

10:04:49 1 **THE TRIBUNAL RESUMED AS FOLLOWS ON TUESDAY,**

2 **20th MAY 2008, AT 10:30 a.m:**

3

4 CHAIRMAN: Good morning, Mr. Murphy.

10:46:21 5

6 MR. MURPHY: Good morning, Chairman. Good morning members.

7 Mr. Peter McKenna, please.

8

9 **MR. PETER McKENNA, HAVING BEEN SWORN, WAS QUESTIONED BY**

10:46:53 10

MR. MURPHY AS FOLLOWS:

11

12 CHAIRMAN: Good morning, Mr. McKenna.

13 A. Good morning.

14 Q. 1 MR. MURPHY: Good morning, Mr. McKenna.

10:47:00 15

A. Good morning.

16 Q. 2 Mr. McKenna, in 1994 you became -- early 1994 you became manager of the Mallow
17 branch of Ulster Bank.

18 A. Yes.

19 Q. 3 And that's why you are here with us today.

10:47:13 20

A. Yes.

21 Q. 4 And you have given and furnished two statements to the Tribunal and you have
22 also come in for a private interview, isn't that right?

23 A. Yes.

24 Q. 5 All right. I would like to just read out your first statement which is at page
10:47:26 25 28406, and it's a statement dated the 9th of January of this year. And you say
26 as follows:

27

28 "I was appointed manager of Mallow branch in early 1994. The Trentvalley
29 account was already under report having been identified in internal procedures
10:47:46 30 during November 1993. My understanding at the time was that the account

10:47:50 1 related to Fianna Fail fundraising activities. Des Richardson director of
2 Trentvalley Limited and guarantor for the debt was my contact point for
3 dealings with the company. Around that time I became aware of Mr. Richardson's
4 association with Mr. Ahern.

10:48:04 5
6 The focus of my dealings with Mr. Richardson was in negotiating the re pavement
7 of the outstanding balance on the account of Trentvalley Limited. During this
8 time I was in frequent contact with our debt recovery department and I also
9 involved my then area director, Sean O'Mahony.

10:48:22 10
11 During the course of 1994, I had numerous telephone conversations with
12 Mr. Richardson and we were also met during that time -- and we also met during
13 that time. Telephone contact with Mr. Richardson was usually through his suite
14 at the Berkley Court, often times messages were left on the answering machine
10:48:37 15 and Mr. Richardson would return the calls subsequently. Our discussions were
16 at all times both courteous and professional.

17
18 During the course of these discussions over a number of months, a settlement
19 figure of 12,500 was agreed upon in full and final settlement of the
10:48:51 20 Trentvalley debt to Ulster Bank. This sum eventually arrived in late 1994 and
21 the account closed with the residue debt being written off."

22
23 You have signed that statement and it's dated January 9th 2008, isn't that
24 right, Mr. McKenna?

10:49:06 25 A. Yes.

26 Q. 6 And I think you attended for interview subsequently, is that right?

27 A. Yes.

28 Q. 7 And then I think you furnished a further statement I think the Tribunal asked
29 you for a more detailed statement, is that correct?

10:49:29 30 A. Yes.

10:49:34 1 Q. 8 It's just going up now, Chairman. This is your second statement which is dated
2 19th May 2008. And it reads as following:
3
4 "Statement of Peter McKenna, ex branch manager of Ulster Bank, Main Street,
10:49:53 5 Mallow.
6
7 I was appointed manager of Mallow branch in early 1994. Soon after my
8 appointment I became aware of an account at the branch Trentvalley Limited. At
9 the time the account balance was in excess of it's fund limit and had already
10:50:06 10 been highlighted during an internal audit in late 1993.
11
12 Perusal of account opening documentation reveals that the limited company was
13 incorporated on March 24th 1993, and account opened on April 28th 1993.
14 Documents indicate both Des Richardson and Pat O'Callaghan as being directors,
10:50:25 15 while signing instructions were both to sign.
16
17 Account opening documentation indicates that the account was being utilised in
18 respect of a lottery enterprise designed to raise funds for Fianna Fail. The
19 account was granted a formal facility of 10,000 Irish Pounds to assist with set
10:50:42 20 up costs and was guaranteed by a personal guarantee from Des Richardson.
21
22 By the time I became involved with the account normal transactions had ceased
23 and it was virtually dormant. My challenge was to get the account back on the
24 proper footing or secure repayment of the debt.
10:50:57 25
26 I have no recollection of speaking with Mr. O'Callaghan in connection with the
27 account. However, I had many conversations with Mr. Richardson over the course
28 of the year. A settlement of 12,500 Irish Pounds was finally agreed in full
29 and final settlement and a small residue balance was written off in early 1995.
10:51:12 30

10:51:13 1 From my early telephone conversations with Mr. Richardson it is clear that the
2 project ran into difficulties at the outset and this combined with the fact
3 that Mr. Richardson was a busy businessman meant that we were looking at
4 repayment of the debt as opposed to getting the account back on a sound
10:51:33 5 footing.

6
7 During the summer of '94, for various reasons, annual leave included, we made
8 little headway. In an effort to maintain the pressure on Mr. Richardson we
9 formally called up the company in June. However, there was no real response
10:51:38 10 yet our telephone conversations did continue.

11
12 I did meet with Mr. Richardson on the afternoon of August 3rd. I recall this
13 as my only meeting with him and am inclined to believe that this meeting took
14 place in Mallow. At that time I prepared all my own memos and my memo of
10:51:54 15 August 3rd indicated I met with Mr. Richardson earlier that afternoon. I have
16 no recollection of the venue, it may have been Mallow branch or a local hotel.

17
18 This was the first time we met and as one might expect, our general
19 conversation covered issues which might not be discussed during brief telephone
10:52:08 20 conversations. Mr. Richardson gave some background information (as contained
21 in memo dated August 3rd 1994) and in the course of that conversation indicated
22 that the lottery enterprise was a commercial venture (brain child of
23 Mr. Patrick O'Callaghan) and had no connection with Fianna Fail or its
24 fundraising activities. This was at odds with background information contained
10:52:31 25 on file.

26
27 At the time of our meeting the company debts stood at 16,132.02 Irish Pounds.
28 During the course of the meeting, Mr. Richardson made two offers of repayment.
29 1. He would pay a sum of 10,000 Irish Pounds in full and final settlement.
10:52:48 30 Such sum to be paid over before the end of the month.

10:52:51 1
2 2. Alternatively, the balance would be frozen at current levels and would be
3 repaid over a three year term. Repayments in years one and two to amount 5,000
4 Irish Pounds per annum with residue balance to be fully cleared in year three.

10:53:04 5
6 I would have asked for some time to consider his proposal and would revert in
7 due course.

8
9 Given the extent of the debt at the time and the fact that the project had
10:53:12 10 failed, neither proposal appealed to me. However, I favoured the lump sum
11 route. In the circumstances I suggested to the bank that I would he endeavour
12 to negotiate a figure of 13,000 Irish Pounds. However, I sought leeway to
13 accept 12,500. I subsequently received the go ahead for this course of action
14 and reverted to Mr. Richardson. In mid October, Mr. Richardson agreed to this
10:53:31 15 proposal with a settlement figure to be lodged by October 31st.

16
17 There would have followed a number of conversations between Mr. Richardson and
18 myself, and on occasion with his PA seeking clarity around the agreed
19 lodgement.

10:53:42 20
21 The file indicates that on November 14th, I spoke with Mr. Richardson's PA who
22 indicated that the settlement figure had been lodged through the credit
23 transfer system. Had it been lodged we would have expected it on the third
24 working day.

10:53:53 25
26 On November 17th I received a fax from Mr. Richardson highlighting that he had
27 issued instructions for a lodgement to be made to your bank and further
28 confirming that he had been advised that morning that his instructions had been
29 carried out and that the deposit would be with us the following day or the day
10:54:08 30 after.

10:54:08 1
2 On November 21st, the promised lodgement had not arrived and I spoke with Brian
3 Hunt in our recovery section, indicating that in an earlier telephone
4 conversation with Mr. Richardson, he advised that he had instructed a bank in
10:54:21 5 Manchester to forward the monies to us. On the basis of Mr. Richardson's
6 earlier fax of November 17th, and the relatively small amount involved (in
7 international payment terms) we decided to give Mr. Richardson the benefit of
8 the doubt. Our dealings had at all times been both courteous and professional
9 and the monies could indeed have been delayed. At no stage did I ask
10:54:46 10 Mr. Richardson to provide further detail on the expected transfer from
11 Manchester. On November 23rd, we received an inter branch transfer from our
12 Baggot Street branch in the sum of 12,500 Irish Pounds and as such, the terms
13 of the settlement from were then complied with. I would not have been aware of
14 the source of the lodgement at the time.

10:55:01 15
16 While there is no mention on file, I suspect I would have reverted to
17 Mr. Richardson as a courtesy indicating that the promised lodgement had been
18 received".
19

10:55:09 20 You have signed that, Mr. McKenna, and it is dated May 19th 2008, isn't that
21 right?
22 A. Yes.
23 Q. 9 Now, as you say, Mr. McKenna, in those statements you came into the Mallow
24 branch of Ulster Bank in early 1994. It already had an account called
10:55:25 25 Trentvalley Limited.
26 A. Yes.
27 Q. 10 And if we could just put up on screen please, 28372 please, which is a
28 statement which shows the opening of the account. And we will see in that, it
29 says Ulster Bank Limited, Mallow, the title of the account, I think is
10:56:00 30 Trentvalley Limited, is that correct?

10:56:00 1 A. That's correct.

2 Q. 11 And the address for the account is Trentvalley Limited, Room 137 Berkley Court
3 Hotel, Lansdowne Road, Dublin 4, is that correct?

4 A. That's correct.

10:56:07 5 Q. 12 You weren't in the branch at this particular time at the opening time. What
6 did that address mean to you when you eventually came to this account for the
7 first time, Mr. McKenna?

8 A. That was actually where I would contact Des Richardson.

9 Q. 13 Yes.

10:56:20 10 A. And it was the postal address for the correspondence.

11 Q. 14 All right. Did you know about any activity he was carrying out from that
12 address?

13 A. No.

14 Q. 15 All right. We'll see that the account was opened on the 28th of April 1993,
10:56:36 15 isn't that right?

16 A. Correct.

17 Q. 16 All right. And just and it's a current account?

18 A. Yes.

19 Q. 17 And I just for completeness for the moment though we'll be coming back to it a
10:56:48 20 little bit later, 28373 please. Will show another statement, this statement is
21 dated the 24th of November 1994. That appears down towards the bottom of the
22 page.

23 A. Yes.

24 Q. 18 And it shows that in respect of this account on the 27th of May 1994, an
10:57:10 25 overdraft of 15,278.75 pounds, is that right?

26 A. Correct.

27 Q. 19 And then on the 10th of June interest is debited and a fee is debited and the
28 total is 15,723.61 pounds.

29 A. Correct.

10:57:25 30 Q. 20 Isn't that right?

10:57:26 1 A. Yes.

2 Q. 21 And then on the 24th of November 1994, there is a credit of 12,500.

3 A. Correct.

4 Q. 22 And it says particulars is "IBT".

10:57:35 5 A. Yes.

6 Q. 23 What does that stand for?

7 A. Inter branch transfer.

8 Q. 24 All right. And that in fact is the end of the account because the balance is

9 written off, isn't that right?

10:57:44 10 A. Subsequently written off, that's correct.

11 Q. 25 And we'll trace the development up to the payment of the cheque for 12,500

12 which effectively closed the account, isn't that right?

13 A. Okay.

14 Q. 26 Now, this Trentvalley Limited company, the directors as you say in your

10:57:57 15 statement were Pat O'Callaghan and Des Richardson, isn't that right?

16 A. That's correct.

17 Q. 27 And Mr. Richardson had signed a personal guarantee, I think for 10,000 pounds,

18 is that right?

19 A. Yes.

10:58:07 20 Q. 28 All right. Now, so how did you become involved -- sorry. You became manager

21 is that right of the branch in early 1994?

22 A. Yes, late January.

23 Q. 29 All right. So what was your first connection with the Trentvalley account?

24 A. It had appeared in internal audit in late 1993.

10:58:31 25 Q. 30 All right.

26 A. And I suppose part of taking up the role of manager it came across my paws as

27 being an account that was in excess of its authorised facility. And I would

28 have taken up the reporting process from there.

29 Q. 31 All right. Now, I want to come to the interview that you had with

10:58:46 30 Mr. Richardson on the 3rd of August 1994. Can you summarise what happened in

10:58:51 1 relation to the account between you taking over in January '94 and this
2 interview with Mr. Richardson in August?
3 A. From recollection very little.
4 Q. 32 Yeah. Very little what?
10:59:01 5 A. Very little happened on the account. I don't I think there were very few
6 transactions.
7 Q. 33 All right.
8 A. Other than a number of telephone conversations we would have had.
9 Q. 34 All right. All right. Well then if we can put up on screen please 28391.
10:59:19 10 And, Mr. McKenna, is this signed by you this memo?
11 A. Yes.
12 Q. 35 And it goes from your office, the regional office Mallow branch, is that right,
13 Mallow branch?
14 A. Yes.
10:59:29 15 Q. 36 And it's going to recovery section, southern area, is that right?
16 A. Yes.
17 Q. 37 In relation to Trentvalley.
18 A. Uh-huh.
19 Q. 38 And the date is 3rd of August 1992.
10:59:39 20 A. Yes.
21 Q. 39 And you say in that in the middle of it "interview with Des Richardson earlier
22 this afternoon. Enclose copy of letter to Sean O'Mahony" which is self
23 explanatory.
24 A. Yes.
10:59:50 25 Q. 40 What are you doing in that memo to recovery southern?
26 A. I am bringing recovery's up to speed following my discussions with Des earlier
27 that afternoon.
28 Q. 41 All right. At that point in August 1994, is your interest in the account to
29 collect the money due on foot of it?
11:00:07 30 A. Yes.

11:00:08 1 Q. 42 All right. And if we look at 28392, please, which is a two-page memo from you,
2 Mr. McKenna, it's signed by you. We'll see that in a moment to Sean O'Mahony,
3 area director south.

4 A. Yes.

11:00:29 5 Q. 43 And it's dated 3rd of August 1994.

6 A. Yes.

7 Q. 44 Is this you reporting to Mr. O'Mahony of area director south in relation to
8 your interview with Mr. Richardson?

9 A. Yes.

11:00:40 10 Q. 45 All right. And it reads as follows "Dear Mr. O'Mahony, previous correspondence
11 in this connection refers. As agreed I met with Des Richardson earlier this
12 afternoon to discuss the future conduct of the account and listen to his
13 proposal for a re payment.
14

11:00:53 15 Mr. Richardson was at pains to point out that this account had no connection
16 whatsoever with the Fianna Fail Party or indeed its fundraising activities. He
17 indicated that he himself is an an engineer by profession and sold practice
18 some two and a half years ago. He has always been a Fianna Fail supporter and
19 would have been the main fundraiser for Bertie Ahern in election campaigns.

11:01:15 20 Following Mr. Ahern's appointment as treasurer of Fianna Fail he asked Des
21 Richardson to join the team which was charged with reducing the Fianna Fail
22 debt of approximately 3 million.
23

24 Presently Mr. Richardson is on contract to Fianna Fail as their chief
11:01:28 25 fundraiser and his contract is due to expire in March 1995. Mr. Richardson
26 also indicated that he has property dealings in Cork, Dublin, Galway and Navan.
27

28 Patrick O'Callaghan, the other the other director of Trentvalley Limited is a
29 local entrepreneur. Mr. Richardson advised that it was Mr. O'Callaghan who
11:01:48 30 came up with the fundraising idea in the first instance. However this was a

11:01:52 1 commercial enterprise with no connection whatever so Fianna Fail. However, Mr.
2 O'Callaghan is himself an ardent Fianna Fail supporter and in view of
3 Mr. Richardson's elevation to chief fundraiser, he was asked by O'Callaghan to
4 assist in this private venture.

11:02:06 5
6 Mr. Richardson assessed the situation and seeing potential, agreed to assist in
7 a personal capacity by way of input of funds and guaranteeing liabilities. To
8 cut a long story short, the project never got off the ground. During this time
9 the bank account here continued to rise initially from the payment of 5,000 for
11:02:28 10 a lottery licence to together with ongoing running costs for the company
11 payment of debit for company car and the printing of the lottery cards and
12 advertising thereof.

13
14 The all inclusive borrowing as of todays date amounts to 16,132.02 pounds.

11:02:43 15 Mr. Richardson made two offers in respect of payment. One he would pay a lump
16 sum figure of 10,000 in full and final settlement of the company's debt to
17 Ulster Bank. Such lump sum to be paid over before the end of August.

18
19 2. The borrowing figure to be frozen at its present level and repaid over a
11:03:01 20 three year period. He did not wish to be tied down to individually monthly
21 payments but would agree to yearly re pavements of say 5,000 pounds years one
22 and two, balance year three and would meet his commitment.

23
24 At this point in time I do not relish the proposition of using the legal
11:03:17 25 process for recovery of our debt given the close relationship which exists
26 between Mr. Richardson and Mr. Ahern. From that point of view the lump sum
27 payment holds a certain appeal. However, I do not consider 10,000 a realistic
28 offer in light of the overall debt. However, I would suggest that we seek
29 Mr. Richardson's agreement to a figure of say 13,000 i.e. splitting the
11:03:39 30 difference between offer and actual, with room to manoeuvre to a figure of

11:03:43 1 12,500 if necessary to secure settlement of the debt by August 31.
2
3 Our other option is to place the sum of 16,000 approximately with interest
4 frozen on a repayment, seen over three years. I feel that this draws out the
11:03:57 5 situation and there is no guarantee where Mr. Richardson will be or what he
6 will be at in one year's time in the circumstances I favour option No. 1.
7 Mr. Richardson will be in his office until this coming Friday following which
8 you will be on vacation in Spain for a fortnight. If possible I would like to
9 be able to negotiate a settlement prior to his departure and in this context
11:04:18 10 you might contact me when you have had a chance to assess the proposition.
11 Kind regards yours sincerely Peter McKenna manager and cc B Hunt recoveries."
12
13 That's your letter or memo to Mr. O'Mahony, is that right?
14 A. Yes.
11:04:33 15 Q. 46 Summarising the situation.
16 A. Yes.
17 Q. 47 It's circulated to Mr. Brian Hunt, I think recoveries, is that right?
18 A. Yes.
19 Q. 48 Who is he and why would it be going to him?
11:04:43 20 A. Brian was in our Recoveries Department at the time and he was the person that I
21 was liaising with.
22 Q. 49 Yes. All right. And can you say who in recoveries had the most input into the
23 recovery of this debt?
24 A. I can't recall but certainly all of my dealings would have been with Brian.
11:05:01 25 Q. 50 All right. Now, just two preliminary things arising out of this memo,
26 Mr. McKenna. You say in this that you met with Mr. Richardson earlier that
27 afternoon. Now, Mr. Richardson doesn't have a recollection of meeting you.
28 Are you happy that you did meet him?
29 A. Yes.
11:05:36 30 Q. 51 Do you know did you meet him on one occasion or more than one occasion?

11:05:39 1 A. My recollection is that I met him on one occasion only.

2 Q. 52 All right. And are you positive of that?

3 A. It's in the memo.

4 Q. 53 That you did meet him?

11:05:50 5 A. I'm absolutely positive.

6 Q. 54 All right. And apart from meeting -- sorry. Where do you think that meeting

7 took place because he thinks he didn't go toll to Mallow?

8 A. As I said in my statement of yesterday, I genuinely don't recall. It's a long

9 time ago. I genuinely don't recall. All I can say is that the meeting took

11:06:08 10 place.

11 Q. 55 All right. Could it have been in Dublin, could it have been in Dublin?

12 A. I suspect not. As I indicated in my statement, at that time I prepared all of

13 my own memos and in the memo I stated that I had met Mr. Richardson earlier

14 that afternoon. I suspect if it had have been in Dublin I wouldn't have access

11:06:25 15 to the facilities to write that memo.

16 Q. 56 Yes. And apart from meeting him on one occasion, did you have a number of

17 telephone conversations with him?

18 A. Yes.

19 Q. 57 Does that mean two or three do you think or would it have been more than that?

11:06:41 20 A. It could have been 10 or 12.

21 Q. 58 All right. In 1994 would that be right?

22 A. From sometime possibly March/April onwards until the debt was finally cleared

23 in November.

24 Q. 59 All right. And there is a Mr. Lonergan I think is that his name?

11:06:57 25 A. Yes, Eamon was the assistant manager prior to my arrival and he remained there

26 in that capacity after my arrival as well.

27 Q. 60 And he had contact with Mr. Richardson I think, is that right, according to the

28 file, no?

29 A. I'm not sure. I'm certain from perusal of the file yesterday Eamon signed one

11:07:15 30 or two reports on my behalf.

11:07:17 1 Q. 61 Oh, I see you would have had contact but he was just signing the report?
2 A. I suspect so.
3 Q. 62 I see. Anyway, you think you had about 10 or 12 phone calls with
4 Mr. Richardson.
11:07:25 5 A. Yes.
6 Q. 63 And at this time in '94, when you were trying to recover the debt were you the
7 main person in Ulster Bank dealing with Mr. Richardson?
8 A. Yes.
9 Q. 64 All right.
11:07:34 10 A. Sorry actually in the branch.
11 Q. 65 I beg your pardon.
12 A. Apologies, yes.
13 Q. 66 Now, the second preliminary thing I just want to ask you about, Mr. McKenna,
14 for a second is. We've read out there in this memo to Mr. O'Mahony, area
11:07:49 15 director south, that you record that Mr. Richardson was at pains to point out
16 that this account had no connection whatsoever with the Fianna Fail Party or
17 indeed its fundraising activities. Now, you I think you said in your statement
18 that that is in conflict with what you understood about the account when you
19 took it over.
11:08:09 20 A. Yes.
21 Q. 67 And may I point out immediately that Mr. Richardson is adamant that it was at
22 all times a Fianna Fail matter and a Fianna Fail activity?
23 A. I would be equally adamant that that's what Mr. Richardson told me. That's
24 what I've put in my memo.
11:08:27 25 Q. 68 All right. And would you be equally adamant that going into the meeting you
26 would have understood that the company the Trentvalley was a Fianna Fail
27 related project?
28 A. Yes.
29 Q. 69 All right. So that's what you understood it to be and you are satisfied that
11:08:44 30 Mr. Richardson told you the contrary, is that right?

11:08:48 1 A. Absolutely.

2 Q. 70 All right. And do you have any explanation for that, do you know why he was

3 saying that, did you quiz him on that?

4 A. None whatever.

11:08:56 5 Q. 71 All right. Now, I think from this point you are trying to collect the get the

6 money, isn't that right, and to get an agreement with Mr. Richardson as to

7 repaying it or how it might be repaid, is that right?

8 A. To negotiate a settlement, yes.

9 Q. 72 All right. 28390 please. That memo was dated that we've just read was the

11:09:36 10 third of August 1994. This is one dated 9th of August 1994, again to

11 Mr. O'Mahony, which says:

12

13 "Dear Mr. O'Mahony, I refer to our telephone conversation on Friday last.

14 Unfortunately when I tried to contact Mr. Richardson in the afternoon he had

11:09:48 15 already his office and will be absent on holiday leave for at least a

16 fortnight. I have diarised to contact his office again on 22nd of August and

17 endeavour to reach a settlement with him at a minimum of 11,500 to be paid if

18 possible by 31st of August. In any event, I will be keep you advised of

19 developments".

11:10:07 20

21 Now, I don't see any need to go through a few memos in detail with you,

22 Mr. McKenna. But a little time passes August and September pass, when I think

23 I think you're having some conversations with on the phone with Mr. Richardson

24 or perhaps you are missing one another. He was at away at one time you were

11:10:31 25 away at another time, isn't that right?

26 A. Yes.

27 Q. 73 And if I could come to page 28384 please, which is a memo from you to southern

28 regional office again in relation to Trentvalley dated 13th of October 1994.

29 "Dear Sirs. Further to our most recent conversation I have now succeed in the

11:10:59 30 contacting Des Richardson and negotiating a settlement. Earlier this morning

11:11:03 1 in the course of a telephone conversation, Des agreed a figure of 12,500 in
2 full and final settlement of the Trentvalley Limited debt with a lump sum
3 clearance to be effected by approximate 1st of October.
4

11:11:14 5 I am now writing separately to Des Richardson confirming terms and timescale of
6 our agreement. I have diaried this to revert to you by 31st of October in any
7 event" and that's signed by you Mr. McKenna?
8 A. That's correct.
9 Q. 74 And it's cc Mr. O'Mahony.

11:11:30 10 A. Yes.
11 Q. 75 So who in fact is it going to?
12 A. Sorry that would have went to Brian Hunt in southern regional office --
13 Q. 76 All right. So at this point then in October 13th of October, you have agreed
14 you have made substantial progress, I think. You have agreed a repayment
11:11:46 15 figure of 12,500 and that it should be repaid by the 31st of October, is that
16 right?
17 A. Correct.
18 Q. 77 All right. Now, was it repaid by the 31st of October?
19 A. No.
11:12:20 20 Q. 78 Sorry, I am just looking for one document here, 28381 please. This is a fax,
21 Mr. McKenna, that I think you received it's addressed to you, dated 17th of
22 January 1994 and it's from Mr. Richardson, isn't that right?
23 A. I think that's the 17th of the 11th '94.
24 Q. 79 17th of the 11th '94?
11:13:11 25 A. Yes, yes.
26 Q. 80 Right. And I think it reads as follows.
27
28 "Peter, I will not be at my office until Friday morning. I have issued
29 instructions for a lodgement to be made to your bank. I am advised this
11:13:22 30 morning that my instructions have been carried out and the deposit will be with

11:13:28 1 you today or tomorrow. I will call you tomorrow morning. Regards Des".
2
3 Now, what did you understand by that? Do you remember getting that fax?
4 A. No, I have no recollection of getting it.
11:13:39 5 Q. 81 All right. What do you understand by it?
6 A. I understand it was in response to possibly yet another telephone conversation
7 with Des and he is indicating to me that he had given instructions for monies
8 to be lodged to the account and it was confirmed to him earlier that date that
9 the instructions had been carried out.
11:13:58 10 Q. 82 All right.
11 A. And that I was to expect the monies over the coming days.
12 Q. 83 Now, Mr. McKenna, 28379 please. I want to direct your attention to a memo
13 which is dated the 21st of November. And I wonder can you tell the Tribunal
14 the initials whose memo is that?
11:14:20 15 A. That actually is Brian Hunt.
16 Q. 84 All right. So this is a memo handwritten by Mr. Hunt?
17 A. Yes.
18 Q. 85 And if I can just read it out to you please?
19 A. Yes.
11:14:28 20 Q. 86 21st November. "Peter has got talking to Des Richardson. Richardson is
21 adamant that money is in the pipeline and that he instructed a bank in
22 Manchester to forward them to us. Peter did not get specifics on the
23 Manchester bank or the payment date. But on the basis of the ..."
24 A. Faxed.
11:14:51 25 Q. 87 "Faxed letter from Richardson of 17th November, and as the amount is relatively
26 small it is possible that it is somewhere en route. International Department
27 say it could take up to five working days.
28
29 I have confirmed to Peter that he can wait until Friday to call the account up
11:15:09 30 as by then we will know for sure if we are being strung along" and then is that

- 11:15:14 1 Mr. Hunt's initials?
- 2 A. I believe so.
- 3 Q. 88 Then "PS, Sean O'Mahony is aware of Richardson's position but stills feels we
4 should chase him as above". Now, this is had Mr. Hunt's handwritten memo.
- 11:15:27 5 A. Yes.
- 6 Q. 89 And the Peter in the first line, do you know who that refers to?
- 7 A. That's myself.
- 8 Q. 90 Yes. So it's a memo taking a note of a conversation between Mr. Hunt's memo
9 taking a note of a telephone conversation between himself and yourself,
- 11:15:41 10 Mr. McKenna, is that right?
- 11 A. Yes.
- 12 Q. 91 And do you have any recollection of this telephone conversation?
- 13 A. None whatever.
- 14 Q. 92 All right. And what do you understand that memo to be saying?
- 11:16:05 15 A. I understand that again a subsequent conversation that I had with
16 Mr. Richardson that the, he had made arrangements for the money to be lodged to
17 our account and he had specified that it was coming or emanating from a bank in
18 Manchester.
- 19 Q. 93 All right. You have no recollection of the telephone conversation?
- 11:16:30 20 A. Genuinely not.
- 21 Q. 94 You have no recollection of saying any of that to Mr. Hunt?
- 22 A. No.
- 23 Q. 95 Have you any reason to believe that that is other than an accurate recording by
24 Mr. Hunt of his telephone conversation with you and of what you said to him?
- 11:16:46 25 A. Absolutely not.
- 26 Q. 96 Can you think of any reason why he might make up any of that?
- 27 A. No.
- 28 Q. 97 In the light of that memo have you any reason to believe that you did not say
29 what is recorded there to Mr. Hunt?
- 11:17:14 30 A. No.

11:17:17 1 Q. 98 In the light of that memo would you believe that you did have that conversation
2 with Mr. Hunt and that you said the things that are in that memo?
3 A. Absolutely.
4 Q. 99 Including the reference to money coming from a bank in Manchester?
11:17:31 5 A. Yes.
6 Q. 100 All right. And if that is the case, where would you have got that information?
7 A. That would have come from Des Richardson.
8 Q. 101 Had you any reason for making any of that up?
9 A. Absolutely not.
11:17:47 10 Q. 102 In the light of that memo do you believe that you had such a conversation with
11 Mr. Richardson and including that Mr. Richardson told you that he had
12 instructed a bank in Manchester to forward the money to the Ulster Bank?
13 A. As I say, I have no recollection of the conversation but as is documented, it
14 absolutely happened.
11:18:06 15
16 CHAIRMAN: Mr. McKenna --
17 A. Sorry.
18
19 CHAIRMAN: I understood it was your practice to create a memo yourself if you
11:18:16 20 had a, if you took information from a customer or certainly in relation to
21 Mr. Richardson. Is there a memo of this conversation between you and there
22 Richardson?
23 A. No.
24
11:18:29 25 CHAIRMAN: And do you, can you say why there wouldn't be a memo from you if
26 your normal practice was to prepare a memo?
27 A. I genuinely can't, Judge, no.
28
29 Q. 103 MR. MURPHY: Is there any way that you could have known about a bank in
11:18:54 30 Manchester and a connection with Mr. Richardson if Mr. Richardson hadn't said

11:18:59 1 it to you?

2 A. No way whatever.

3 Q. 104 Mr. McKenna?

4 A. No way.

11:19:03 5 Q. 105 You were not aware of Mr. Richardson having any connection with Manchester or a
6 bank in Manchester?

7 A. No.

8 Q. 106 All right. Did you understand -- sorry, now, 28378, please. This memo -- now,
9 this is actually signed by assistant manager Mr. Lonergan.

11:20:00 10 A. Yes.

11 Q. 107 And it's to recovery southern the people you have already been corresponding
12 with, isn't that right, with a cc to Mr. O'Mahony?

13 A. Yes.

14 Q. 108 So it would have been going to Mr. Hunt as well would it?

11:20:13 15 A. Sorry yes it's directed to Mr. Hunt in southern recoveries.

16 Q. 109 All right. And it says as follows "I am pleased to advise that Des Richardson
17 lodged the sum of 12,500 to his account at this office by inter branch transfer
18 from Baggot Street branch. As you are aware this is the agreed settlement
19 figure for the borrowing in the company name and I should be grateful for your
20 instructions to write off the residual balance of the account and delete
21 interest held short from our records. I appreciate the transaction cannot be
22 processed until after 1st of January 1995, you may close your file".
23
24 So can we take it that that's accurate the 12,500 came in and that was the end
11:20:55 25 of the Trentvalley account, is that right, Mr. McKenna?

26 A. Correct.

27 Q. 110 All right. Now, in fact -- well 28376 please. This is the cheque which paid
28 the 12,500 to Ulster Bank, isn't that right?

29 A. Correct.

11:21:19 30 Q. 111 All right. And it's on the account of Willdover Limited, do you see that?

- 11:21:24 1 A. Yes.
- 2 Q. 112 And it's signed by Des Richardson I think, is that right?
- 3 A. It appears to a signature, yes.
- 4 Q. 113 And the amount is 12,500.
- 11:21:31 5 A. Yes.
- 6 Q. 114 And it says pay Ulster Bank Mallow.
- 7 A. Yes.
- 8 Q. 115 And if we could have 28375 please, and I should have drawn attention to the
- 9 date on the cheque was the 23rd of November 1994. Which is also the date on
- 11:21:51 10 this document which is the date of the lodgement. This is a lodgement for
- 11 current account I think, is that right?
- 12 A. Correct.
- 13 Q. 116 23rd November 1994. It says "paid in by" and I think that's Mr. Richardson?
- 14 A. It would appear so.
- 11:22:04 15 Q. 117 The account is Trentvalley. The money is to be paid to the Trentvalley
- 16 account, is that correct?
- 17 A. Yes.
- 18 Q. 118 12,500.
- 19 A. Yes.
- 11:22:13 20 Q. 119 All right. And then 18980 please, a page we've seen earlier. Which is, which
- 21 shows the money coming in and ... this is the Trentvalley account with Ulster
- 22 Bank and we see on 24th of November 1994, inter bank transfer I think you said
- 23 the IBT is?
- 24 A. Correct.
- 11:22:37 25 Q. 120 12,500 reducing the debt to just over 3,000 and that was waived I think, is
- 26 that right?
- 27 A. Subsequently written off, correct.
- 28 Q. 121 So that shows the 12,500 coming into the Trentvalley account, isn't that right?
- 29 A. Yes.
- 11:22:50 30 Q. 122 All right. It appears from that, Mr. McKenna, that the cheque paying the money

11:23:00 1 of 12,500 is dated 23rd of November. That would suggest that in relation to
2 the memo 28381. The fax where Mr. Richardson said that he had issued
3 instructions for a lodgement to be made to your bank. That that wouldn't have
4 happened at that time, isn't that right?

11:23:25 5 A. I suppose the only thing I can comment on is that seeing the cheque and the
6 credit transfer that they were dated the 23rd of November.

7 Q. 123 Yes.

8 A. And I wouldn't have had access to those at the time.

9 Q. 124 All right.

11:23:36 10 A. Yes.

11 Q. 125 And you probably don't know this, Mr. McKenna, but 24380, please. This is the
12 Willdover account out of which the 12,500 was paid. And if you look at the
13 22nd of November you will see there is an overdraft of 16,269.85 pounds?

14 A. Correct.

11:24:17 15 Q. 126 Do you see that?

16 A. Yes.

17 Q. 127 And then on the 23rd of November there is a lodgement of 24,420 pounds, isn't
18 that right?

19 A. Correct.

11:24:24 20 Q. 128 And then the 25th of November the cheque we're talking about 12,500 is debited
21 to the account.

22 A. Correct.

23 Q. 129 So it would appear that the lodgement of 24,420 enabled Willdover to write the
24 cheque for 12,500, is that correct?

11:24:41 25 A. It would appear so.

26 Q. 130 All right. And if we look at 18984, please. At the bottom there, there is a
27 cheque dated 17th of November 1994. That's Reynolds Ahern account which is a
28 Fianna Fail account. And it says "pay Willdover Limited 24,420" which is the
29 amount that we saw was lodged to the Willdover account allowing Willdover to
11:25:13 30 pay a cheque of 12,500 to yourselves, isn't that right?

11:25:17 1 A. Correct.

2 Q. 131 So it appears that that's where the 12,500 came from?

3 A. It would appear so.

4 Q. 132 All right. Sorry, Mr. McKenna. When we were dealing with the memo in relation

11:25:50 5 to the reference to Manchester and the bank account. I should have said to you

6 or maybe anyway I can say to you now. Mr. Richardson said in evidence that

7 when he was asked if he had any beneficial interest in any bank account in

8 Manchester he said "No I have not. No". And I understand his evidence to be

9 to the effect that he didn't have a conversation with you in which he referred

11:26:19 10 to paying these monies the 12,500 from Manchester or from a bank account in

11 Manchester or anything of that nature, do you understand?

12 A. I understand.

13 Q. 133 All right.

14 A. If I mentioned to Brian Hunt in a telephone conversation that Mr. Richardson

11:26:36 15 indicated to me there was an account or that money was expected from

16 Manchester, it happened.

17 Q. 134 And I think he believes that just as, as far as he is concerned, the bank

18 had -- you are mistaken in saying that he said to you that this was not Fianna

19 Fail, that this was not a Fianna Fail business and just as in his view that is

11:27:09 20 a mistake, also the Mr. Hunt's memo may be a mistake insofar as it occurs to

21 Manchester?

22 A. I wouldn't accept that in as far as it references the conversation I had with

23 both Brian and indeed the memo of the 3rd of August.

24 Q. 135 Thank you, Mr. McKenna.

11:27:42 25 A. Thank you.

26

27 CHAIRMAN: Mr. O'Callaghan, do you want to ask?

28

29 MR. O'CALLAGHAN: Thank you, Chairman.

11:27:47 30

THE WITNESS WAS QUESTIONED BY MR. O'CALLAGHAN AS FOLLOWS:

- 11:27:47 1
- 2
- 3 Q. 136 Mr. McKenna, I appear on behalf of Mr. Richardson and I have just a number of
- 4 questions for you.
- 11:27:54 5 You mentioned in your evidence that you became the manager of the Mallow branch
- 6 in early 1994, isn't that correct?
- 7 A. Correct.
- 8 Q. 137 And you weren't there at the time that the Trentvalley account was opened up
- 9 which we've seen was on the 28th of April 1993?
- 11:28:08 10 A. No, I wasn't there at that time.
- 11 Q. 138 Am I correct in saying that Mr. Eddie O'Donnell was the person who was the
- 12 manager of the Mallow branch at that time?
- 13 A. Correct.
- 14 Q. 139 And I think it has been indicated by Mr. Richardson in his evidence, you may
- 11:28:21 15 not be aware of this, Mr. McKenna. But it was Mr. Eddie O'Donnell with whom
- 16 Mr. Richardson dealt with at the time of the opening of this account?
- 17 A. Correct.
- 18 Q. 140 And would you agree with me that when we're trying to get evidence as to the
- 19 start up of this account, that Mr. O'Donnell would be in a much better position
- 11:28:40 20 than you to give evidence as to what happened back in April 1993 when this
- 21 account was opened?
- 22 A. Sorry.
- 23 Q. 141 Would you agree with me that Mr. O'Donnell would be in a better position than
- 24 you to give evidence as to what happened when this account was opened in April
- 11:28:56 25 1993?
- 26 A. Quite possibly but the opening documentation I had access to as well.
- 27 Q. 142 Yeah. Which of course you didn't have any interaction with Mr. Richardson or
- 28 Mr. Patrick O'Callaghan.
- 29 A. No.
- 11:29:08 30 Q. 143 Whereas Mr. Richardson's evidence has been that he dealt with Eddie O'Donnell

11:29:12 1 all along.

2 A. To the extent that Mr. O'Donnell left in January '94, yes.

3 Q. 144 And in his evidence Mr. Richardson asked the Tribunal to contact Mr. O'Donnell,

4 so that Mr. O'Donnell could give evidence and that wasn't done. But my

11:29:32 5 solicitor wrote, and I was wondering, Chairman, if I just could just put this

6 letter up and response from Mr. O'Donnell. My solicitor wrote to Mr. Eddie

7 O'Donnell on the 13th of May 2008. I am just wondering if we can put that

8 letter up on the screen?

9

11:29:47 10 CHAIRMAN: Have we got that?

11

12 MR. O'CALLAGHAN: I think we handed that up earlier on.

13

14 MR. MURPHY: I think we are just trying to get the brief page, Chairman.

11:29:56 15

16 CHAIRMAN: Is there a memo from the time that the account was opened, an

17 internal memo?

18 A. Certainly on file I noticed what he we would have called at the time "a control

19 information card" or "a comments card" which would have detailed some of the

11:30:13 20 info that would have been gleaned at the initial interview, yes. It's

21 currently on file.

22

23 CHAIRMAN: And have we got that?

24

11:30:20 25 Q. 145 MR. O'CALLAGHAN: What date is that memo, Mr. McKenna?

26 A. It would be I think around early '93 when the account was opened. 28th of

27 April I suspect, 23rd of April maybe.

28 Q. 146 Anyway, this is the letter that my solicitors sent to, that's the wrong letter

29 actually, Chairman. My solicitor will hand up a copy of the letter and the

11:30:48 30 reply from Mr. Eddie O'Donnell.

11:30:51 1
2 CHAIRMAN: Well ...
3
4 MR. O'CALLAGHAN: If we could put the first letter please, the letter of the
11:31:40 5 13th of May from Ms. O'Dwyer to Mr. O'Donnell. That's it there. Mr. McKenna,
6 just to open this letter to you. This is a letter from my solicitor or Mr.
7 Richardson's solicitor, dated the 13th of May 2008 to Mr. Eddie O'Donnell. And
8 it's re our client Mr. Des Richardson.
9
11:31:54 10 "Dear Mr. O'Donnell. I act for Des Richardson of gives address.
11
12 You may be aware that Mr. Richardson is a former chief fundraiser for the
13 Fianna Fail Party. In or around 1993, in the course of Mr. Richardson's role
14 as chief fundraiser, Mr. Richardson became involved in a Fianna Fail Party
11:32:09 15 fundraising promotion that was known as "gimme a break". This promotion was
16 run through a company Trentvalley Limited and the bank account was operated at
17 Ulster Bank, Mallow. Mr. Richardson has advised me that most of his dealing
18 with Ulster Bank Mallow was with your good self.
19
11:32:27 20 I would be obliged if you provide me with a statement setting out your
21 recollection of your dealings with Mr. Richardson in respect of the "give me a
22 break" promotion and the account at Ulster Bank Mallow and your knowledge, if
23 any, of the fact that the fundraising venture and the bank account were for the
24 benefit of Fianna Fail.
11:32:44 25
26 You may wish to consider instructing a solicitor to deal with this matter on
27 your behalf. Any assistance you could provide would be greatly appreciated by
28 my client. A stamped address envelope is enclosed for your convenience.
29 Yours sincerely".
11:32:57 30

11:32:57 1 And the then the reply was furnished by Mr. O'Donnell on the 19th of May 2008.
2 If I could put that reply on the screen. Not a very good copy but I'll read it
3 out.

11:33:09 5 "Dear Ms. O'Dwyer, I refer to your letter dated 13th May 2008, and received by
6 me on the 15th May 2008.

7
8 I confirm that an account in the name of Trentvalley Limited was opened at
9 Ulster Bank in Mallow about 15 or 16 years ago. I have no access to Ulster
11:33:25 10 Bank files in Mallow, as I retired from the bank many years ago but to the best
11 of my recollection, this account was opened in connection with raising funds
12 for Fianna Fail. Yours sincerely Eddie O'Donnell".

13
14 So I think Mr. McKenna, that letter from Mr. O'Donnell is consistent with your
11:33:45 15 initial view, namely, that Trentvalley was established for the purposes of
16 raising funds for Fianna Fail.

17 A. Correct.

18 Q. 147 And if you look through the correspondence and the memos on the Ulster Bank
19 file, it's clear that the originating documentation. And I will refer to one
11:34:00 20 in due course, all of that supports the view that this was a Fianna Fail
21 fundraising venture, isn't that correct?

22 A. Correct, yes.

23 Q. 148 And if I could ask you to look at page 28398, if that could be put up on the
24 screen. This is the earliest document in the brief that I have. And this is a
11:34:22 25 document which is sent from Mr. Buckley, who is the advances manager. And it's
26 sent to the southern regional office, Sean O'Mahony area director. And it's
27 dated the 17th of June 1994. And in the middle of that page there is a section
28 which deals with background to the account. And I just want to open up that
29 because it is documentary evidence of what was the background to the account.

11:34:46 30

11:34:46 1 And it says "Little actual information on this account is held on our file.
2 Please find enclosed copy of comments card from Mallow branch which outlines
3 the main background details. The account was opened in April 1993 with its
4 purpose as a marketing company involved with Fianna Fail fundraising. Branch
11:35:07 5 were advised that stock was held of 25,000 pounds being lottery cards and that
6 on sale of same, debt would be cleared in full. As can be seen from comments
7 card, difficulties appear to have arisen between the directors, in this case
8 Mr. Richardson and Mr. O'Callaghan, resting with Mr. O'Callaghan removing stock
9 from Mr. Richardson to secret locations".

11:35:28 10
11 So it's apparent that as of June 1994, Ulster Bank regarded the background to
12 this account as being involved with Fianna Fail fundraising?

13 A. Correct.

14 Q. 149 And really the only time where there is a deviation from that point of view, a
11:35:42 15 deviation from Mr. O'Donnell's letter, a deviation from the Ulster Bank
16 documentation is when you have a meeting with Mr. Richardson in August 1994 and
17 you prepared your memo which Mr. Murphy opened subsequently, isn't that
18 correct?

19 A. Correct.

11:35:57 20 Q. 150 Can I just before we get into that body of that memo, Mr. McKenna. It was
21 mentioned by Mr. Murphy in his examination of you that in respect of the
22 meeting you had with Mr. Richardson, that Mr. Richardson was adamant that he
23 didn't meet you. I think and you said no you did meet him, isn't that correct?

24 A. Yes, well I'm adamant I met with Mr. Richardson.

11:36:19 25 Q. 151 Absolutely. But I think in fairness and I take Mr. Murphy up on this. It
26 wasn't really what Mr. Richardson said that he definitely was adamant that he
27 did not meet you. And if I could ask if -- and I don't know if the number of
28 the page from the Tribunal, Chairman. But it's day 790, page 55. And this is
29 when Mr. Richardson was giving his evidence. Question 378.

11:36:56 30

11:36:57 1 CHAIRMAN: Is it a lengthy extract?
2
3 MR. O'CALLAGHAN: Not very lengthy. There's only about five or six questions.
4 It's page 55 and page 56, Chairman.
11:37:20 5
6 CHAIRMAN: That's it now.
7
8 Q. 152 MR. O'CALLAGHAN: And if I could take you to question 380. This is the
9 question from Mr. O'Neill.
11:37:33 10
11 "I want to look now at document 24532, which is a document which was an
12 internal Ulster Bank document generated in Mallow. And it was on the 3rd of
13 August 1994, dealing with the Trentvalley liability and it was signed by
14 Mr. Peter McKenna. Do you have did you have any dealings with Mr. McKenna?
11:37:51 15 A: I don't recall meeting Mr. McKenna.
16 Q: Yes.
17 A: I did have a conversation with him on telephone possibly. He was not the
18 man I dealt with in Ulster Bank Mallow, no.
19 Q: Who were you dealing with in Ulster Bank?
11:38:02 20 A: Eddie O'Connell I think. Eddie O'Connell, manager in Ulster Bank in Mallow
21 and that's the man who I set this deal out with".
22
23 So in fairness to Mr. Richardson, he is not saying he is adamant he never met
24 you. He is saying he does not recall meeting you. And what he does state and
11:38:19 25 I ask if we could move on to question 390, Chairman. Which is on page 58 the
26 top of page 58. And if you look at the answer which is on the top of the next
27 page line two which begins "I don't have really have".
28
29 Mr. Richardson says "I don't really have, I never went to the bank in Mallow at
11:38:42 30 all. I spoke to the -- my best memory is that I spoke to the manager in the

11:38:47 1 bank in Mallow on in a number of occasions. When I was dealing with the
2 overdraft I may have met a gentleman in Ulster Bank in Dublin. I'm not quite
3 sure but that's possible.

4 Q: Right. Do you think that might have been Mr. McKenna?

11:39:04 5 A: I don't recall. It's quite possible according to this I met him and I
6 don't argue with that point really".

7
8 So he is not being adamant that he never met you, he is simply saying that he
9 does not recall it.

11:39:11 10
11 Can I now move you onto the memo of the 3rd of August 1994, Mr. McKenna, which
12 is at page 28392. And at this time, isn't it fair to say, you are trying to
13 get this debt repaid, that's your primary objective?

14 A. Yes.

11:39:34 15 Q. 153 And the people from whom you are primarily trying to get it paid are
16 Mr. Richardson, who has signed guarantee, isn't that right?

17 A. Yes.

18 Q. 154 And it's a guarantee for 10,000 pounds.

19 A. Correct.

11:39:45 20 Q. 155 And you are in negotiation to try and get as much money as you can for the
21 bank, isn't that correct?

22 A. Yes.

23 Q. 156 And on this occasion you have recorded in the second paragraph here that
24 "Mr. Richardson was at pains to point out that this account had no connection
25 whatsoever with the Fianna Fail Party or indeed its fundraising activities."

26 What I have to suggest to you, Mr. McKenna, is that what Mr. Richardson has
27 indicated is that he may have said -- he has no recollection of saying that you
28 and he thinks you are wrong in how you have recorded it. But what you he may
29 have said to you this is a time when you were looking to get your money back.

11:40:27 30 That this entity, Trentvalley, is not associated with Fianna Fail such that you

11:40:32 1 cannot go after and sue Fianna Fail in respect of this in order to get your
2 money back and it was in that context that he was indicating this is a
3 different fundraising venture to say a central fundraising venture by Fianna
4 Fail. Would you accept that that could have been the explanation for the
11:40:48 5 record that you have made on the 3rd have had August 1994?
6 A. Unfortunately, I can only stand over what I wrote in that memo.
7 Q. 157 But --
8 A. In all honesty.
9 Q. 158 I know you can. But I'm trying to ask you in terms of an explanation of it.
11:41:03 10 You say that Mr. Richardson was at pains to point out that this account had no
11 connection whatsoever with the Fianna Fail Party or indeed its fundraising
12 activities. Now, what I am saying to you is that an explanation for that can
13 be Mr. Richardson indicating to you that this is an entity that is separate
14 from Fianna Fail and that you cannot go after Fianna Fail in order to get your
11:41:24 15 money for Trentvalley. Would you accept that that could be an explanation for
16 it?
17 A. Possibly.
18 Q. 159 And also in the next paragraph there's the other reference that has you
19 recording "This was a commercial enterprise with no connection what ever to
11:41:44 20 Fianna Fail".
21
22 Again, would you agree with me that that reference that record by you can be
23 explained by Mr. Richardson once again trying to emphasise to you that this is
24 not an entity that -- or Fianna Fail is not the entity that you can go after to
11:41:59 25 get the money due to you from Trentvalley?
26 A. Possibly but that would only genuinely be speculation on my part.
27 Q. 160 But amn't I correct in saying, Mr. McKenna, you don't recall -- obviously in
28 fairness to you, you have a number of accounts that you are dealing with. You
29 don't recall the conversation that you had with Mr. Richardson, isn't that
11:42:16 30 correct?

- 11:42:16 1 A. No I don't.
- 2 Q. 161 And all you have got to go on is this memo here.
- 3 A. Correct.
- 4 Q. 162 And Mr. Richardson obviously was the situation meeting with you monies were due
11:42:25 5 and owing.
- 6 A. Yes.
- 7 Q. 163 And you recorded what was your recollection of what was said to you by him at
8 that meeting on the 3rd of August, isn't that right?
- 9 A. Correct.
- 11:42:33 10 Q. 164 And you are accepting that it's a possibility that the analysis I have put
11 forward is the correct one, isn't that correct?
- 12 A. Possibly.
- 13 Q. 165 And isn't it correct, when you look at banking records, Mr. McKenna, that
14 Fianna Fail as a party was not liable for this Trentvalley debt, isn't that
11:42:53 15 correct?
- 16 A. It would be in no way liable.
- 17 Q. 166 And isn't it absolutely clear from looking at the Ulster Bank records and when
18 you look at the letter from Mr. O'Donnell but that there is no doubt but that
19 this was a Fianna Fail fundraising venture?
- 11:43:07 20 A. That was the information given at the outset, yes.
- 21 Q. 167 And like Mr. O'Donnell has confirmed it as far ago as yesterday that this was a
22 Fianna Fail fundraising venture. All the records of Ulster Bank indicate that
23 it was a Fianna Fail fundraising venture and the only time we have a deviation
24 on that is when there is the meeting between yourself and Mr. Richardson.
- 11:43:26 25 A. Correct.
- 26 Q. 168 And so the record primarily indicates that it's a Fianna Fail fundraising
27 venture, isn't that correct?
- 28 A. Yes.
- 29 Q. 169 Would it be fair to say, Mr. McKenna, if I'm wrong about this correct me. Was
11:43:46 30 Mr. Hunt to use a simple term, was he your boss in terms of reviewing accounts

11:43:52 1 that had got into trouble?

2 A. Yes, he would have been if I recall heading up the recoveries department at the

3 time. He wouldn't have been my day-to-day line manager, Mr. O'Mahony was.

4 Q. 170 And you were coming quite naturally under pressure to try and get money back in

11:44:09 5 respect of this account isn't that's correct?

6 A. Yes.

7 Q. 171 And that is why when we look through the train of memoranda and correspondence

8 here you are actively following up Mr. Richardson trying to get money repaid to

9 this account?

11:44:24 10 A. Yes.

11 Q. 172 No more differently than you would do with any other account holder or anyone

12 for with whom the bank had a guarantee, isn't that correct?

13 A. Correct.

14 Q. 173 And on a number of occasions, if I can refer you to the documents now, bear

11:44:37 15 with me. If I could ask you to look at document 28385. This is dated 30th of

16 September 1994 and it's from Mr. Hunt to you, isn't that correct, Mr. McKenna?

17 A. Yes.

18 Q. 174 And I will just open it "We refer to previous correspondence and our subsequent

19 telephone conversations. We note that you wish to try one last time to get him

11:45:20 20 to make the 12,500 payment and have written to him by way of registered letter

21 seeking him to call. However, as discussed with you, if there has been no

22 tangible progress i.e. payment of 12,500 by Friday 7 October, we wish to

23 formally demand payment from him on foot of his letter of guarantee for 10,000.

24

11:45:39 25 We appreciate that in doing so we will highlight to him that this is the

26 maximum we can pursue him for on foot of the guarantee. However, at least we

27 will be applying real pressure on him and this may get results which our

28 present strategy has not achieved so far. Please report further in two weeks

29 advising the outcome of your correspondence, and if appropriate, forwarding

11:45:58 30 relevant documentation to enable the bank's solicitor apply for payment".

- 11:46:02 1 So it's clear here that your boss Mr. Hunt was of the view that the Ulster Bank
2 should effectively issue proceedings or go after Mr. Richardson on foot of a
3 guarantee, isn't that right?
- 4 A. Correct.
- 11:46:14 5 Q. 175 And you seem to be of the view to play it more gently and to try and persuade
6 him to pay over 12,500, isn't that correct?
- 7 A. Well I suppose I'm the person that's in, I suppose I won't say daily, but in
8 telephone contact with Mr. Richardson had built up a rapport over a number of
9 months with Mr. Richardson and to negotiate a settlement without having to go
11:46:35 10 down the legal route.
- 11 Q. 176 But there was also the hope that you could get 12,500 out of him this way as
12 opposed to getting 10,000 out of him if you sued on foot of the guarantee?
- 13 A. Possibly so.
- 14 Q. 177 And if you look then at 28384, which is the next document chronologically. On
11:46:53 15 the 13th of October 1994, you are writing to Mr. Hunt again this is a document
16 that was hoped by Mr. Murphy, it says:
17
18 "Further to our most recent conversation, I have now succeeded in contacting
19 Des Richardson and negotiating a settlement. Earlier this morning in the
11:47:09 20 course of a telephone conversation, Des agreed a figure of 12,500 in full and
21 final settlement of the Trentvalley Limited debt with a lump sum clearance to
22 be effected by 31 October. I am now writing separately to Des Richardson
23 confirming terms and timescale of our agreement and I have diarised 31 October
24 in any event."
- 11:47:27 25
- 26 So you had a deal as of the 13th of October 1994, that Mr. Richardson was to
27 pay 12,500?
- 28 A. Correct.
- 29 Q. 178 And after that, Mr. McKenna, amn't I correct in stating that there was a time
11:47:40 30 lag in actually getting the money off Mr. Richardson, isn't that correct?

11:47:44 1 A. Yes.

2 Q. 179 And could I ask you to look at a couple of the records now. If we look at

3 28382, which is the 9th of November 1994, and it's a memo from Mr. Hunt to you.

4 And he says:

11:47:59 5

6 "I refer to our telephone call today. Whilst I appreciate that both you and

7 Des Richardson have been away, he is back in Ireland now and given the number

8 of phone calls you have made and will be making to him without tangible

9 progress, I want to you to ensure that he is formally called up on foot of his

11:48:14 10 guarantee on Friday 11th November. I feel he has been given every opportunity

11 to pay up voluntarily and it's now time to adopt the above approach taking into

12 account the difficulties which we may encounter in doing so. Please report

13 further by 15 November enclosing copy of your call up letter, yours sincerely B

14 Hunt".

11:48:40 15

16 Would you agree with me that there's a certain level of annoyance there in that

17 note from Mr. Hunt, in that he feels too much latitude has been given to

18 Mr. Richardson?

19 A. Quite possibly.

11:48:45 20 Q. 180 And would you agree with me that some of that annoyance is being directed

21 towards you?

22 A. Possibly so.

23 Q. 181 And then there's a note underneath it on the 14th of November, and this is

24 Brian Hunt's writing, isn't that correct?

11:48:59 25 A. Yes.

26 Q. 182 He says "Talk to Peter McKenna, he has been talking to Des Richardson's

27 secretary. She has promised payment and phoned Peter today to confirm it had

28 been lodged today through the credit transfer system. If it does not arrive at

29 branch by Wednesday we'll know she was lying. In the circumstances I have

11:49:19 30 agreed to hold off call up until Wednesday 16 November".

11:49:25 1 So in effect there was the account holder or it had been communicated on behalf
2 of the account holder that the money had gone into the credit transfer system.
3 A. Correct.
4 Q. 183 And that subsequently turned out not to be correct?
11:49:41 5 A. Yes, it would have taken somebody else for that to transpire.
6 Q. 184 This is not unusual phenomenon where the bank is chasing after a customer for
7 repayments and the customer saying the money is coming, give me some time, it's
8 coming, it's coming.
9 A. It wouldn't be unusual.
11:49:53 10 Q. 185 No. And then there is another note on the 17th of November, "rang branch no
11 sign of funds. More excuses told Eamon that Richardson is to be called up from
12 today no matter what". And that's a further note of Mr. Hunt, isn't that
13 correct?
14 A. Yes that's dated the?
11:50:12 15 Q. 186 17th of November?
16 A. 17th okay.
17 Q. 187 And if we go onto the next page 28381. This is the fax from Mr. Richardson's
18 office. And obviously, you had been trying to contact Mr. Richardson around
19 this time, isn't that apparent?
11:50:29 20 A. I just on the last. I notice that Brian had made a reference to Eamon, it's
21 possible I wasn't in the office that day and Eamon was the assistant manager.
22 Q. 188 Okay.
23 A. Sorry.
24 Q. 189 And then the next day there is a fax 17th of November there is a fax from
11:50:44 25 Mr. Richardson he says:
26
27 "Peter, I will not be at my office until Friday morning. I have issued
28 instructions for a lodgement to be made to your bank. I am advised this
29 morning that my instructions have been carried out and that the deposit will be
11:50:56 30 with you today or tomorrow. I will call you tomorrow morning".

- 11:50:58 1 And in fact the funds came in to you on the 23rd, isn't that correct,
2 Mr. McKenna?
- 3 A. Correct.
- 4 Q. 190 So effectively they came in six days later.
- 11:51:06 5 A. Yes.
- 6 Q. 191 And Mr. Richardson, or his evidence will be or he may have given evidence in
7 respect of this already and Mr. Murphy has showed it on the screen. But
8 Mr. Richardson was waiting to be paid for his work in order to discharge this
9 payment. I don't know if you are aware of that?
- 11:51:21 10 A. I wasn't aware of that until I saw it on screen this morning.
- 11 Q. 192 Because if you will note from what Mr. Murphy showed to you, that there was a
12 cheque due to you Mr. Richardson for the work done as a Fianna Fail fundraiser.
13 That was paid to him on the 23rd of November, a cheque in the sum of 24,420 in
14 fact these a cheque that was paid to Willdoover which was the corporate entity
11:51:42 15 used by Mr. Richardson. So with the benefit of hindsight, you can see why he
16 was delaying. Do you accept that now?
- 17 A. Yes, it's a possible explanation.
- 18 Q. 193 Yes because he was waiting for funds to come into his own account. He knew
19 that funds were coming but he was waiting for them to arrive so that he could
11:52:01 20 discharge these monies that were due. We then get to the 28379, Mr. McKenna,
21 which is the memorandum and this is a memorandum of Mr. Hunt, isn't that
22 correct?
- 23 A. Yes.
- 24 Q. 194 And it's dated the 21st of November, isn't that correct?
- 11:52:23 25 A. Correct.
- 26 Q. 195 And what we know is that you said to Mr. Murphy, Mr. Murphy asked you a leading
27 question, as he is allowed to. But he said that this is a record of a
28 telephone conversation between yourself and Mr. Hunt. How do you know it's a
29 record of a telephone conversation between yourself and Mr. Hunt?
- 11:52:46 30 A. I'm taking that as a telephone conversation as there's no record on file of me

- 11:52:50 1 making a written submission to Brian.
- 2 Q. 196 Okay. So this is now the -- Mr. Richardson had contacted you on the 17th and
- 3 on the 21st you are -- you have what you believe is a telephone conversation
- 4 with Mr. Brian Hunt, isn't that correct?
- 11:53:08 5 A. Yes.
- 6 Q. 197 At this stage, Mr. Hunt must be putting some pressure on you, Mr. McKenna,
- 7 because of the fact that these funds still haven't arrived in, isn't that
- 8 correct?
- 9 A. Possibly, I genuinely can't recall.
- 11:53:18 10 Q. 198 But isn't it likely -- like I know you can't recall anything back to 1994 and
- 11 there is no criticism for that. But looking at the documentation here, looking
- 12 at the history of this account, isn't it evident and there is some annoyance on
- 13 the part of Mr. Hunt at the way this account is being operated. He is
- 14 directing some criticism towards you for the latitude that you have given to
- 11:53:39 15 Mr. Richardson?
- 16 A. Okay.
- 17 Q. 199 You accept that?
- 18 A. I accept that yes.
- 19 Q. 200 Okay. Now, the issue that was concentrated upon by Mr. Murphy is in the three
- 11:53:49 20 or four lines down. I will just open the memo "Peter has got talking to Des
- 21 Richardson". Now, do you know when you got talking to him?
- 22 A. No, I genuinely can't recall.
- 23 Q. 201 Because can I take you to your statement of yesterday, Mr. McKenna. And if I
- 24 could ask you to go to the second page of that statement if it could be put up,
- 11:54:14 25 the third last paragraph. You see the one which the third last paragraph that
- 26 begins on "November 21st"?
- 27 A. Yes.
- 28 Q. 202 And this is part of your statement --
- 29 A. Yeah.
- 11:54:27 30 Q. 203 -- that relates to this memorandum and what you say is as follows "On November

11:54:32 1 21st, the promised lodgement had not arrived and I spoke with Brian Hunt in our
2 recovery's section, indicating that in an earlier telephone conversation with
3 Mr. Richardson he advised that he had instructed the bank in Manchester to
4 forward the monies to us".

11:54:49 5
6 Now, I'm interest by your use of the word "earlier telephone conversation".
7 When do you think that telephone conversation took place because I am correct
8 in saying that it certainly didn't take place on the 21st of November?

9 A. Possibly not. I would say it would have taken place between the 17th and the
11:55:06 10 21st.

11 Q. 204 Do you have any recollection of when it took place?

12 A. No, I genuinely do not.

13 Q. 205 Do you have any memorandum or note of that telephone conversation?

14 A. No.

11:55:14 15 Q. 206 As the Chairman mentioned to you previously, you generally did keep records of
16 important issues pertaining to this account?

17 A. Yes.

18 Q. 207 Why didn't you keep a record in respect of this important statement?

19 A. I genuinely can't recall.

11:55:32 20 Q. 208 You have no recollection of Mr. Richardson saying to you that he instructed a
21 bank in Manchester to forward funds to you, isn't that correct?

22 A. No.

23 Q. 209 No recollection at all.

24 A. Sorry, no recollection apologies.

11:55:46 25 Q. 210 And so as we are clear as to what Mr. Richardson is saying. I think it's
26 important that we are aware of that, that's on day 790 at page 63. And
27 question 409. And you see question 409 there, Mr. McKenna?

28 A. Yes.

29 Q. 211 It is a reference to what is contained in the memo there so I don't propose to
11:56:25 30 read that out.

11:56:26 1 A. Okay.

2 Q. 212 And then Mr. O'Neill at the end of the quotation says: "That is a record

3 supposedly of Peter McKenna having spoken with you by telephone. I think you

4 don't accept that there was any reference by you in any dealings with your

11:56:38 5 Ulster Bankers about Manchester involvement in the discharge of the

6 liabilities, isn't that correct?

7 A: To the best of my knowledge and I have been to Manchester on many times, I

8 have worked for a company plc in Manchester, I don't recall ever being in a

9 bank in Manchester. I have no recollection of ever being in a bank yet alone

11:56:56 10 have a recollection. That's my recollection.

11 Q: I appreciate that's your response, Mr. Richardson, but the question is; did

12 you everybody discuss or communicate with the Ulster Bank representatives that

13 the monies that would be used to discharge the Trentvalley indebtedness would

14 be routed and were en route from a a Manchester bank account. Do you

11:57:12 15 understand the question?

16 A: Yeah. I have no recollection of that whatsoever.

17 Q: Does that mean that it didn't happen or it may well have happened and you

18 simply forgot?

19 A: I had no deals done with any bank in Manchester to supply funds to Ulster

11:57:24 20 Bank".

21

22 So that is Mr. Richardson's evidence in respect of it, Mr. McKenna. And one

23 question I think Mr. Murphy didn't ask you is; we know for a fact no monies

24 came from a bank in Manchester, isn't that's correct?

11:57:41 25 A. That would appear so, yes.

26 Q. 213 Well it's more than appears so. It's absolute fact no monies came from --

27 A. Sorry, I presume we don't have access to that info.

28 Q. 214 Yeah. But on the -- your examination the Ulster Bank file there is no evidence

29 of any monies coming from a bank in Manchester?

11:57:58 30 A. None.

- 11:57:58 1 Q. 215 And from an examination of the Ulster Bank file there is no reference to any
2 other bank account in Manchester?
3 A. No.
4 Q. 216 And we know from how this debt was subsequently discharged that it was paid out
11:58:17 5 of the Willdoover account, isn't that correct?
6 A. That's how it transpired, correct.
7 Q. 217 And we know from what the Tribunal has put up on the screen that the Willdoover
8 account was funded by payments that were due to Mr. Richardson, isn't that
9 correct?
11:58:29 10 A. Correct.
11 Q. 218 And can I ask you just again to look at this memo, the memo on 28379. It says
12 "Peter has got talking to Des Richardson. Richardson is adamant that money is
13 in the pipeline".
14
11:58:46 15 Now, with the benefit of hindsight, isn't it absolutely correct that money was
16 in the pipeline because he knew money was coming in around the 23rd?
17 A. Yes.
18 Q. 219 And that he instructed the bank in Manchester to forward them to us. We know
19 that that is incorrect.
11:59:03 20 A. Yes.
21 Q. 220 But yet it is recorded by Mr. Hunt in response to what you said to him on the
22 telephone, isn't that correct?
23 A. Yes. Brian would have picked up that from a conversation I had with him.
24 Q. 221 Yeah. And where did you get it from?
11:59:21 25 A. The Manchester?
26 Q. 222 Yeah.
27 A. I could only have got that from Des Richardson.
28 Q. 223 Do you have any recollection of Mr. Richardson saying that to you?
29 A. None whatever.
11:59:29 30 Q. 224 And so the only basis upon which you can say that is because of what's

11:59:32 1 contained within this memo?

2 A. Correct.

3 Q. 225 And even relying on this memo, isn't the truth of the matter that there were no

4 funds coming from a bank in Manchester to pay off Trentvalley?

11:59:44 5 A. Well they certainly didn't subsequently arrive.

6 Q. 226 Then it goes on. "Peter did not get specifics on the Manchester bank or the

7 payment date but on the basis of the faxed letter from Richardson of 7th (sic)

8 November, and as the amount is relatively small, it is possible that it is some

9 how somewhere en route. International Department say it could take up to five

12:00:10 10 working days".

11

12 Now, do you recall discussing this issue with Mr. Hunt on the telephone?

13 A. No, I don't recall that --

14

12:00:18 15 JUDGE FAHERTY: Sorry, Mr. O'Callaghan. Just to make a small correction. I

16 think it looks like the 17th of November. I think you might have said the 7th.

17

18 MR. O'CALLAGHAN: Sorry, Judge.

19

12:00:28 20 JUDGE FAHERTY: Just so that the witness won't be confused.

21

22 Q. 227 MR. O'CALLAGHAN: Isn't that the fax that we just opened up?

23 A. Yes.

24 Q. 228 Yeah. "International Department say it will take up to five working days. I

12:00:41 25 have confirmed to Peter that he can wait until Friday to cull call the account

26 up as by then we will know for sure if we are being strung along. PS Sean

27 O'Mahony is aware of Richardson's position but still feels we should chase him

28 as above".

29

12:00:58 30 There is nothing unusual about this, Mr. McKenna. To a certain extent the

12:01:03 1 money was coming in to you but it was delayed. It was delayed over a period of
2 a month, a month and a half, isn't that correct?

3 A. Yes.

4 Q. 229 And it was due to come in to you. But I have to say you were coming under
12:01:13 5 pressure from your superiors, isn't that correct?

6 A. Yes.

7 Q. 230 And when you spoke with Mr. Hunt on the 21st of November, you have accepted
8 that there would have been a certain annoyance on his part with the way the
9 latitude that you had given to Mr. Richardson, isn't that correct?

12:01:27 10 A. Possibly so.

11 Q. 231 And when you were speaking to Mr. Hunt, I suggest to you that you were
12 concerned about your own position as well?

13 A. I wouldn't necessarily agree with you.

14 Q. 232 Did you have any certain that this money never may never arrive in?

12:01:44 15 A. No.

16 Q. 233 No.

17 A. I always, as I said in numerous reports, that I always had a very courteous and
18 polite association with Mr. Richardson and I genuinely never believed that it
19 would not turn up, no.

12:01:59 20 Q. 234 And we note from what Mr. Richardson's evidence, is that he has no -- in
21 fairness to him. He has not being adamant in stating that he never ever
22 mentioned Manchester to you but he is saying that he has no recollection of
23 ever saying Manchester to you in that conversation?

24 A. The record indicates that I advised Brian and in fairness the only person who
12:02:23 25 could have advised me of Manchester would have been Mr. Richardson.

26 Q. 235 And --

27 A. I don't recall it and I'm only going from the written record.

28 Q. 236 Uh-huh. But can I take you back to the statement that you produced. Again,
29 it's on the statement of yesterday, where you referred to November 21st "the
12:02:43 30 promised lodgement is did not arrive and I spoke with Brian Hunt in our

12:02:45 1 recovery section indicating that in an earlier telephone conversation with
2 Mr. Richardson he advised about the Manchester bank".
3
4 Can I ask you then. It's not the case it appears to me that you got a
12:03:00 5 telephone conversation from Mr. Richardson stating that the funds were coming
6 from Manchester and you then phoned Brian Hunt. Would you agree with that?
7 A. I genuinely can't recall.
8 Q. 237 I asked you earlier about the earlier telephone conversation as referred to in
9 your statement. And you seem to indicate that that telephone conversation with
12:03:18 10 Mr. Richardson took place some time between the 17th and the 21st of November?
11 A. Well looking at the way the documentation is laid out, it would appear as if it
12 had to fall within that timescale.
13 Q. 238 Is there any basis upon which you could have been relying upon something
14 Mr. Richardson had said to you much earlier?
12:03:37 15 A. No.
16 Q. 239 Why are you so adamant about that?
17 A. Well I am making the assumption that it would have come up in the documentation
18 up and down the line to recoveries department. Something like that I probably
19 would have mentioned it in in a memo.
12:03:49 20 Q. 240 But we know you didn't mention the reference to a bank in Manchester in a memo?
21 A. Yes, that was in a telephone conversation.
22 Q. 241 Why didn't you record it in your own memo?
23 A. I genuinely don't know.
24 Q. 242 If it had been an explanation which you regarded as being important and
12:04:08 25 legitimate, you would have recorded it in a memo, isn't that correct?
26 A. Yes, I think it's fair to say at that stage that we were just looking for a
27 lodgement. We weren't necessarily interested in where it was coming from.
28 Q. 243 Can I ask you, Mr. McKenna, you made two statements -- there was your first
29 statement which Mr. Murphy opened earlier on and then this second statement
12:04:41 30 which came in yesterday. When were you asked to produce the second statement?

12:04:46 1 A. I'd say possibly a fortnight ago.

2 Q. 244 And who asked you?

3 A. I have no recollection but I think the request came down through our customer
4 relations unit.

12:04:57 5 Q. 245 So it was a request from the Tribunal?

6 A. Sorry, yes. Apologies, yes.

7 Q. 246 And were you asked specifically to elaborate on any issues or were you asked to
8 elaborate on specific issues?

9 A. No, I was just asked to having re perused to the files to consider another, it
12:05:13 10 was in response to the meeting that I had with the Members of the Tribunal
11 there roughly three weeks ago, to actually expand on my original statement
12 which at the time in fairness was indicated to me was quite brief.

13 Q. 247 And that was a meeting that took place on the 28th of April 2008 with the
14 Tribunal, is that correct?

12:05:31 15 A. Possibly so yes.

16 Q. 248 It's in the --

17 A. I don't recall, yes.

18 Q. 249 Where did that meeting take place can I ask you?

19 A. Here within the grounds.

12:05:38 20 Q. 250 Okay. I just notice Chairman that there is no transcript of that meeting but
21 it may not be the case. It's usually the case in other meetings that there are
22 transcripts.

23

24 CHAIRMAN: Is there?

12:05:51 25

26 MR. MURPHY: Chairman, there was no stenographer for the meeting with
27 Mr. McKenna. There was for Mr. Hunt.

28

29 CHAIRMAN: All right.

12:06:03 30

12:06:03 1 MR. MURPHY: And I understand that Mr. O'Callaghan's solicitor would have got
2 our solicitor's attendance on the meeting with Mr. McKenna.

3
4 MR. O'CALLAGHAN: Yes I have that. I thought there may be a transcript but
12:06:15 5 there isn't and I accept that now. Thank you very much, Mr. McKenna.

6
7 CHAIRMAN: Thank you. All right. I don't know if ... thank you. Thank you
8 very much.

9
10 MR. MURPHY: Chairman, Chairman, could I ask Mr. McKenna one question please
11 that I omitted

12
13 CHAIRMAN: Yes.

14
12:06:33 15 **THE WITNESS WAS QUESTIONED BY MR. MURPHY AS FOLLOWS:**

16
17 Q. 251 Mr. McKenna, if we could have 28379 please, again. Mr. Hunt's memo in the last
18 sentence of the first paragraph. Okay. Reads I think please correct me if I'm
19 wrong:

12:06:56 20
21 "International Department say it could take up to five working days" this is
22 Mr. Hunt's memo as we know.

23 A. Yes.

24 Q. 252 Would you be the person who would have inquired and given that information to
12:07:06 25 Mr. Hunt or is that something he'd have done?

26 A. It's possibly something Brian would have done but it is something I would have
27 been aware of anyway through my normal day-to-day banking deals. That it could
28 take that length of time for international payment to come through.

29 Q. 253 And would that have any significance that you mentioning that on the phone or
12:07:28 30 alternatively Mr. Hunt doing his little bit of research?

12:07:31 1 A. No, other than that it could have been an explanation why the lodgement was
2 delayed.

3 Q. 254 I see. But it would refer to the lodgement coming from abroad, would it?

4 A. Yes.

12:07:44 5 Q. 255 You are talking about the international department?

6 A. Yes.

7 Q. 256 Thank you.

8

9 CHAIRMAN: All right. Thank you very much, Mr. McKenna

12:08:01 10 A. Thank you.

11

12 **THE WITNESS THEN WITHDREW.**

13

14

12:08:01 15 CHAIRMAN: I take it Mr. Hunt will be a relatively short witness?

16

17 MR. MURPHY: Yes, Chairman.

18

19 CHAIRMAN: All right. We might just take a very short ten minute break and

12:08:01 20 we'll ...

21

22 **THE TRIBUNAL THEN ADJOURNED FOR A SHORT BREAK**

23 **AND RESUMED AS FOLLOWS:**

24

12:22:16 25 MR. MURPHY: Brian Hunt, please.

26

27

28

29

30

MR. BRIAN HUNT, HAVING BEEN SWORN, WAS QUESTIONED BY

MR. MURPHY AS FOLLOWS:

CHAIRMAN: Good afternoon, Mr. Hunt.

A. Good afternoon.

Q. 257 MR. MURPHY: Mr. Hunt, you have provided a statement to the Tribunal dated the 11th of December 2007. And if we could see 28402, please. And you have also attended the Tribunal for a private interview recently, isn't that right?

A. That's correct.

Q. 258 All right. Just to read out your statement, Mr. Hunt. Statement of Brian Hunt re Trentvalley Limited/Des Richardson - Mahon Tribunal, 11th December 2007.

"My name is Brian Hunt and during the calendar year 1994, I was recoveries manager for the Ulster Bank. The bank's file in relation to Trentvalley Limited was passed to the recoveries unit for co-ordination in June 1994.

At that stage there was the balance of 15,723 pounds outstanding on the account. I was advised that as security, a letter of guarantee had been completed dated 28th of April 1993 in the sum of 10,000 pounds signed by Des Richardson, director of the company. I was also advised that the branch were trying to find the actual guarantee which had been temporarily mislaid.

I was advised at that time that the account had originally been opened by the directors Des Richardson and Pat O'Callaghan, as a marketing company involved with Fianna Fail fundraising. The fundraising involved sale of lottery cards with the profits from these being utilised to repay the debt. Given the poor performance of the account, the company had been formally called upon for payment by the bank for its monies and Mr. O'Callaghan indicated the lottery cards would be disposed of to clear the account. This did not happen in the local branch

12:24:18 1

2 CHAIRMAN: Mr. Murphy, you are going too fast for the stenographer.

3

4 Q. 259 MR. MURPHY: "This did not happen and the local branch under the management of

12:24:25 5 Peter McKenna were now liaising with Mr. Richardson in an effort to ensure that

6 repayment arrangements were adhered to. In the beginning of July 1994, branch

7 manager reported to recoveries unit that Mr. Richardson had been out of the

8 country and consequently he had not managed to get talking to him. We had

9 instructed the branch to formally call upon the company for the debt and then

12:24:47 10 Mr. Richardson on foot of his letter of guarantee.

11

12 However, Peter McKenna requested that he be allowed to defer doing so. His

13 reasons were that the guarantee was only for 10,000 while the total debt was

14 15,723. And consequently applying pressure on the company if necessary by

12:25:07 15 getting the bank's solicitor to write to it might result in an increased

16 repayment amount being achieved.

17

18 Around the same time I became aware that Sean O'Mahony, area director for south

19 region was making representations via Denis McArdle, manager of Walkinstown

12:25:22 20 Cross branch who knew Mr. Richardson in an effort to have Mr. Richardson deal

21 with the account. Consequently I was asked by the bank not to insist on the

22 branch taking further action for the time being.

23

24 On the 3rd of August 1994, the branch reported the outcome of an interview with

12:25:37 25 Mr. Richardson to Sean O'Mahony. The details of the branch interview are

26 contained in a letter dated 3rd of August 1994 to Sean O'Mahony and the main

27 points can be summarised as follows.

28

29 Mr. Richardson stated that the account of Trentvalley Limited had no connection

12:25:53 30 with the Fianna Fail Party or its fundraising activities. He himself was a

12:25:55 1 Fianna Fail supporter and a key fundraiser in election campaigns. In a
2 personal capacity, Mr. Richardson was on contract to Fianna Fail as their
3 fundraiser with this contract expiring in March 1995.

12:26:09 5 Branch manager stated that he was advised by Mr. Richardson that Patrick
6 O'Callaghan came up with a fundraising idea to be run however as a commercial
7 enterprise with no connection what ever to Fianna Fail. The company was set up
8 as a private venture and Mr. Richardson agreed that it had potential and
9 assisted in a personal capacity by way of guarantee.

12:26:29 10
11 A lottery licence was purchased and lottery cards printed and advertising
12 undertaken. However, it would appear no lottery cards were sold. As a result
13 the debt continued to rise due to the application of interest with balance as
14 at 3rd of August 1994, 16,132 pounds debit.

12:26:58 15
16 Mr. Richardson offered 10,000 pounds in full and final settlement of the bank's
17 debt with monies to be repaid by the end of August. Alternatively a repayment
18 programme to be entered into over three yearly payments of 5,000 pounds per
19 annum.

12:27:01 20
21 Branch manager highlighted that given the political background he did not wish
22 to be involved in legal action and while the offer of 10,000 was too small, he
23 sought the bank's agreement to settling for a figure of 13,000 with room to
24 manoeuvre to a figure of 12,500 subject to this amount being received by the
12:27:20 25 31st of August.

26
27 Having discussed the situation with Sean O'Mahony area director, I confirmed to
28 branch manager Peter McKenna that he could negotiate on the basis of a minimum
29 settlement of 12,500 as discussed.

12:27:34 30

12:27:35 1 On the 7th of September 1994, branch manager advised that due to holidays and
2 work commitments, the matter had been allowed drift for a few weeks. However
3 he had been talking to Mr. Richardson again and he had indicated that he was
4 interested in endeavouring to settle the matter for the sum of 12,500 as had
12:27:52 5 been discussed. Branch manager recommended that we allow him to the 30th of
6 September an effort to he can secure this amount. On behalf of the recoveries
7 unit in southern region office I confirmed the bank's agreement to this time
8 frame and figure.

12:28:08 10 On 30th of September, I discussed the matter further with branch manager. I
11 agreed that we allow one further week for receipt of the sum 12,500 and in the
12 absence of this being forthcoming I instructed that the branch formally demand
13 payment from Mr. Richardson on foot of his letter of guarantee for 10,000. My
14 reason for doing so was that up to this we had only been chasing the legal
12:28:29 15 entity of the company for recovery. By demanding payment on foot of the
16 personal letter of guarantee we were positioning ourselves to pursue him on the
17 personal basis for our monies. Albeit in the knowledge that our recovery using
18 this avenue would be limited to 10,000. This was still better than getting
19 nothing as a result of an action against the company to date.

12:28:51 20
21 Some further delays followed while the branch manager and Mr. Richardson
22 liaised. By the 14th of November, due to various promises and discussions we
23 had agreed to defer the call up on foot of the letter of guarantee because
24 discussions had moved onto the aspect of how the monies would be received.
12:29:07 25 Peter McKenna had advised it would be lodged to the bank imminently and on the
26 21st of November, Peter advised me that Des Richardson had indicated to him
27 that he had instructed a bank in Manchester to forward the money to Ulster
28 Bank. The branch manager was not sure exactly where it was coming from but
29 assumed it was somewhere in the international payment system.

12:29:29 30

12:29:29 1 In view of the above, I confirmed that we would wait for another week to see
2 did the monies actually arrive. On 24th of November 1994, branch advised the
3 recoveries unit that the sum 12,500 was lodged to a limited company account by
4 inter branch transfer from Ulster Bank, Baggot Street. As this was agreed
12:29:48 5 settlement figure, it confirmed that it could be accepted in full and final
6 settlement and the account closed.

7
8 For Ulster Bank Limited, Brian Hunt, head of business centre" signed by you
9 Mr. Hunt, isn't that correct?

12:29:59 10 A. Correct.

11 Q. 260 Could I just draw your attention to one matter at the beginning of that
12 statement, Mr. Hunt. In relation to paragraph on page. Sorry, yes third
13 paragraph "I was advised at that time that the account had originally been
14 opened by the directors Des Richardson and Pat O'Callaghan as a marketing
12:30:21 15 company involved with Fianna Fail fundraising" do you wish to say anything
16 about that?

17 A. I can't recall, this memo was prepared having read back on the file. That's
18 basically it.

19 Q. 261 Yes. The memo is, I'm sorry could you say that again please?

12:30:43 20 A. This memo was prepared having been given the file and read back on it.

21 Q. 262 Yes.

22 A. There's no significance, I'm understanding the point you are making. When I
23 was questioned on this before, this arose and I can only say that in the whole
24 of the, of the connection --

12:31:04 25 Q. 263 Uh-huh.

26 A. -- my understanding was it was a Fianna Fail fundraising account.

27 Q. 264 Yes. Would it be more correct to say that you were advised by the file as it
28 were rather than by any individual?

29 A. Correct.

12:31:20 30 Q. 265 28373 please. This is just to show the account of Trentvalley, Mr. Hunt. And

12:31:34 1 we see on the 27th of May 1994, the sum the account was overdrawn in the sum of
2 15,278.75 pounds, isn't that right?

3 A. Correct.

4 Q. 266 And on the 24th of November 1994, in the sum of 12,500 is paid in and that's
12:31:44 5 the end of the account, isn't that right?

6 A. Correct.

7 Q. 267 All right. Now, Mr. Hunt, you first became involved when it became necessary
8 to try and seek recovery of the amount due on foot of the account, is that
9 right?

12:31:59 10 A. Yeah.

11 Q. 268 And was that in or around sometime in the summer of 1994?

12 A. Yes.

13 Q. 269 And you would have been, you would have been having contact with Mr. McKenna
14 the branch manager.

12:32:07 15 A. Yes.

16 Q. 270 And he was dealing with Mr. Richardson, is that right?

17 A. Yes.

18 Q. 271 All right. And would it be fair to say, and perhaps Mr. O'Callaghan was really
19 suggesting this to Mr. McKenna. That perhaps you were in maybe slightly a
12:32:24 20 greater hurry to get the matter closed and to get paid and Mr. McKenna had a
21 more softly, softly approach, would that be correct or?

22 A. We'd have both had the same objective.

23 Q. 272 Yes.

24 A. My job was to kind of coordinate strategy.

12:32:40 25 Q. 273 Yes.

26 A. And it would be the norm that I and my department would be pushing forward and
27 the guy on the ground dealing with it would be trying to manage both recoveries
28 side and the customers side.

29 Q. 274 He is in the middle?

12:32:55 30 A. He is in the middle.

12:32:57 1 Q. 275 All right. Well a light appears in the tunnel as it were on the 13th of
2 October 1994, 28384, please. When your office received a memo from Peter, from
3 Mr. McKenna, isn't that right?
4 A. Correct.

12:33:17 5 Q. 276 And we've seen this, this says "Dear Sirs, further to our most recent
6 conversation, I have now succeeded in contacting Des Richardson and negotiating
7 a settlement. Earlier this morning in the course of a telephone conversation
8 Des agreed a figure of 12,500 in full and final settlement of the Trentvalley
9 Limited debt, with the lump sum clearance to be effective by 31st of October.
10 I am now writing separately to Des Richardson confirming terms and timescale of
11 our agreement. I have diaried to revert to you by the 31st of October" isn't
12 that right?
13 A. That's right.

14 Q. 277 All right. So Mr. Richardson has agreed how much to pay back and how it should
15 be and by and the date by which it should be repaid, isn't that correct?
16 A. Yes.

17 Q. 278 All right. Now, in fact the 31st of October comes and goes and there's been no
18 payment.
19 A. Correct.

12:34:08 20 Q. 279 And if I can bring you then on then please to page 28381. And in the meantime
21 I think there has been some communication and we've seen some of it between
22 Mr. McKenna and yourself. But this is a fax from Mr. Richardson to Mr. McKenna
23 dated the 17th of January (sic)?
24 A. Yes.

12:34:27 25 Q. 280 In which he says --
26
27 JUDGE FAHERTY: 17th of November I think.
28
29 MR. MURPHY: I'm sorry what did I say?
12:34:32 30

12:34:32 1 JUDGE FAHERTY: Mr. Murphy.
2
3 MR. MURPHY: Thank you, Judge. I beg your pardon.
4
12:34:35 5 JUDGE FAHERTY: It looks like an 11 in any event
6
7 Q. 281 MR. MURPHY: 1994. "Peter, I will not be at my office until Friday morning.
8 I have issued instructions for a lodgement to be made to your bank. I am
9 advised this morning that my instructions have been carried out and the deposit
12:34:50 10 will be with you today or tomorrow. I will call you tomorrow morning. Regards
11 Des".
12
13 That was more than likely brought to your attention or was it or do you know?
14 We will certainly see a reference to it in your memo which I am about to come
12:35:04 15 on to?
16 A. Correct.
17 Q. 282 And if we can come to that, please, 28379. Now, perhaps, Mr. Hunt, if I could
18 ask you to read this it's your memo would you mind reading it out starting with
19 the date?
12:35:23 20 A. 21st of November. "Peter has got talking to Des Richardson. Richardson is
21 adamant that money is in the pipeline and that he instructed a bank in
22 Manchester to forward them to us. Peter did not get specifics on the
23 Manchester bank or the payment date but on the basis of the faxed letter from
24 Richardson of 17th of November and as the amount is relatively small, it is
12:35:44 25 possible that it is somewhere en route. International Department says it could
26 take up to five working days.
27
28 I've confirmed to Peter that he can wait until Friday to call the account up as
29 by then we will know for sure if we are being strung along."
12:35:59 30

12:35:59 1 And that's my initials there "PS Sean O'Mahony is aware of Richardson's
2 position but still feels we should chase them as above".
3 Q. 283 All right. These are your initials, is that right?
4 A. Correct.
12:36:17 5 Q. 284 And this is your handwriting?
6 A. Correct.
7 Q. 285 Do you have any recollection of making that note?
8 A. No.
9 Q. 286 Do you have any recollection of the conversation?
12:36:19 10 A. No.
11 Q. 287 Do you have a system in -- for yourself or did you at that time in relation to
12 recording telephone conversations or perhaps particular telephone
13 conversations?
14 A. I would normally, any conversation of importance I would normally make a file
12:36:41 15 note, just a handwritten note.
16 Q. 288 All right. And do you think the date at the top the 21st of November would be
17 the date of the telephone call?
18 A. Absolutely, yes.
19 Q. 289 Yes. All right. And the Peter is whom?
12:36:54 20 A. Peter McKenna.
21 Q. 290 All right. But you have no actual recollection of your telephone conversation
22 with Mr. McKenna?
23 A. No.
24 Q. 291 You are relying on this record?
12:37:07 25 A. Absolutely, yes.
26 Q. 292 And what does that record that you made say to you?
27 A. It's specifically telling me that Peter has talked to Des Richardson. He's
28 been given the information that there's money en route. That Des Richardson
29 has told him that the money is coming from a bank in Manchester and that he has
12:37:27 30 instructed that bank to forward the monies to Mallow branch and Peter didn't

- 12:37:32 1 ask him what bank is it or specifically what's the payment date but it tied in
2 with the faxed letter that we've just discussed.
- 3 Q. 293 I see. And do you believe that to be an accurate record of the conversation
4 that took place between you and Mr. McKenna?
- 12:37:54 5 A. Definitely, yes.
- 6 Q. 294 Is there any respect in which that record could be erroneous?
7 A. No.
- 8 Q. 295 Had you any reason to make up that memo or the contents thereof?
9 A. None whatsoever.
- 12:38:09 10 Q. 296 Did you know anything of your own knowledge about Mr. McKenna and a link --
11 Mr. Richardson and a connection with Manchester?
12 A. No.
- 13 Q. 297 Have you any reason to believe that that record does not accurately reflect the
14 telephone conversation you had with Mr. McKenna?
- 12:38:39 15 A. I would be 100 per cent satisfied that it accurately reflects that.
- 16 Q. 298 Is there any significance to the international reference to the international
17 department can you say?
18 A. I would imagine that -- first of all I can't remember it but probably one of my
19 staff would have just contacted international department to check how long a
20 payment of that size could take.
- 12:39:03 21 Q. 299 And presumably, you'd only do that if there was, if you had some reason to
22 believe that the money was coming from abroad?
23 A. Yes.
- 24 Q. 300 And subsequently, Mr. Hunt, the 12,500 came in, isn't that right?
- 12:39:42 25 A. Yes.
- 26 Q. 301 But it did come from another source.
27 A. Correct.
- 28 Q. 302 And didn't come from Manchester, isn't that right?
29 A. That's correct.
- 12:39:51 30 Q. 303 Thank you, Mr. Hunt.

- 12:39:53 1
- 2 **THE WITNESS WAS QUESTIONED BY MR. O'CALLAGHAN AS FOLLOWS:**
- 3
- 4 Q. 304 I appear for Mr. Richardson. I just have just a couple of questions for you.
- 12:39:59 5 In April 1993 you were in the recoveries unit, is that correct, Mr. Hunt?
- 6 A. Correct.
- 7 Q. 305 And obviously you don't have any involvement in dealing with customers who come
- 8 into the branches in the southwestern area would that be correct?
- 9 A. At that stage no.
- 12:40:11 10 Q. 306 And the people who dealt with the customers who came in to establish the
- 11 Trentvalley account that would have been Mr. Eddie O'Donnell, do you accept
- 12 that?
- 13 A. Say that again please.
- 14 Q. 307 Mr. Eddie O'Donnell was the manager of Mallow in April 1993, isn't that
- 12:40:25 15 correct?
- 16 A. That's correct.
- 17 Q. 308 And the evidence of Mr. Richardson has been that Mr. Eddie O'Donnell was the
- 18 person he dealt with in respect of the opening of this account?
- 19 A. All right.
- 12:40:35 20 Q. 309 Would you agree with me that in trying to find out information about the
- 21 opening of this account, that Mr. Eddie O'Donnell would be a witness who would
- 22 have relevant information?
- 23 A. Correct.
- 24 Q. 310 You have seen the letter from Mr. O'Donnell which I put up on the screen
- 12:40:51 25 earlier on, indicating that to the best of his recollection the Trentvalley
- 26 account was opened in connection with raising funds for Fianna Fail, you have
- 27 seen that letter?
- 28 A. I saw that, yes.
- 29 Q. 311 And you have no reason to disagree with that, isn't that correct?
- 12:41:05 30 A. No.

- 12:41:05 1 Q. 312 And in fact from your examination of the Ulster Bank file, isn't it clear that
2 this is an account that was established for Fianna Fail fundraising?
3 A. That's the inference of it, yes.
- 4 Q. 313 And really the only deviation from that arises with the memorandum prepared by
12:41:25 5 Mr. McKenna on the 3rd of August, isn't that correct?
6 A. From what I've seen, yes.
- 7 Q. 314 Yes. And in fairness to you, in your statement which was put up there and
8 which Mr. Murphy led you through, you stated that in the third paragraph "I was
9 advised at that time" I think that's June 1994 "that the account had originally
10 been opened by the directors Mr. Richardson and Mr. O'Callaghan as a marketing
11 company involved with Fianna Fail fundraising".
12
13 Can I ask you, who advised you of that in June 1994 or can you recall?
14 A. Cannot recall.
- 12:42:02 15 Q. 315 The likelihood was that you were advised about this by somebody in the Mallow
16 branch, isn't that correct?
17 A. I can't recall.
- 18 Q. 316 Okay. But isn't the likelihood that you were advised by someone in the Mallow
19 branch?
12:42:16 20 A. It could have been our, it could have been our lending section. There was a
21 lending section and a recoveries section worked side by side. File gets passed
22 over so it could have been somebody in there.
- 23 Q. 317 Okay. But in any event, somebody within Ulster Bank advised you in June 1994,
24 that this was a marketing company involved with Fianna Fail fundraising, isn't
12:42:37 25 that correct?
26 A. Correct.
- 27 Q. 318 And that's consistent with what Mr. Eddie O'Donnell has said in his letter of
28 yesterday, isn't that correct?
29 A. Correct.
- 12:42:48 30 Q. 319 Can I now take you forward to page 28384? And this is the memo that Mr. Murphy

- 12:43:02 1 opened earlier on. And am I correct in stating, Mr. Hunt, that from June 1994
2 until the 23rd of November in 1994 when the money was paid, your primary
3 objective was to get money repaid in respect of the Trentvalley overdraft?
- 4 A. Correct.
- 12:43:21 5 Q. 320 And in order to achieve that, you had to deal primarily with Mr. McKenna
6 because he was the manager who was dealing with Mr. Richardson and Trentvalley,
7 isn't that correct?
- 8 A. That's correct.
- 9 Q. 321 And you didn't have any direct involvement whatsoever with Mr. Richardson or
12:43:34 10 Trentvalley?
- 11 A. Yeah, correct.
- 12 Q. 322 And the memo on 28384. I don't need to open it but it records Mr. McKenna
13 telling you that he got Des Richardson to agree to pay 12,500 in full and final
14 settlement. And am I correct in saying that you were satisfied with that
12:43:54 15 settlement?
- 16 A. Yes.
- 17 Q. 323 And be particularly satisfied I suppose considering that Mr. Richardson was
18 only liable for 10,000, isn't that correct?
- 19 A. Well, yes. Although he is -- he was the director of the company and the
12:44:09 20 company had a liability of about 16,000.
- 21 Q. 324 But you are aware that there's separate corporate identity for companies?
- 22 A. Yes.
- 23 Q. 325 He didn't owe the money outside of what he was liable for on the guarantee,
24 isn't that correct?
- 12:44:20 25 A. He personally didn't.
- 26 Q. 326 So you were told as of the 13th of October '94, that a settlement has been
27 reached. And then if we can move forward to 28382, as of the 9th of November
28 the money hadn't come in, isn't that correct?
- 29 A. Correct.
- 12:44:38 30 Q. 327 This was no doubt a source of annoyance to you, would that be correct?

- 12:44:44 1 A. No, that's very strong.
- 2 Q. 328 Well it's hardly very strong to say that somebody would be annoyed. What would
3 you describe it as, Mr. Hunt?
- 4 A. This was normal, this was a normal in our, this would be one of hundreds of
12:44:58 5 accounts that we were handling. So it would be normal that things didn't
6 happen within the time scales that people promised.
- 7 Q. 329 Okay. That's probably consistent with the line that Mr. I Richardson has
8 taken. There is nothing unusual about this can account, isn't that correct?
- 9 A. Correct, yeah.
- 12:45:11 10 Q. 330 There is nothing unusual about a customer stringing out the bank for a couple
11 of months in order to try and get time to pay, isn't that correct?
- 12 A. Correct.
- 13 Q. 331 And in one of the memorandum here there is a reference to you saying we'll
14 figure out whether we were being strung along, isn't that correct?
- 12:45:28 15 A. That's correct.
- 16 Q. 332 And there are statements being given by Mr. Richardson's secretary,
17 Mr. Richardson, which were really trying to string you along until such time as
18 money had come in to his account, isn't that correct?
- 19 A. Possibly.
- 12:45:43 20 Q. 333 Yeah there's nothing necessarily wrong about that from the customer's point of
21 view. He just needed some time and the bank was trying to pressurise him into
22 paying quicker?
- 23 A. Correct.
- 24 Q. 334 Okay. And we know that memo which is on the screen on the 9th of November,
12:46:01 25 that you were told that money had been lodged through the credit transfer
26 system and it hadn't been, isn't that so?
- 27 A. Correct.
- 28 Q. 335 And we know from page 28381, that money was due to be with you on the 17th or
29 18th of November. And that didn't happen?
- 12:46:21 30 A. Correct.

- 12:46:22 1 Q. 336 And we know if you look at 28379 which is dated the 21st of November. That the
2 money was due to be coming from a bank in Manchester. And that didn't happen?
- 3 A. Correct.
- 4 Q. 337 And if I can concentrate on that memo now. We do now in the second line of
12:46:43 5 that memo there is a reference to Mr. Richardson being adamant that money is in
6 the pipeline. And we now know that was correct, isn't that so? You got the
7 money on the 23rd of November, so clearly the money was in the pipeline on the
8 21st of November?
- 9 A. I haven't got the date in front of me but the money I think from the statement
12:47:05 10 you just showed was the 23rd of November.
- 11 Q. 338 Yeah, the money came in to Ulster Bank on the 23rd. So as of the 21st you are
12 accurately recording I suppose what Mr. Richardson was saying, that money is in
13 the pipeline, isn't that so?
- 14 A. I was recording a conversation that I had with Peter McKenna.
- 12:47:21 15 Q. 339 Can I ask you, do you recall who initiated this conversation or can you provide
16 any assistance to the Tribunal as to who initiated it based on how you've
17 recorded it?
- 18 A. I can't say, I don't recall it. I can't say who initiated it but it is a
19 member memo of a phone call because that's what, that's had you I would have
12:47:42 20 recorded it. So whether I rang Peter or he rang me, I can't tell you.
- 21 Q. 340 And by the 21st of November, your patience was being tested could I suggest
22 because you had been told that this 12,500 was coming in and it hadn't come in?
- 23 A. Again, you are saying I'm -- this doesn't tell me my patience was being tested.
- 24 Q. 341 Okay.
- 12:48:05 25 A. This was normal interaction between any of our branches and my department.
- 26 Q. 342 And -- but you were putting pressure on Mr. McKenna, isn't that correct, to try
27 and ensure that he got this matter resolved and the money came in quickly and
28 he was the point of contact with Mr. Richardson?
- 29 A. Yeah, we'd all the time want to make sure that the branch wasn't leaving
12:48:26 30 matters lie.

12:48:28 1 Q. 343 This conversation you had with Mr. McKenna, it's obviously you recording a note
2 of a telephone call you have with Mr. McKenna in which Mr. McKenna tells you
3 that he has been in contact with Mr. Richardson. That's the status of this
4 memo?

12:48:48 5 A. That's the background, yeah.

6 Q. 344 Do you know or can you recall when Mr. McKenna had this conversation with
7 Mr. Richardson?

8 A. No.

9 Q. 345 It could have been any time in the previous weeks or month and a half or two
10 months, isn't that so?

11 A. No.

12 Q. 346 Why not?

13 A. Because there are other memos on that on file that have been discussed of
14 interactions. There was report from the branch, so when I talked to him on
12:49:02 15 that day I would imagine it was pretty recent information.

16 Q. 347 Well --

17 A. It certainly wouldn't have gone back weeks or months.

18 Q. 348 Well there's no reference anywhere to the conversation between Mr. McKenna and
19 Mr. Richardson referring to this money coming from the Manchester account?

12:49:17 20 A. Okay.

21 Q. 349 So how can you say or how can you be so definitive that this conversation must
22 have taken place immediately prior or soon prior to the 21st of November?

23 A. I can't.

24 Q. 350 Okay. You mentioned you were very definitive in your evidence that this
12:49:37 25 memorandum could not be erroneous, isn't that so?

26 A. Absolutely.

27 Q. 351 But don't we know that the information contained within the memorandum is
28 simply factually incorrect. And I would refer in particular to the fact that
29 there is a statement there that Mr. Richardson instructed a bank in Manchester
12:50:16 30 to forward funds to Ulster Bank. We know that's not correct?

12:50:21 1 A. Sorry, this --

2

3 CHAIRMAN: Well this is a memo of what supposedly Mr. Richardson told

4 Mr. McKenna.

12:50:35 5 A. Uh-huh.

6

7 CHAIRMAN: That's now being relayed on now to Mr. Hunt.

8

9 MR. O'CALLAGHAN: Yes.

12:50:40 10

11 CHAIRMAN: That's all it is.

12

13 Q. 352 MR. O'CALLAGHAN: I agree with you. And it's evidentially --

14 A. I would say that the memo is an accurate record of a phone call.

12:50:49 15 Q. 353 Okay but it doesn't -- the facts referred in it are not accurate woe now know.

16 Because we know that no monies came in to Ulster Bank from a Manchester bank
17 account, isn't that correct?

18 A. That's correct.

19 Q. 354 Thanks very much, Mr. Hunt.

12:51:12 20

21 CHAIRMAN: All right. Thank you very much, Mr. Hunt

22 A. Thank you.

23

24 **THE WITNESS THEN WITHDREW.**

12:51:20 25

26 CHAIRMAN: Mr. O'Callaghan, could I just raise one issue with you in relation
27 to your suggestion, which has been made I think in the past, and possibly again
28 today, that Mr. O'Donnell should have been a witness or should be a witness.

29

12:51:35 30 MR. O'CALLAGHAN: Yes, Chairman.

12:51:35 1 CHAIRMAN: As I understand it, it's not disputed that the bank was informed at
2 the time that the account was opened. Or at least that the bank records
3 indicate that the account had been opened in 1993 in connection with Fianna
4 Fail fundraising activity and Mr. O'Donnell's letter somewhat belatedly
12:52:00 5 confirms that. That's as I understand it not an issue.

6
7 MR. O'CALLAGHAN: Well what is in issue, Judge, arises from the content of
8 Mr. McKenna's memo of the 3rd of August.

9
12:52:17 10 CHAIRMAN: Oh, absolutely. And in your own words you said that this was the
11 only deviation.

12
13 MR. O'CALLAGHAN: Yeah.

14
12:52:20 15 CHAIRMAN: Yes. And I accept that's an issue. But insofar as the reasons
16 given to the bank for opening the account are concerned, my understanding is
17 that, that was the reason given to the bank. So clearly, there is an issue in
18 relation to what is contained in that memo.

19
12:52:41 20 MR. O'CALLAGHAN: Yeah.

21
22 CHAIRMAN: At a later stage.

23
24 MR. O'CALLAGHAN: I suppose the reason I was anxious and Mr. Richardson was
12:52:47 25 anxious for Mr. O'Donnell to be called is because at some stage the Tribunal
26 will have to consider the probative value of the memo of the 3rd of August
27 1994. And we believe that if Mr. O'Donnell was available to give evidence and
28 could state that when Mr. Richardson arrived in in 1993 he stated, with Mr.
29 O'Callaghan that this was to be a fundraising venture for Fianna Fail. That
12:53:13 30 that would be of probative value and would assist the Tribunal when you were

12:53:17 1 weighing up the value of the 3rd of August '94 memo.
2
3 And that was really the reason we wanted it in because without it we're
4 concerned that when the file is read on its own, you don't get the full picture
12:53:31 5 as to what happened at the very beginning. And both witnesses today, both
6 Mr. McKenna I think and certainly Mr. Hunt, have accepted that the person who
7 was in a position to give better evidence as to why this account was set up is
8 Mr. O'Donnell.
9
12:53:45 10 CHAIRMAN: But he has stated in the letter that was opened his recollection as
11 to ...
12
13 MR. O'CALLAGHAN: Yes.
14
12:53:55 15 CHAIRMAN: But in any event, we will consider the position.
16
17 MR. O'CALLAGHAN: Okay.
18
19 CHAIRMAN: Thank you.
12:54:02 20
21 CHAIRMAN: All right, Mr. Murphy.
22
23 MR. MURPHY: Would it be convenient, Chairman, there are two witnesses in a
24 different matter now. It might actually be, they might be dealt with more
12:54:10 25 efficiently if we were to take the lunch break now. They are not going to
26 finish before the lunch break.
27
28 CHAIRMAN: All right. We'll sit at two o'clock.
29
12:54:19 30 MR. MURPHY: Very well.

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THE TRIBUNAL THEN ADJOURNED FOR LUNCH.

12:54:23 1

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

2

3

CHAIRMAN: Now, Mr. Murphy.

4

14:01:12 5

MR. MURPHY: Good afternoon, Chairman, good afternoon, members.

6

7

Lisa Jordan, please.

8

9

14:01:26 10

MR. HOLLAND: While Ms. Jordan is coming to the stand; I'm David Holland, on the instructions of Cathal McCarthy solicitor for the Irish Life and Permanent plc. This and the next witness will be giving evidence and as to their doings as employees of my client and in that regard we would seek limited representation.

11

12

13

14

14:01:39 15

CHAIRMAN: Certainly. Granted.

16

17

MR. HOLLAND: Thank you.

18

19

MS. LISA JORDAN, HAVING BEEN SWORN, WAS QUESTIONED BY

14:01:46 20

MR. MURPHY AS FOLLOWS:

21

22

CHAIRMAN: Good afternoon, Ms. Jordan.

23

A. Good afternoon.

24

Q. 355 MR. MURPHY: Ms. Jordan, at the relevant time, I think you were an employee of Irish Life & Permanent plc as it then was, is that correct?

14:02:02 25

26

A. Yes.

27

Q. 356 Are you still with Irish Life & Permanent?

28

A. I am.

29

Q. 357 All right. In what capacity?

14:02:12 30

A. I'm senior administrator in the head office.

14:02:16 1 Q. 358 All right. Now, if we could have 28008, please. Ms. Jordan, you have provided
2 the Tribunal with a typed statement and we'll see it coming up on screen now.
3 Can you just it says "draft statement". Is this your, the final version of
4 your statement?

14:02:37 5 A. It is.

6 Q. 359 I think actually the copy I have is unsigned perhaps it's just the copy I have?
7 A. I did sign one, yes.

8 Q. 360 All right. Well in any event, if there is any correction you need to make in
9 the one I'm reading from, you can tell the Tribunal as we go along.

14:02:53 10 A. Okay, sorry.

11 Q. 361 All right? So if we just read your statement.
12
13 "Draft statement of Lisa Jordan of Irish Life & Permanent plc.
14
15 I commenced work in the Drumcondra branch of Irish Permanent Building Society
16 the branch in June 1991.
17
18 I was aware of the existence of the B/T account number -- and you give the
19 number -- and knew that it was operated by Tim Collins. The account had been
14:03:16 20 opened before I arrived in the branch and therefore I had no reason to query
21 why it was so named.
22
23 There was a practice in the branch that the branch would retain passbooks if
24 the customers so wished. The customer when visiting the branch would request
14:03:30 25 the passbook to enable the transaction that he or she wished to conduct be
26 recorded in the passbook and then returned to the passbook to the branch
27 official for safekeeping. There was a register of the passbooks which were
28 kept for safekeeping. The branch official would write in and register when the
29 passbook was handed in for safekeeping. The branch official would record in
14:03:52 30 the register when a passbook was handed to a customer who wished to take it

14:03:58 1 away. The register would not reflect any movement of the passbook when the
2 customer was conducting a transaction as the transaction itself would be
3 recorded in the passbook.
4

14:04:09 5 The passbook for the B/T account was kept in this branch. I recollect on an
6 occasion prior to Mr. Blair Hughes joining the branch in 1993, that Mr. Collins
7 in a jocular manner when asking for the passbook for the B/T account referred
8 to as the passbook for the Bertie Ahern/Tim account. I am certain that this
9 was said in a jocular manner. I believed that in relation to the remark made
14:04:39 10 by Tim Collins that it could have been heard by Elizabeth Smyth, Cathy Smith
11 and Richard Buggy.
12

13 I have reviewed the ten transactions on the B/T account from June 1991 when I
14 joined the branch, until 18th July 1995, being the date for the last branch
14:04:56 15 transactions and the following transactions were carried out by me.
16

- 17 1. 24th February 1992 - lodgement of 5,000 pounds cheque.
- 18 2. 21st July 1992 - lodgement of 30 pounds cheque.
- 19 3. 31st of July 1992 - withdrawal of 3,000 by cheque.
- 14:05:15 20 4. 30th of March 1993 - withdrawal of 30,000 pounds by cheque. The
21 handwriting on the cheque made payable to Patrick O'Sullivan solicitor is not
22 mine.
23

24 I am aware from the company's records that there was a sterling transaction for
14:05:32 25 the B/T account of 20,000 pounds on 26th October 1994. I have a recollection
26 of a large sterling transaction but I cannot remember what account it was
27 connected with. I believe the 20,000 pounds sterling would be regarded as a
28 most unusual amount for the branch during the time that I was working there.
29

14:05:51 30 The procedure for dealing with sizeable deposits of foreign currency

14:05:56 1 transactions involving notes, was that the notes would have been brought to the
2 cash room immediately and counted then and there or possibly at a later stage
3 when the branch was quieter.
4

14:06:08 5 There were black plastic self sealed bags where foreign currency was to be
6 placed. I believe that each one would have contained up to 5,000 pounds. The
7 money in these bags would have been counted by whoever was doing the FX returns
8 that evening and then rechecked by another staff member. Both staff would sign
9 and stamp the individual bag. The plastic self seal bags were put in the
14:06:31 10 overnight bag which would have been taken by the porters and brought to head
11 office in St. Stephen's Green.
12

13 The foreign exchange calculator when it gave out the figure which would be paid
14 by the branch for foreign currency included in the final figure the commission
14:06:46 15 handling fee. I believe that there was an override key on the foreign exchange
16 calculator which meant that a staff member could waive the commission handling
17 fee. A rate change could also be made once the branch had rung treasury with
18 the details and obtained the appropriate rate which the branch would pay to a
19 customer for foreign currency.

14:07:08 20
21 I was aware that Mr. Collins operated an account number 50165547 in the name of
22 himself and Desmond Richardson. In 1992, I dealt with transactions on this
23 account on the following dates."
24

14:07:24 25 And, Ms. Jordan, you have set out in your statement 20 transactions between the
26 3rd of January 1992 and the 5th of October 1992.
27

28 "My handwriting is on a number of the lodgements/withdrawal docketts. I was
29 aware of the existence of Mr. Ahern's accounts in the branch. I have no
14:07:44 30 recollection however of ever having seen Mr. Ahern in the Drumcondra branch.

14:07:49 1 It is possible the account opening forms could have been taken across to
2 Mr. Ahern and signed and returned to the branch without Mr. Ahern ever having
3 set foot in the branch.
4

14:08:01 5 I was aware that Grainne Carruth would come over from St. Luke's and transact
6 on Mr. Ahern's accounts and the accounts of his daughters.
7

8 I dealt with one transaction on Mr. Ahern's account, number given. I have
9 reviewed the lodgement docket dated 12th April 1995, whereby 10,071 pounds by
14:08:20 10 way of cheque or cheques was lodged to Mr. Ahern's account. I know the name
11 Cyprian Brady but I would not be in a position to put a face to the name. I
12 have no recollection of the particular transaction. The amount of the cheque
13 lodgement could be a series of cheques for different amounts which in aggregate
14 come to that sum of 10,071. And unless you had the tally roll for that day you
14:08:46 15 would not be in a position to get a breakdown of that sum.
16

17 Each machine would print out the transactions that had been recorded on it that
18 day. The tally rolls for the transactions would be kept in the branch for a
19 period of time. Only the end of day balance sheet and the foreign exchange end
14:09:05 20 of day printout were sent to head office.
21

22 I dealt with one cheque lodgement to Georgina Ahern's account number, number is
23 given, and one cheque lodgement to Cecelia Ahern's account, number given. Both
24 lodgements were on 1st June 1995. I have no recollection of the transactions.
14:09:23 25

26 I attended at one of the Christmas functions that Mr. Ahern held in St. Luke's
27 for the business people in Drumcondra."
28

29 And this is dated April 2008. Ms. Jordan, is that your statement to the
14:09:38 30 Tribunal?

14:09:39 1 A. It is.

2 Q. 362 And is it accurate in every respect?

3 A. It is.

4 Q. 363 Do you wish to make any alterations in it?

14:09:45 5 A. No.

6 Q. 364 All right. Thank you. And could I just ask you, you started in the Drumcondra
7 branch of Irish Permanent Building Society in June 1991?

8 A. Yes.

9 Q. 365 And -- You -- when did you -- for how long did you remain there?

14:10:00 10 A. It was about seven years I'd say.

11 Q. 366 All right. So until about 1998 maybe?

12 A. About that maybe '97, perhaps then.

13 Q. 367 And then you moved to where did you say?

14 A. To Grafton Street branch.

14:10:13 15 Q. 368 All right. Now, if we could just put up for a second, please, 26329. I just
16 want to ask you a few questions, Ms. Jordan, arising out of your statement.
17 And I just want to begin with by dealing with the B/T account. Now, the B/T
18 account was opened in June 1989, which is before your time of joining the
19 society, isn't that right?

14:10:51 20 A. It is, yes.

21 Q. 369 All right. But we see there the application form and the name for the account
22 is B/T and we see the address given care of IPBS Drumcondra, isn't that right?

23 A. That's right.

24 Q. 370 And the signature of Tim Collins and it's dated 6th of June 1989 I think, is
25 that right?

14:11:09 26 A. Yes.

27 Q. 371 All right. And now, you joined in June 1991, and you have said in your
28 statement that you have carried out a number of transactions in relation to
29 this B/T account, isn't that right?

14:11:33 30 A. Yes.

- 14:11:34 1 Q. 372 Could I just ask you for a second, and I don't know, it may not be possible
2 looking back over the years. But the first transaction you deal with is in
3 February 1992, we'll come to it very briefly in a second. Did you have any
4 knowledge of the B/T account before your first transaction in 1992?
- 14:11:51 5 A. I may have I would have, I may have been aware of it being in safekeeping but
6 ...
- 7 Q. 373 All right. Is that the passbook being in safekeeping?
- 8 A. The passbook, yes.
- 9 Q. 374 All right. And then if we could just put up on the screen, please, 26322,
14:12:05 10 which is the extract from the bank account that shows the transactions that you
11 carried out. And you say in your statement that between joining in June 1991
12 and the 18th of July 1995, there were ten transactions on the account?
- 13 A. Yes.
- 14 Q. 375 And you carried out four of them.
- 14:12:25 15 A. Yes.
- 16 Q. 376 And if I can just draw -- just looking at your statement. If we look at the
17 bank statement of the same time. The first one you identify is the second one
18 from the top 24.2.92 I think, isn't that right?
- 19 A. That's right, yes.
- 14:12:44 20 Q. 377 And you say in your statement that that is a lodgement of 5,000 pounds to this
21 account, isn't that right?
- 22 A. That's right.
- 23 Q. 378 Now, the second one you carry out is a few down it's 21.07.92.
- 24 A. Yes.
- 14:12:58 25 Q. 379 21st of July 1992.
- 26 A. Yes.
- 27 Q. 380 And you describe this is a lodgement of 30 pounds cheque and I think in fact it
28 ended up with 29.99 pounds being taken out a penny is, is that right?
- 29 A. Yes.
- 14:13:20 30 Q. 381 All right. And the third one is the very next one 31.07.92 which you say in

- 14:13:24 1 your statement is a withdrawal of 3,000 pounds by cheque and that's shown there
2 on its bank account, isn't that right?
- 3 A. Yes, that's right.
- 4 Q. 382 And the final one which you dealt with is down a few 30.03.93 and you say
14:13:37 5 that's a withdrawal of 30,000 pounds by cheque?
- 6 A. It is, yes.
- 7 Q. 383 And you go on to say that the handwriting on the cheque made payable to Patrick
8 O'Sullivan solicitor is not yours.
- 9 A. Correct.
- 14:13:49 10 Q. 384 And all right. Now, I just put up a document in relation to each of those four
11 transactions page 26362 please. It's not a very good copy, Ms. Jordan. But it
12 does seem to have -- you can see B/T account on it and the date is 24 -- seems
13 to be 24.2.92.
- 14 A. Yes.
- 14:14:17 15 Q. 385 And I think that's your first transaction which is 5,000 pounds, is that
16 correct?
- 17 A. That's correct.
- 18 Q. 386 Have you had a chance to have a look at any of these documents?
- 19 A. I have seen copies of them, yes.
- 14:14:27 20 Q. 387 All right. Can you tell us how you know you carried out these four
21 transactions?
- 22 A. Because my log on I.D. comes on at the end of each transaction docket.
- 23 Q. 388 And each of these four transactions your log on I.D. was on it?
- 24 A. Yes.
- 14:14:41 25 Q. 389 All right. And if we look at next one, please, page No. 26363. A little bit
26 clearer. And that's the second one according to your statement, the 21st of
27 July 1992 account name BT and we can just about see total cheque 30 and then I
28 think there is a deduction of 29 and probably goes on to be 99 pence, is that
29 right?
- 14:15:12 30 A. Yes.

14:15:12 1 Q. 390 You did that one as well?
2 A. Yes.
3 Q. 391 All right. And 26355, please, the date is the 31st of July '92. Again, the
4 account name is BT. And it's an amount of 3,000 and you say in your statement
14:15:33 5 that this is a cheque withdrawal I think, isn't that right?
6 A. Yes.
7 Q. 392 Is that withdrawal on the cheque withdrawal on the top right hand corner?
8 A. It is, indeed.
9 Q. 393 All right. And with Mr. Collins' signature?
14:15:45 10 A. Yes.
11 Q. 394 And again you know, do we see your log on number there?
12 A. My log on I.D. is on the bottom right hand corner and my initials are on the
13 docket as well.
14 Q. 395 I see. All right. And at 26370, please; this is the fourth one and this is
14:16:16 15 the account name is given as T Collins. The cheque is to be made payable to
16 Patrick O'Sullivan solicitor. The amount is 30,000. Signed by Mr. Collins and
17 is your log on I.D. on that as well?
18 A. It is, indeed.
19 Q. 396 All right. And I possibly should have asked you as we were going along,
14:16:37 20 Ms. Jordan. Do you have any other handwriting apart from a signature? Do you
21 see for example on the account name "Tim Collins" the solicitor Patrick
22 O'Sullivan solicitor, have you written any of that?
23 A. No.
24 Q. 397 All right. And if we could go back for a second to 26355. Do you see, have
14:16:59 25 you written anything on that?
26 A. The Tim Collins one looks like it's my writing.
27 Q. 398 All right?
28 A. "Please make cheque payable to."
29 Q. 399 And what about the account name?
14:17:12 30 A. No.

- 14:17:14 1 Q. 400 No.
- 2 A. No, that's not my writing.
- 3 Q. 401 All right. And then if we go forward again to 26340; which is the cheque you
- 4 referred to for 30,000 pounds made out to Patrick O'Sullivan solicitor. That's
- 14:17:34 5 in relation to the fourth transaction on the B/T account. And I think you say
- 6 in your statement that the handwriting on that cheque is not yours, is that
- 7 correct?
- 8 A. That's correct.
- 9 Q. 402 All right. Now, Ms. Jordan, do you remember any of those transactions on an
- 14:18:07 10 individual basis?
- 11 A. I don't.
- 12 Q. 403 No.
- 13 A. No.
- 14 Q. 404 And in a collective way, do you remember dealing with them? Do you remember
- 14:18:23 15 dealing with this account at all?
- 16 A. I do. I would remember Mr. Collins coming in to the branch.
- 17 Q. 405 All right. Any particular reason why you would have remembered him?
- 18 A. He would have been chatty customer.
- 19 Q. 406 All right. And could you just give the Tribunal an idea of what the system
- 14:18:43 20 would be if he was coming in to make a lodgement or a withdrawal in relation to
- 21 the filling out of docketts and in relation to the passbook, what happened in
- 22 his case in respect of this account?
- 23 A. He would have come in partially filled in a docket and requested the passbook.
- 24 Q. 407 Yes.
- 14:19:03 25 A. That was basically it but generally most customers didn't fill in all their
- 26 docketts.
- 27 Q. 408 All right. So he'd fill in some of the docket and you'd fill in some of it or
- 28 the person on the staff?
- 29 A. Perhaps, he may just fill in the name of the account and who he wanted the
- 14:19:20 30 cheque payable to, something like that.

14:19:20 1 Q. 409 All right. And what about its passbook, did you keep that in the branch?
2 A. As far as I recall it was kept in safekeeping.
3 Q. 410 Yes. And do you recall dealing with Mr. Collins in relation to this B/T
4 account?
14:19:51 5 A. I do.
6 Q. 411 Do you recall dealing with anyone else in respect of it?
7 A. No.
8 Q. 412 Now, in your statement 28008, at paragraph 4, Ms. Jordan, you say there "The
9 passbook for the B/T account was kept in the branch" then you go on to say "I
10 14:20:20 I recollect on an occasion prior to Mr. Blair Hughes joining the branch in 1993
11 that Mr. Collins in a jocular manner when asking for the passbook for the B/T
12 account referred to it as the passbook for the Bertie/Tim account. I am
13 certain that this was said in a jocular manner. I believe that in relation to
14 the remark made by Tim Collins it could have been heard by Elizabeth Smyth,
15 14:20:40 Cathy Smith and Richard buggy".
16
17 Could you just elaborate on your recollection of that particular -- you seem to
18 be recalling one occasion, is that right?
19 A. Yes.
20 14:20:51 Q. 413 All right. And do you have any idea when it was?
21 A. I couldn't tell you, no. I wouldn't know exactly.
22 Q. 414 All right.
23 A. What transaction it related to in or anything like that.
24 Q. 415 All right. And I mean I understand, you have put your name down in your own
25 14:21:05 words. Could you tell us now orally in your own words what you recall of that
26 particular occasion?
27 A. He would have come in looking for the passbook and as I recall somebody else
28 was serving him. And they went to the safekeeping area to get the book. And
29 they were a bit confused by where it was. And he had said oh, it's the
30 14:21:30 Bertie/Tim account and they were like what's it under, you know. So I would

- 14:21:36 1 have said it's just the B/T. That's it.
- 2 Q. 416 Uh-huh. And you say in your statement that he said that in a jocular manner?
- 3 A. Yes.
- 4 Q. 417 Can you just help me, what do you mean by that?
- 14:21:53 5 A. He just made a remark and then laughed about it. He was always kind of that
6 sort of person who made jokes about things and little quips or remarks about
7 things.
- 8 Q. 418 All right. And what did you understand by it?
- 9 A. I just understood that that he was just making a joke about the account, I
14:22:20 10 didn't think anything else into it at the time.
- 11 Q. 419 All right. Did you have, did you understand it, that comment of his, to have
12 any meaning in terms of the name of the account and whose the account was?
- 13 A. No, I mean, you didn't question what the account was for. It was in existence
14 before I was there and we understood the transactions, that was it.
- 14:23:03 15 Q. 420 How did you refer to the account yourself when you were there if you were
16 talking to Mr. Collins or if you were talking to one of your colleagues?
- 17 A. The B/T account.
- 18 Q. 421 And what did you understand B/T to refer to?
- 19 A. I didn't know what it stood for, that was just the account name, that was it.
- 14:23:21 20 Q. 422 All right. Did you ever hear the term "Building Trust" used in respect of it?
- 21 A. I don't recall that ever heard being heard.
- 22 Q. 423 Is it -- I'm sorry, just on that -- do you think is it that you don't recall,
23 recall that term being used in respect of the B/T account or is it that you
24 believe that you didn't hear it used?
- 14:23:57 25 A. I don't recall it.
- 26 Q. 424 All right.
- 27 A. I don't recall it.
- 28 Q. 425 All right. And were you aware of this B/T account having any connection with
29 Fianna Fail?
- 14:24:10 30 A. I wasn't really aware, no, no.

- 14:24:12 1 Q. 426 No.
- 2 A. No, I wasn't.
- 3 Q. 427 I don't want to put words in your mouth. Is it that -- did you believe it was
- 4 connected with Mr. Collins?
- 14:24:27 5 A. Only in the sense that he transacted on the account.
- 6 Q. 428 All right.
- 7 A. That he done the transactions, that's all.
- 8 Q. 429 And in conversation with your colleagues when you might be talking about
- 9 people, Mr. Collins coming in or customers coming in or accounts, did you ever
- 14:24:42 10 have any understanding from that conversation with your colleagues about what
- 11 B/T might refer to?
- 12 A. I can't remember anything of that sort.
- 13 Q. 430 All right. Now, 28009, please. The second paragraph, Ms. Jordan you say "I am
- 14 aware from the company's records that there was a sterling transaction for the
- 14:25:17 15 B/T account of 20,000 on the 26th of October 1994" just to interrupt there.
- 16 The B/T account shows that particular transaction and you are aware that's a
- 17 20,000 pounds sterling transactions.
- 18 A. Uh-huh.
- 19 Q. 431 But that's just from looking at the bank record?
- 14:25:32 20 A. That's it, yes.
- 21 Q. 432 "I have a recollection of a large sterling transaction but I cannot remember
- 22 what account it was connected with" and if we could pause there for a second.
- 23 When you say you have a recollection of a large sterling transaction, are you
- 24 talking about the B/T account or a Mr. Collins related account or is it large
- 14:25:51 25 sterling transaction and it could be any account of any customer in a branch?
- 26 A. Large sterling transaction to any account of any customer.
- 27 Q. 433 So what you say there in that sentence, you are not linking with the about the
- 28 about B/T account or with Mr. Collins?
- 29 A. No.
- 14:26:06 30 Q. 434 And you go on to say that 20,000 sterling would be you say a most unusual

14:26:11 1 amount. I presume you mean unusual, it would be a very high amount?

2 A. Yes.

3 Q. 435 All right. Now, you say in your statement, Ms. Jordan, that you did certain

4 transactions on an account of Mr. Collins and Mr. Richardson. And you give the

14:26:49 5 number of that account 50165547. If we could look at 26944, please. This is

6 the application form for the opening of this account in the name of first

7 applicant Tim Collins and second applicant Desmond Richardson. I don't know if

8 you are familiar with this document, are you?

9 A. No, I'm not.

14:27:16 10 Q. 436 All right. And then if we look at 26958, please. Which is one of the

11 transactions -- in fact I think it's the first transaction that you dealt with

12 on that account as identified in your statement.

13 A. Yes.

14 Q. 437 Are you happy with that?

14:27:39 15 A. Yes.

16 Q. 438 How do you know that you did that transaction?

17 A. Because again it's my log on on it.

18 Q. 439 All right.

19 A. And my initial.

14:27:47 20 Q. 440 All right. And the date is 3rd of January 1992?

21 A. It is.

22 Q. 441 The account name seems to be what?

23 A. D/T.

24 Q. 442 D/T. Would you have written that?

14:27:57 25 A. I'm not sure.

26 Q. 443 And it's making a cheque payable to a third party.

27 A. It is.

28 Q. 444 And it's signed by Mr. Collins, is that right?

29 A. Yes.

14:28:05 30 Q. 445 All right. And this is the account, the opening form for which have we've just

14:28:10 1 looked at in the name of Mr. Collins and Mr. Richardson, isn't that right?

2 A. That's right.

3 Q. 446 And did you understand that account to be referred to as the D/T account?

4 A. I didn't open the account. It just was one of the accounts that was there and

14:28:26 5 that's what they called it.

6 Q. 447 All right. And what was it that they called it?

7 A. The D/T account.

8 Q. 448 Did you yourself working in the branch understand that that account opened by

9 Mr. Collins and Mr. Richardson was called the D/T -- the D/T account?

14:28:47 10 A. Yes.

11 Q. 449 You did understand that?

12 A. I knew it was the D/T account related to that account number.

13 Q. 450 Yes.

14 A. But I didn't know who the people were as in, in the background who had actually

14:28:58 15 signed the application form.

16 Q. 451 All right. So you knew that was what the account was called but you didn't

17 know who the people were who opened the account?

18 A. No.

19 Q. 452 All right. Thank you, Ms. Jordan.

14:29:17 20 A. Thank you.

21

22 CHAIRMAN: Do you want to ask any questions, Mr. Holland?

23

24 MR. HOLLAND: No questions.

14:29:22 25

26 CHAIRMAN: I have just one question, Ms. Jordan. You described the 20,000

27 sterling as, I think as an "unusual transaction"?

28 A. Yes.

29

14:29:37 30 CHAIRMAN: Because of its size.

14:29:39 1 A. Yes.
2
3 CHAIRMAN: At what point looking back to those times would you have begun to
4 describe a sterling transaction as being "unusual" because of size? What sort
14:29:49 5 of level would you ...
6 A. It was a local branch and generally people just dealt with their sterling for
7 holidays etc. so.
8
9 CHAIRMAN: So you're talking about maybe hundreds?
14:30:02 10 A. A couple of hundred maybe a thousand or so.
11
12 CHAIRMAN: So after that it becomes unusual?
13 A. Yes.
14
14:30:11 15 CHAIRMAN: All right. Thank you very much.
16
17 JUDGE KEYS: Just one question. Do you have any recollection of any
18 particular customers coming in dealing in sterling?
19 A. No, nothing ... nothing in particular, no.
14:30:26 20
21 JUDGE KEYS: I see. Thank you.
22
23 CHAIRMAN: All right. Thank you very much, Ms. Jordan.
24 A. Thank you.
14:30:30 25
26 **THE WITNESS THEN WITHDREW.**
27
28 MR. MURPHY: Elizabeth Smyth, please.
29
14:31:05 30

14:31:05 1 **MS. ELIZABETH SMYTH, HAVING BEEN SWORN, WAS QUESTIONED BY**
2 **MR. MURPHY AS FOLLOWS:**
3
4 CHAIRMAN: Good afternoon, Ms. Smyth.

14:31:10 5 A. Good afternoon.
6 Q. 453 MR. MURPHY: Ms. Smyth, good afternoon.
7 A. Good afternoon.
8 Q. 454 You are a former employee, I think, is it of Irish Life & Permanent plc, is it?
9 A. I am, yes.

14:31:22 10 Q. 455 And you have provided the Tribunal with a statement and I would like to just
11 read it into the record.
12 A. Yes.
13 Q. 456 28012, please.
14

14:31:38 15 it's entitled Ms. Smyth "draft statement of Elizabeth Smyth, formerly of Irish
16 Life & Permanent plc the company.
17
18 I left school in 1991 and worked for the summer of 1991 as a temporary employee
19 in the Artane branch of Irish Permanent Building Society and did the occasional
14:32:08 20 relief day in the Drumcondra branch, the branch. The following summer in 1992
21 I worked in the branch and became a full-time employee in June 1993 when I left
22 university. I remained working in the branch until 1996 when I moved to head
23 office to work in the broker centre. I left the company in February 1998.
24

14:32:19 25 When I commenced work in the branch Martin Gavin was the manager and Cathy
26 Smith was the assistant manager. Blair Hughes replaced Martin Gavin as
27 manager.
28
29 I remember Grainne Carruth coming in to transact on accounts and Ms. Carruth to
14:32:37 30 the best of my recollection always brought the lodgement dockets with her and

14:32:41 1 completed same in the branch. I do not remember Grainne Carruth bringing
2 passbooks with her to the branch.
3
4 I remember Tim Collins well. I would describe Mr. Collins as gregarious with a
14:32:55 5 word for anybody. I would have seen him not only in the branch but around
6 Drumcondra and in Kennedy's public house where he would often be on a Friday
7 evening with Mr. Ahern and other friends of Mr. Ahern.
8
9 It was my understanding from conversations in the branch, including some with
14:33:10 10 Mr. Collins, that the B/T account was an account operated by Mr. Collins and
11 that the B/T stood for Bertie and Tim. I recollect that Mr. Collins would ask
12 for the passbook for the account, which was kept for safekeeping in the branch.
13
14 I do not recollect any reference to the B/T account as being a Building Trust
14:33:30 15 account. I believed that the only connection of the B/T account to Fianna Fail
16 was that Mr. Ahern was a minister and a Fianna Fail TD.
17
18 On occasions over the years that I worked in the branch I attended the
19 Christmas functions for local business people in St. Luke's. The staff in the
14:33:45 20 branch would have to go and in relays so that there were sufficient
21 members of the staff in the branch to deal with any customers on the day of the
22 function".
23
24 This statement is April 2008 and it's signed by why you you Ms. Smyth, isn't
14:33:59 25 that right?
26 A. It is, yes.
27 Q. 457 Are you happy with it, do you want to make any changes in it or anything like
28 that?
29 A. No.
14:34:05 30 Q. 458 All right. Ms. Smyth, could I just ask you about one thing there in relation

14:34:21 1 to Grainne Carruth.

2 A. Uh-huh.

3 Q. 459 Ms. Carruth in her evidence in public hearing answered Judge Keys' question

4 which was as follows "Would you have a copy with you of the account numbers,

14:34:38 5 you know when you were filling in the docket?

6 A: Bertie would have given me their passbooks I believe.

7 JUDGE KEYS: So you would have three passbooks then would that be correct?

8 A: I remember just two".

9

14:34:52 10 Now, just in relation to that in paragraph three of your statement. The top of

11 the page there you say "I do not remember Grainne Carruth bringing passbooks

12 with her to the branch".

13 A. That's correct, yes.

14 Q. 460 You don't remember.

14:35:09 15 A. I don't remember her bringing the passbooks, no.

16 Q. 461 Is that your way of saying she didn't or is it just that you don't remember?

17 A. As far as I can remember the passbooks were kept in safekeeping that

18 Mrs. Carruth would have transacted on.

19 Q. 462 And she would what?

14:35:26 20 A. So that she would come with just the lodgement dockets as opposed to having

21 passbooks with her. She came in she would hand us the lodgement dockets and we

22 would get the books.

23 Q. 463 She would have to ask you for the books?

24 A. Yes.

14:35:39 25 Q. 464 That's your recollection?

26 A. Yes.

27 Q. 465 All right. Now, you were in the branch from well, for a while from 1991 and

28 then up to I think you say in 1996, is that right?

29 A. That's correct.

14:36:00 30 Q. 466 "But was it more the following summer in 1992, I worked in the branch and

- 14:36:04 1 became a full-time employee in June 1993."
- 2 A. Well I went into the branch in '92 as a summertime and '93 as a summertime and
- 3 then I went back in in '94 with the intentions of staying.
- 4 Q. 467 I see. I see. And did you know Mr. Collins?
- 14:36:25 5 A. I did, yes.
- 6 Q. 468 Did you know him well to see?
- 7 A. I knew him well to see, yes.
- 8 Q. 469 All right. And you say he was gregarious and he'd have a word, he'd have a
- 9 chat would he?
- 14:36:37 10 A. Yes, he would always say hello and he would be quite sociable to you.
- 11 Q. 470 All right. And are you aware of carrying out any transactions on the B/T
- 12 account?
- 13 A. No.
- 14 Q. 471 And can you tell the Tribunal then in your own words what you understood the
- 14:37:02 15 B/T letters to refer to?
- 16 A. In the branch there was, it was known that the account was belonged to
- 17 Mr. Collins and that Bertie Ahern was also on the account but that Mr. Collins
- 18 did all the work on it, he was the one that came into the branch, he would be
- 19 the one to ask for the book and so on.
- 14:37:29 20 Q. 472 All right. And what did B/T refer to?
- 21 A. I presume we -- in the branch it was common knowledge that it was Bertie and
- 22 Tim.
- 23 Q. 473 It wasn't just you believing that?
- 24 A. I don't believe it was just me, no, I think it was, it was, it had been picked
- 14:37:50 25 up maybe by somebody who asked what did B/T when they were checking out who was
- 26 maybe a signatory on the branch and from my point of view that's how I recall
- 27 it being brought to my attention that it was Tim and Bertie or Bertie and Tim.
- 28 Q. 474 And did you understand that to be the knowledge of your colleague -- from your
- 29 conversations with your colleagues in the branch did you understand that to be
- 14:38:14 30 their understanding of what B/T meant?

- 14:38:17 1 A. I would think so, yes.
- 2 Q. 475 Yes.
- 3 A. Yes.
- 4 Q. 476 Sorry. Is that that the letters B/T referred to Bertie and Tim?
- 14:38:28 5 A. Yes.
- 6 Q. 477 Is that what you're saying?
- 7 A. Yes.
- 8 Q. 478 I see. Did you ever hear the term "Building Trust" referred to in respect of
- 9 that account?
- 14:38:41 10 A. No.
- 11 Q. 479 Or did you ever, were you ever aware of the B/T account that the letters B/T
- 12 standing for Building Trust?
- 13 A. No.
- 14 Q. 480 And were you ever, were you aware of that account having any connection with
- 14:38:59 15 Fianna Fail and being a Fianna Fail account?
- 16 A. No, my only -- the reason why I remembered it in the sense as much as I can,
- 17 was that it was Bertie Ahern who was a minister at the time. So I was quite
- 18 young at the time, so it was quite impressive to be working on a minister's
- 19 account.
- 14:39:19 20 Q. 481 Yes. But why do you think Mr. Ahern was involved in the account? You say that
- 21 Mr. Collins carried out the transactions.
- 22 A. Uh-huh.
- 23 Q. 482 Isn't that right?
- 24 A. Yes.
- 14:39:40 25 Q. 483 So what is the basis for your saying that Mr. Ahern was involved in the account
- 26 with Mr. Collins?
- 27 A. Because I think it was spoken about in the branch as to who or what B/T stood
- 28 for or what it was about because you couldn't just keep doing withdrawals or
- 29 lodgements on an account and not know who or what the setup of the account was.
- 14:40:07 30 So I have a vague recollection that it was discussed in the branch and from my

14:40:12 1 impression of what I can remember was that it was belonged to Bertie and Tim
2 and that's what the B/T stood for.

3 Q. 484 All right. Thank you, Ms. Smyth.

4

14:40:29 5 CHAIRMAN: Mr. Holland, do you want to ask any questions?

6

7 MR. HOLLAND: No questions, Sir.

8

9 CHAIRMAN: All right. Thank you very much, Ms. Smyth.

14:40:35 10 A. Thank you.

11

12 **THE WITNESS THEN WITHDREW.**

13

14 CHAIRMAN: That concludes the evidence for today. We are sitting tomorrow I
14:40:40 15 think at half ten.

16

17 MR. MURPHY: Yes, Chairman.

18

19 CHAIRMAN: All right. Thank you.

14:42:02 20

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

22 **WEDNESDAY, 21ST MAY 2008, AT 10:30 A.M:**

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