in that -- in that there isn't any item there  
13 would have involved expenditure of 125,000 pounds. It seems to be a phase that  
14 would start even later than be the phase one and certainly it was not one which  
15 would involve a capital cost, I think you would appreciate that?

15:33:20 16 A Well I would have thought it would be up to the directors of the company to  
17 ensure that its expenditure was within the level of the budget they had put  
18 forward in their business plan.

19 Q 275 Yes.

15:33:33 20 A I would have expected them to deal with it accordingly.

21 Q 276 But insofar as there was a provision allowed for in the initial payment over of  
22 the 350,000 pounds, that envisaged in the region of 250,000 perhaps, 225 to 250  
23 being spent on the land acquisition, the balance of up to 220 being spent on  
24 the costings and expenses but within months, that entire budget was now  
15:34:09 25 seemingly short and another 50 was being sought and that would have put anybody  
26 on inquiry, I suggest, as to what had happened to the 125,000 pounds in the  
27 meantime, isn't that so?

28 A I agree but I think it's a point you have to put to the director of the  
29 company.

15:34:28 30 Q 277 Sure. Now the directors of the company, of course, didn't have in their own

- 15:34:33 1 right, the entitlement to draw down further funds. This would involve a second  
2 approach to you or to your companies for a further 50,000 pounds and that is  
3 what in fact happened, isn't that right?
- 4 A Correct.
- 15:34:45 5 Q 278 It was acceded to and there doesn't appear to be any particular documentation  
6 generated around this time to evidence why that happened, isn't that correct,  
7 other than the annotation here of 50,000,000 in February?
- 8 A I would have assumed it would be in the records of the company dealing with it.  
9 It would be in the records of our company, it would be the in the records of  
10 Southfield in the development. I would assume that the auditors and directors  
11 of both of those companies would deal with that in the appropriate manner.
- 12 Q 279 But there isn't any documentation that you have to give us other than this  
13 document which evidences it in effect?
- 14 A Well if we paid it out, someone must have received it.
- 15:35:36 15 Q 280 Yes?
- 16 A And they either used it for what the directors said they were going to use it  
17 for or used to for something else, I don't have that information.
- 18 Q 281 Well the Tribunal is satisfied that the monies were lodged to Mr. Lawlor's  
19 account of Advanced Proteins Limited?
- 15:35:55 20 A Was it his personal account or the Advanced Proteins Limited?
- 21 Q 282 It was Advanced Proteins Limited account which appears to have been used for  
22 purposes that aren't necessarily those of the investigation of blood products  
23 but we will get into that at a later stage. Mr. Britton it seems was being  
24 kept advised to some extent about the title transaction that were involved in  
15:36:41 25 the acquisition, it was quite an extended process to actually complete the  
26 documentation of acquisition, you might be aware of that?
- 27 A I remember there was some frustration about how long it was taking, that's all.
- 28 Q 283 While the vendors of the property, the Tyrrell family had been paid their money  
29 by the 18th December of 1987, and while the bank had advanced the money in the  
15:37:14 30 belief that it was the money used to acquire those lands on the 31st December

15:37:20 1 of 1987, in May of 1988 the bank was still unable to make progress as regards  
2 acquiring the necessary title which would have allowed them to effect their  
3 security and that was a delay which it seems, was caused by the lack of  
4 response from Mr. Caldwell, but it was something which your company was being  
15:37:47 5 kept aware of by the bank, because the bank considered that Goodman  
6 International was the party to whom it should be communicating on these issues.  
7 We will see that at page 492, where on the 10th May 1988, Mr. Miler is writing  
8 to Mr. Britton:

15:38:10 10 "Dear Brian, further to our recent telephone conversation into earlier  
11 correspondence, please note that we have been unable to make further progress  
12 in this case and our documentation and security requirements remain  
13 substantially incomplete.

15:38:23 15 As the relevant funds were advanced on December 31st 1987, based on the  
16 borrower's commitment that outstanding matters would be speedily attended to, I  
17 should be obliged if you would investigate the situation urgently and advise me  
18 when we may expect the position to be revolved."

15:38:41 20 Now in and around this time, a further step in the ownership of the lands took  
21 place in that the company Southfield Property Company Limited entered into an  
22 agreement with Navona Limited, the Isle of Man company, under which Navona was  
23 to obtain an option to purchase these lands. In other words, the entitlement  
24 of Southfield to sell to others was now limited by virtue of this particular  
15:39:24 25 agreement and it had been an agreement which was entered into prior to the  
26 bank's security being perfected in relation to the loan. Understand?

27 A I understand.

28 Q 284 At page 493, we'll see the document in question. It is an agreement made  
29 between Southfield Property Company Limited having its registered office at  
15:39:51 30 38-39 Fitzwilliam Square and Navona Limited having its registered office at

15:39:58 1 29-31 Duke Street, Isle of Man. Firstly in relation to Southfield Property  
2 Company Limited, the correspondence with the bank had been to Ardee but in fact  
3 it transpires that the registered office of the company was in Fitzwilliam  
4 Square, which was the office of Binchys solicitors, is that something you were  
15:40:14 5 aware of?

6 A Not until the recent past.

7 Q 285 Now the agreement then is one where the owner, that is Southfield, is owner of  
8 part of the lands comprised in the lands of folio 1712 of the Register of  
9 Freeholders, County Dublin, "that's Coolamber lands with the exception of  
15:40:43 10 Coolamber House and the 6 acres around it which were lot 1. The grantee has  
11 requested the owner to grant to it an exclusive first option, hereinafter  
12 called the option to purchase the lands under the terms and conditions  
13 hereinafter contained. It is hereby agreed by the parties that in  
14 consideration of the sum of 100 pounds now paid by the grantee, the owner  
15:41:04 15 hereby grants to the grantee or persons who should be designated in writing by  
16 the grantee to the owner's solicitors as hereinafter defined the right until  
17 the 6th April 1994 -- that's a date which has some two years I think further on  
18 from the payment, repayment date of the loan itself, extended beyond the loan  
19 period -- to require the transfer of all or transfers of all or parts of the  
15:41:33 20 land aforementioned on the terms hereinafter contained."

21  
22 And you will see in paragraph 2 that "notice of exercise of the option will be  
23 served on the owner's solicitors, Messrs. Binchys and Partners, at 38-39  
24 Fitzwilliam Square". The operative clauses then are really at page 494 where  
15:41:58 25 the purchase price of the lands, the subject matter of each option, shall be A,  
26 multiplied by P. A being the number of acres or parts thereof the subject  
27 matter of the option notice and P, 11,320 pounds per acre pro rata or parts of  
28 an acre. So under this agreement in effect Navona could tie-up the ownership  
29 lands until 1994 and that it could exercise options to take the whole or parts  
15:42:34 30 of the acreage in parcels undefined over a period of years for the next five

- 15:42:40 1 years from 1988. Understand?
- 2 A I understand, yes.
- 3 Q 286 Now the capital sum, if they exercised that option in one go and taken the lot,  
4 the 55 acres at 11,320 pounds per acre, it would have resulted in 622,600  
15:43:04 5 pounds as being the total consideration for the sale of the lands. So that  
6 that would have been within the parameters of your original agreement with  
7 Mr. Lawlor insofar as your profit was never going to be taken out of anything  
8 above 600,000, isn't that right?
- 9 A Well we never expected any more and if somebody was to benefit beyond that it  
15:43:31 10 didn't concern us quite frankly. Once we got paid, the value of the land  
11 didn't concern us.
- 12 Q 287 Do you know -- firstly I should finish by showing, the parties, the signatories  
13 to this agreement on behalf of Southfield and Navona are firstly at page 502,  
14 Mr. John Caldwell, signing as director when the common seal of Southfield  
15:44:01 15 Property Company was affixed, and you will see on the following page then  
16 present when the common seal of Navona Limited was affixed, Mr. Martin Bullock  
17 and Mr. David Harper as directors of Navona Limited, were parties to that  
18 arrangement.
- 19 A I do see that we would be affected there whereas the figure of 600 was what was  
15:44:31 20 suggested to us initially. And we wanted something solid and agreed that that  
21 we weren't exposed to ups and downs or whatever but 1994 would have gone beyond  
22 the period for which we had agreed, which was one, two, or three but maximum  
23 five years and at that stage 1994 would have been seven years, so the sewing up  
24 of that option agreement for that period would have disadvantaged us.
- 15:45:05 25 Q 288 It would have and secondly can I suggest if that was done without your  
26 knowledge which I believe it was.
- 27 A It certainly was done without our knowledge.
- 28 Q 289 It also indicated that the directors of Southfield were prepared to act  
29 independently and without notice to Goodman International in respect of the  
15:45:28 30 land own though you had no security in place over the control of the lands,

- 15:45:32 1 isn't that so?
- 2 A That's correct. I thought we had some security in terms of blank transfers or  
3 something, there was something about it but we had apparently nothing, yes.
- 4 Q 290 Nor indeed had the bank to this point in time because none of the security  
15:45:49 5 documentation had been completed so as to register a charge in favour of the --  
6 over the land?
- 7 A But they had a letter from us supporting it so they were covered. We were the  
8 ones exposed.
- 9 Q 291 Yes. I think the reference that you made there to your belief that there were  
15:46:22 10 know blank transfers refers back to the statement that you provided to the  
11 Tribunal in that you understood there would be some form of an arrangement  
12 between Mr. Lawlor and your company through its executives under which he,  
13 Mr. Lawlor, would have acknowledged that insofar as he had an interest here, he  
14 was holding it subject to the discharge of the monies which were advanced or  
15:46:48 15 covered by yourself, is that right?
- 16 A And similarly the directors.
- 17 Q 292 And similarly the directors. Why do you believe that there would have been  
18 such documentation? Obviously there isn't because if you had it, it would have  
19 produced.
- 15:47:02 20 A Because it would have been common sense for us to do that, we seemed to have  
21 missed out on it somewhere along the line.
- 22 Q 293 Was that in any way, do you believe, Mr. Goodman, to be indicative of the  
23 approach that was taken to this transaction which seems certainly from the  
24 documentation that accompanies it, to have been done in a less than commercial  
15:47:27 25 manner or certainly lacking in what one would expect by way of security  
26 documentation and established written agreements between the parties?
- 27 A Well -- as I said before, Mr. Britton was dealing with it. He would be used to  
28 dealing with matters like this but he would be relying on the lawyers in  
29 question to deal with the legal documents in all cases and that would be the  
15:47:54 30 way we'd run our business, we would expect the lawyers to ensure that

- 15:47:56 1 everything was in place, whether somebody goes and ticks all the boxes, that's  
2 another issue but if you are dealing with reputable lawyers, you expect them to  
3 ensure that you are protected in whatever way.
- 4 Q 294 Well certainly you believe that of your own lawyers but where you are dealing  
15:48:16 5 with somebody's lawyers and you don't have your own, are you entitled to make  
6 the assumption that they are interested in your particular interests as opposed  
7 to their own client's interests?
- 8 A If I could rewrite the books since 1987, I could relate to that in a lot of  
9 ways.
- 15:48:31 10 Q 295 Maybe you will. Mr. Lawlor of course was at all times involved in this and in  
11 particular he was acquainted with the dissatisfaction on your side of the house  
12 with the way in which matters were progressing, as we see on page 513, where a  
13 memo was sent to him by Brian Britton on the 1st June 1998.  
14
- 15:49:15 15 "Further to our discussion yesterday, I enclose copies of two letters which are  
16 self-explanatory and completely frustrated about this whole operation and  
17 unless final agreement is reached on all matters by Friday, 10th June 1988, our  
18 involvement will have to be reconsidered."  
19
- 15:49:35 20 The letters I believe were the letters from the bank's solicitor and from the  
21 bank I think expressing disquiet at the lack of resolution of the issue. It  
22 would appear, however, that Mr. Britton certainly was limited in the range of  
23 options that he had at this point in time, the money had gone out to Mr. Lawlor  
24 and Southfield had acquired the property on foot of the loan, you had given  
15:50:10 25 your letter of guarantee, what if anything do you think was left with regard to  
26 your involvement that could be reconsidered? Do you know?
- 27 A It just appears to be some sort of inefficiency or tardiness in dealings with  
28 the paperwork and the legals in relation to it.
- 29 Q 296 I think Brian is expressing a view of his dissatisfaction in terms of how the  
15:50:52 30 whole thing is being dealt with. That's what I would read into that. I don't

15:50:56 1 know what means by Friday, 10th June or involvement will have to be  
2 reconsidered. Maybe he was going to try and discuss the whole thing again or  
3 have it all opened up again and dealt it perhaps in some way he might have had  
4 in mind. I don't know, he doesn't discuss it with me. He was obviously  
15:51:14 5 frustrated.

6  
7 We see at page 526 that that frustration was shared by the bank's solicitor,  
8 Mr. Rory Egan, who wrote to Binchy & Partners on the 23rd June 1988, reference  
9 Scotia Bank, Southfield, folio number.

15:51:37 10  
11 "Dear sirs, we refer to our letter of the 9th June, we had expected to you  
12 complete this transaction here on the 22nd June at 10.30 am, we are surprised  
13 that you neither attended nor contacted us to make alternative arrangements.  
14 Could we please ask you to attend to this matter now."

15:51:55 15  
16 You will see that that was faxed presumably on receipt by Binchy & Partners fax  
17 to Liam Lawlor on the 28th June. I may have to correct that, this document  
18 came to us in this format from your discovery at file Goodman 1.8, 123 which is  
19 your eighth volume of documentation and the manuscript entry at the bottom  
15:52:31 20 might well be Mr. Brian Britton's secretary's note that's faxed to LL on the  
21 28/6/88. There's neither -- Mr. Britton obviously came to learn of this, he  
22 faxed it to Mr. Lawlor, again matters were not progressing, despite presumably  
23 what had been promised on the 9th June and that is that the documentation  
24 sufficient to satisfy the bank would be made available at the offices of the  
15:53:04 25 bank's solicitors on the 22nd June 1988, it didn't happen.

26  
27 Now, we spoke of there being a second, I presume it's a fourth payment of 1988  
28 being 50,000 pounds was over and above what had been agreed initially though  
29 there was to be allowance up to 400,000 pounds. There's a further payment  
15:53:39 30 which is made in August of 1988 and this is in the sum of 12,513 pounds and we

15:53:50 1 see the sequence in which that was paid on page 554. Firstly I should go to  
2 page 553 first. This documentation is faxed, being one of four pages, from  
3 Binchy & Partners, solicitors, to Mr. Britton, it emanated from Brian Delahunt  
4 who was then a solicitor in Binchy & Partners. It's marked for the attention  
15:54:21 5 of Mr. Brian Britton, strictly private and confidential.

6  
7 It reads "Please place in an envelope and seal immediately. Write time of  
8 ceiling on the envelope." And then turn to the next page. There's a letter  
9 of the 4th August 1988, strictly private and confidential to Brian Britton re:  
15:54:45 10 Southfield Property Company Limited.

11  
12 "Dear Brian, further to our meeting yesterday, enclosed herewith a formal  
13 letter which you should have engrossed and signed by an authorised signatory of  
14 Southfield Property Company Limited.

15:54:57 15  
16 Also enclosed herewith please find a form of a letter which again should be  
17 engrossed and executed by an authorised signatory of Navona Limited. Please  
18 fax copies of both letters to me when same have been engrossed and please  
19 arrange to deliver the originals thereof to me before 3.00 p.m. on Thursday,  
15:55:18 20 9th August 1988. As you are aware further documents require stamping, three in  
21 all, one of which are RE". I think those initials may be Rory Egan, the bank's  
22 solicitor. "Is aware of one. Duty in the amount of 12,513 pounds has been  
23 paid on the T-N document. " That I believe to be the Tyrrell family to Navona,  
24 that's the transfer from Tyrrell's from Navona to the property. "To avoid  
15:55:52 25 difficulties and to facilitate the granting of the required undertaking, please  
26 furnish us with a bank draft in the sum of 37,539 pounds being 3 times 12,513  
27 before 3.00 p.m. on Thursday, 9th August 1988."

28  
29 Now, firstly, this document is written by the author upon the assumption that  
15:56:18 30 Mr. Britton can in some way secure the signatory of Southfield Property Company

- 15:56:22 1 Limited and obviously from what you say, that is not something that was within  
2 the powers of Mr. Britton to do in Ardee certainly but rather Mr. Caldwell in  
3 Binchys itself was the signatory of Southfield, as far as you say, isn't that  
4 right?
- 15:56:40 5 A That seems to be the case, yes.
- 6 Q 297 And equally in relation to Navona Limited, that is an Isle of Man entity, not  
7 based at Castle Street, Ardee, and do you know why this letter would be sent to  
8 Mr. Britton for him to have Navona exercise?
- 9 A No, I don't know.
- 15:57:01 10 Q 298 Now, the reference then to the 12,513 pounds stamp duty suggests that there  
11 were to be a number of deeds which would operate and which would require stamp  
12 duty to be paid on them, all of which would have similar consideration and  
13 therefore require similar stamp duty amounts to be paid. Again, that's not a  
14 matter that you were au fait with, is that right?
- 15:57:32 15 A I am not au fait with it but it says three year.
- 16 Q 299 Yes, it does?
- 17 A But there's only 12, is there not.
- 18 Q 300 Sure, there's only one and you will see in the margin there in manuscript, paid  
19 only 12,513 and that appears to be, I think, Mr. Britton's handwriting, isn't  
20 that right?
- 15:57:53 21 A It looks like that, yes.
- 22 Q 301 It looks like it. Now, in fact we will see from page 292 as of the 8th  
23 October, 1987, Mr. Britton was aware that the stamp duty of 12,513 pounds had  
24 been paid, do you see that on screen?
- 15:58:21 25 A Yes.
- 26 Q 302 He is correct and I have to say in his belief that it had been paid because we  
27 can see from the transfer deed itself that there is a record of the stamp duty  
28 being paid, we looked at page 383. Those stamps on the side of this document,  
29 Mr. Goodman, are stamped for value of certain values, they run from 5,000 to  
30 1500 to 500 to 10 and in respect of each stamp, you will see that within the

15:59:06 1 stamp itself, there is a date upon which the stamping took place and it took  
2 place on the 11th January of 1988 in each instance. There are three individual  
3 places at which the stamps are altered ton a daily basis. The top left hand  
4 corner, you will see 11 and in the centre, 1 and on the right, '88. So one  
15:59:36 5 establishes the date.

6  
7 So, it seems that they were tendered by way of stamps and impressed on the  
8 document here 12,510 --513 in fact stamps were paid at this date.

9 A I see that.

16:00:00 10 Q 303 So we may particular it in respect of the stamp duty in respect of the transfer  
11 from the Tyrrell family to Navona Limited which is the company that brought  
12 this property in December of 1997, was paid in full of January of 1988. Yet in  
13 August of 1988, a further request is made in your company for another 12,513.  
14 In fact the request is made for three times that amount but your firm pays out  
16:00:37 15 another 12,513 pounds, notwithstanding that this stamp duty is already paid, do  
16 you understand?

17 A I see that, yes.

18 Q 304 You will see that the payment is made by means of a bank draft which is drawn  
19 in favour of Binchys solicitors we see that at page 577. Bank of Ireland  
16:01:17 20 Ardee, County Louth, produced a demand draft payable to Binchy & Partners for  
21 12,513 pounds on the 8th August 1988. Now that would appear to be an  
22 expenditure which had already been satisfied as of the 11th January 1988 and  
23 therefore was funded out of the original 350,000 which had been provided in  
24 1987 and prior to the subsequent payment of 50, do you understand?

16:01:55 25 A Yes.

26 Q 305 In February. I'm afraid we'll have to return to the documentation.

27

28

29

16:02:07 30 CHAIRMAN: It's now four o'clock so we will adjourn.

16:02:07 1  
2 MR. GLEESON: Mr. Chairman before you rise, can I say on behalf of  
3 Mr. Goodman, we had hoped to conclude his evidence today, obviously that isn't  
4 going to be possible now and not knowing how much longer Mr. O'Neill is going  
16:02:19 5 to be with this witness, it does seem therefore that his re-attendance is  
6 required next Tuesday.  
7  
8 CHAIRMAN: I think Mr. Goodman was down in the witness schedule for today and  
9 Tuesday.  
16:02:31 10  
11 MR. GLEESON: Yes. As you might appreciate, his business activities are no  
12 less intensive now than they were in 1987 and he has a string of commitments  
13 next week, some of which will have to be cancelled to enable him to be able to  
14 return here on Tuesday and what I'm asking is for some assurance, if that can  
16:02:52 15 be given, that at least he will complete on Tuesday, so the balance of the week  
16 he will be able to maintain his other commitments.  
17  
18 MR. O'NEILL: Certainly while I can't give any absolute guarantees, I will  
19 expect that Mr. Goodman's evidence will finish well within the schedule as  
16:03:09 20 appears on the web and that Mr. Britton's evidence will follow later on Tuesday  
21 after Mr. Goodman.  
22  
23 CHAIRMAN: That's as close a guarantee as we can give you.  
24  
16:03:19 25 MR. GLEESON: I'm obliged for that.  
26  
27 CHAIRMAN: I think almost certainly he will finish on Tuesday.  
28  
29 MR. GLEESON: Thank you, Mr. Chairman.  
16:03:43 30

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**THE TRIBUNAL THEN ADJOURNED UNTIL TUESDAY,**

**14TH DECEMBER 2004 AT 10.30 A.M.**