

THE TRIBUNAL RESUMED AS FOLLOWS ON TUESDAY, 7TH DECEMBER, 2004, AT 10:30 A.M.:

10:20:06 1
2
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4 CHAIRMAN: Good morning Mr. O'Neill. We apologise for the delay in sitting
11:00:02 5 but it was beyond our control.
6

7 MR. O'NEILL: Good morning Mr. Chairman, Members of the Tribunal. The
8 Tribunal is about to embark upon the Coolamber phase of the Carrickmines 2 and
9 Related Issues Module, and in doing so I intend to open to the Tribunal
11:00:21 10 briefly, a statement of the relevant facts as they appear to the Tribunal at
11 present.
12

13 "In opening the Carrickmines 2 and Related Issues Module on the 20th of January
14 2004, it was indicated that as part of its inquiry into the beneficial
11:00:39 15 ownership of the lands at Carrickmines, currently registered in the name of
16 Jackson Way Properties Limited, evidence would be adduced in relation to a
17 number of associated land transactions which commenced in the 1980s.
18

19 These land transactions although seemingly unrelated, shared common features
11:00:58 20 which suggest a joint involvement of Mr. Liam Lawlor, Mr. Jim Kennedy and
21 Mr. John Caldwell in the beneficial ownership of the lands in question. Such
22 involvement is not evident from consideration of any of the publicly available
23 documents evidencing ownership or from consideration of the files maintained by
24 solicitors and others involved in the transactions.

11:01:23 25
26 In the main, the connection between these parties and the various land
27 transactions has been discovered by the Tribunal's analysis of documents
28 provided in the private investigative phase of the inquiry. The Coolamber
29 lands which will be examined in this phase are one such instance.

11:01:44 1 As with the Carrickmines lands registered in the name of Jackson Way Properties
2 Limited the Coolamber lands share the following common features:
3
4 A. A claimed or established involvement of Mr. Jim Kennedy, Mr. John Caldwell
11:01:59 5 and Mr. Liam Lawlor or persons associated with them.
6
7 2. Attempts to rezone or to obtain planning permission for the lands which to
8 that point did not have any planning or development permission.
9
11:02:13 10 3. The use of offshore companies or trusts with the involvement of Mr. Martin
11 Bullock, an Isle of Man company administrator.
12
13 4. The involvement of Mr. Nicholas Morgan, a solicitor based in Jersey, or
14 his law firm, David Morgan Whitehead and Co. or his trust companies within the
11:02:35 15 CI Law Trust Group and its affiliates.
16
17 5. An involvement of Binchys solicitors or former partners in that firm in
18 representing the interests of the parties either acquiring or disposing of the
19 lands.
11:02:47 20
21 In this phase of the inquiry the Tribunal, in seeking to understand the
22 relationship between Mr. Kennedy, Mr. Caldwell and Mr. Lawlor, will examine the
23 changes in the ownership of the Coolamber lands between 1986 and 1994. The
24 evidence will show, that from the time of the acquisition of the Coolamber
11:03:06 25 lands, their zoning status changed from agricultural to residential development
26 land and the sale price of the property rose from 209,000 pounds in July 1987
27 to over 3 million pounds in December 1992. Ultimately, over 500 houses were
28 built on the lands, together with the public house and neighbourhood shopping
29 facilities and apartments thereover. The company which sold the land to the
11:03:35 30 builder, who ultimately developed the land, was a British Virgin Island company

11:03:39 1 called Vino Properties Limited. This company transferred the net proceeds of
2 sale, amounting to over 2 and a half million pounds, to its account at Barclays
3 Bank in Guernsey on the instructions of CI Law Trust Group, Mr. Nicholas
4 Morgan's company. These proceeds were then distributed in Guernsey amongst
11:04:01 5 the owners of Vino Properties Limited. Information available to the Tribunal
6 suggests that Mr. Liam Lawlor, Mr. Jim Kennedy and Mr. Caldwell all benefited
7 financially from the proceeds of sale from the Coolamber lands which were
8 received by Vino Properties Limited in Guernsey. Although the circumstances in
9 which they came to receive their monies from this source are in dispute.

11:04:24 10
11 Mr. John Caldwell claims to have been the holder of a 50% interest in the
12 Coolamber lands through Vino Properties Limited from 1992 onwards. His
13 interest was held through other structures. He has informed the Tribunal that
14 he believes Mr. Jim Kennedy held the remaining 50% through corporate structures
11:04:51 15 associated with him. There are obvious parallels between this ownership model
16 and that which Mr. Caldwell says applies to the Carrickmines lands.

17
18 Mr. Jim Kennedy has not provided any information to the Tribunal as to his
19 ownership or otherwise of the Coolamber lands.

11:05:04 20
21 In his dealings with the Tribunal, Mr. Liam Lawlor has at all times denied
22 having any financial interest in the Coolamber lands or in the companies or
23 structures involved in the ownership of the Coolamber lands. Information
24 available to the Tribunal suggests otherwise, in particular, documents which
11:05:23 25 were prepared by Mr. Liam Lawlor himself and obtained by the Tribunal from
26 other sources, show that in his dealings with Mr. Larry Goodman in 1994,
27 Mr. Lawlor claimed that he had had a 41.3% beneficial shareholding in the
28 company which acquired the Coolamber lands from the Tyrell family in 1987 and
29 that this percentage was subsequently reduced to 25% when the original
11:05:52 30 shareholders agreed to a refinancing package in 1992. In this documentation

11:05:58 1 Mr. Lawlor claimed that he and Mr. Kennedy and Mr. Caldwell were at all times
2 the beneficial owners of the companies which owned the lands, although their
3 respective shareholdings had altered over time. While the contents of these
4 documents may not fully or accurately reflect the true position, they
11:06:18 5 demonstrate Mr. Lawlor's inconsistent approach to the question of his having an
6 interest in the lands. He has claimed a specific shareholding in the proceeds
7 of sale from Vino Properties Limited and has received money from the fund
8 generated from the sale of the property by that company.

11:06:33 10 As with other land transactions under scrutiny which involve Mr. Lawlor,
11 Mr. Caldwell and Mr. Kennedy, there are a series of offshore structures
12 involved the ownership of the Coolamber lands, but behind these structures lie
13 the same individuals. Mr. John Caldwell is involved in setting up the
14 structures to be used to acquire and to hold the land.

11:06:59 15
16 From 1986 Mr. Martin Bullock was involved in the Isle of Man structure Navona
17 Limited, which was the company used to purchase the land from its original
18 owners, the Tyrell family, just as he was involved through the Isle of Man
19 company Paisley Park Investments Limited in the acquisition of the Carrickmines
11:07:18 20 lands from Mr. Bob Tracey.

21
22 From 1992 Mr. Nicholas Morgan was involved on behalf of Vino Properties Limited
23 and its beneficial owners. This company purchased the Coolamber land from
24 Southfield Property Company, the Irish company for whom Navona Limited claimed
11:07:40 25 to have purchased the land in trust in 1987. Mr. Nicholas Morgan is also
26 involved with the offshore companies said to own the Carrickmines land
27 registered in the name of Jackson Way Properties Limited. In those lands he
28 was shown to have represented the interests of Mr. Caldwell and Mr. Kennedy.
29 In the Coolamber lands it can be shown that he was involved in implementing a
11:08:04 30 payment of over 350,000 pounds from the proceeds of the sale to Mr. Lawlor,

11:08:09 1 which was structured so as to appear as a loan by Longwater Investments Limited
2 to Mr. Lawlor.
3
4 Evidence will be adduced to show the following changes in the ownership of the
11:08:22 5 Coolamber lands between 1987 and 1994:
6 1. The first sale transaction involved the Tyrell family as vendors and
7 Navona Limited as purchaser. Navona Limited purchased the 55 acres of
8 agricultural land which surrounded the original dwelling house called Coolamber
9 and its amenity land. The purchase price was 208,529 pounds. These lands
11:08:51 10 had been offered for sale by tender in three lots in July 1987. The first lot
11 was the dwelling house and its six acres of amenity lands. The other two lots
12 comprised 36 acres and 19 acres respectively. The entire were zoned for
13 agricultural use. Navona tendered only for lots 2 and 3 and was successful in
14 its bid. Navona completed the acquisition of the land upon the payment of the
11:09:22 15 balance of the purchase monies on the 18th of December 1987. Having acquired
16 the lands from the Tyrells, Navona Limited went on to execute a Declaration of
17 Trust stating that it held the land as trustee for Southfield Property Co.
18 Limited.
19
11:09:43 20 2. The second sale transaction, which will be examined, will show that on the
21 24th of November 1989, Southfield Property Company Limited, as owner of the
22 land, contracted to sell approximately 50 acres of the land to a solicitor in
23 trust for a house builder, Mr. Joe Tiernan, for a consideration of 2 million
24 200,000 pounds. The intended completion date for the contract was the 19th of
11:10:06 25 July 1991. Mr. Tiernan did not complete the contract as planned, as the
26 planning permission which had been granted to his company for the development
27 in July 1990, following a successful Section 4 motion brought by Dublin County
28 councillors, was reversed on appeal by An Bord Pleanala in July 1991 shortly
29 before the intended completion date.

11:10:33 30

11:10:34 1 3. The third sale transaction, which will be examined, will show that on the
2 14th of January 1992, Southfield Property Company Limited contracted to sell
3 the lands to Vino Properties Limited for 400,000 pounds. This contract was
4 completed on the 15th of May 1992.

11:10:51 5

6 4. The fourth sale transaction which will be examined, will show that on the
7 17th of December 1992, Vino Properties Limited contracted with Kylewood
8 Construction Limited, a Joe Tiernan company, to sell the major part of the
9 lands to that company for 2 million 700,000 and 50 pounds. This contract was
11:11:14 10 completed on the 16th of June 1994. Between the date of the signing of the
11 contract and the date of of completion of the contract certain variations in
12 the amount of land to be purchased had taken place, and in view of the
13 increased acreage there was a corresponding increase in the purchase price.
14 The ultimate sale price realised upon the sale of the property by Vino
11:11:40 15 Properties Limited to Kylewood Construction Limited, was 2 million 985,000 and
16 50 pounds. The Vino Properties Limited contract required the purchaser,
17 Mr. Tiernan, to construct at his own expense the pipe work infrastructure
18 beneath Coolamber for the benefit of Vino Properties Limited. The intention
19 was that Vino Properties would retain ownership of the pipework so as to allow
11:12:09 20 it to charge other developers of land in that area a premium for access to
21 these pipes in the event that it was necessary for them to use these pipes to
22 access the public sewer network. This unusual feature in the contract for
23 sale is also to be found in the other contracts relating to the sale of lands
24 at Cruck House, Lucan, and Baldoyle, County Dublin, which also involved
11:12:33 25 Mr. Kennedy, Mr. Lawlor and Mr. Caldwell and will be examined in detail in
26 later phases of this module.

27

28 Vino Properties Limited will be shown to have transferred its interest in the
29 pipework infrastructure at Coolamber, to another British Virgin Island company
11:12:51 30 called Valley Holdings Limited. Mr. Lawlor appears to be 25% shareholder in

11:12:56 1 this venture through his Liechtenstein trust, Rylton Foundation.

2

3 For completeness, I should state that the vendors, Vino Properties Limited, had
4 also sold a site for a public house to an unconnected purchaser. The amount

11:13:14 5 realised for the sale of that site was 125,000 pounds so that the total sum

6 received by Vino Properties Limited in June 1994 for the sale of the interests

7 was over 3 million pounds.

8

9 In endeavouring to establish the identity of the individuals behind the

11:13:30 10 corporate fronts which profited from these contracts, and the nature of their

11 relationship, the Tribunal has endeavoured to trace the source of the funds

12 used for these purchases. It has sought to identify the recipients of the

13 funds received upon the distribution of the sale proceeds by these corporations

14 and has sought to establish the specific roles played by Mr. Lawlor,

11:13:55 15 Mr. Kennedy and Mr. Caldwell in the various stages involved in the acquisition,

16 planning and onward sale of the lands to others.

17

18 The information available to the Tribunal indicates that the 208,529 pounds

19 used to purchase the land from the Tyrells was sourced from funds of 350,000

11:14:16 20 pounds which had been provided by Mr. Larry Goodman in 1987 through his company

21 Anglo Irish Beef Processors Limited to Mr. Liam Lawlor. These sums were paid

22 by cheques made payable to Mr. Liam Lawlor personally and to his company

23 Advanced Proteins Limited. None of the funds used to acquire the Coolamber

24 lands from the Tyrells were provided by the registered shareholders of Navona

11:14:44 25 Limited, the Isle of Man company ostensibly purchasing the lands on foot of the

26 contract, nor was any of the capital sum provided by Southfield Property

27 Company Limited, the Irish company which became the registered owners of the

28 the lands in 1988. Neither Mr. Lawlor nor his company, Advanced Proteins

29 Limited, are named as beneficial owners in any of the title documents generated

11:15:08 30 in the acquisition of the property from the Tyrell family. There is no

11:15:13 1 Declaration of Trust or other document indicating that Southfield held the land
2 as nominee for anybody else, although that company made no financial
3 contributions itself to the acquisition of the land but was its registered
4 legal owner.

11:15:30 5
6 Documentation from the Isle of Man companies office relating Navona Limited,
7 does not show any involvement of Mr. Lawlor or of Advanced Proteins Limited in
8 the ownership or control of Navona Limited. There is no evidence of any loan
9 by Mr. Lawlor or by Advanced Proteins Limited to Navona of the 208,529 pounds
11:15:54 10 used to pay the Tyrell family for the land. However, Mr. John Caldwell has
11 informed the Tribunal that he believes that Navona Limited was owned by
12 Mr. Liam Lawlor and that at some later unspecified stage, Mr. Kennedy was a 50%
13 shareholder in Navona. Such documents as are available to the Tribunal
14 establish that Navona was another Martin Bullock company which was provided at
11:16:23 15 the request of Mr. Caldwell and incorporated in Douglas, Isle of Man, on the
16 19th of May 1987, prior to the lands being offered for sale by tender.

17 Mr. Caldwell says that his 50% ownership interest commenced in 1992 and if so
18 it follows that he was not involved with Mr. Lawlor and Mr. Kennedy in Navona.
19

11:16:48 20 Upon completing its contract with the Tyrell family in December 1987, Navona
21 declared that it held the land in trust for Southfield Property Company Limited
22 and accordingly Southfield became the registered legal owner of the lands.
23 The Tribunal has not been provided with any Southfield documentation which
24 records either the involvement of Mr. Liam Lawlor in the acquisition of the
11:17:14 25 lands, or in the provision of the monies originally used to purchase the lands
26 or in the raising of the finance subsequently used to repay Mr. Goodman the
27 350,000 pounds advanced by him to Mr. Lawlor and Advanced Proteins Limited in
28 1987, which funded the purchase. The available documentation will show that
29 Southfield was set up to hold the Coolamber lands pending their onward sale and
11:17:43 30 that Navona Limited later entered into a further agreement with Southfield to

11:17:48 1 purchase the property from Southfield for 660,000 pounds by the exercise of an
2 option.

3
4 In December 1987 a loan of 350,000 pounds was taken out by Southfield from Bank
11:18:04 5 of Nova Scotia. The funds, so realised, were used to repay Mr. Goodman's
6 company Anglo Irish Beef Processors, the sum of 350,000 pounds earlier given to
7 Mr. Lawlor and Advanced Proteins Limited. The bank imposed a condition on
8 this loan facility that Mr. Goodman provide a Letter of Comfort to the bank
9 stating that he would be responsible for the debt. He signed such a letter,
11:18:30 10 which had been drafted by the bank which stated that he was the owner of 100%
11 of the shares of Southfield and that he would retain his shareholding until the
12 loan was repaid in full. The documentation generated in the bank at that time
13 of this loan, indicates that the bank was not informed of Mr. Liam Lawlor's
14 involvement in the proposal. Although Mr. Goodman was stated in the Letter of
11:18:55 15 Comfort to be the 100% shareholder of Southfield, he never held any shares in
16 Southfield at any time, either through nominees or otherwise.

17
18 The actual shareholders of the two shares issued in Southfield, one of whom was
19 John Caldwell, did not provide any of the capital funds used to acquire the
11:19:15 20 land. Although the money trail unequivocally leads to Mr. Lawlor and Advanced
21 Proteins as being the provider of the money actually used to purchase the land,
22 and to Mr. Larry Goodman, as the provider of these funds to Mr. Lawlor and
23 Advanced Proteins Limited, Mr. Lawlor's evidence to the Tribunal in the public
24 sessions in December 2000, was that the cheque paid to Binchy solicitors, which
11:19:40 25 was used to acquire the bank draft to pay for the balance of the purchase
26 monies on Coolamber, was a refund by Advanced Proteins Limited to the Goodman
27 company's solicitors, Binchy's, of monies advanced by the Goodman companies to
28 Advanced Proteins Limited in the course of its proposed development of a blood
29 plasma processing plant. Mr. Lawlor stated that the monies were being
11:20:07 30 refunded to the company, as they were not required for that purpose at that

11:20:11 1 time. This explanation appears to be untrue and is not accepted by either
2 Mr. Caldwell, the solicitor who was actually dealing with the acquisition of
3 the Coolamber lands, or Mr. Goodman who had provided the monies in the first
4 place.

11:20:26 5
6 The bank was not informed that anybody other than Mr. Goodman was beneficially
7 involved in the ownership of Coolamber. Mr. Caldwell's role was believed by
8 the bank to be that of a solicitor acting for Mr. Goodman in the transaction.

9 Mr. Caldwell, as solicitor, acted on behalf of the purchasers of the Coolamber
11:20:48 10 lands but the available files in relation to the acquisition do not record any
11 connection between Mr. Liam Lawlor and the acquisition of the lands. The
12 Advanced Proteins Limited client account maintained by Binchys, through which
13 the payments for the lands were made, was subsequently renamed Southfield,
14 suggesting that Southfield and Advanced Proteins Limited were considered by
11:21:12 15 Mr. Caldwell to be in the same ownership, but no written communications passed
16 from Mr. Caldwell to Mr. Lawlor in relation to Southfield. This suggests a
17 deliberate decision to conceal Mr. Lawlor's involvement.

18
19 After the lands had been acquired by Navona Limited in December 1987, the
11:21:33 20 monies raised from Bank of Nova Scotia by Southfield were paid to Anglo Irish
21 Beef Processors to refund Mr. Goodman's payments of 350,000 pounds to
22 Mr. Lawlor, Advance Proteins Limited, later that month.

23
24 Mr. Goodman's interests were being looked after by Mr. Brian Britton, then
11:21:55 25 Deputy Chief Executive of Finance of Goodman International Limited. He says
26 that he believed that the beneficial owner of the Coolamber lands would remain
27 in Southfield for the benefit of Mr. Goodman, until such time as the Southfield
28 debt to Bank of Nova Scotia of 350,000 pounds was discharged, but the project
29 itself was Mr. Lawlor's. No steps were taken by Mr. Britton to establish how
11:22:23 30 Mr. Goodman's position was reflected in the ownership structures set up by

11:22:27 1 Mr. Caldwell to own Coolamber.
2
3 The documentation available to the Tribunal suggests that neither Mr. Goodman
4 or his company played any active role in the project. Mr. Lawlor,
11:22:40 5 Mr. Caldwell and Mr. Kennedy were all directly involved in its affairs but only
6 Mr. Caldwell was publicly identified with the land. Mr. John Caldwell was a
7 director and shareholder of Southfield and he appears to have conducted its
8 legal and financial affairs. Mr. Kennedy had no apparent connection with
9 Southfield but can be shown to have engaged consulting engineers to draw plans
11:23:06 10 for future development of the lands and to have attended a meeting with local
11 authority officials to discuss proposed residential development of the lands.
12 Mr. Kennedy is believed to have had an earlier direct involvement in the
13 attempted acquisition of the lands in 1986. In those initial stages, Mr. Bill
14 Riordan, who was then believed to be acting on behalf of Mr. Kennedy only, was
11:23:32 15 negotiating an option to purchase the lands. If successful, this would have
16 resulted in an Isle of Man company called Hawk Wind Limited being involved as
17 owner. Binchy's would have been the purchasers solicitors had this proposal
18 been accepted by the vendors. Part of Mr. Riordan's proposal was that the
19 balance of the Tyrell lands could be serviced by Pentagon granting connection
11:23:58 20 to rights to the Pentagon pipeline at a cost of 625 pounds per site payable by
21 the Tyrells. This suggests that the persons behind Pentagon were one and the
22 same as the parties negotiating through Mr. Riordan to acquire Coolamber in
23 1986. If so, Mr. Lawlor's involvement in the proposed acquisition of
24 Coolamber commenced prior to the Navona acquisition in 1987.
11:24:25 25
26 Once Navona completed the acquisition of the lands in December 1987, Mr. Lawlor
27 was the connection between the ongoing financing of the project through
28 Mr. Goodman and he appears to have been the author of the business plan which
29 provided a scheme for development of the lands. He also had discussions with
11:24:45 30 Mr. Tiernan, who was to be the ultimate purchaser of the lands regarding its

11:24:51 1 future development, which involved a material contravention of the then current
2 development plan.

3
4 After providing 350,000 pounds to Mr. Lawlor in 1987 to fund the acquisition
11:25:04 5 costs and further expenses and having received 350,000 pounds back from Bank of
6 Nova Scotia, Mr. Goodman made a further payment of 50,000 pounds to
7 Mr. Lawlor's company, Advanced Proteins Limited, at his request in February
8 1988. From the commencement of the Bank of Nova Scotia loan, Mr. Goodman was
9 involved in paying the interest to Bank of Nova Scotia on Southfield's debt.

11:25:33 10 The interest payments made by him between December 1987 and June 1990 amounted
11 to 95,000 and 47 pounds. In addition to incurring the expenditure set out
12 above, Mr. Goodman was also paying Mr. Lawlor a sum of 3,500 pounds per month,
13 which was attributed towards overheads in respect of Advanced Proteins Limited.
14 These payments also continued until 1990 and totalled a further 94,500 pounds.

11:26:06 15 It seems that Mr. Goodman advanced approximately 600,000 pounds to Mr. Lawlor
16 and companies connected with him, between July 1987 and July 1990, and received
17 one payment of 350,000 pounds from Southfield in December 1987.

18
19 Once Mr. Goodman ceased paying the interest on the loan upon the appointment of
11:26:30 20 the examiner of the Goodman group in 1990, the bank became concerned as to its
21 security. Mr. Caldwell assured the bank that Southfield was clear of the
22 examinership of the Goodman group and asked the bank to direct all further
23 correspondence to Southfield at Binchy's address at Fitzwilliam Square, Dublin,
24 as opposed to the Goodman group's headquarters at Ardee. The bank continued
11:26:57 25 to believe that Southfield was 100% owned personally by Mr. Goodman and that
26 the contract for the sale of the land to Tiernan Homes Limited, which had been
27 signed in November 1989, would be completed as contracted for in July 1991,
28 irrespective of whether the grant of planning permission under appeal was
29 reversed or otherwise. Mr. Goodman does not appear to have taken any active
11:27:24 30 steps to obtain a release from his undertaking to the bank or to seek a refund

11:27:28 1 of any of the sums advanced to Mr. Lawlor and Southfield immediately following
2 the last interest payment in June 1990.
3
4 The ongoing interest payments were taken up by Southfield itself, funded from
11:27:42 5 sources other than Mr. Goodman and were paid by Mr. John Caldwell, initially
6 through Southfield's account. It was obvious this could not continue, as
7 Southfield did not have the financial reserves necessary to continue to pay
8 interest on a 350,000 pound loan. The term of the loan was for five years
9 from December 1987. Accordingly, the company would have to be in a position
11:28:09 10 to repay the capital sum as well as interest in December 1992. Had the sale
11 to Mr. Tiernan been completed as agreed in July 1991, matters would have been
12 resolved. However, shortly before the closing date, An Bord Pleanala reversed
13 the council decision to grant permission for Mr. Tiernan's development and he
14 did not complete the contract. Mr. Tiernan sought a two year extension of
11:28:34 15 time from Southfield in order to re apply for planning permission. To have
16 allowed for this extension of time Southfield would have had to find
17 alternative means of financing the transaction. There was an ongoing interest
18 payment requirement of approximately 30,000 pounds per annum and Bank of Nova
19 Scotia was not inclined to extend the term of the loan. Those behind
11:29:06 20 Southfield were not in a position to fund it and new sources of finance were
21 needed. Accordingly, the Tiernan application for an extension of time was
22 refused. Mr. Tiernan and Mr. Caldwell then held direct negotiations with the
23 Bank of Nova Scotia, to try to continue the existing finance of Southfield
24 using Mr. Tiernan, or a company connected with him, as a financial backer of
11:29:24 25 the transaction. Mr. Caldwell pointed out to the bank in July 1991 that the
26 lands were now zoned residential in the draft Development Plan proposed by the
27 council, which would go on public view in September 1991.
28
29 Apparently Mr. Goodman's position was that he did not wish to continue his
11:29:45 30 involvement with the project. In September 1991, over a year after his last

11:29:50 1 interest payment, Mr. Goodman's accountant, Mr. Sean Mooney, had a meeting with
2 Mr. Liam Lawlor and Mr. Caldwell at which he indicated that Mr. Goodman wanted
3 his money back and wanted to be free of any ongoing commitment to Bank of Nova
4 Scotia arising from his participation in the Coolamber land deal.

11:30:10 5 Mr. Caldwell then explained to Mr. Mooney that neither of the three parties
6 participating in the deal, who he named as Liam Lawlor, a man named J Kennedy
7 and himself, were in a position to take out the bank and that the prospective
8 purchaser, Mr. Tiernan, was unwilling to do so. Mr. Mooney's written
9 memorandum of this meeting is the first record of Mr. Caldwell and Mr. Kennedy
11:30:37 10 being shown to have had any ownership involvement in Coolamber as far as the
11 Goodman interests were concerned. Mr. Mooney informed Mr. Lawlor and
12 Mr. Caldwell that if Mr. Goodman reluctantly had to under write the entire
13 finance why will transaction, he would need to take legal control of the land
14 owning company Southfield. Mr. Caldwell then informed him that this would not
11:31:01 15 be possible as behind the ownership there was a series of Isle of Man
16 transactions designed to reduce taxation on the prospective profit. He
17 informed Mr. Mooney that any attempt by Mr. Larry Goodman to take control would
18 result in court proceedings by Mr. Kennedy. Mr. Mooney, who was unaware of
19 Mr. Kennedy's involvement until that time, was told by Mr. Liam Lawlor that the
11:31:27 20 original idea in locating the land and in identifying its suitability for
21 housing was Mr. Kennedy's and that Mr. Kennedy wanted his cut.

22
23 In October 1991, Mr. Caldwell informed the bank that he had agreed with Mr. Joe
24 Tiernan that the sale price would rise from 2.2 million pounds to 2.5 million
11:31:50 25 pounds. The closing date would be three months after the date upon which the
26 land was rezoned, in either June or July 1992. He said that the land would
27 pass to a new offshore company with no Goodman connection. Mr. Caldwell then
28 informed the bank that Mr. Joe Tiernan had a substantial interest in the new
29 company, but he refused to identify the other shareholders. Mr. Caldwell said
11:32:16 30 that Mr. Tiernan was agreeable to pay the ongoing interest charges to Bank of

11:32:22 1 Nova Scotia and to put up a back-to-back deposit of 150,000 pounds as further
2 security.
3
4 On the 17th of October 1991, Mr. Caldwell introduced Mr. Tiernan to
11:32:35 5 Southfield's bankers and confirmed in his presence, that Mr. Tiernan would be a
6 shareholder in the new offshore company. Again, he refused to divulge the
7 identity of the other shareholders. The bank to that point had not been told
8 of any ownership interest being held in Southfield by anybody than Mr. Goodman.
9 In November 1991 the bank noted that Mr. Caldwell had informed them that the
11:33:03 10 land would be sold for 400,000 pounds with a 40,000 pounds deposit, which would
11 be released to them upon signing of the contract. This was believed by the
12 bank to be the refinancing of the deal through the involvement of Mr. Tiernan
13 and other unnamed investors.
14
11:33:21 15 On the 15th of November 1991 the bank received an unexpected visit from
16 Mr. Noel Smith, solicitor, who was accompanied by Mr. Gerry Gannon, a builder.
17 Mr. Smith was proposing a solution to Mr. Goodman's difficulties. The bank's
18 memorandum records that Mr. Smyth indicated that Mr. Gannon would be prepared
19 to take an assignment of the Bank of Nova Scotia loan and its security. The
11:33:49 20 bank indicated that it would not normally sell a loan. At this meeting
21 Mr. Smyth informed the bank, that contrary to what they believed the actual
22 owners of the land were "a solicitor, a well known political figure and another
23 individual". This was the first indication that the bank received, that the
24 property was not owned by a company controlled by Mr. Goodman.
11:34:12 25
26 Three days after that meeting Mr. Lawlor met with Mr. Goodman and his advisor,
27 Mr. Sean Mooney. At this meeting Mr. Lawlor was informed that Mr. Goodman
28 required to be repaid 158,560 pounds, due to him in respect of his expenditure
29 in relation to Coolamber. He required that the intending purchaser,
11:34:36 30 Mr. Tiernan, to give an undertaking on the loan to Bank of Nova Scotia and not

11:34:42 1 to re -- sorry -- and to release him from his Letter of Comfort to the bank.
2 Mr. Lawlor was informed that if this was not acceptable, Mr. Goodman would take
3 over the land and sell it. There was no indication given at this meeting as
4 to how Mr. Goodman would achieve this end and no reference was made to
11:35:02 5 Mr. Smyth's earlier visit to the bank with Mr. Gannon.

6
7 On the 27th of November the bank informed Mr. Caldwell of Mr. Smyth's
8 involvement and asked whether Mr. Smyth was genuinely acting on behalf of
9 Southfield as he claimed. Mr. Caldwell was informed that Mr. Smyth had a copy
11:35:23 10 of the loan facility letter and other documentation of Southfield's at the
11 meeting, but that he did not have a written authority authorising the bank to
12 deal with him in relation to the affairs of Southfield. The bank stated that
13 Mr. Smyth had indicated to them that he was acting for Mr. Goodman and
14 Mr. Gannon.

11:35:42 15
16 On the 27th of November 1991, Mr. Caldwell responded to the bank rejecting
17 Mr. Smyth's assertions. The bank was now concerned to establish the actual
18 ownership of the Southfield shares and the identity of the Southfield directors
19 and wrote to Mr. Caldwell seeking this information from him on the same date.

11:36:04 20
21 These events may have triggered the series of events which led to Southfield
22 disposing of the entire of its interest in the Coolamber lands for 400,000
23 pounds. This sum which was just sufficient to payoff the 350,000 pounds loan
24 to the bank and the accrued interest and expenses thereon, but was not
11:36:28 25 sufficient to repay Mr. Goodman any part of the 158,560 pounds which he had
26 expended in interest and other payments since 1987. It appears that
27 Mr. Goodman was not consulted in advance of the sale by Mr. Caldwell of
28 Southfield's interest to the new company in which Mr. Caldwell claims to have
29 had a 50% ultimate beneficial interest with Mr. Kennedy holding the remaining
11:36:55 30 50%.

11:36:57 1
2 The purchaser from Southfield was a British Virgin Island company called Vino
3 Properties Limited. The documents available to the Tribunal suggest the
4 following sequence of events led to Vino becoming the owner of the Coolamber
11:37:12 5 lands.
6
7 On the 27th of November, Mr. Caldwell wrote to Mr. Martin Bullock ostensibly
8 informing him of the difficulties which Southfield would have in meeting an
9 existing financial commitment to Navona Limited arising from an agreement
11:37:30 10 arising from a waiver of rights under an option agreement.
11
12 On the 28th of November, the next day, Mr. Bullock informed Mr. Caldwell that
13 he was trying to find a buyer for Coolamber to safeguard their interests. On
14 the same date and by separate fax, Mr. Bullock informed Mr. Caldwell that he
11:37:48 15 had been successful, Vino Properties Limited had agreed to buy.
16
17 On the follow day, the 29th of November 1991, there was a flurry of activity in
18 which:
19 A. Mr. Caldwell informed Mr. Bullock that Southfield would be interested in
11:38:05 20 selling to Vino and he asked if Vino would meet the immediate financial
21 requirement for 30,000 pounds, that is the outstanding bank interest.
22 B. Mr. Bullock responded by fax, presumably addressing this query, although a
23 copy of that fax is not available to the Tribunal.
24 C. Mr. Caldwell agreed to issue to Vino Properties, that day, 2,000 shares in
11:38:34 25 Southfield in return for the immediate payment of 2,000 pounds.
26 D. A meeting of Southfield Property Company was held, attended by Mr. Caldwell
27 and his fellow director, his secretary, Ann Elliott, at which the company
28 resolved that Southfield should issue 2,000 shares to Vino Properties Limited.
29 He, Mr. Caldwell, directed a member of the staff at Binchy's to file the
11:38:58 30 company resolutions that day in the Companies Office.

11:39:01 1 E. The effect of all of those transactions was that Vino Properties Limited
2 became the majority shareholder of Southfield, the registered owner of the
3 Coolamber lands.

4 F. On the 3rd of December 1991, Mr. Caldwell met with the bankers and informed
11:39:18 5 them that the beneficial owners of Southfield were "P Kennedy, Diplomat Trust
6 Company and Vino Properties Limited" and that Mr. Larry Goodman had no interest
7 in the shares. He was informed by the bank that this breached the loan
8 agreement with Southfield, which had provided that Mr. Goodman would remain the
9 100% owner of the shares of Southfield during the currency of the loan.

11:39:44 10 Mr. Caldwell informed the bankers that the reality of the situation was that
11 the sale of the property had been agreed at 400,000 pounds and the contract was
12 to be signed on the 19th of December 1991. The 40,000 pounds deposit under the
13 contract would be paid directly to the bank bringing the interest current to
14 that date. The closing date for the sale was to be the 19th of March 1992 and
11:40:10 15 the balance of the proceeds of 360,000 pounds, would repay the loan facility in
16 full, including interest to that date. The bank assumed that the purchaser was
17 a Tiernan company, as had been discussed earlier, Mr. Caldwell did not suggest
18 otherwise. However, Mr. Tiernan says that he had no involvement with Vino
19 Properties Limited other than as a purchaser for value of its lands by contract
11:40:39 20 of the 17th of December 1992, which was completed on the 16th of June 1994.

21 G. On the 4th of December 1991, Mr. Bullock faxed Mr. Caldwell with an offer
22 from Vino to purchase the lands for 400,000 pounds with a deposit of 40,000
23 pounds and on the same date Southfield passed a resolution to sell its lands to
24 Vino properties for that amount.

11:41:06 25

26 The actions of the 29th of November 1991 to the 4th of December 1991
27 effectively extinguished Southfield's interest in the Coolamber lands, subject
28 only to the payment of 400,000 pounds. The sequence of events suggests that
29 those who controlled Southfield were not dealing on an arm's length basis with
11:41:28 30 those controlling Vino Properties.

11:41:30 1
2 Mr. Noel Smyth, solicitor, was unaware of any of Mr. Caldwell's Southfield/Vino
3 activities and he renewed his contact with the bank on the 19th of December
4 1991 indicating that his client, now identified by him as Mobberley Limited,
11:41:50 5 were interested in acquiring an assignment of the bank's loan to Southfield.
6 He indicated that he had requested his client's bankers to transfer 350,000
7 pounds to the Bank of Nova Scotia as a bona fide expression of his client's
8 interest in pursuing the matter further. He wanted an account number to be
9 allocated to the company Elangrove Limited and any other relevant information
11:42:16 10 which would be necessary to enable him to place the money on deposit pending a
11 reply to the letter. He stated that he had previous -- sorry. He stated
12 that he previously indicated his clients had taken a formal assignment of the
13 debt due to Goodman International from Southfield. In fact, the assignment
14 was not executed until the 6th of January 1992, when by agreement made between
11:42:46 15 Cork Company Limited, the assignor and Elangrove Limited, the assignee. Cork
16 Company assigned to Elangrove its interest in the debt in consideration of
17 Elangrove paying Cork 158,560.
18
19 This assigned debt was intended to reflect the 50,000 pounds paid to Mr. Lawlor
11:43:10 20 in February 1988, the 12,513 pounds paid to Binchys solicitors in August 1988,
21 and the accumulated interest paid on the Southfield loan between December 1987
22 and June 1990, together with costs of 1,000 pounds. Presumably, Mr. Smyth
23 believed that his proposals to the bank would influence its decision in favour
24 of assigning the Southfield debt to his clients, thereby allowing his clients
11:43:44 25 to foreclose on the borrower, Southfield, and to take over the Coolamber land.
26 He was obviously unaware of the steps which had already been taken by
27 Mr. Caldwell to divest Southfield of any interest in the Coolamber lands. If
28 Mr. Smyth had been successful in his efforts to gain control of the lands on
29 behalf of his clients, it seems likely that some of the parties originally
11:44:11 30 involved in the transaction would have seen their interests diminished or

11:44:16 1 extinguished without compensation. Given Mr. Caldwell's response to news of
2 Mr. Smyth's involvement, it seems probable that Mr. Caldwell and the interests
3 he represented, would loose in the event that Mr. Smyth's efforts had been
4 successful.

11:44:34 5
6 There is conflicting evidence as to who Mr. Smyth was representing in his
7 dealings with the bank and an issue as to whether he was representing persons
8 other than Mr. Goodman. The bank witnesses recorded that Mr. Smyth claimed
9 that Mr. Gannon had paid off the Southfield loan to Goodman International and
11:44:54 10 that he was now owed 167,000 pounds by Southfield and that Mr. Gannon was
11 prepared to take an assignment of the bank's loan of 350,000 pounds so that he
12 would be owed 517,000 pounds by Southfield. It was stated that his intention
13 was to call in the loan from Southfield and when Southfield was unable to
14 discharge the debt, to appoint a receiver to realise the asset.

11:45:23 15
16 Mr. Gannon, in response to queries put to him by the Tribunal, indicated that
17 he had no recollection of ever attending a meeting at the Bank of Nova Scotia
18 with Mr. Smyth. He never acquired an interest in the Coolamber lands either
19 by purchasing an assignment of a Goodman International loan or otherwise. He
11:45:44 20 was never involved in any discussions or negotiations concerning the possible
21 purchase of the Coolamber lands.

22
23 When furnishing his initial statements of events Mr. Noel Smyth had no
24 recollection of any involvement with Mr. Gannon in connection with Bank of
11:46:03 25 Novia Scotia or the Coolamber lands, but on sight of the bank documentation,
26 forwarded to him by the Tribunal, he accepted that Mr. Gannon was with him at
27 the Bank of Nova Scotia on the 15th of November 1991. The Tribunal understands
28 Mr. Smyth's position to be, that Mr. Goodman was at all times his client, not
29 Mr. Gannon, and that the debt was to be pursued by a company called Elangrove
11:46:28 30 Limited on behalf of Mr. Goodman only. The Elangrove file, however, was later

11:46:35 1 given to Mr. Liam Lawlor by Mr. Smyth's office. Mr. Smyth indicates that this
2 was in error as Mr. Lawlor was not the underlying client and that Mr. Lawlor
3 has wrongfully refused to return the file to him. Mr. Lawlor disputes this
4 account of events and says that he was never given the Elangrove file.

11:46:57 5 Mr. Goodman accepts that Mr. Smyth was acting to recover his expenditure of
6 157,580 pounds but denies any knowledge of the company, Mobberley Limited,
7 which was said by Mr. Smyth to be his client.

8

9 It seems that the sale by Southfield to Vino Properties Limited took place
11:47:17 10 without the prior knowledge of Mr. Liam Lawlor or Mr. Goodman, notwithstanding
11 that the original funds used to acquire the Coolamber lands had come from these
12 sources. It is not clear who was instructing Mr. Caldwell to act as he did.
13 If the bank documentation is correct, Mr. Caldwell's position as of the 3rd of
14 December 1991, that is prior to the sale to Vino, was that he was acting for P
11:47:48 15 Kennedy, Diplomat Trust Company, and Vino Properties Limited. These parties
16 had acquired control of Southfield from the original beneficial owners, but how
17 they could have done so without any involvement of either Mr. Lawlor or
18 Mr. Goodman is not clear, since Mr. Caldwell's interest in Southfield seems to
19 been as nominee only and presumably for one or both of them. The address for
11:48:18 20 P Kennedy given in the Companies Office documentation, filed to reflect the new
21 shareholding in Southfield, would suggest that P Kennedy may be a member of
22 Mr. Jim Kennedy's family. Diplomat Trust Company was a trust used by John
23 Caldwell, but was not exclusively used to hold assets for his personal trusts.
24 Vino Properties Limited was the company in which Mr. Caldwell claimed to have a
11:48:44 25 50% interest, the balance being held by Mr. Kennedy. It seems probable that
26 Mr. Goodman's interests were extinguished in the Southfield sale to Vino, but
27 it is unclear as to which, if any, of the original parties involved in the 1987
28 acquisition remained involved after the Vino Properties acquisition in 1992.
29 Both Mr. Caldwell and Mr. Lawlor deny that Mr. Lawlor had any ownership
11:49:13 30 interest in Vino Properties Limited. If so, it follows that any Lawlor

11:49:17 1 interest in Coolamber held through Southfield/Navona ceased when Vino
2 Properties purchased Southfield's interest in 1992. However, Mr. Lawlor's
3 involvement continued well past that time.

11:49:32 5 Mr. Lawlor and Mr. Goodman's representatives continued to meet in 1992 to
6 discuss the take out of the property so as to allow for the recovery of the
7 sums owed by Southfield to Mr. Goodman and for him to be released from his
8 obligations to the bank, which is consistent with Mr. Lawlor believing he had
9 an ongoing interest in the ownership of the land.

11:49:58 10
11 On the 15th of May 1992, Bank of Nova Scotia returned the Letter of Comfort to
12 Mr. Goodman, their loan had been satisfied by Southfield. On the 9th of June
13 Mr. Mooney telephoned the bank and was informed that the 350,000 pounds loan
14 had been repaid in full. He immediately wrote to Mr. Goodman advising him
11:50:22 15 that they needed to talk to Liam Lawlor about the balance due. No action
16 appears to have have been taken to contact Mr. Lawlor at this time.

17
18 Over a year later, on the 19th of July 1993, Mr. Goodman's accountant, Mr. Sean
19 Mooney, prepared a memorandum for Mr. Noel Smyth, indicating that he wished Mr.
11:50:47 20 Smith to recover 158,560 pounds invested in the venture and the costs. There
21 was, however, to be no litigation and no publicity. By this date, Mr. Mooney
22 was aware that a further company had become involved in the ownership of the
23 land. Although he does not specifically mention Vino by name in his
24 memorandum, he stated that the property had been sold to a new company for a
11:51:15 25 price that enabled the Bank of Nova Scotia to be paid off. He understood that
26 this was in fact a refinancing of the project. From this I understand that he
27 meant that it was not an arm's length transaction with a third party, but
28 rather part of a refinancing package necessitated by the fact that Mr. Goodman
29 was no longer paying the interest on the original loan.

11:51:38 30

11:51:38 1 Mr. Smyth set about his task of recovering Mr. Goodman's outgoings by writing
2 to the directors of Southfield Limited, to John Caldwell, Vino Properties
3 Limited and to Mr. Tiernan. In his letters he stated that the lands had been
4 transferred from Southfield to Vino without notice to Cork Company, that is
11:52:01 5 Mr. Goodman's company, or to Elangrove, the company set up by Mr. Smyth to take
6 an assignment of Southfield's debt to Mr. Goodman. He further stated that the
7 principal shareholders of Vino were the same principal shareholders of
8 Southfield. He claimed that the purported transfer of the lands from
9 Southfield to Vino was invalid and that Elangrove remained the beneficial owner
11:52:27 10 of the Coolamber lands. In essence, Mr. Smyth was claiming that Mr. Goodman
11 had been wrongfully cut out of the ownership of Coolamber by the owners of
12 Southfield using the device of purported sale of the company's assets to
13 another company which was owned by the same beneficial owners but which had no
14 formal agreement with Mr. Goodman which required that company to reimburse him
11:52:51 15 for his expenditure of 158,560 pounds.
16
17 In the course of his pursuit of Mr. Caldwell and Southfield for Mr. Goodman's
18 entitlement, Mr. Smyth also came to act for Mr. Liam Lawlor. At a meeting
19 held on the 10th of December 1994 between Mr. Smyth, Mr. Goodman's accountant,
11:53:17 20 Mr. Sean Mooney, and Mr. Liam Lawlor, Mr. Liam Lawlor outlined to them his
21 involvement in the Coolamber transaction. He stated that he was then entitled
22 to 25% of the profit on the sale of the Coolamber lands to Mr. Tiernan, which
23 he said had been realised in cash. His understanding was that there was a
24 profit of 1.5 million pounds on the sale of which he was entitled to 375,000
11:53:45 25 pounds which had been withheld from him. These figures would not appear to
26 reflect the information available to the Tribunal which indicates that the
27 lands were purchased by Vino in May 1992 for 400,000 pounds and sold for a
28 total sale price in excess of 3 million pounds in 1994, which suggests a
29 potential profit of 2 and a half million pounds and not 1 and a half million
11:54:13 30 pounds. In any event, Mr. Lawlor claimed that this was the profit on the deal

11:54:19 1 and he stated that since he and Mr. Goodman were both seeking money from the
2 same person, Mr. John Caldwell, in respect of the same transaction, and since
3 he had arranged the funding in the first instance, he felt that Mr. Smyth
4 should act also for him.

11:54:36 5
6 In providing details of his involvement to Mr. Smyth, Mr. Lawlor explained that
7 Mr. Kennedy was entitled to 50% of the overall profit from the Vino Properties
8 sale and that he had been paid that sum. The balance of 50% was retained by
9 Mr. Caldwell, who claimed all of it, whereas Mr. Lawlor claimed that

11:54:58 10 Mr. Caldwell's entitlement was was to 50% of the balance and that he was
11 entitled to the remaining 50% of the balance. Mr. Smyth advised Mr. Lawlor
12 that if this was correct he could institute proceedings on Mr. Lawlor's behalf
13 against Mr. Caldwell and his partners in Binchys, to freeze the assets of that
14 firm pending resolution of Mr. Lawlor's entitlement. To do so, he would

11:55:25 15 require Mr. Lawlor to swear an affidavit on those facts. Mr. Lawlor was
16 unwilling to swear an affidavit at the time and indicated that he wanted no
17 publicity. He wondered whether the threat of legal proceedings would be
18 sufficient. As part of the efforts to obtain money from Mr. Caldwell and at
19 Mr. Smyth's request, Mr. Lawlor prepared notes of the meetings which he said he

11:55:50 20 had attended with Mr. Caldwell and Mr. Kennedy, in connection with the
21 Coolamber lands. He provided Mr. Smyth with what he said were notes of five
22 of the six meetings which would have taken place between these parties. These
23 notes purport to show that at their first meeting Mr. Lawlor, Mr. Kennedy and
24 Mr. Caldwell agreed:

- 11:56:14 25
- 26 A. To put in a bid for 55 acres of Coolamber.
 - 27 B. That Mr. Liam Lawlor was to secure 100% of the finance.
 - 28 C. That John Caldwell was to form a company and organise the legal and tax
 - 29 structures to bid for the land.
 - 11:56:31 30 D. Mr. Jim Kennedy was to manage the assessment of the engineering and

11:56:36 1 planning issues.
2
3 What is said to be a note of their third meeting records that the beneficial
4 ownership of the company would be 41.3% each to Liam Lawlor and Jim Kennedy and
11:56:49 5 17.3% to John Caldwell. In the notes of their sixth meeting it is said that
6 in the light of the refinancing of the project with the 400,000 pounds obtained
7 by John Caldwell and Jim Kennedy from Barclays Bank in London, Mr. Liam
8 Lawlor's share was to be reduced to 25% from 41.3%, Mr. John Caldwell's share
9 was to be increased to 25% from 17.3% and -- sorry -- 25% from 17.3%, and
11:57:30 10 Mr. Jim Kennedy's to 50%. Clearly, these meeting notes were not prepared
11 contemporaneously with the events themselves and Mr. John Caldwell disputes
12 their contents as being untrue.
13
14 The contents of these meeting notes do not accord with Mr. Lawlor's subsequent
11:57:52 15 evidence to the Tribunal or with the explanation given to the Tribunal in
16 subsequent correspondence, which culminates in his stating that he had an
17 understanding that he would receive some benefit in the event that the project
18 was successful rather than that he had any specific percentage ownership of the
19 companies involved.
11:58:10 20
21 In response of the claim being made against him through Mr. Noel Smyth,
22 Mr. Caldwell maintained that he was at all times acting on behalf of Southfield
23 and rejected any impropriety on his part, or on the part of Binchy's.
24 Mr. Lawlor prevailed upon Mr. Goodman to withdraw his claims against
11:58:32 25 Mr. Caldwell. He indicated that he would pay Mr. Goodman 100,000 pounds from
26 the monies which Mr. Caldwell would release to him from the proceeds of the
27 Coolamber sale, if Mr. Goodman's claim was withdrawn. Mr. Noel Smyth recorded
28 an agreement as having been reached between Mr. Lawlor and Mr. Goodman in
29 August 1995, which provided that Mr. Lawlor would lodge 100,000 pounds in Noel
11:59:01 30 Smyth's client account pending completion of another land deal, this time

11:59:04 1 involving land in Huntstown, County Dublin.
2
3 In the event that the Huntstown deal came to pass, it was envisaged that
4 Elangrove would profit to an extent greater than the 100,000 pounds on deposit.
11:59:21 5 However, if it did not, it was agreed that the 100,000 pounds on deposit would
6 be paid to Elangrove. How Mr. Goodman could have profited from any Huntstown
7 land deal with Mr. Lawlor or others remains unexplained. Mr. Smyth says that
8 despite this agreement, no sum was provided by Mr. Lawlor and he received no
9 instructions to pursue the matter further on Mr. Goodman's behalf. If so, it
11:59:49 10 seems that Mr. Goodman did not recover any part of the expenditure which he
11 incurred between January 1988 and June 1990 in respect of the Coolamber project
12 from either Mr. Caldwell/Vino Properties or from Mr. Lawlor.
13
14 Although Mr. Smyth had been making a claim against Mr. Caldwell and Southfield
12:00:17 15 on behalf of both Goodman and Mr. Lawlor, his involvement ceased upon his being
16 instructed by Mr. Lawlor to write a letter withdrawing all claims of
17 Mr. Goodman and Mr. Lawlor against Mr. Caldwell. He did so on the 4th of
18 August 1995, stating that he was instructed by his clients that they had
19 reached agreement with John Caldwell's clients and his firm and as a result of
12:00:44 20 such agreement he had received instructions to unconditionally withdraw all
21 claims and allegations made against him and his partners. Mr. Smyth played no
22 part in negotiating whatever agreement was reached with Mr. Caldwell and was
23 not made aware of its terms. It appears to have resulted in the payment being
24 made to Mr. Lawlor on the 14th of September 1995, in the amount of 825,000
12:01:16 25 deutsche marks, the equivalent of 350,000 pounds, which was lodged to
26 Mr. Lawlor's numbered bank account at Landesbank Liechtenstein. The ultimate
27 source of the fund is said to be Mr. John Caldwell's share of the profit
28 realised on the sale of Coolamber. It is unclear whether Mr. Goodman was made
29 aware by Mr. Lawlor that the withdrawal of the claim would result in the
12:01:43 30 payments being made in this way.

12:01:46 1
2 The resolution of the dispute between Mr. Lawlor and Mr. Caldwell in relation
3 to a claim for a share in the Coolamber profits was implemented in the firm of
4 David Morgan Whitehead & Co. in Jersey. The capacity in which that firm acted
12:02:03 5 is unclear but the available documentation suggests that Mr. Nicholas Morgan
6 acted in the transaction on behalf of both Mr. Caldwell and Mr. Lawlor.
7 Mr. Caldwell has not produced any documentation relating to this transaction,
8 claiming to have been unable to locate his file in the matter. The documents
9 emanating from Mr. Lawlor's side purport to show that a company called
12:02:32 10 Longwater Investments Limited granted a loan facility to Mr. Lawlor of 500,000
11 pounds sterling on the 5th of July 1995, which was repayable with interest.
12 This loan document appears to have been generated to account for the deposit of
13 the 825,000 deutsche marks which appear in the Landesbank accounts.
14
12:02:56 15 In his initial evidence to the Tribunal, Mr. Lawlor claimed that these monies
16 were in fact a loan made to him by the late David Morgan of David Morgan
17 Whitehead and Co, through a Morgan family trust which was secured on
18 Mr. Lawlor's assets in Ireland and in the expectation of profits from Czech
19 Republic activities conducted by Mr. Lawlor. He did not indicate that the
12:03:24 20 monies were in fact sourced from the sale proceeds of Coolamber or the
21 settlement of his dispute with Mr. Caldwell.
22
23 The Tribunal has heard detailed evidence in relation to Mr. Lawlor's
24 Liechtenstein bank account, in its compliance hearings on discovery which
12:03:43 25 involved Mr. Lawlor. Mr. Caldwell's explanation for paying Mr. Lawlor was
26 that he was being blackmailed by Mr. Lawlor. He made the payment because he
27 was an intensely private person and did not wish to be involved in a public
28 dispute with Mr. Lawlor, although he had no legal obligation towards him. Mr.
29 Caldwell maintained that the instructions given by him to David Morgan and
12:04:08 30 Company were that the settlement should be tied in with the regularisation of

12:04:14 1 other commercial transactions which he had with Mr. Lawlor in relation to Irish
2 lands but that he has been unable to find his file in relation to these
3 matters.

12:04:26 5 Prior to the connection with Mr. Caldwell and the Landesbank deposit of 825,000
6 deutsche marks being discovered by the Tribunal, Mr. Lawlor had produced, to
7 the Tribunal, documents generated by Andrew J Haynes, a lawyer in Gibraltar,
8 seeking the return of monies supposedly lent to Mr. Lawlor together with
9 interest thereon amounting to a sum in excess of 1 million pounds sterling.

12:04:57 10 More recent attendances taken by Mr. Nicholas Morgan suggests that there were
11 in fact no loans, and by way of explanation for the repayment demands, he
12 offered that Mr. Lawlor had been less than frank in furnishing information to
13 Mr. Morgan which led to the demand for the repayment of the loan and interest
14 being made through Mr. Haynes. Mr. Haynes' practice in Gibraltar is associated
12:05:20 15 with Mr. Morgan's Jersey based practice, David Morgan and Whitehead and
16 Company. These firms have provided documents Mr. Lawlor for onward
17 transmission to the Tribunal to support his evidence of indebtedness to
18 Longwater Investments when no actual indebtedness exists.

12:05:43 20 Mr. Caldwell states that Mr. Lawlor's ownership of the Coolamber lands ceased
21 upon the sale by Southfield to Vino Properties and that Mr. Lawlor had no
22 interest in the property, whilst it was in the ownership of Vino Properties.
23 He has produced no documentation showing that he, Mr. Caldwell, and Mr. Kennedy
24 are the parties ultimately entitled to the 50% interest each in Vino Properties
12:06:04 25 Limited. Mr. Nicholas Morgan also acted in the Vino Properties transaction on
26 behalf of that company and he distributed to the proceeds of sale as directed.
27 Neither the files of Vino Properties nor the files evidencing the resolution of
28 the Lawlor/Caldwell dispute have been made available to the Tribunal.

12:06:27 30 In the onward sale of the Coolamber lands by Vino Properties to Mr. Tiernan's

12:06:33 1 construction company, ownership of the underground pipework network was
2 retained by Vino Properties and subsequently transferred by it to another
3 British Virgin Island's company called Valley Holdings Limited. Mr. Lawlor's
4 has a 25% shareholding in this enterprise although he did not disclose his
12:06:54 5 interest in this part of the Coolamber lands when his possible involvement in
6 Coolamber was first raised by the Tribunal. Mr. Caldwell says that Mr.
7 Lawlor's interest was created when a second demand was made of him in 1997
8 through Mr. Noel Smyth, solicitor, acting on behalf of Mr. Lawlor. He says
9 that he again capitulated to Mr. Lawlor's demand, although he considered that
12:07:17 10 it amounted to blackmail of him. Again, Mr. Nicholas Morgan acted in the
11 resolution of this dispute and again Mr. Caldwell said that he left the
12 implementation of the settlement to Mr. Morgan. Again, no papers evidencing
13 the resolution of the dispute have been furnished to the Tribunal. If
14 Mr. Caldwell's evidence is correct, Mr. Kennedy, Mr. Lawlor, and Mr. Caldwell
12:07:44 15 remain connected with the ownership of the Coolamber lands through their
16 respective ownership in the structures and entitles which hold the Valley
17 Holdings Limited pipeline beneath Coolamber.
18
19 Planning status of the Coolamber lands between 1987 and 1995.
12:08:04 20
21 At the time of their acquisition from the Tyrell family in 1987, the lands were
22 rezoned for agricultural use only. Mr. Joe Tiernan entered into his first
23 contract to purchase the lands on the 24th of November 1989 and he applied for
24 planning permission to build 472 houses on the site on the 12th of January
12:08:27 25 1990. As any grant of planning permission for residential development would
26 have involved a material contravention of the then current County Development
27 Plan, such application required a material contravention of the plan. Notice
28 of a proposal to resolve to direct the County Manager to grant planning
29 permission under a Section 4 motion was given by Councillors Lyons, Barry and
12:08:51 30 Hickey on the 12th of January 1990. The motion was listed for hearing on the

12:08:56 1 12th of February 1990 and the Section 4 procedure commenced thereafter with the
2 publication of notices in the press of the council's intention to consider the
3 grant of planning permission for the scheme which would materially breach the
4 Development Plan.

12:09:12 5
6 On the 12th of March 1990, the members of the council considered the
7 application, including the advices of the council officials recommending
8 rejection and other third parties objections. They then adjourned the motion
9 to the 2nd of April 1990, on which date the council was again advised against
10 the passing of the resolution. Councillors were furnished with Senior
11 Counsel's opinion that any grant would be subject to a successful High Court
12 challenge. The motion was adjourned to the 15th of June 1990 when it was
13 passed by a majority and planning permission was granted on the 12th of July
14 1990.

12:09:55 15
16 On the 27th of July 1990, the decision was appealed to An Bord Pleanala and
17 separately an application for judicial review was brought in the High Court by
18 the adjoining owner of Coolamber House and its amenity land. The appeal to An
19 Bord Pleanala and the judicial review proceedings were both successful. The
12:10:20 20 grant of planning permission of the 12th of July 1990 was reversed by An Bord
21 Pleanala on the 9th of July 1991, and the decision of the High Court was
22 delivered by Mr. Justice Lardner on the 24th of July 1991, quashing the
23 original grant of permission.
24

12:10:37 25 Dublin County Council was in the course of reviewing the Draft Development Plan
26 and in September 1991 it published a Draft Development Plan showing the
27 council's eats proposal to rezone the Coolamber lands for residential
28 development. Submissions were made to the council after the draft plan went
29 on public display and in February 1993, the council confirmed that the lands
12:11:03 30 would be shown in the 1993 Development Plan as zoned for residential

12:11:08 1 development.
2
3 On the 19th of November 1993 Mr. Joe Tiernan applied for planning permission
4 for 503 houses. This application was granted on the 18th of March 1994, a
12:11:22 5 subsequent application for modification of the house types resulted in a final
6 grant of permission for 515 houses being made on the 31st of January 1995.
7 The applications for planning permission made between January 1990 and January
8 1995 were all made by companies connected with Mr. Joe Tiernan.
9
12:11:43 10 The financing of the Coolamber acquisition between 1987 and 1994. The Tyrell
11 sale in 1987.
12
13 The successful tender price for lots 2 and 3 was 208,529 pounds. This sum was
14 sourced from funds provided by Mr. Larry Goodman to Mr. Liam Lawlor as follows.
12:12:09 15 A lodgement of 30,000 pounds was made to the account of Advanced Proteins
16 Limited on the 22nd of July 1987. Mr. Liam Lawlor wrote a cheque for 23,632
17 pounds on the Advanced Proteins bank account, made payable to Binchys on the
18 22nd of July 1987. On the same date, Binchy and Partners purchased two bank
19 drafts in the sum of 10,426 pounds representing 5% of the tender bid for lots
12:12:42 20 two and three. These drafts were forwarded to McCann Fitzgerald solicitors
21 acting for the Tyrells. On the 5th of August 1987, two further payments
22 totalling 10,426 pounds were made to McCann Fitzgerald, so as to bring the
23 total sum on deposit to 10% of the agreed tender price.
24
12:13:06 25 On the 30th of September 1987, a cheque for 250,000 pounds, drawn on the
26 account of Anglo Irish Meat Company Limited and signed by Mr. Larry Goodman,
27 was lodged to the account of Advanced Proteins Limited. On the 21st of
28 October 1987, a cheque in the sum of 70,000 pounds was lodged to the current
29 account of Mr. Liam Lawlor at Ulster Bank, Lucan, and on the same date he
12:13:33 30 transferred 65,000 pounds from that account to the account of Advanced Proteins

12:13:38 1 Limited. On the 10th of December 1987, 203,125 pounds and 61 pence was
2 withdrawn from the savings account of Advanced Proteins Limited and used to
3 purchase a bank draft in the same amount made payable to Binchy and Partners
4 solicitors. This draft was lodged to Binchy and Partners client deposit
12:14:02 5 account for Advanced Proteins Limited, and on the 18th of December 1987, a
6 withdrawal of 187,677 pounds was made from that account and used to purchase a
7 bank draft made payable to McCann Fitzgerald solicitors. This payment
8 represented the balance of the monies due to complete the payments to the
9 Tyrell family. On the 22nd of December 1987, an amount of 12,513 pounds was
12:14:33 10 withdrawn from the same account and used to purchase a bank draft made payable
11 to Binchy and Partners. This sum was used on the 11th of January 1988 to pay
12 stamp duty which was payable upon the stamping of the Deed of Transfer from the
13 Tyrells to Navona Limited. However, in August 1988, a similar sum of 12,513
14 pounds was sought by Binchy and Partners from Mr. Goodman for stamp duty
12:15:04 15 purposes and was paid to them by means of a bank draft in their favour which
16 was lodged to their client account for Southfield.

17
18 In summary, the financial documentation available suggests that between July
19 and October 1987, Mr. Goodman and his companies paid Mr. Lawlor and his
12:15:22 20 company, Advanced Proteins Limited, a total of 350,000 pounds. On the 31st of
21 December 1987, the Bank of Nova Scotia transferred a separate sum of 350,000
22 pounds to the account of Anglo Irish Beef Processors Limited at AIB Dundalk.
23 This payment reimbursed Mr. Goodman's company, the funds given earlier to
24 Mr. Lawlor and Advanced Proteins Limited. This payment was the entire
12:15:51 25 proceeds of the loan taken out in the name of Southfield Property Company
26 Limited. This loan was on an interest only basis, the security for which was
27 a charge in favour of the bank over the Coolamber lands and the Letter of
28 Comfort provided by Mr. Goodman stating that he was a 100% shareholder in
29 Southfield Property Company Limited. After payment of the purchase price of
12:16:17 30 the lands and stamp duty in December 1987, there was a balance of approximately

12:16:22 1 129,000 pounds available to the fund future expenses. In February 1988
2 Mr. Lawlor sought and received a further payment of 50,000 pounds from
3 Mr. Goodman which was attributed to the Coolamber project.
4

12:16:39 5 The sale by Southfield Property Company Limited to Finbar Cahill in trust for
6 Mr. Joe Tiernan, dated the 24th of November 1989.
7

8 Upon the signing of this contract a non-refundable deposit of 110,000 pounds
9 was paid by Mr. Joe Tiernan, the purchaser. Mr. Tiernan paid this sum by way
12:17:02 10 of a cheque made out to his own solicitors, dated the 24th of November 1987, in
11 the sum of 110,000 pounds. At the time this cheque was written there was
12 there were no funds in the account to meet the cheque. However, on the 27th
13 of November a lodgement of 110,000 pounds was made to the this current account.
14 The source of this payment was Mr. Robin Rennicks. Mr. Rennicks made the
12:17:28 15 payment to Mr. Tiernan's account following an approach made to him by Mr. Luke
16 Mooney of Corporate Finance Ireland Limited for finance for the project.
17 Apparently Mr. Rennicks believed, that in paying this sum, he would become a
18 50% shareholder in the Tiernan company which would acquire the Coolamber lands.
19 Mr. Tiernan and Mr. Mooney believed that he was to share to the extent of 25%
12:17:58 20 only. In any event, it seems that he did not receive any share of the profit
21 but merely received the return of his initial payment of 110,000 pounds without
22 interest, five years later in 1994. In 1997 Mr. Luke Mooney pursued a
23 personal claim against Mr. Joe Tiernan for a share in the profits of the
24 Coolamber transaction on the basis that he was entitled to 10% of the profit by
12:18:27 25 arrangement with Mr. Tiernan. This claim is said to have been compromised by
26 Mr. Tiernan's payment to Mr. Mooney of 250,000 pounds and VAT, paid as to
27 100,000 pounds and VAT in December 1997 and 150,000 pounds and VAT in May 1998.
28 These payments were structured so as to appear as earnings rather than capital
29 gains. The discovery process in relation to the Rennicks, Tiernan and Mooney
12:19:06 30 involvement is incomplete and is the subject of current correspondence with

12:19:06 1 these parties.
2
3 When the 110,000 pounds deposit was released to Southfield in November 1989, it
4 was applied to meet various headings of expenditure incurred by Southfield, but
12:19:19 5 in addition monies from this source seem to have been applied towards meeting
6 liabilities which were not those of Southfield. The Southfield funds were
7 used to pay architects fees sought by Mr. John O'Connor in respect of work
8 which he carried out on the lands of Baldoyle, which will be the subject of a
9 subsequent phase of this inquiry.

12:19:43 10
11 This suggests that the party or parties behind Southfield in 1990, was the same
12 party or parties involved in the Baldoyle lands in 1990, as the
13 Southfield/Coolamber funds were used to discharge liability arising from both
14 transactions.

12:20:04 15
16 Over 46,000 pounds of the 110,000 pounds deposit was sent by Southfield to
17 Standard Chartered Bank in the Isle of Man where it was lodged to an account in
18 the name of Southfield Property Company which was subsequently shown as an
19 account of Navona Limited, suggesting Navona and Southfield were owned by the
12:20:29 20 same person or persons. Mr. Caldwell has stated that he believes that Navona
21 Limited was beneficially owned by Mr. Lawlor. He says that he was not aware
22 of the nature of the relationship between Mr. Kennedy and Mr. Lawlor in
23 relation to Navona, but recalls that at a later stage, Mr. Kennedy claimed a
24 50% interest in Navona. If Mr. Caldwell is correct in his account of events,
12:20:55 25 Mr. Lawlor was a beneficiary to the extent of at least 50% in the Isle of Man
26 account operated by Navona Limited.
27
28 The sale by Southfield Property Company Limited to Vino Properties Limited.
29
12:21:10 30 On the 14th of January 1992 a contract was signed by Southfield, under which it

12:21:16 1 agreed to sell the Coolamber lands to Vino for 400,000 pounds with an initial
2 deposit of 40,000 pounds which was to be released to the vendor. On the 13th
3 of January 1992 the sum of 40,000 pounds was transferred from the Channel
4 Islands, by telegraphic transfer, to the account of Miley & Miley Solicitors
12:21:37 5 who were appointed to act on behalf of Vino Properties Limited in the
6 acquisition of the Coolamber lands. Miley & Miley Solicitors drew a cheque on
7 their account on the 14th of January 1992 in the sum of 40,000 pounds made
8 payable to Binchy solicitors acting on behalf of Southfield. On the 15th of
9 January 1992, a bank draft for 40,000 pounds was lodged at Bank of Nova Scotia
12:22:04 10 with instructions that it be offset against the unpaid interest due on foot of
11 the Southfield loan. The balance, approximately 6,000 pounds, was to be held
12 to be applied against the future interest payment due on the Coolamber land
13 which was to be paid on the 20th of January 1992. The internal documentation
14 in the bank recorded that the 40,000 pounds represented the deposit on the sale
12:22:33 15 of the property to Vino Properties Limited which is recorded as being a Tiernan
16 Homes company. However, Mr. Tiernan says that he had no connection with Vino
17 Properties Limited. The balance of 350,000 pounds due on foot of the contract
18 of sale to Vino Properties Limited was transferred from Barclays Bank in the
19 Channel Islands on the 15th of May 1992. The loan and interest totalling
12:23:04 20 360,393.45 pounds was discharged by the payment of this sum on the 15th of May
21 1992. There is no documentation available to the Tribunal to identify the
22 source of the funds of 400,000 pounds, used by Vino Properties Limited to
23 purchase the lands from Southfield. Mr. Caldwell informed the Tribunal that
24 he believes that these funds were raised by Mr. Kennedy. The land registry
12:23:35 25 folio in relation to the lands, shows that a charge was registered over the
26 lands in favour of Barclays Bank Limited for 400,000 pounds by Miley & Miley
27 Solicitors, which suggests that the funds of 400,000 pounds were raised by way
28 of loan. The identity of Barclays Bank Limited's customer is not known.
29
12:23:56 30 The sale of the property from Vino Properties Limited to Kylewood Construction

12:24:02 1 Limited in December 1992.
2
3 Kylewood Construction Company Limited entered into a contract to purchase the
4 majority of the Coolamber lands for 2 million 700,050 pounds on the 17th of
12:24:18 5 December 1992, despite the amount of the consideration, the initial deposit due
6 on signing this contract was only 50 pounds and even so, this deposit was not
7 paid until the closing date. The closing date of the contract was to be six
8 months from the date of adoption by Dublin County Council, of the Development
9 Plan or three years from the date of the contract, whichever was the earlier.
12:24:47 10 Dublin County Council adopted the draft Development Plan on the 10th of
11 December 1993. On the 7th of June 1994, Mr. Tiernan agreed to purchase a
12 further 2 and a half acres from Vino Properties Limited for 285,000 pounds.
13 The name of the purchaser on the contract was also changed from Kylewood
14 Construction Limited to Tiernan Home Builders Limited. On the 16th of June
12:25:17 15 1994, Vino Properties Limited transferred the lands, the subject of the
16 contract, to Tiernan Home Builders Limited for a sum of 2 million 985,050
17 pounds. After deduction of 15% retention tax, the sum of 2 million 537,290
18 pounds was lodged to the account of Vino Properties Limited at AIB bank, Dame
19 Street, Dublin. This sum was converted to sterling and transferred at the
12:25:48 20 request of CI Law Trust Group into the account of Vino Properties at account
21 No. 20723851, Barclays Bank, Guernsey, Channel Islands, on the 21st of June
22 1994. This is the last direct link to the Coolamber funds. However, the
23 evidence suggests that some of the funds end ended up in Liechtenstein.
24
12:26:15 25 The deutsche mark equivalent of the amount transferred to Guernsey was 6
26 million and 89,500 deutsche marks. A sum representing 33% of this amount was
27 withdrawn from the account of Longwater Investments Limited at VP Bank
28 Liechtenstein, six months later, on the 20th of December 1994. On the
29 previous day, an account had been opened at the Liechtenstische Landesbank in
12:26:44 30 the name of Drebbin Limited, an Isle of Man company, based at the office of

12:26:51 1 Frank Scott Consultancy Limited at Canio House, 18 Hope Street, Douglas, Isle
2 of Man. This account was administered in Liechtenstein by Tondury and
3 Partner, Dr. Meier of that firm was made available to represent the interests
4 of Thoeny Treuhand AG of Vaduz, to exercise the rights in trust of the
12:27:20 5 mandatory Nicholas St. Clare Morgan in relation to the rights of Drebbin
6 Limited, Doctor Meier's instructions were to come from Mr. Frank Scott on
7 behalf of the mandatory Mr. Morgan. Mr. Caldwell may be the ultimate
8 beneficial owner of Drebbin.
9
12:27:40 10 On the 14th of September 1995, 825,000 deutsche marks was taken from the
11 Drebbin deposit account of Landesbank, lodged to the current account of Drebbin
12 at Landesbank and withdrawn from that account on the same date. On the same
13 date a lodgement was made to Mr. Liam Lawlor's numbered account at Landesbank
14 in the sum of 825,000 deutsche marks.
12:28:09 15
16 Mr. Lawlor says that Drebbin was a company which was set up at his request
17 following liaison between Frank Scott in the Isle of Man and Nicholas Morgan in
18 Jersey. The proceeds of this Vino Property sale are said by Mr. Caldwell, to
19 have been the subject of two loans, one of which was made to a company called
12:28:29 20 Longwater Investments Limited, the other was to a company, the name of which
21 was unknown to him, but which he believes to be associated with Mr. Jim
22 Kennedy. Once these loans were made, Vino Properties was liquidated and the
23 entitlement to recover the loans transferred to another Morgan trust, again
24 unnamed. Drebbin took a loan from Longwater and it is this fund which is said
12:28:57 25 to have provided the 825,000 deutsche marks paid to Mr. Lawlor's account.
26 Mr. Lawlor says that this payment was made to Mr. Lawlor to settle his claim to
27 share in the proceeds of the Vino/Coolamber transaction and other claims."
28
29 CHAIRMAN: Not Mr. Lawlor, Mr. Caldwell.

12:29:21 30

12:29:21 1 MR. O'NEILL: I beg your pardon -- "Mr. Caldwell says that had payment was
2 made to Mr. Lawlor to settle his claims to share in the proceeds of the
3 Vino/Coolamber transaction and other claims. As indicated earlier, the
4 documents generated by Mr. Liam Lawlor and Nicholas Morgan purported to show
12:29:39 5 that this 825,000 deutsche marks lodged to the Liechtenstein Landesbank account
6 was a loan to Mr. Lawlor. The funds in the Drebbin account, other than the
7 payment which ended up with Mr. Lawlor, were said to be invested by
8 Mr. Caldwell in other projects. The Tribunal does not have a complete
9 breakdown of the ultimate distribution of the Longwater Investments loan funds
12:30:05 10 or any details of the balance of the funds said to have been the subject of a
11 loan to a Kennedy related structure.

12
13 The history of events detailed in this opening, illustrates the complex nature
14 of the ownership of the Coolamber lands from the time of their acquisition from
12:30:23 15 the Tyrell family in 1987. Mr. Lawlor, Mr. Kennedy and Mr. Caldwell all
16 appear to have been involved throughout. The extent to which they have been
17 personally involved and the capacity in which they have inter-related with each
18 other, is not apparent from consideration of any of the title documents
19 generated in the acquisition or subsequent disposition of the lands or from
12:30:46 20 consideration of the documentation relating to the corporate structures set up
21 to hold the lands on behalf of the parties. The beneficial owners of the
22 corporate structures which owned the lands, either deliberately decided not to
23 record their involvement in writing, or alternatively have failed to provide
24 the Tribunal with the documents which evidence their personal ownership or
12:31:11 25 involvement. The parties chose to adopt this course to serve their own
26 purposes. The effect has been to cloak the ownership of the lands and the
27 relationship between these parties with layers of secrecy. However, the fact
28 that they were all involved in the ownership of the lands is apparent from the
29 documentation obtained by the Tribunal.

12:31:31 30

12:31:31 1 The Tribunal's knowledge of the involvement has been gleaned, in the main, from
2 consideration of documents which were generated in relation to events which
3 were not planned for at the outset of the project, including the documents
4 generated in the course of the refinancing of the project from 1990 onwards and
12:31:50 5 the documents relating to the dispute as to the division of the profits
6 realised upon the sale by Vino Properties Limited. Had matters progressed to
7 the conclusion which was envisaged in the initial agreement made between
8 Mr. Lawlor and Mr. Goodman in July 1987, the involvement of Mr. Caldwell and
9 Mr. Kennedy would not have been ascertainable from documents generated in that
12:32:18 10 transaction. Had Mr. Lawlor not chosen to instruct Noel Smyth, solicitor, to
11 make a written demand for interest in certain companies engaged in Irish land
12 transactions, including Coolamber, Mr. Lawlor claim to a share in the ultimate
13 profits on the sale of Coolamber may not have been ascertainable. While some
14 of these documents can be demonstrated to be untrue in material respects, they
12:32:34 15 illustrate the positions adopted by their authors at significant stages in the
16 history of the dealings between the parties.

17
18 In its evaluation of Mr. Lawlor's current account with his relationship with
19 Mr. Kennedy and Mr. Caldwell in relation to Irish land transactions, the
12:32:58 20 Tribunal will examine Mr. Lawlor's previous denials of involvement in the
21 Coolamber lands, as set out in his sworn affidavits in the High Court
22 proceedings, together with his public denials of any business association or
23 relationship with Mr. Kennedy. The Tribunal will also have regard for the
24 disclosure obligations which were placed upon Mr. Lawlor as a public
12:33:23 25 representative, both under the Local Government Planning and Development Act
26 1976 and the Ethics in Public Office Act 1995. Under the former, Mr. Lawlor,
27 as a member of the Dublin County Council until June 1991, was under a
28 continuing obligation to declare to the council, any interest which he had in
29 lands in County Dublin. None of the declarations completed by Mr. Lawlor
12:33:47 30 contains any disclosure of his holding of an interest in the Pentagon pipeline

12:33:52 1 or in the Coolamber lands. Although Mr. Lawlor did not participate in the
2 council meetings at which Mr. Tiernan's plans for development of the Coolamber
3 lands were discussed by the council, he, nonetheless, did not disclose, as was
4 his obligation, the fact that he held an ownership interest in those lands at
12:34:12 5 that time through the Navona/Southfield structures.

6
7 Examination of the circumstances in which Mr. Lawlor, Mr. Kennedy and
8 Mr. Caldwell acted directly and through others in their dealings connected with
9 the Coolamber lands, will hopefully advance the Tribunal's understanding of the
12:34:30 10 nature and underlying purpose of their relationship in the context of land
11 transactions with which they were involved in County Dublin and the allegations
12 that corrupt means were used to secure the rezoning of the Jackson Way lands at
13 Carrickmines.

14
12:34:43 15 I believe that the recital of the facts contained in this opening, reflects
16 accurately the information provided to the Tribunal in its preliminary
17 investigative phase. It is not intended to represent a conclusion or
18 determination by the Tribunal, but is given to as to allow the parties to
19 identify the matters which are the subject of the inquiries and to address
12:35:05 20 those areas of the evidence which specifically apply to their involvement. I
21 have not endeavoured in this recital of events to detail all of the evidence
22 which would be heard or to summarise all of the conflicts which exist in the
23 evidence which will be adduced when the witnesses are called by the Tribunal to
24 deal with the respective matters. Accordingly, persons listening to, or
12:35:27 25 reading this opening statement, should not draw conclusions from the outline of
26 facts in this opening, but should await a full hearing of all the evidence
27 before reaching any conclusions thereon."

28
29 That concludes my opening, Mr. Chairman, and the practice has been to allow for
12:35:45 30 parties who have an interest in the proceedings, having considered the opening,

12:35:50 1 to reply, should they wish to do so at this point in time, and for that
2 purpose, time has been allowed to the parties to consider the document.

3
4 There will be no evidence called on the issue until tomorrow morning, when the
12:36:07 5 first witness will be listed for hearing at half past ten.

6
7 CHAIRMAN: All right. Well interested parties may, if they wish, reply to
8 the opening statement. They don't have to reply, as was suggested -- as
9 indicated by Mr. O'Neill, and the absence of a reply does not mean that a
12:36:30 10 party necessarily accepts or agrees with all of the information disclosed in
11 the opening statements. Replies should be restricted to placing on the record
12 the extent to which a party believes that the information set out in the
13 opening statement is or may be erroneous. Or to place on the record any other
14 information which is relevant to this phase of the inquiry and which may be of
15 assistance to the Tribunal.

16
17 A reply should not be used as an excuse or a platform to make submissions to
18 the effect that the Tribunal's investigation in this phase is outside its Terms
19 of References or to air grievances relating to other modules or investigations
12:37:10 20 being conducted by the Tribunal. Now just in relation to anyone wishing to seek
21 representation. Mr. Finlay, I assume you require representation or seek
22 representation on behalf of Mr. Caldwell?

23
24 MR. FINLAY: I hadn't understood, Chairman, that there was any necessity for me
12:37:31 25 to apply for representation, given the fact that I've been granted
26 representation in a single issue module, this is the Carrickmines 2 module.
27 So I have been granted representation, I hadn't understood that therefore
28 there would be any necessity for me to apply.

29
12:37:48 30 CHAIRMAN: That's fine. Are there any other parties seeking to

12:37:53 1 representation?
2
3 MR. O'RIORDAN: Mr. Chairman, I seek limited representation for Mr. Brian
4 Britton, and the instructing solicitors are Messrs. Gore and Grimes and counsel
12:38:02 5 for Mr. Britton is Ms. Caroline Costello.
6
7 CHAIRMAN: Very good. Granted, thank you.
8
9 MS. GIBBONS: Mr. Chairman, I am applying for limited representation on behalf
12:38:14 10 of Mr. Noel Smyth, instructed by Noel Smyth & Partners solicitors and Martin
11 Dully BL will be instructed.
12
13 CHAIRMAN: Alright. Anyone else? Now, Mr. Finlay, do you wish to make any,
14 to make a reply today or do you want to leave it to tomorrow?
12:38:38 15
16 MR. FINLAY: Beg your pardon Chairman, I'm so sorry, I was talking to Mr.
17 Miley.
18
19 CHAIRMAN: Do you wish to give a reply to the opening statement?
12:38:43 20
21 MR. FINLAY: Um,
22
23 CHAIRMAN: You don't have to, as I say.
24
12:38:47 25 MR. FINLAY: I appreciate that. Thank you very much for that. At the moment
26 I simply don't know, if there were anything I have to say I would anticipate
27 that it would be extremely short. There may be nothing to say, I had
28 understood, perhaps incorrectly, from a document, I think, referred to as a
29 witness schedule as of the 2nd of December. That replies were in fact to take
12:39:11 30 place tomorrow.

12:39:11 1
2 CHAIRMAN: That's fine.
3
4 MR. FINLAY: Excellent.
12:39:14 5
6 CHAIRMAN: All right. You can deal with it in the morning.
7
8 MR. FINLAY: Thank you very much. That would be very helpful.
9
12:39:29 10 CHAIRMAN: And the same for the other parties. Mr. Lawlor, you equally would
11 be entitled to reply tomorrow.
12
13 MR. LAWLOR: Thank you, Chairman.
14
12:39:29 15 CHAIRMAN: All right. Half ten tomorrow.
16
17 **THE TRIBUNAL THEN ADJOURNED UNTIL THE FOLLOWING DAY,**
18 **WEDNESDAY 8TH DECEMBER 2004, AT 10.30 A.M.**
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