

THE TRIBUNAL RESUMED AS FOLLOWS ON TUESDAY,

20TH NOVEMBER 2007, AT 2:00 P.M:

13:45:28 1
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14:10:03 5 CHAIRMAN: Good morning.

6
7 MR. O'NEILL: Good afternoon, Mr. Chairman, and Members of the Tribunal.

8
9 Commencing with the evidence of Mr. Philip Murphy of Allied Irish Bank today
14:10:16 10 the Tribunal will hear evidence until the 21st of December relating to certain
11 financial transactions which are recorded in the bank records of An Taoiseach
12 Mr. Bertie Ahern as having taken place between December 1993 and October 1994,
13 a period during which Mr. Ahern was Minister for Finance.

14
14:10:37 15 These transactions are being inquired into against the background where Mr. Tom
16 Gilmartin has given evidence to the Tribunal that he was informed by Mr. Owen
17 O'Callaghan that Mr. Ahern had been paid 50,000 Pounds and 30,000 Pounds by Mr.
18 O'Callaghan to facilitate his Development Plans and to frustrate the plans of a
19 rival developer, Green Properties, to obtain tax designation. These
14:11:01 20 contentions are rejected both by Mr. O'Callaghan and by Mr. Ahern.

21
22 In this phase of the inquiry the Tribunal will hear evidence as to the
23 circumstances surrounding six specific banking transactions conducted through
24 Mr. Ahern's account between December 1993 and October 1994.

14:11:20 25
26 The Tribunal will seek to trace the source of the funds involved in these
27 transactions, the identity of the persons who provided these funds and to the
28 purpose for which such monies were provided to Mr. Ahern.

29
14:11:33 30 Mr. Ahern has indicated to the Tribunal that the transactions in question

14:11:38 1 related to the raising of a loan from AIB bank to pay his legal expenses, the
2 receipt by him of the proceeds of two goodwill loans raised from friends, the
3 proceeds of an unsolicited donation following the Manchester dinner and the
4 lodgement by him of 50,000 Pounds in cash which he had accumulated by way of
14:11:58 5 savings between 1987 and 1993.

6
7 Each of the transactions under review was conducted through AIB bank at 37/38,
8 Upper O'Connell Street, Dublin 1. AIB bank records record the transactions as
9 follows:

- 14:12:14 10
- 11 1. A loan dated 24th of December 1993 in the sum of £19,115.97 drawn upon
12 account number 00401094 in the name of Mr. Bertie Ahern.
 - 13
 - 14 2. A lodgement in the sum of 22,500 Pounds on the 30th of December 1993 to a
14:12:39 15 special savings account of Mr. Ahern's, number 00401177.
 - 16
 - 17 3. A lodgement in the sum of £27,164.44 to the same special savings account on
18 the 25th of April 1994.
 - 19
 - 14:12:58 20 4. A lodgement in the sum of 28 -- sorry, 2,835.56 on the same day to a
21 current account number 00401250 named Mr. Ahern.
 - 22
 - 23 5. A lodgement in the sum of 20,000 Pounds made on the 8th of August 1994 to a
24 joint deposit account, number 0004096 in the name of Mr. Ahern's daughters.
 - 14:13:27 25
 - 26 6. A lodgement made on the 11th of October 1994 in the sum of £24,838.49 to
27 account number 1A 04519011 in the name of Mr. Ahern.
 - 28
 - 29 All of these lodgements have been referred to in the supplemental opening to
14:13:48 30 this Module and the last lodgement on the 11th of October 1994 was examined in

14:13:54 1 some detail of the public hearings of the Tribunal in September 2007 which were
2 dealing with foreign exchange transactions conducted through Mr. Ahern's
3 accounts.

14:14:06 5 The transactions which are reflected in the bank records are largely
6 undocumented. Documents exist in relation to the loan of 19,115.97 but these
7 records may be incomplete.

8
9 No written loan agreements existed as between the donors of either of the
14:14:27 10 goodwill loans made by Mr. Ahern's friends to him.

11
12 No documentation accompanied the donation following the Manchester dinner and
13 no records were kept of the accumulated savings being garnered by Mr. Ahern
14 between 1987 and 1993.

14:14:46 15
16 This phase of the inquiry therefore will involve examining Mr. Philip Murphy of
17 AIB who was involved in granting the loan facility to Mr. Ahern and in
18 receiving the funds subsequently lodged to his deposit accounts. It will
19 involve examination of the surviving fundraisers who gathered the goodwill
14:15:05 20 loans which were subsequently paid to Mr. Ahern, namely Mr. Des Richardson and
21 Mr. Dermot Carew and also the surviving contributors to these funds.

22
23 The sessions are commencing today to at 2 o'clock because Mr. Frank Dunlop is
24 presently unavailable to the Tribunal. It was intended that he would be giving
14:15:30 25 evidence during the course of this week but is unable to do so.

26
27 It is anticipated that Mr. Dunlop will return to give evidence next Tuesday and
28 from then until the conclusion of his evidence the evidence in this phase will
29 be heard in tandem with Mr. Dunlop's evidence. Mr. Dunlop's evidence being
14:15:50 30 taken first each day. It is anticipated thereafter that from next Tuesday the

14:15:55 1 afternoon sessions will be concerned with the evidence in relation to
2 Mr. Ahern's payments.

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So if Mr. Murphy could come to the witness box, please.

14:16:06 5

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14:16:15 1 **MR. PHILP MURPHY, (ALREADY SWORN), WAS QUESTIONED BY**

2 **MR. MURPHY AS FOLLOWS:**

3 (already sworn)

4

14:16:26 5 CHAIRMAN: Good afternoon, Mr. Murphy. You are already sworn from the

6 previous occasion

7 A. Fine. Okay. Thanks.

8

9 MR. MURPHY: Good afternoon, Mr. Murphy

14:16:36 10 A. Good afternoon.

11 Q. 1 Mr. Murphy, in July you gave evidence to the Tribunal and on that occasion I
12 think you told the Tribunal that from around 1982 until May of 1995 you were
13 assistant Manager in 37/38 O'Connell Street, isn't that right?

14 A. Yes.

14:16:55 15 Q. 2 And you also told the Tribunal that you knew Mr. Ahern, isn't that right?

16 A. Yes.

17 Q. 3 And that at a book launch, I think, in or around 1986 when Mr. Ahern was Lord
18 Mayor he talked to you and asked you if you could be of assistance to Ms. Celia
19 Larkin?

14:17:15 20 A. Yes.

21 Q. 4 Isn't that right?

22 A. Yes.

23 Q. 5 Subsequently, I think you gave her assistance and she became a customer of your
24 branch, is that right?

14:17:23 25 A. Yes.

26 Q. 6 All right. And then in December 1993 Mr. Ahern himself became a customer of
27 your branch I think, is that right?

28 A. Yes.

29 Q. 7 All right. Now, Mr. Murphy, I would like to ask you just for a moment if

14:17:47 30 someone came in to your -- in to you as Assistant Manager in O'Connell Street

14:17:54 1 in the early '90s and that person was not a customer of your branch and was
2 looking for a loan, I'd like you to tell the Tribunal what procedures you would
3 have followed and what inquiries you would have made of that person who was not
4 a customer before deciding to grant or not grant a loan to the person. I'm
14:18:18 5 talking about the early '90s?

6 A. You would get a full list of assets/liability portfolio and make sure that the
7 person had more importantly the ability to repay a loan. That would be the
8 main criteria.

9 Q. 8 Yes. Would you ask them how much they were looking for?

14:18:41 10 A. Yes.

11 Q. 9 Would you ask them what the purpose of the loan was?

12 A. Absolutely.

13 Q. 10 Would you ask them what was in their mind by way of the period over which the
14 loan should be repaid and what the installments might be?

14:18:56 15 A. Yes, you would certainly.

16 Q. 11 Would you ask them if they owned a house or a property?

17 A. You would have that garnered in the asset/liability portfolio, yes.

18 Q. 12 Would you ask them if they had an account in any other branch of AIB?

19 A. Yes, yeah, you would, yeah.

14:19:20 20 Q. 13 Would you ask them if they had an account in any other bank?

21 A. That would be on the form, the application form that would be filled out, yes.

22 Q. 14 Yes. Would you ask them what their liabilities to your, to other branches of
23 AIB or other banks would be if they had any?

24 A. That would be in the assets/liability portfolio, that's where you would get
14:19:44 25 that information from.

26 Q. 15 And any other liabilities that they might have?

27 A. Yeah.

28 Q. 16 And you'd ask them for their assets?

29 A. Yes.

14:19:49 30 Q. 17 And you mention a form. Did you call it an application form?

14:20:04 1 A. It would be an application form, a loan application form, yeah.

2 Q. 18 You would fill out an application form by asking them the answers to the

3 questions on the form, would that be right?

4 A. Yes.

14:20:14 5 Q. 19 Yes?

6 A. Yes.

7 Q. 20 You'd fill it out?

8 A. Yes.

9 Q. 21 And would they sign it?

14:20:19 10 A. In the early '90s I don't think they had to sign it.

11 Q. 22 All right?

12 A. But later on forms were altered or changed or improved and then the client had

13 to sign it.

14 Q. 23 All right. And that would all be standard procedure, is that right?

14:20:36 15 A. Yes.

16 Q. 24 Would that be something that, you know, was -- would they be bank rules, would

17 it be a procedure set down by the bank that one was expected to follow in every

18 case?

19 A. More or less, yeah.

14:20:49 20 Q. 25 And?

21 A. I take it you're talking about somebody that you don't know, this is a first

22 time, first introduction to somebody.

23 Q. 26 I am talking about somebody who is not a customer?

24 A. Yes, you're absolutely right.

14:21:06 25 Q. 27 You may know them or not know them but not a customer.

26 A. Okay.

27 Q. 28 And you were Assistant Manager at the time. Would you be the person who would

28 make the decision as to whether the loan would be given or not or would you

29 have to go to somebody else?

14:21:18 30 A. Depending on the amount. I just can't remember the thresholds now but in a lot

14:21:22 1 of cases I would have to go to a higher lending authority to get approval for a
2 specific loan.

3 Q. 29 Could you give me some idea of what that figure might have been in the early
4 '90s?

14:21:32 5 A. I genuinely can't remember because it would depend on whether there was
6 security in place or not. If there was security in place I could do it up to a
7 certain figure.

8 Q. 30 What would be standard to look for by way of security?

9 A. Depending on what the loan was for, depending on whether it was for a business
14:21:50 10 loan or whether it was a personal loan or whether it was for a car loan or a
11 house improvement loan, any number of different loans and depending on what
12 security was offered. The security can cover a myriad of different things.

13 Q. 31 Can you give me an idea?

14 A. Letter of guarantee number one.

14:22:07 15 Q. 32 That would only apply to a company would it?

16 A. Not necessarily.

17 Q. 33 Can you guarantee your own account?

18 A. No, but you get somebody else to guarantee it for you.

19 Q. 34 I beg your pardon, yes. A letter of guarantee?

14:22:17 20 A. A letter of guarantee could be supported or the letter of guarantee could be
21 unsupported.

22 Q. 35 Yes?

23 A. You would look for property, you could look for shares, you could look for, you
24 know, if there was another property unencumbered depending on what the loan to
14:22:32 25 value was in relation to the particular property that you were lending the
26 money to. All of that would come into consideration.

27 Q. 36 Yes. And can you give me some idea of the circumstances in which you would
28 have to refer to, who would be the Manager, Mr. Burns at the time?

29 A. Not necessarily there would have been another layer in between that you could
14:22:52 30 go to.

14:22:52 1 Q. 37 Who was that?
2 A. At the time I think Ciaran Walsh might have been but prior to him there were
3 other people.
4 Q. 38 I see. Between Assistant Manager and Manager is that it?
14:23:01 5 A. Yes, yes.
6 Q. 39 I see. And can you give me some idea of the threshold for having to refer to
7 somebody else?
8 A. I think if it was, and I stand to be corrected on this.
9 Q. 40 Yes?
14:23:15 10 A. I genuinely can't remember the figures. But if it was an unsecured lending of
11 something in the region of 15 to 30,000 Pounds that would go to a higher level
12 than mine. I genuinely can't remember. I don't want to be stuck on figures
13 that are wrong. Somebody who is more tuned into the lending would know that
14 better than I would.
14:23:39 15 Q. 41 All right. But you think what it was was that up to 15,000 if it was unsecured
16 you'd have the discretion to grant it?
17 A. Yes.
18 Q. 42 And over 15,000 you'd have to go to Ciaran Walsh or somebody else?
19 A. Or the Manager or if it was over that you'd go to head office.
14:23:54 20 Q. 43 All right. And this is a proceed that you would have followed in your
21 professional experience as Assistant Manager in every case, is that right?
22 A. Yes.
23 Q. 44 All right. Now, Mr. Murphy, the first thing I want to ask you about is this
24 loan to Mr. Ahern in December 1993. And in relation to that, you were recently
14:24:49 25 asked for a statement. And you recently furnished a statement and I'd like to
26 read that into the record, if I may.
27
28 Page 24580, please.
29
14:25:04 30 This is the letter to, this is a letter from Susan Gilvarry, solicitor to the

14:25:16 1 Tribunal, dated 1st of November 2007 and it's to Mr. Kiernan and it's in
2 relation to Mr. Ahern.
3
4 "Dear Mr. Kiernan, I refer to the above and confirm that I have been directed
14:25:26 5 by the Members of the Tribunal to write to you to request that Mr. Philip
6 Murphy provide to the Tribunal a detailed statement surrounding a loan in the
7 sum of 19,115.97 Pounds by Mr. Bertie Ahern on the 24th of December 1993.
8
9 Mr. Murphy's statement should include but not be limited to following:
14:25:48 10
11 1. The purpose of the loan.
12
13 2. The inquiries made of Mr. Ahern by Mr. Murphy.
14
14:25:53 15 3. The information given to Philip Murphy by Bertie Ahern.
16
17 4. The identification of the document that was generated in relation to the
18 taking out of the said loan.
19
14:26:02 20 5. The identity of the person who sanctioned the loan.
21
22 6. Details of the security sought and obtained for the said loan.
23
24 7. Details of the information given by Mr. Bertie Ahern to Mr. Philip Murphy
14:26:16 25 in relation to his assets.
26
27 8. Details of the terms of the said loan.
28
29 9. Details relating to the payment of the said loan.
14:26:23 30

14:26:23 1 10. Details of how the loan of £19,115.97 was drawn down by Mr. Ahern.
2
3 11. Confirmation as to whether or not Mr. Murphy was involved in the
4 application for personal credit made by Mr. Ahern on the 22nd May 1995 and
14:26:41 5 sanctioned by Ciaran Walsh. If so Mr. Philip Murphy's knowledge of this
6 application."
7
8 24581.
9
14:26:50 10 "The Tribunal members are anxious to receive Mr. Murphy's narrative at the
11 earliest possible opportunity and accordingly have requested that same be
12 delivered to the Tribunal no later than close of business on Friday 9th of
13 November 2007.
14
14:27:03 15 Yours sincerely Susan Gilvarry."
16
17 And if I could have. I'm sorry. I'm just getting the page reference for
18 Mr. Murphy's statement.
19
14:27:18 20 24475, please.
21
22 Q. 45 By letter dated 15th of November 2007 Mr. Murphy, you replied to Susan Gilvarry
23 in relation to Mr. Ahern and loan account 00401/094 which is in fact the loan
24 account, isn't that right?
14:27:51 25 A. Yes.
26 Q. 46 You replied as follows.
27
28 "Dear Ms. Gilvarry, I refer to the Tribunal's letter 1st of November 2007 in
29 the above matter. Having Reviewed the branch files and to the best of my
14:28:02 30 recollection, sometime during the latter half of December 1993 I had a

14:28:06 1 telephone conversation with Mr. Ahern in which he indicated to me that he
2 wished to discuss taking out a loan of circa 20,000 Pounds to meet the legal
3 costs associated with his marital separation.
4

14:28:18 5 I requested Mr. Ahern to attend at O'Connell Street branch so that the latter
6 could be formalised. Mr. Ahern duly attended at the branch, most probably on
7 the 23rd of December 1993, and I recall introducing him to the then branch
8 Manager Mr. Michael Burns. During the brief discussion which followed
9 Mr. Ahern reiterated his request for a loan and confirmed the purpose.
14:28:42 10 Mr. Burns, while not sanctioning the loan in a formal sense responded
11 positively in general terms and indicated to Mr. Ahern that I would make the
12 necessary arrangements.
13

14:28:57 14 I then discussed the details of Mr. Ahern's requirements with him. However, I
15 do not recall that a formal application form was completed. I believe I would
16 have taken the details of Mr. Ahern's salary but as no security was required
17 for the loan there would have been no discussion with Mr. Ahern in relation to
18 his assets. Mr. Ahern gave me the details of the payments he required to make
19 and these came to a total £19,115.97. I do not recall from memory the
14:29:21 20 breakdown of the payments but the bank records show that the loan proceeds were
21 disbursed as follows:
22

23 Credit transfer £1,302.36.
24

14:29:33 25 Bank draft, £12,813.61
26

27 Bank draft £5,000 Pounds.
28

29 Total £19,115.97."
14:29:42 30

14:29:42 1 And on the next page.

2

3 "As advised to the Tribunal by letter of the 30th of November 2005 it has not
4 been possible to locate copies of the drafts.

14:29:56 5

6 The loan account was opened on the 24th of December 1993 and Mr. Ahern signed a
7 withdrawal docket in order to draw down the loan (please see Tribunal reference
8 AIB.BA 1 pages 78 and 79)

9

14:30:10 10 While I do not specifically recall it but having reviewed the loan account
11 statement and noticing that repayments did not commence until the 2nd of June
12 1995, it would appear that the question of a moratorium on repayments must have
13 been discussed and agreed and to that extent the loan was to be periodically
14 reviewed with repayments to commence at an agreed future date. I do not
15 believe that a sanction letter was ever issued to Mr. Ahern for this loan.

16

17 In May 1995 and presumably following such review, a repayment schedule was put
18 in place and this precipitated the completion by me of the application for
19 personal credit form dated 22nd May 1995. As the loan account statements
14:30:51 20 confirm, the balance on the loan including accrued interest amounted to
21 £21,896.30 and this is the figure which appears on the form. Repayments were
22 agreed at £2,861 per month and the loan was duly cleared on the 30th of January
23 1996.

24

14:31:13 25 Yours sincerely Philip Murphy".

26

27 That's your statement to the Tribunal, isn't that right?

28 A. Yes.

29 Q. 47 All right. Now, Mr. Murphy, sometime in December of 1993 you got a phone call
14:31:32 30 either directly from Mr. Ahern or indirectly from him, isn't that right?

- 14:31:35 1 A. Yes.
- 2 Q. 48 And can you just tell the Tribunal about that phone call, please?
- 3 A. Sometime around in December, I don't remember the exact date, but I got a phone
- 4 call from somebody, I don't know whether it was his secretary or Celia Larkin
- 14:31:51 5 saying that the Minister for Finance would like to have a word with you.
- 6 Q. 49 Yes?
- 7 A. I think if you recall in private session I said to you at the time I thought
- 8 somebody was playing a joke, I didn't know what it was but subsequently when he
- 9 did come on the phone I realised it was him. He said he would like to borrow
- 14:32:08 10 some monies to assist with his marital separation and could he have a loan and
- 11 I said yes. So an arrangement was made for him to come down to the bank, which
- 12 he subsequently did.
- 13 Q. 50 You said yes. He said could he have a loan and you said yes?
- 14 A. Well I wasn't going to refuse him.
- 14:32:30 15 Q. 51 You weren't going to refuse him?
- 16 A. No.
- 17 Q. 52 All right. That was without even knowing how much he was looking for?
- 18 A. Well, yeah but on the basis of who he was I knew where he was, I knew he was
- 19 earning a salary and I knew he could pay a loan back of 20,000. I knew that
- 14:32:51 20 that wasn't going to be a problem.
- 21 Q. 53 But you didn't know that was the amount?
- 22 A. I can't remember to be honest with you whether he said it on the phone or not
- 23 or when he came down. I just can't remember those details.
- 24 Q. 54 All right. But you were more or less telling him on the phone?
- 14:33:06 25 A. I would like to think that I would have been more favourable in my response to
- 26 say yes, we would look after you, we would be delighted to look after you.
- 27 Q. 55 All right. Before you got that phone call from Mr. Ahern did Ms. Larkin or
- 28 anybody on Mr. Ahern's side contact you to say that you could expect a phone
- 29 call from him?
- 14:33:23 30 A. I can't remember that. I don't think so but I can't remember.

- 14:33:25 1 Q. 56 Did anybody in the branch or in the bank get in touch with you and say that you
2 could expect a phone call from Mr. Ahern?
3 A. I don't remember that happening, no.
- 4 Q. 57 Does that mean more or less that it didn't happen?
14:33:37 5 A. I would say that it didn't happen.
6 Q. 58 It didn't happen. The phone call was therefore completely out of the blue from
7 your point of view, is that right?
8 A. To the best of my recollection, yeah.
- 9 Q. 59 All right. And what arrangement did you make with him over the phone?
14:33:58 10 A. That he ...
11 Q. 60 In relation to a meeting?
12 A. That he would call down to the branch at a specific time that suited him.
- 13 Q. 61 Yes. Well do you know did you make that appointment there and then on the
14 phone?
14:34:08 15 A. Yes.
16 Q. 62 Yes. And do you know if it was for long after the date of the phone call, was
17 it that day?
18 A. I wouldn't think it was that day but I stand to be corrected on that.
- 19 Q. 63 Yes?
14:34:18 20 A. I thought it might have been a day or two afterwards but I can't be a hundred
21 per cent sure on that.
22 Q. 64 All right. Is that something that you would have recorded in your diary?
23 A. Oh, yeah I'd have put a note in my diary to say client due in at whatever time.
- 24 Q. 65 All right. Have you got your diary?
14:34:34 25 A. For 1992.
26 Q. 66 1993?
27 A. No, I don't.
- 28 Q. 67 You kept a diary?
29 A. Oh, I did, yeah.
- 14:34:40 30 Q. 68 Do you know what happened to those diaries?

14:34:42 1 A. Oh, they were destroyed or yeah thrown out.

2 Q. 69 They weren't kept?

3 A. No.

4 Q. 70 No?

14:34:47 5 A. It was my own personal diary. Generally keeping I would have kept it for phone
6 numbers and transferred it the following year.

7 Q. 71 I presume you would have had a diary on your desk as Assistant Manager in the
8 bank?

9 A. Yes.

14:35:02 10 Q. 72 That wouldn't be your personal diary or would it?

11 A. Oh, yeah it would, yeah.

12 Q. 73 If it was a diary that you used for work appointments for business and for
13 personal use, is that right?

14 A. Correct.

14:35:12 15 Q. 74 And was it bank property?

16 A. No, it was mine.

17 Q. 75 It was yours?

18 A. Yeah.

19 Q. 76 What did you do with it at the end of the year then?

14:35:21 20 A. At the end of the year I would have transferred phone numbers because that's
21 where all of the contact numbers into the next year's diary.

22 Q. 77 Yes?

23 A. So the diary for the previous year became defunct. Now I probably would have
24 kept it for a couple of months.

14:35:36 25 Q. 78 Where?

26 A. In the office or in my briefcase.

27 Q. 79 All right. And would you then have destroyed it?

28 A. Sometime afterwards it was destroyed. I don't have it, that's the answer.

29 Q. 80 You don't have it. Would that have been your practice a few months after the
14:36:00 30 year you would destroy the previous year's diary?

14:36:00 1 A. You would flick through it and take whatever information you wanted out of it,
2 particularly before the advent of mobile phones that was the only way that you
3 had of recording telephone numbers and contact numbers.

4 Q. 81 All right. But in any event, you would have recorded this in your diary?

14:36:08 5 A. Yeah.

6 Q. 82 And you think it was for a day or two after the phone call, is that right?

7 A. Yes, I think so but I'm not a hundred per cent. I just can't remember now.

8 Q. 83 All right. Well I think we're coming to a meeting on the 23rd of December, is
9 that right?

14:36:20 10 A. Yes.

11 Q. 84 That's the date that you think that you met Mr. Ahern for the loan?

12 A. Uh-huh.

13 Q. 85 That's Christmas week?

14 A. Yes.

14:36:26 15 Q. 86 Do you think that the phone call was Christmas week?

16 A. Oh, I would imagine it was, yeah.

17 Q. 87 All right. And the phone call was out of the blue, isn't that right?

18 A. Yeah.

19 Q. 88 And it was the first discussion, the first business discussion that you had
20 with Mr. Ahern apart from the time that he asked you to look after Ms. Larkin?

14:36:43 21 A. Yes.

22 Q. 89 All right. And the next business discussion was when you met him in your
23 office, is that right?

24 A. Yes.

14:36:55 25 Q. 90 All right. Now, and you knew he was coming in looking for a loan?

26 A. Yes.

27 Q. 91 And what arrangements did you make for his visit to the branch?

28 A. I alerted the Branch Manager.

29 Q. 92 Who is that?

14:37:20 30 A. Michael Burns.

14:37:22 1 Q. 93 Yes?

2 A. And I thought that it was proper that he should meet with the Minister for
3 Finance.

4 Q. 94 Yes?

14:37:28 5 A. So we subsequently met in Mr. Burns' office and we had a conversation and I
6 don't remember the full details of the conversation but pleasantries were
7 exchanged. I think a cup of tea might have been taken as well.

8 Q. 95 All right?

9 A. And the purpose of the visit was then discussed and Mr. Burns said "yeah that
14:37:53 10 should be okay". To the best of my knowledge he said "Philip you look after
11 the details."

12 Q. 96 Yes. Do you have a recollection of the three of you being in Mr. Burns'
13 office?

14 A. I remember the three of us being in the office, I do, yeah.

14:38:07 15 Q. 97 And later on you remember being in your own office, is that right?

16 A. Yes, yes.

17 Q. 98 So you recall this meeting?

18 A. I actually don't remember Mr. Ahern actually being physically in my office
19 believe it or not, I just can't remember that. I presume that's what would
14:38:23 20 have happened.

21 Q. 99 But you remember yourself and Mr. Ahern being with Mr. Burns in Mr Burns'
22 office?

23 A. I do, yeah.

24 Q. 100 Do you know was it the morning or the afternoon?

14:38:32 25 A. To the best of my knowledge it was the afternoon but I stand to be corrected on
26 that.

27 Q. 101 And what time of the afternoon do you think it was?

28 A. I don't know.

29 Q. 102 All right. And you believe this was the 23rd of December, is that right?

14:38:43 30 A. Yeah.

- 14:38:43 1 Q. 103 Is that sort of working back from the document which we'll come to, namely the
2 withdrawal docket?
- 3 A. Yes, yeah, like, if I didn't have the withdrawal docket I wouldn't have
4 remembered when the meeting took place to be honest with you.
- 14:38:57 5 Q. 104 All right. So there's this phone call and then there's the meeting on the 23rd
6 of December which is a meeting with Mr. Burns or a meeting with Mr. Burns and
7 then a meeting with you?
- 8 A. Yeah.
- 9 Q. 105 Is that right?
- 14:39:08 10 A. Yes.
- 11 Q. 106 How long were you with Mr. Burns?
- 12 A. I'm afraid I couldn't put an exact time on it but I would presume it was
13 somewhere around a half an hour but I don't know is the answer.
- 14 Q. 107 Around half an hour. Maybe a cup of tea and maybe some pleasantries, is that
14:39:27 15 right?
- 16 A. Yeah.
- 17 Q. 108 And?
- 18 A. I don't know is the answer if you want me to be really specific.
- 19 Q. 109 You don't know what?
- 14:39:43 20 A. How long that meeting lasted.
- 21 Q. 110 All right. Sorry, Mr. Murphy, I'm just looking for a reference here. Yes.
22 Now, you said that Mr. Burns said that to -- sorry. The question of the loan
23 came up, is that right?
- 24 A. Yes.
- 14:40:33 25 Q. 111 At your meeting with Mr. Burns?
- 26 A. Yes.
- 27 Q. 112 And you had already told Mr. Burns that Mr. Ahern would be in looking for, was
28 looking for a loan?
- 29 A. Oh, I would have, yeah.
- 14:40:42 30 Q. 113 All right. And did Mr. Burns say something in relation to the loan?

14:40:48 1 A. I can't remember the specific language that was used.

2 Q. 114 Yes?

3 A. But my sense of the meeting is that that was agreed and there are details to be

4 done in relation to drawing down whatever needed to be drawn down and that I

14:41:00 5 was to look after that.

6 Q. 115 Yes. Now, if we can just go to 24474, 24475, sorry.

7

8 In your statement, your recent statement, Mr. Murphy, you say "during the brief

9 discussion which followed Mr. Ahern reiterated his request for a loan and

14:41:29 10 confirmed the purpose. Mr. Burns while not sanctioning the loan in a formal

11 sense responded positively in general terms and indicated to Mr. Ahern that I

12 would make the necessary arrangements"

13 A. Yes.

14 Q. 116 Now, what I'm just, what I want to find out really is was Mr. Burns sanctioning

14:41:47 15 the loan at this point?

16 A. I suppose you could say yeah that that was sanctioning the loan. There was no

17 question that we weren't going to give it.

18 Q. 117 Right.

19 A. You know.

14:41:58 20 Q. 118 If we could have 20759, please.

21

22 At interview with the Tribunal, Mr. Murphy, question 37 to 41 on this page.

23 You are asked, "Mr. Burns, the Manager at the time" and I am not sure if you

24 said it and I think he was interviewed "doesn't seem to have had much to do

14:42:24 25 with Mr. Ahern?"

26 A: No. When Mr. Ahern came into the bank at first I made a point of

27 introducing Mr. Ahern to the Manager. I thought it was the right thing to do.

28 Q: Yes?

29 A: We exchanged pleasantries for a little while in his office and the

14:42:36 30 business of drawing the loan or getting the loan came up and my recollection is

14:42:39 1 that Mr. Burns said well Philip will look after you for that.

2 Q: All right. Mr. Ahern at that time was a high profile customer, he was

3 Minister for Finance?

4 A: Yes

14:42:49 5 Q: I am sure, I think you said you were delighted to get him

6 A: Yes.

7 Q: But I would have thought that maybe the Manager would take a special

8 interest?

9 A: He actually didn't believe it or not. He just said that's your account

14:43:01 10 Philip, you look after that."

11

12 Can you reconcile those two positions for me, Mr. Murphy? I want to know

13 whether Mr. Burns, as you told the Tribunal in interview, simply said in

14 relation to Mr. Ahern's request for a loan that you would look after it,

14:43:18 15 Mr. Murphy. And what you are now saying which is more or less that Mr. Burns

16 was sanctioning it?

17 A. Well, that's a kind of matter of interpretation. I can't remember the exact

18 details as to what would have been discussed prior to Mr. Ahern coming in to

19 the office but it was agreed. Who specifically said it I can't remember but it

14:43:37 20 was agreed that the loan was going to be given to him.

21 Q. 119 Did any discussion in relation to the loan take place in the presence of

22 Mr. Burns. In other words, like the amount of the loan, how it would be

23 repaid, assets, liabilities, whatever?

24 A. To the best of my knowledge no specific details were discussed other than the

14:43:59 25 purpose of what the loan was for.

26 Q. 120 All right. So anyway, you left Mr. Burns' office, is that right?

27 A. Yes.

28 Q. 121 And you went to your office?

29 A. I think so, yeah, yeah, yeah.

14:44:10 30 Q. 122 You think so. You don't actually recall Mr. Ahern being physically present in

14:44:14 1 your office?

2 A. I just can't visualise it just at the minute but he was certainly in the office

3 and signed somewhere in the office to draw down the loan, yeah.

4 Q. 123 All right. And do you know how long your meeting with him took, how long he

14:44:26 5 was in your office for? You think he was about a half an hour with Mr. Burns,

6 how long do you think he was with you?

7 A. Oh, the length of time it would have taken to get drafts drawn up.

8 Q. 124 All right. How long would that be?

9 A. Not terribly long, I can't actually remember.

14:44:42 10 Q. 125 All right. Now, did you at this point when he was in your office, did you ask

11 him how much he was looking for?

12 A. Yes.

13 Q. 126 And what did he tell you?

14 A. I got the breakdown. He must have given me, I don't remember getting the

14:45:03 15 breakdown but he must have given me the breakdown of those three items.

16 Q. 127 Those three items?

17 A. Which I only now know -- what's the word know that there were three items

18 because the records are there to show that there were three items.

19 Q. 128 Just, is it position that Mr. Ahern was looking for a total sum of money that

14:45:20 20 would cover those three payments?

21 A. Correct.

22 Q. 129 The first being £12,813.61?

23 A. Yes.

24 Q. 130 The second being £5,000?

14:45:26 25 A. Yes.

26 Q. 131 And the third being £1,302.36?

27 A. Yes.

28 Q. 132 Is that right?

29 A. Yes, yes.

14:45:32 30 Q. 133 He wasn't looking for any more than that?

14:45:34 1 A. No.

2 Q. 134 He just wanted to make those three payments?

3 A. To the best of my knowledge, yeah.

4 Q. 135 All right. And did you ask him what the purpose of it was, why he needed the

14:45:43 5 loan for that, what they were for?

6 A. They were to do with expenses in relation to the marriage break up.

7 Q. 136 All right. And did you ask him if he had an account in any other branch of

8 AIB?

9 A. I don't recall asking him that at the time, no.

14:45:55 10 Q. 137 Did you ask him if he had an account in, if he had a bank account anywhere?

11 A. I'm sure I did but I just don't remember asking that, I'm sure I would have but

12 I just don't recall that.

13 Q. 138 All right. Did you ask him about his earnings?

14 A. I would have asked him about his earnings, yeah, I did, yeah.

14:46:22 15 Q. 139 What did he tell you?

16 A. Whatever his salary was.

17 Q. 140 What do you remember it to have been?

18 A. I don't remember that but it's written down in one of the documents.

19 Q. 141 That document is two years later, isn't that right?

14:46:23 20 A. Yeah, but to the best of my knowledge there was another document filled out

21 before that where I would have filled it out myself but that doesn't seem to be

22 ...

23 Q. 142 Do you know where it is?

24 A. No, I don't remember, no.

14:46:32 25 Q. 143 Could you tell us more about it, Mr. Murphy?

26 A. Just name, address, date of birth, children, salary, purpose of the loan and

27 when it was going to be repaid.

28 Q. 144 I'm sorry. This is a bank document, is it?

29 A. Yeah.

14:46:51 30 Q. 145 A formal document?

14:46:52 1 A. Yeah.

2 Q. 146 That's typed in with?

3 A. No, no, it would be a handwritten one.

4 Q. 147 The questions or the headings would be typed in?

14:47:01 5 A. Correct, yeah.

6 Q. 148 And?

7 A. It's since become defunct and the one that you see there in 1995 has replaced

8 it.

9 Q. 149 Oh, I see?

14:47:10 10 A. Yeah.

11 Q. 150 So this would have been the application form that existed in 1993, is that

12 right?

13 A. Yes.

14 Q. 151 So that if you were dealing with a customer like you said earlier, sorry,

14:47:20 15 somebody who wasn't a customer coming in for a loan you would be filling out

16 this particular form?

17 A. Yes.

18 Q. 152 Can I call it an application form?

19 A. Yes.

14:47:28 20 Q. 153 The one that applied in 1993?

21 A. Yes.

22 Q. 154 All right. And could you just say again please what would be on it?

23 A. Name, date of birth, address, family, salary and when the loan was going to be

24 repaid.

14:47:50 25 Q. 155 Yes. And do you recall filling that out with Mr. Ahern?

26 A. I may have filled it out afterwards.

27 Q. 156 Yes.

28 A. But just like I thought I did fill it out but it just doesn't seem to be there.

29 Q. 157 But the contents of it were discussed with, the topics covered in this

14:48:09 30 application?

14:48:09 1 A. I would have asked him his salary.

2 Q. 158 You'd have asked him that, but the other things as well. Sorry, you would have
3 asked him, in relation to the application form whatever was on that.

4 A. Yeah.

14:48:24 5 Q. 159 You discussed the topics covered by that and filled it in in his presence or
6 afterwards, is that right?

7 A. Yeah.

8 Q. 160 And it would have included his salary?

9 A. Yeah.

14:48:33 10 Q. 161 And would it have?

11 A. The amount of the loan.

12 Q. 162 The amount of the loan?

13 A. Yeah.

14 Q. 163 The purpose of it?

14:48:39 15 A. Yes.

16 Q. 164 How it was going to be repaid?

17 A. Yeah.

18 Q. 165 All right.

19 A. Or what arrangements were going to be in place to repay the loan.

14:48:48 20 Q. 166 Yes. And what about bank accounts?

21 A. There was a space for those on the form, yeah, yeah.

22 Q. 167 All right. So you would have asked Mr. Ahern?

23 A. I'm sure I would have yeah, yeah.

24 Q. 168 Yeah. And I mean this is the procedure that you would follow in any case as we
14:49:08 25 discussed earlier where somebody was looking for a loan and you did the same
26 thing with Mr. Ahern?

27 A. That's right, yeah.

28 Q. 169 And there would have been a heading for assets and liabilities, is that right?

29 A. Yes, yes.

14:49:23 30 Q. 170 All right. Did Mr. Ahern tell you that he had 50,000 Pounds in a safe?

14:49:31 1 A. No.

2 Q. 171 You're sure of that?

3 A. I'm nearly positive, yeah.

4 Q. 172 Nearly positive?

14:49:39 5 A. Oh, yeah, yeah, yeah.

6 Q. 173 Is that positive?

7 A. Positive.

8 Q. 174 Or any sum in a safe?

9 A. No, he did not tell me then when he was drawing down the loan that he had money

14:49:48 10 in a safe, no, he did not.

11 Q. 175 Or any savings anywhere?

12 A. Correct.

13 Q. 176 Though it would have been something that you'd have been asking him? You would

14 have asked him what his liabilities were, what his assets were?

14:50:02 15 A. I'm sure I would but I just don't remember specifically.

16 Q. 177 No, no?

17 A. And without the benefit of the form in front of me I just can't recall it. In

18 a lot of cases if you were happy with the client that you had dealt with, if

19 you were happy with the repayment schedule, the form filling exercise may have

14:50:22 20 taken place afterwards.

21 Q. 178 Yes. And would it have dealt with whether or not he was a house owner?

22 A. Yes.

23 Q. 179 All right. Now, you're clear about this, Mr. Murphy, that you did fill out

24 this form either in his presence or after he had left, isn't that right?

14:50:54 25 A. Yes.

26 Q. 180 And if you filled it out after he had left would you have had to take notes for

27 it?

28 A. I probably didn't take any, I don't recall taking any notes now to be honest.

29 Q. 181 Would you remember all of that kind of information?

14:51:07 30 A. Well you'd remember the basic ones, the date of birth, I'd have written that

14:51:12 1 down somewhere.

2 Q. 182 All right?

3 A. And an address for correspondence and obviously the amount of the loan you'd

4 know because you'd have the docket in front of you.

14:51:20 5 Q. 183 Yes. And can you recall what the relationship was between the amount Mr. Ahern

6 was looking for namely just over 19,000 Pounds and his salary at the time. You

7 can't remember what the salary was, but you know?

8 A. I was happy in the knowledge that there was enough there to pay a loan off over

9 X period of time.

14:51:43 10 Q. 184 He was earning more than 19,000?

11 A. I'm sure he was, yeah but I can't remember what it was.

12 Q. 185 You feel that you were happy?

13 A. Like the first rule of thumb in any of these things is that the client has the

14 ability to repay. Everything else falls into place after that and to the best

14:51:59 15 of my knowledge the client had the ability to repay this loan.

16 Q. 186 Yeah.

17 A. Subsequently proved to be right because he paid it off.

18 Q. 187 Yeah. And Mr. Murphy, where is this application form now?

19 A. I don't know. I don't know. But the one that's dated '95 was put in place

14:52:15 20 when the loan was being regularised and a repayment schedule was being drawn up

21 to pay the loan off.

22 Q. 188 What do you mean the loan was being regularised?

23 A. It was being regularised from a specific repayments schedule being drawn up.

24 Q. 189 Do you mean that there was no repayment schedule and then there was to be a

14:52:32 25 repayment schedule?

26 A. It would appear that there was no repayment schedule arranged when the loan was

27 drawn down. That there was what's called an interest only loan for a period.

28 Q. 190 Uh-huh. Now, when that application form was completed, Mr. Murphy, what

29 happened to it?

14:52:58 30 A. It would have just been put on the file.

14:53:00 1 Q. 191 On the file?
2 A. Yeah.
3 Q. 192 And where is that file now?
4 A. I don't know.
14:53:05 5 Q. 193 Have you looked for it?
6 A. It has been looked for, I personally haven't looked for it.
7 Q. 194 Right. Is, yes, is the file missing?
8 A. I don't know.
9 Q. 195 Well you must have inquired, Mr. Murphy, coming. You came in to the Tribunal
14:53:24 10 twice for private interview and you've been previously for evidence and now
11 again today?
12 A. Yeah. Sorry, I've gone through two boxes of stuff and it's not in those two
13 boxes. I went through that recently, yeah, looking for it.
14 Q. 196 Did that surprise you that that application form wasn't there?
14:53:40 15 A. Yeah.
16 Q. 197 Can you account for it?
17 A. No.
18
19 CHAIRMAN: Mr. Murphy, is there other documentation from around that time in
14:53:48 20 that box? Those boxes?
21 A. To the best of my knowledge, no but I'd have to check that.
22
23 CHAIRMAN: Well surely you've checked that?
24 A. Like, that particular application was superseded by the one in '95. And that's
14:54:10 25 the one that is there to form the part of the application.
26
27 CHAIRMAN: Yes but for two odd years presumably there was other documentation
28 there?
29 A. I can't recall whether there was or not.
14:54:22 30

14:54:22 1 CHAIRMAN: Well your evidence is that some documentation, some formal bank
2 documentation was prepared based on information furnished to you?
3 A. Yeah.
4

14:54:34 5 CHAIRMAN: Which would be the ordinary course of events where somebody was
6 looking for a loan?
7 A. Yeah, yeah.
8

9 CHAIRMAN: Even a high profile individual.
14:54:42 10 A. Uh-huh.
11

12 CHAIRMAN: Because you wouldn't know what might happen if anything was to
13 happen to that individual you would have to have the documentation there to
14 seek to recover the loan, isn't that right?
14:54:54 15 A. Yes.
16

17 CHAIRMAN: So presumably that was there from 1993?
18 A. I don't know where it is.
19

14:55:01 20 CHAIRMAN: But you are saying that all of that, all of that documentation,
21 whatever it is, is missing?
22 A. I can't recall what other things were in the file so I don't know what else is
23 missing, if you know what I mean.
24

14:55:15 25 CHAIRMAN: All right.
26
27

28 Q. 198 Could we just for one. Could we have page 21468, please.
29

14:55:29 30 This is the application form that's completed on the 22nd of May 1995,

14:55:34 1 Mr. Murphy. Not going to go into it in any detail but I just want to give you
2 and the Tribunal an idea of the form that was available in 1995. That's on the
3 right-hand side it says application for personal credit and/or cheque guarantee
4 card. On the left-hand side there's part of the, part of the details in
14:55:54 5 relation to the loan. And if I could also have 21469, please, which is more
6 completed information in relation to the loan.
7
8 Now, that's 1995. I'm not interested in this at the moment, Mr. Murphy but
9 this other application form you're talking about in was filled in by you on the
14:56:17 10 23rd of December 1993, isn't that right?
11 A. Yeah.
12 Q. 199 And it would have been something like this?
13 A. Very similar, yeah.
14 Q. 200 Very similar?
14:56:24 15 A. Yeah.
16 Q. 201 All right. Now, Mr. Murphy, the bank is in a position to give us this
17 particular document. How is it if the application form on the 23rd of December
18 was filled in by you?
19 A. Yeah.
14:56:39 20 Q. 202 That that's not available?
21 A. I don't know the answer to that.
22 Q. 203 You don't know?
23 A. No.
24 Q. 204 And the Chairman I think was asking you for a second. I don't need that page
14:56:56 25 on the screen any more. The Chairman was asking you about other documentation
26 in relation to this loan that might be missing.
27 A. Yeah, I don't know if there is any. Sorry. I don't know if there is any other
28 documentation.
29 Q. 205 Well you would know for example whether any other documentation would be
14:57:09 30 generated by you. You were the Assistant Bank Manager giving the loan?

- 14:57:14 1 A. I don't think that I generated any other documents.
- 2 Q. 206 All right. All right. Now, if we could have 24475 again, please, which is the
3 first page of your recent statement.
4
- 14:57:27 5 And at paragraph four you say "I then discussed the details of Mr. Ahern's
6 requirements with him. However, I do not recall that a formal application form
7 was completed. I believe I would have taken the details of Mr. Ahern's salary"
8 and so on.
9
- 14:57:44 10 Now, in your statement dated the 15th of November of this year, Mr. Murphy, you
11 informed the Tribunal that you do not recall that a formal application form was
12 completed in 1993
- 13 A. Yeah.
- 14 Q. 207 Now, can you marry that with what you've just told us?
- 14:58:01 15 A. I thought I had completed one. That's all. Maybe. I thought I did but the
16 one that I would have been paying more attention to was the one in '95 to
17 regularise the loan.
- 18 Q. 208 Mr. Murphy, I think it's about time we got real here and about time that you
19 faced up to the fact that you are giving evidence on oath?
- 14:58:25 20 A. Yeah.
- 21 Q. 209 You have told the Members of the Tribunal for the last number of minutes?
- 22 A. Yeah.
- 23 Q. 210 About your recollection of filling in the application form that preceded the
24 1995 form. In your statement earlier this month you say that you don't recall
14:58:40 25 completing an application form. Which is the truth, Mr. Murphy?
- 26 A. The truth is that I, I am nearly sure I filled out an application form but it
27 can't be found.
- 28 Q. 211 Will I now tear up the statement dated 15th of November 1997 on the basis that
29 it can't be relied on by the Tribunal, the entire statement I mean?
- 14:58:58 30 A. Not the entire statement no.

14:59:00 1 Q. 212 Would you please have a look at your statement and see if there are any more
2 corrections that you want to make before we waste any more of the Tribunal's
3 time?

4 A. No, I don't want to make any more.

14:59:09 5 Q. 213 That's the only correction you want to make?

6 A. Yeah.

7 Q. 214 So if we look at the sentence "however, I do not." I will read the full
8 sentence "I then discussed the details of Mr. Ahern's requirements with him.
9 However, I do not recall that a formal application form was completed".

14:59:25 10
11 Do you wish the words "however, I do not recall that a formal application form
12 was completed" to be struck that from that

13 A. You can strike those out, yeah.

14 Q. 215 All right. Now, can you explain putting that in your statement of a few days
15 ago when you are saying on oath now that you recall filling in the application
16 form?

17 A. To the best of my knowledge and I say it again, I'm nearly sure I filled out
18 one but I don't know where it is.

19 Q. 216 But why didn't you say that on the 15th of November?

14:59:55 20 A. Sorry, that's a mistake.

21 Q. 217 That's a mistake.

22
23 CHAIRMAN: I think just to be fair to this Mr. Murphy. I understood he said

24 that he assumed that a handwritten formal document had been prepared but is now
15:00:23 25 missing. I'm not too sure. He says in his written statement "that I do not
26 recall that a formal application form was completed." He said earlier that he
27 assumed that he had completed it but he had no recollection of actually doing
28 so.

29
15:00:41 30 MR. MURPHY: Well, Chairman, obviously it's a matter for the members. I

15:00:45 1 understood Mr. Murphy to be telling us over the last number of minutes that he
2 recalls completing this, taking this information from Mr. Ahern. Either in
3 front of him or afterwards filling in an application form which is no longer
4 available whereas on the 15th of November "however, I do not recall"

15:01:02 5
6 CHAIRMAN: All right. Well we can check it later.

7
8 MR. MURPHY: Very good.

9
15:01:32 10 Q. 218 Now, Mr. Murphy, no security was taken, sought or taken for the loan, isn't
11 that right?

12 A. That's correct.

13 Q. 219 Do you regard 19,000 Pounds, a little bit over that, as a substantial sum of
14 money?

15:01:50 15 A. It's a reasonable amount of money, yeah, yeah.

16 Q. 220 Would you disagree with the word "substantial"?"

17 A. Well substantial, yeah, you can call it substantial, yeah.

18 Q. 221 What would it be worth nowadays?

19 A. I don't know.

15:02:03 20 Q. 222 You are a Bank Manager?

21 A. Maybe 100,000, I don't know.

22 Q. 223 All right. Maybe 100,000?

23 A. I don't know is the answer.

24 Q. 224 All right. And you weren't taking any security for it?

15:02:23 25 A. No.

26 Q. 225 And all right. I had understood that there was no application form and
27 paperwork in relation to it but you say there was an application form. There
28 was no letter of sanction?

29 A. No.

15:02:28 30 Q. 226 No letter went out to Mr. Ahern setting out the terms?

- 15:02:32 1 A. No.
- 2 Q. 227 Isn't that right?
- 3 A. It would appear so, yeah.
- 4 Q. 228 That would usually happen wouldn't it?
- 15:02:38 5 A. A letter sanctioning would be sent out. In this case I don't know why a letter
6 of sanction wasn't sent out.
- 7 Q. 229 All right. And what do you think the position was about a repayment schedule,
8 Mr. Murphy?
- 9 A. To the best of my knowledge, it was agreed that it would just be interest,
15:03:00 10 what's the word. It would be, it would just stay gathering interest for a
11 period of time until a repayment schedule was organised.
- 12 Q. 230 Is this something you discussed with Mr. Ahern?
- 13 A. I'm nearly sure I did but I just don't remember the details.
- 14 Q. 231 So Mr. Ahern was looking for a sum of just over 19,000 Pounds and he wouldn't
15:03:22 15 pay any interest for a period, is that right?
- 16 A. He wouldn't make any repayments for a period.
- 17 Q. 232 I beg your pardon, yes. Sorry, yes?
- 18 A. That the interest would just accumulate on it.
- 19 Q. 233 Yes?
- 15:03:33 20 A. Which is exactly what happened.
- 21 Q. 234 And what was the period that you agreed for that?
- 22 A. I can't remember exactly to be honest.
- 23 Q. 235 You can't remember?
- 24 A. But it was obviously either drawn to his attention or drawn to my attention
15:03:48 25 sometime in the early part of '95 for a repayment schedule to then be drawn up.
- 26 Q. 236 Yes?
- 27 A. And put in place.
- 28 Q. 237 But how do you know that?
- 29 A. Because I can see it from the records.
- 15:04:00 30 Q. 238 But you can see from the records that a repayment schedule is put in place in

15:04:04 1 1995 but you had no idea if that was pursuant to an agreement entered into on
2 the 23rd of December 1993, isn't that right?

3 A. That's correct.

4 Q. 239 You don't remember what the agreement was in relation to repaying?

15:04:16 5 A. No, I can't remember. I'll be honest and say I can't remember the exact
6 arrangements that were there.

7 Q. 240 Because in '95 you were assuming that there was a moratorium on repayments?

8 A. Yes.

9 Q. 241 You don't remember what the agreement was if there was an agreement, isn't that
15:04:31 10 right?

11 A. No, no, I don't remember specific agreement, no.

12 Q. 242 Documents that recorded it that you filled in doesn't exist any more, isn't
13 that right?

14 A. Okay.

15:04:38 15 Q. 243 And Mr. Ahern didn't get a letter?

16 A. Right.

17 Q. 244 Isn't that right?

18 A. That's right.

19 Q. 245 And what would have happened if something had happened to Mr. Ahern 12 months
15:04:51 20 later?

21 A. The bank would have been in an awkward position maybe.

22 Q. 246 And whose responsibility would that have been?

23 A. I'd say that I would have got in trouble.

24 Q. 247 Yes. And that is something that you take into account when you are sanctioning
15:05:15 25 loans, isn't that right?

26 A. Yes.

27 Q. 248 Now, Mr. Murphy, you took this information from Mr. Ahern, you filled out the
28 form and are you telling me that really this was something of a mute, this was
29 just going through the motions because Mr. Ahern was always going to get his
15:05:40 30 loan for 19,000?

- 15:05:41 1 A. Yes.
- 2 Q. 249 So and was that because, were you taking that on your own shoulders to give him
3 that loan or were you leaning on Mr. Burns?
- 4 A. Probably a bit of both.
- 15:05:57 5 Q. 250 A bit of both?
- 6 A. Yeah.
- 7 Q. 251 And if Mr. Ahern had come in looking for a loan of 50,000 Pounds would he have
8 got it?
- 9 A. I presume he would have.
- 15:06:12 10 Q. 252 Yes?
- 11 A. But he didn't.
- 12 Q. 253 So that whatever figure the Minister for Finance was looking for at that time
13 by way of a loan from Allied Irish Bank he would have got, is that what you're
14 saying?
- 15:06:20 15 A. Not necessarily, no. Each loan would be judged on its merits.
- 16 Q. 254 All right?
- 17 A. I don't think that you can speculate on that.
- 18 Q. 255 But you weren't judging this loan on its merits, sure you weren't Mr Murphy
19 because you weren't, you were taking the information but it wasn't for any --
- 15:06:37 20 it wasn't with a view to deciding whether or not he should get a loan. He was
21 always getting this loan, isn't that right?
- 22 A. He was going to get the loan, yeah, for his legal fees.
- 23 Q. 256 All right. And Mr. Murphy, why were you giving Mr. Ahern who didn't own a
24 property, why were you giving him a loan of 19,000 Pounds and a little bit more
15:07:17 25 without a repayment schedule and without security?
- 26 A. Because I was confident in the knowledge that he would be able to pay it back
27 as Minister for Finance. I knew who he was and where he was and what he was
28 working at.
- 29 Q. 257 But he didn't have a house?
- 15:07:34 30 A. Right, but he had the ability to repay the loan.

- 15:07:37 1 Q. 258 But you knew nothing about his liabilities?
- 2 A. That's true but on the basis of who he was.
- 3 Q. 259 All right?
- 4 A. He was deemed a good risk.
- 15:07:47 5 Q. 260 All right. And so with the approval of your Manager?
- 6 A. Yes.
- 7 Q. 261 You reckon?
- 8 A. Yes.
- 9 Q. 262 Is it fair to say then that he was getting the loan because of who he was,
15:08:00 10 because he was Minister for Finance?
- 11 A. Absolutely, yeah.
- 12 Q. 263 So presumably any other Minister would have got the same treatment?
- 13 A. Possible but ...
- 14 Q. 264 All right. And would that have been exceptional?
- 15:08:07 15 A. Yes.
- 16 Q. 265 And he never told you at this time that he had savings amounting to 50,000
17 Pounds?
- 18 A. No.
- 19 Q. 266 What do you think about that, Mr. Murphy, now?
- 15:08:46 20 A. I suppose you would question why it might be cheaper to use your own money than
21 borrowing money from the bank.
- 22 Q. 267 But what about not telling you that he had those savings?
- 23 A. I didn't think anything of it. That's.
- 24 Q. 268 Well you didn't know at the time?
- 15:09:16 25 A. I didn't know.
- 26 Q. 269 When you found out he had, how did you feel about the fact that he had come in
27 for a loan for just over 19,000 Pounds without telling you and you discussing
28 assets and liabilities with him?
- 29 A. I remember when he came in with the first lodgement I would have said to him.
- 15:09:31 30 Q. 270 Please I don't want to go on to that, that's later. I don't want to go on to

15:09:34 1 that for a moment. I want to know on the 23rd of December?

2 A. Yeah.

3 Q. 271 Looking at that now, that Mr. Ahern looking for this loan of just over 19,000?

4 A. Yeah.

15:09:42 5 Q. 272 Doesn't tell you about the asset of 50,000 that he has when assets would be

6 something covered in your application form?

7 A. Yeah, he didn't tell me that, no.

8 Q. 273 And what do you think about that?

9 A. I suppose that's ...

15:09:54 10

11 CHAIRMAN: I think that's a matter for ...

12

13 Q. 274 All right. Now, Mr. Murphy, was there any other factor in your mind in giving

14 him the loan?

15:10:24 15 A. Any other factor? I don't understand what you mean by that.

16 Q. 275 Apart from the fact that who he was, that he was the Minister for Finance?

17 A. Yeah.

18 Q. 276 Did anything else come in to your consideration in the decision to give him a

19 loan?

15:10:39 20 A. No.

21 Q. 277 Now, I want to go on to the individual documents that were created that day,

22 Mr. Murphy. But before I do I just want to ask you was any other business done

23 by you that day?

24 A. To the best of my knowledge, no.

15:10:53 25 Q. 278 With Mr. Ahern?

26 A. No.

27 Q. 279 No other business?

28 A. To the best of my knowledge, no, there's no other business.

29 Q. 280 The meeting takes as long as it takes to fill out forms and so on and the

15:11:09 30 application form?

15:11:09 1 A. Yeah.

2 Q. 281 And the only business that was done was the loan, is that right?

3 A. Yes.

4 Q. 282 All right.

15:11:48 5

6 24579, please.

7

8 Mr. Murphy, I don't know. This is letter written by Susan Gilvarry dated

9 November 2007 to Mr. Kiernan. And it's re Tribunal of Inquiry into certain

10 planning matters and payments.

11

12 And it reads "Dear Mr. Kiernan.

13

14 I am directed by the Members of the Tribunal to write to you regarding section

15 37A of the Finance Act 1986 as introduced by Section 22 of the Finance Act 1992

16 which permitted the opening by individuals of bank accounts designed as Special

17 Savings Accounts, SSA's, the interest of which benefit from the reduced of

18 deposit interest retention tax in other words DIRT, being 10 percent up to the

19 5th of April 1995, provided certain conditions were met and declaration

20 confirming compliance with those conditions in a form prescribed or authorised

21 by the Revenue Commissioners was made by the deposit holder to the bank.

22

23 The Tribunal members are now anxious to receive from Allied Irish Bank by

24 return a sample declaration as used by Allied Irish Bank for the purpose of

25 complying with this aspect of the legislation.

15:13:00 26

27 The members have asked me to request that this be provided to the Tribunal at

28 the earliest possible opportunity and accordingly I would be obliged to hear

29 from you.

15:13:12 30

15:13:12 1 Yours sincerely, Susan Gilvarry."

2

3 Page 24578, please.

4

15:13:28 5 Now, this is the declaration in relation to special savings -- oh, sorry.

6 We're getting a clearer copy, Mr. Murphy. Just while we're getting it. Could

7 I say to you that today, this morning the Tribunal received from Mr. Kiernan a

8 fax which enclosed this document which is on screen and in the cover note with

9 the fax which is in relation to SSA declaration it reads "Dear Ms. Gilvarry, I

15:14:15 10 refer to your fax of 19th November 2007 in the above matter. Attached please

11 find a further copy of the declaration completed by Mr. Ahern which I am

12 instructed was previously furnished by way of discovery. Yours sincerely, Des

13 Kiernan".

14

15:14:31 15 As far as I am aware the Tribunal is not aware at the moment, Mr. Murphy, that

16 it had actually received this document but that might be but that may or may

17 not be an issue as to whether we got it previously or not. Mr. Kiernan says

18 that he is instructed that we did have it previously.

19

15:14:47 20 But if we come on to the document which is on screen and yes. Now, it's headed

21 on the right hand corner, Mr. Murphy, "special savings account other than a

22 joint account." Can you tell me please what is this document?

23 A. It's -- these are documents that had to be filled out by somebody when they

24 were opening up a special savings account. To the best of my knowledge they

15:15:21 25 were in, maybe I'm wrong, whether the Revenue needed these or not, I can't

26 remember that.

27 Q. 283 Yes. Now, I think you were in the, these documents -- these documents relate

28 to special savings accounts, isn't that right?

29 A. Only special savings account, yeah.

15:15:36 30 Q. 284 Now, you were an expert in special savings accounts, isn't that right?

- 15:15:40 1 A. At the time I did know everything there was to know about it. I don't now.
- 2 Q. 285 Because you were selling them?
- 3 A. Absolutely, yeah.
- 4 Q. 286 Could you tell us please what a special savings account is or was?
- 15:15:53 5 A. A deposit account.
- 6 Q. 287 Yes?
- 7 A. There were certain rules and regulations in relation to what you could and
- 8 couldn't do. The amount of money that one individual could have in a special
- 9 savings account was 50,000.
- 15:16:01 10 Q. 288 Yes?
- 11 A. If a husband and wife as opposed to any other joint account mix, configuration,
- 12 it was only a husband and wife could have up to 100. You were only allowed
- 13 have one of them. In other words you couldn't have one for 50,000 in AIB and
- 14 another one for 50,000 in another financial institution. And the reason they
- 15:16:25 15 were being sold was that there was a tax advantage.
- 16 Q. 289 Yes?
- 17 A. In that the DIRT, deposit interest retention tax, was less on the special
- 18 savings than it was on another deposit account.
- 19 Q. 290 Yes?
- 15:16:40 20 A. Now, there are ... sorry.
- 21 Q. 291 Yes?
- 22 A. I was going to say that there were rules and regulations in relation to the
- 23 withdrawals of those. I'd have to look back on. I can't remember those
- 24 details.
- 15:16:51 25 Q. 292 Roughly what were they in a general way?
- 26 A. You had to give specific notice before taking it out and if you, you could take
- 27 the money out prior to giving the notice but if you did that you paid a
- 28 penalty.
- 29 Q. 293 Yes. So the benefit was, so a customer coming in to you at a time when you
- 15:17:10 30 were selling, when you were promoting these?

15:17:12 1 A. Yes.

2 Q. 294 Special savings accounts, coming in with some money?

3 A. Yes.

4 Q. 295 And if he wanted to put it in to this kind of account or you were advising him

15:17:22 5 to put it in to this kind of account, the benefit was he paid less DIRT, is

6 that right?

7 A. That's it in a nutshell.

8 Q. 296 And the drawback was that he couldn't take it out without giving notice?

9 A. Yes, the details of that I can't remember now.

15:17:36 10 Q. 297 Okay. And I don't think that we're concerned with the details. You needed to

11 give 30 days notice, a minimum perhaps?

12 A. Yeah. Although ...

13 Q. 298 Yes?

14 A. I think 30 days is probably right depending on the length of time that you were

15:17:50 15 originally going in for.

16 Q. 299 All right?

17 A. If you follow me.

18 Q. 300 All right?

19 A. To the best of my knowledge 30 days notice had to be given all right, but there

15:17:58 20 was a drawback in relation to. You did have to give notice if you wanted to

21 withdraw. It was only a drawback if you wanted to withdraw early.

22 Q. 301 Yes because then you would loose the benefit of the fax advantage?

23 A. Yes. And whatever the penalties were, they were there but I don't remember the

24 specifics. I did know them at the time but these have long gone off the map.

15:18:20 25 Q. 302 And have they been replaced by something else?

26 A. Well there was a change of Government somewhere in the middle of the SSAs.

27 Q. 303 All right?

28 A. And the tax was increased from 10 per cent to 15, I think it went from 15 to 20

29 so they subsequently weren't worth the bother and if you like they had been

15:18:40 30 superseded by what we had recently which was the SSIA.

15:18:43 1 Q. 304 But they had their day in the sun?
2 A. Oh, they did absolutely.
3 Q. 305 And you would have been advocating them for people?
4 A. Absolutely.
15:18:50 5 Q. 306 Because they got a tax benefit?
6 A. Yes and it was business for the bank.
7 Q. 307 And it was business for the bank. All right. And in relation to, I think
8 certain conditions had to be met, is that right?
9 A. Well the conditions are what I outlined. That you could only have one as an
15:19:11 10 individual.
11 Q. 308 Yes?
12 A. The other conditions were that you had to be over 18 I think and.
13 Q. 309 Well I, yes.
14 A. I don't remember offhand the rest of them.
15:19:22 15 Q. 310 Would you mind, the copy I have isn't great, Mr. Murphy. The copy on screen
16 seems to be quite good. I think you can see it better than I can. Would you
17 mind taking us through it. On the top right hand corner I can read "special
18 savings account other than a joint account", is that that right?
19 A. That's it yeah.
15:19:40 20 Q. 311 And then what else does it say?
21 A. Well A are.
22 Q. 312 Declaration. It goes to say?
23 A. Declaration and undertakings to a deposit taker.
24 Q. 313 All right. Who is the deposit taker?
15:19:50 25 A. The deposit taker, well in this case was AIB, 37/38 Upper O'Connell Street.
26 Q. 314 So at paragraph A then is says details of deposit taker?
27 A. Yeah.
28 Q. 315 And then it says what "to the Manager"?
29 A. "To the Manager, Allied Irish Bank plc, AIB finance Limited, AIB Capital
15:20:07 30 Markets Plc."

15:20:07 1 Q. 316 And it gives the address?
2 A. Underneath is the address.
3 Q. 317 And section B?
4 A. Section B has the account number. In this case it is 00401177 in this case.
15:20:17 5 The full name and address of the account holder "Bertie Ahern, 161 Lower
6 Drumcondra Road, Drumcondra, Dublin 9."
7 Q. 318 Yes. And who has written this in here?
8 A. I have, that's my writing.
9 Q. 319 All of it?
15:20:29 10 A. Yes, all of that. Sorry. The 00401177 is not my writing.
11 Q. 320 Whose is it?
12 A. I don't know that.
13 Q. 321 All right?
14 A. But that's internally for somebody marrying off whatever the account was being
15:20:41 15 opened.
16 Q. 322 All right. Go on to C?
17 A. Declaration. "I being the account holder named at B hereby declare that at the
18 time of making this declaration the following conditions are satisfied. I am
19 of full age (18 years or married.) I am beneficially entitled to the interest
15:21:00 20 payable in respect of the deposits held in the special savings account referred
21 to at B. I do not hold any other special savings account and I am aware that I
22 may not do so. I do not hold a special savings account, a special investment
23 policy, investments unit or special portfolio investments account jointly with
24 any other person and I am aware that I may not do so. I undertake that if any
15:21:24 25 of the above conditions ceases to be satisfied I will notify you immediately."
26
27 Q. 323 If I could just interrupt you there for one second, Mr. Murphy. Is it correct
28 that if you were taking out a SSA, the particular SSA account couldn't be
29 connected with any other account?
15:21:40 30 A. I don't follow what you mean there by it not being connected. I don't

15:21:45 1 understand what you mean by that.

2 Q. 324 Well, is it not self-explanatory. One account is connected in some way with

3 another account?

4 A. Well if they were on a number line it would follow that somebody had, you know,

15:21:59 5 an account. They might have had a current account, might have had a loan,

6 deposit account and a special savings account.

7 Q. 325 Yes. So if there was a connection of some sort between a special savings

8 account could there be a connection between a special savings account and

9 another account?

15:22:17 10 A. Forgive me now but I'm still not a hundred percent sure what you mean by

11 connected. In the scenario just posted to you there naturally they would be on

12 the same number line so ...

13 Q. 326 I don't mean like that. They are all separate accounts is that right?

14 A. Well it would show up on somebody's list of accounts.

15:22:33 15 Q. 327 Yes?

16 A. That they would be on the same number line. And normally the first five digits

17 would be the same pertaining to the same account and the last three numbers

18 would change for each individual account. So yes they would be connected.

19 Q. 328 Yes. I see yes yes?

15:22:48 20 A. Does that explain it.

21 Q. 329 Yes. Thank you. And then "D. Statement and undertaking in relation to

22 special investments"?

23 A. Yeah, special investment policies, special investment units, special portfolio

24 investment accounts.

15:23:02 25 Q. 330 Yes?

26 A. "I hereby that the position in relation to the special investments set out

27 above is described at A below. I hereby state that the position in relation to

28 the special investment set out above is as described at A below. Important

29 enter A or B as appropriate. And A I do not hold any of the above investments

15:23:22 30 in addition to the special savings accounts to which this declaration refers.

15:23:28 1 I undertake to notify immediately if I acquire any of the above investments
2 while continuing to hold the special savings account to which this declaration
3 refers and to state the date I required that investment."
4 Q. 331 All right. We needn't consider B, is that right?
15:23:42 5 A. Yes.
6 Q. 332 And then declaration?
7 A. Which must be signed. "I hereby declare that the information given on this
8 form is correct and I affirm the declaration statement and undertaking given at
9 C and D."
15:23:54 10 Q. 333 And declarer's signature it is signed by?
11 A. Bertie Ahern.
12 Q. 334 Is that in your presence?
13 A. It would be, yeah, yeah.
14 Q. 335 And the date?
15:24:12 15 A. 23rd of ... just can't make the rest of it out. '93. I don't know whether
16 that's a 2 or a 4.
17 Q. 336 You don't know what the month is, Mr. Murphy, is that right?
18 A. It's my writing now but I just can't make it out.
19
15:24:23 20 CHAIRMAN: I think the copy, if you perhaps give him this copy, Mr. Kavanagh.
21
22 MR. MURPHY: Are you reading it from the screen?
23 A. Yeah.
24 Q. 337 I beg your pardon. I'm sorry about that. I'm sorry?
15:24:37 25 A. Oh, yeah 23rd of the 12th '93.
26 Q. 338 All right. So in relation to that. You have filled in the address of the
27 bank. You have filled in Mr. Ahern's name and address. Somebody else has
28 filled in the account number
29 A. Uh-huh.
15:24:50 30 Q. 339 Mr. Ahern has signed it in your presence?

15:24:53 1 A. Yeah.

2 Q. 340 And who has dated it?

3 A. I have.

4 Q. 341 You have dated it?

15:24:58 5 A. Uh-huh.

6 Q. 342 All right. Does this appear to be another piece of business that is done on

7 that particular day with Mr. Ahern?

8 A. Yeah, it would seem so but that's news now to me. I had forgotten all about

9 that.

15:25:19 10 Q. 343 Are you serious, Mr. Murphy?

11 A. Yeah, yeah, absolutely, yeah.

12 Q. 344 Yes?

13 A. That's the first time that I've seen that.

14 Q. 345 Now, Mr. Murphy, we contend that the first time we saw this was a few hours

15:25:34 15 ago?

16 A. Yeah.

17 Q. 346 But Mr. Kiernan believes that it was part of the discovery?

18 A. All right. I'm only after seeing it now.

19 Q. 347 All right. So up to this moment you had completely forgotten about the

15:25:56 20 completion of this form, is that right?

21 A. Yeah, yeah.

22 Q. 348 This does constitute another business, doesn't it?

23 A. It would appear so.

24 Q. 349 What business does it constitute, Mr. Murphy?

15:26:09 25 A. It would appear that a special savings account was either going to be opened

26 that day or opened in the future.

27 Q. 350 Yes.

28 A. Or ... no.

29 Q. 351 Sorry, you were going to say or something?

15:26:33 30 A. Or the date is wrong. One or the other.

15:26:36 1 Q. 352 Well have a look at the date?
2 A. Yeah it looks like the 23rd there, yeah, yeah.
3 Q. 353 Are you looking at the screen?
4 A. I am, yeah.
15:26:43 5 Q. 354 And have you got a hard copy in front of you?
6 A. No, no.
7 Q. 355 I'm sorry. Thank you, Mr. Kavanagh. I want to ask you just while we're
8 dealing with it, Mr. Murphy. If you just concentrate for one second on the
9 "23"?
15:26:57 10 A. Yeah, yeah.
11 Q. 356 I mean that date is clearly the 23rd of December 1993, isn't that right?
12 A. It certainly looks like it yeah.
13 Q. 357 Now, is there a date under the 23rd?
14 A. There could very easily be, yeah.
15:27:08 15 Q. 358 Are you saying that there is?
16 A. I don't know but it just looks like a different. It looks like a heavier
17 whatever you want to call it, print.
18 Q. 359 Which does?
19 A. The 23.
15:27:21 20 Q. 360 The 23 looks heavier?
21 A. Yeah.
22 Q. 361 Now, did you write the 23?
23 A. Yeah.
24 Q. 362 Did you write the 12?
15:27:26 25 A. I did.
26 Q. 363 Did you write the 93?
27 A. That's definitely my writing all right.
28 Q. 364 Are you sure the 12 and the 93 are your writing, if the 23 is your writing?
29 A. I'm nearly a hundred percent sure.
15:27:38 30 Q. 365 Do they not appear to be different?

15:27:41 1 A. Maybe they are. I'm not a handwriting expert now so I don't know. But it
2 looks like mine.

3 Q. 366 All right. Now just going back to the 23rd, Mr. Murphy?

4 A. Yeah.

15:27:49 5 Q. 367 Can you help the Tribunal in relation to -- you agree that there is another
6 date underneath that?

7 A. Yeah, there would appear to be but I don't know what it is.

8 Q. 368 So another date has been written over by you?

9 A. Yeah.

15:28:01 10 Q. 369 And can you work-out what that date is?

11 A. I can't, I'm sorry.

12 Q. 370 All right.

13 A. Oh, sorry. I see here yeah yeah. No. No, I can't make out what it is
14 underneath it.

15:28:24 15 Q. 371 Does what's under the 2 look like a 1?

16 A. It could be.

17 Q. 372 Could it be a 3?

18 A. It could be a 1. I don't know now to be honest.

19 Q. 373 And does what's under the 3 look like, what do you think it looks like under
15:28:46 20 the 3?

21 A. I don't know.

22 Q. 374 All right. Until, had you forgotten, Mr. Murphy, until this moment?

23 A. Yeah.

24 Q. 375 That on that afternoon with this meeting with Mr. Ahern and giving the loan for
15:29:09 25 19,000 Pounds that you had had a another dealing with him which involved
26 opening a special savings account?

27 A. I had, yeah, I didn't remember that one. In fact I don't remember that form at
28 all.

29 Q. 376 Yes?

15:29:26 30 A. But, yes, it would have been what's the word, to fulfil the requirements of

- 15:29:32 1 opening up a special savings account you would have had to have had that form.
- 2 Q. 377 All right?
- 3 A. Because it wouldn't be opened unless that form was.
- 4 Q. 378 It's a revenue, statutory revenue requirement, isn't that right?
- 15:29:49 5 A. Yeah and as a result certainly in our branch we had procedures in place to make
- 6 sure that the forms were there because you couldn't open it without that form.
- 7 Q. 379 So if you, Mr. Murphy, as Assistant Manager were opening a special savings
- 8 account for anybody there would always be this declaration?
- 9 A. Yes.
- 15:30:05 10 Q. 380 Is that what's it called?
- 11 A. It is, yeah, an SSA declaration.
- 12 Q. 381 Yes?
- 13 A. Now, the only thing I can think of is that unless the form was signed and was
- 14 not dated and was dated afterwards.
- 15:30:20 15 Q. 382 Yes?
- 16 A. Because that's news when I see it there that's the first time that I've seen
- 17 it.
- 18 Q. 383 I don't follow you?
- 19 A. It might have been dated afterwards.
- 15:30:31 20 Q. 384 Oh, you mean the number that's, it might have been dated an earlier date and
- 21 then on the 23rd you filled in the 23rd?
- 22 A. No, not necessarily. Like it might have been -- it might have been opened on
- 23 the, say, the 29th or the 30th and the 23rd is put in. I genuinely can't
- 24 remember. That's the first time that I've seen it.
- 15:30:52 25 Q. 385 I beg your pardon, Mr. Murphy?
- 26 A. I'm trying to help you.
- 27 Q. 386 No, I'd like you to repeat your assistance there. What have you just said?
- 28 A. That if it was, if it was filled out the date might have been put in
- 29 afterwards.
- 15:31:07 30 Q. 387 It might have been filled out on the 29th or 30th?

15:31:10 1 A. I didn't ...

2 Q. 388 It might have been dated the 23rd.

3

4 JUDGE FAHERTY: I think Mr. Murphy said it might have been opened on the

15:31:16 5 29th/30th, Mr. Murphy.

6 A. Yeah. If it was.

7

8 JUDGE FAHERTY: Just maybe we should clarify what the "it" to which Mr. Murphy

9 refers to is. What is the "it" that you said

15:31:29 10 A. The "it" Being the SSA account. When was that opened.

11 Q. 389 The 30th

12 A. The 30th. Right. Uh-huh.

13 Q. 390 Sorry. I'm not making any sense of what you are saying, Mr. Murphy that. It

14 could have been opened on the 30th and this declaration be back dated to the

15:31:47 15 23rd, why would that happen?

16 A. I don't know. Like this is the first time I have seen this.

17 Q. 391 Well it isn't because you wrote it?

18 A. No but I didn't remember it.

19

15:31:55 20 JUDGE FAHERTY: Mr. Murphy, a moment ago you said that you couldn't open the

21 SSA account unless you had the form

22 A. Yes.

23

24 JUDGE FAHERTY: I understood you to say that

15:32:03 25 A. Yes, you had to have the form, yeah, yeah.

26

27 JUDGE FAHERTY: So the form completed, is that correct?

28 A. Yes, the form completed absolutely, yeah, yeah.

29

15:32:14 30 JUDGE FAHERTY: Would have to be in place before an account is

15:32:18 1 A. Yes.
2
3 JUDGE FAHERTY: Opened
4 A. Or done on the same day.
15:32:22 5
6 JUDGE FAHERTY: Oh yes it could be done on the same day, five minutes
7 absolutely. I have no problem about that. But a prerequisite for you to, if
8 you like, put the SSA up and running ...
9 A. Yes.
15:32:32 10
11 JUDGE FAHERTY: The form has to be completed, is that it?
12 A. Absolutely.
13
14 JUDGE FAHERTY: I understand. Thank you.
15:32:43 15
16
17 Q. 392 Would you definitely have written the date that's underneath. Would you have
18 written the entire of whatever is there on the date?
19 A. I've written everything except for the signature.
15:32:54 20 Q. 393 All right. There couldn't be any sense, Mr. Murphy, to the transaction in
21 relation to the opening of a special savings account taking place on the 30th
22 and backdating the declaration to the 23rd sure there couldn't?
23 A. I don't know the answer to that. There wouldn't normally. Why wouldn't I put
24 the 30th down.
15:33:29 25 Q. 394 I mean if you are dealing with somebody on the 30th?
26 A. You would put the 30th down, yeah yeah.
27 Q. 395 And there is no reason, good, bad, indifferent for putting an earlier date
28 down?
29 A. No there's not, no, no.
15:33:42 30 Q. 396 All right. Now, Mr. Murphy, I'd like you to think back now to the conversation

15:33:49 1 that took place between you and Mr. Ahern in relation to this special savings
2 account on the afternoon of the 23rd of December 1993.

3 A. Yeah. Like, I genuinely don't remember. Like, sitting here now I thought that
4 the only business I had done was to draw down the loan. Maybe I did discuss
15:34:26 5 stuff with him. I can't remember that.

6 Q. 397 You can't not remember this, Mr. Murphy?

7 A. Don't remember this form.

8 Q. 398 You can't not remember?

9 A. Listen, I would have filled out about 200 of these.

15:34:56 10 Q. 399 No but you remember how many?

11 A. I would have done about 200, 300 maybe 400 of these forms.

12 Q. 400 You can't have?

13 A. We were selling. This is the thing we were doing. We were selling these.
14 This was its main -- at the time this was the business, SSAs were huge.

15:35:12 15 Q. 401 And you are now selling it to the biggest person in the country?

16 A. Right.

17 Q. 402 So with the clear recollection that you've given us?

18 A. Yeah.

19 Q. 403 About the information about the loan with Mr. Burns and you with Mr. Ahern then
15:35:31 20 secondly?

21 A. Yeah.

22 Q. 404 You can't not remember discussing a special savings account with him on that
23 afternoon?

24 A. I don't remember discussing it with him that afternoon, no I don't. Sorry now
15:35:45 25 but I don't.

26 Q. 405 To date you've had -- you've told the Tribunal that on the 30th of December
27 you, Mr. Ahern came in and you opened up a special savings account with him?

28 A. That's right.

29 Q. 406 And you put into it 22,500 isn't that right?

15:36:04 30 A. Yes.

- 15:36:05 1 Q. 407 All right. The number on this document 00401177 is the number of the special
2 savings account that we will be coming to?
- 3 A. Okay.
- 4 Q. 408 That is opened by date the 30th of December?
- 15:36:21 5 A. Well that's good.
- 6 Q. 409 Can the Tribunal take it, Mr. Murphy, that the transaction that so far we
7 understood took place on the 30th in fact took place on the afternoon of the
8 23rd of December?
- 9 A. Well if the lodgement was only made on the 30th then the funds were only
10 received on the 30th and the account could only be opened on the 30th, but
11 maybe it was discussed on the 23rd.
- 12 Q. 410 But you'd hardly ask Mr. Ahern to sign -- you'd hardly fill out, ask Mr. Ahern
13 to sign and you date a document the 23rd?
- 14 A. I could have done that, yeah.
- 15:37:07 15 Q. 411 Yes?
- 16 A. Very easily have done that.
- 17 Q. 412 Can you remember now what discussion you had with Mr. Ahern?
- 18 A. I genuinely don't remember.
- 19 Q. 413 Mr. Ahern in order for you you -- Mr. Murphy, this must mean that on that
15:37:22 20 afternoon you were advising Mr. Ahern to put money into a special savings
21 account, isn't that right?
- 22 A. It could very easily have been.
- 23 Q. 414 What else could it are have been?
- 24 A. No, that's it. It looked that I did discuss special savings with him.
- 15:37:36 25 Q. 415 All right so Mr. Ahern having asked for a loan for 19,000 which you were you
26 rubber stamping effectively?
- 27 A. Yeah.
- 28 Q. 416 Because you were giving to him. You were giving him a loan of 19,000, was also
29 telling you that he had money and you were advising him to put it into a
15:37:51 30 special savings account, isn't that right?

- 15:37:53 1 A. It would appear from that, yeah but I genuinely don't remember that.
- 2 Q. 417 You genuinely don't remember that?
- 3 A. But in the scenario that you are painting that would look to be plausible.
- 4 Q. 418 It isn't just that Mr. Murphy. It can't be any other explanation, isn't that
- 15:38:08 5 right?
- 6 A. I can't think of anything else, any other one.
- 7 Q. 419 And so the Minister for Finance is sitting opposite you for I don't know how
- 8 many minutes that particular afternoon and you have had all of the chat you had
- 9 about the loan which he gets without a security and he has no house. And there
- 15:38:30 10 is a seconds -- there is a second aspect to the discussion because clearly
- 11 Mr. Ahern is saying I have money?
- 12 A. Right.
- 13 Q. 420 Isn't that right?
- 14 A. It would appear so, yeah, yeah.
- 15:38:46 15 Q. 421 Did he tell you he had 50,000 Pounds savings then?
- 16 A. I can't remember that. Genuinely saying to you I just don't remember that.
- 17 Q. 422 You told me that he didn't say it to you?
- 18 A. I don't remember him saying it to me.
- 19 Q. 423 He didn't say it to you?
- 15:38:58 20 A. No.
- 21 Q. 424 All right but you accept that he must have been telling you that he had money?
- 22 A. There must have been some discussion that took place.
- 23 Q. 425 All right?
- 24 A. Again I'm only seeing this for the first time and it would on the law of
- 15:39:10 25 averages you would see from the date and filling it out and so yeah some
- 26 discussion must have taken place about savings.
- 27 Q. 426 And how much did he say he had?
- 28 A. I don't remember that.
- 29 Q. 427 Would it have been enough to cover 19,000 Pounds?
- 15:39:24 30 A. I genuinely don't remember now, I'm serious.

- 15:39:28 1 Q. 428 Do you remember if it was 1,000 pounds, 5,000 or 10,000.
- 2 A. I don't remember.
- 3 Q. 429 How much did you have to have, was there a lower threshold for going into a
4 special savings?
- 15:39:38 5 A. There was but I can't remember what the threshold was.
- 6 Q. 430 Are you serious?
- 7 A. Yeah.
- 8 Q. 431 And roughly what was it?
- 9 A. Jesus it could have been a couple of hundred, I can't remember.
- 15:39:48 10 Q. 432 I see, it was very low?
- 11 A. Yeah, like we've moved on from SSAs, like that's 14 years ago now.
- 12 Q. 433 Yes?
- 13 A. It's not on the agenda at the moment. It's something that I knew off by heart.
14 It was something that I sold, it was something that I did a huge amount of. I
15 was probably one of the biggest in the country to do them. And I knew
16 everything that there was to do with them but I just can't remember it now.
- 17 Q. 434 But Mr. Murphy you are selling it to the Minister for Finance?
- 18 A. Yeah.
- 19 Q. 435 The brother product that he has introduced you are selling it to him and you
15:40:19 20 can't remember a thing about it and you are the Assistant Bank Manager?
- 21 A. That's not right to say that I don't remember a thing about it.
- 22 Q. 436 Tell us all about it?
- 23 A. I've told you all about SSAs and how they worked.
- 24 Q. 437 No, no, this transaction?
- 15:40:36 25 A. My memory of it was that it was done on the 30th of whatever date it was the,
26 22,500 whenever that was lodged.
- 27 Q. 438 Did Mr. Ahern sitting opposite you produce to you cash on that afternoon?
- 28 A. To the best of my knowledge, no. Because if he did, it would be lodged on the
29 23rd.
- 15:41:04 30 Q. 439 Well would it, Mr. Murphy?

15:41:06 1 A. Yeah.

2 Q. 440 The 23rd was a Thursday?

3 A. Was it?

4 Q. 441 The following day was Christmas Eve?

15:41:11 5 A. Okay.

6 Q. 442 You'd have been open for the morning?

7 A. We would have, yeah.

8 Q. 443 And the next working day was the 30th, isn't that right?

9 A. Okay. The 24th, yeah, I think that would be right, yeah, yeah.

15:41:22 10 Q. 444 Is that right?

11 A. Yeah.

12 Q. 445 So when you had just sanctioned Mr. Ahern's loan of 19,000 did Mr. Ahern then

13 pass to you 22,500 made up of cash and a draft and a cheque and did you take

14 them from him and ask him to sign this and did you then process the opening of

15:41:57 15 the account on the 30th when you came back after Christmas?

16 A. I don't think so.

17 Q. 446 No?

18 A. I don't think so. I don't think so. And I'm being absolutely honest with you

19 and saying I don't remember that. I thought it was all done on the 30th.

15:42:15 20

21 CHAIRMAN: Mr. Murphy, can I just ask you?

22 A. Yeah.

23

24 CHAIRMAN: You see the account number on the top?

15:42:19 25 A. Yeah.

26

27 CHAIRMAN: Assuming that this document was signed on the 23rd of December

28 A. Uh-huh.

29

15:42:25 30 CHAIRMAN: Would it be given an account number that day or what was the

15:42:28 1 procedure?

2 A. No, he wouldn't have been given an account number until it was actually

3 physically opened. So you had to have the cash to open it. You couldn't open

4 it with nothing.

15:42:38 5

6 CHAIRMAN: So the account doesn't open until there is a lodgement?

7 A. That's it.

8

9 CHAIRMAN: And is somebody coming in who wants to open an account on a

15:42:50 10 particular day, say on the 30th?

11 A. Yeah.

12

13 CHAIRMAN: Presumably that person can sign up this documentation?

14 A. Yes. It can all be done on the one day, in the one movement.

15:43:04 15

16 CHAIRMAN: So ...

17 A. That's as I understand it, my recollection of it anyway.

18

19 CHAIRMAN: So on the 23rd, assuming this document was signed on the 23rd, it

15:43:15 20 was contemplated by you and Mr. Ahern that an account would activate itself at

21 some date in the future

22 A. It would appear so from that, yeah.

23

24 CHAIRMAN: Whether that was later that day or the next day or

15:43:28 25 A. Yeah.

26

27 MR. MURPHY: Is it possible, Mr. Murphy, that Mr. Ahern said he had this

28 money. In other words, well sorry, the 22,500 that eventually goes into the

29 special savings account

15:43:47 30 A. Uh-huh.

15:43:47 1 Q. 447 That he had that money. And he either had it there or he would bring it back
2 in to you. And on the strength of that you asked him to sign that?
3 A. That could very easily have happened. I genuinely don't remember that.
4 Q. 448 Uh-huh. You see, Mr. Murphy, if the 23rd on the date is written over another
15:44:13 5 date?
6 A. Yeah.
7 Q. 449 As appears to be the case?
8 A. Yeah.
9 Q. 450 And the date seems to be 1 something?
15:44:21 10 A. Yeah.
11 Q. 451 Could it be that you had a meeting with Mr. Ahern some days earlier, perhaps on
12 the 12th, perhaps on the 13th, perhaps on the 14th, I don't know. Some days
13 earlier than the 23rd. So that this was, this date was put in an earlier date
14 and which you then wrote over it?
15:44:40 15 A. No, to the best of my knowledge the first transaction I had was the loan.
16 Q. 452 Yes. But what I mean is?
17 A. Did I.
18 Q. 453 Could you have met earlier in relation to the loan and could Mr. Ahern have
19 said to you I want a loan of just over 19,000 Pounds and given you the reason.
15:45:01 20 And could you have said that would be fine but I would need security and
21 perhaps him not having a house you would have said well you know cash. Open
22 another account?
23 A. Uh-huh.
24 Q. 454 Did that happen?
15:45:16 25 A. No.
26 Q. 455 Could I have 17833, please.
27
28 If you down to paragraph 13. Mr. Murphy, this is a report from Mr. Peelo,
29 Mr. Ahern's accountant, which was given to the Tribunal on behalf of Mr. Ahern.
15:45:53 30 And Mr. Peelo on behalf of Mr. Ahern says at paragraph 13 "the loan of

15:46:01 1 19,115.97 taken out on the 24th of December '93 was to pay legal costs. The
2 availability of this loan had been negotiated sometime previously by Mr. Ahern
3 in anticipation of these costs".
4

15:46:15 5 Is it possible that maybe that's what happened? That in fact you had a phone
6 call at some point and then some date prior to the 23rd and perhaps the date
7 that's underneath the 23rd on the declaration, you met and one of the
8 requirements was for Mr. Ahern to come back with money and you then, you then
9 dated and he signed the declaration on the 23rd

15:46:45 10 A. I don't think so, no. My recollection is that I got a phone call sometime
11 before the 23rd, how many days beforehand I can't remember.

12 Q. 456 Yes.

13 A. And that was my first interaction, for want of a better word.

14 Q. 457 All right. And that the phone call -- then you meet on the 23rd about the
15 loan?

15:47:07 15
16 A. Yes.

17 Q. 458 And then the special savings account is on the 30th?

18 A. Yes.

19 Q. 459 But we have this document dated the 23rd?

15:47:13 20 A. Yeah, yeah.

21 Q. 460 For which you have no explanation?

22 A. I don't know.

23 Q. 461 I mean in relation to the date?

24 A. To the date, yeah, yeah.

15:47:20 25 Q. 462 But you are not ruling out the possibilities?

26 A. It could very easily have been discussed but I'm being honest when I say to you
27 I genuinely don't remember. I thought the only thing I had done with him on
28 that day was the loan. I thought that's all it was.

29 Q. 463 Of course if he was presenting with cash on that day?

15:47:43 30 A. Uh-huh.

- 15:47:44 1 Q. 464 It would have made complete sense of the loan you were giving without --
2 otherwise without security, isn't that right?
3 A. Possible, yeah, yeah but if it was that particular day and he did give me the
4 money that day why wasn't the SSA opened on the 24th, same way as the loan was.
- 15:48:03 5 Q. 465 Did you have to refer to anybody else, did you have to go back to Mr. Burns
6 about this or to Mr. Walsh or anybody else?
7 A. No, no, no. The drafts were drawn down on that day. My memory is that it was
8 all done on ...
- 9 Q. 466 Yes but in relation to the savings accounts. The drafts were drawn down?
15:48:26 10 A. Would I have had to go to anybody else to get?
11 Q. 467 Yes yes?
12 A. No, no.
13 Q. 468 That would have explained?
14 A. No.
- 15:48:32 15 Q. 469 The processing of the account on the 30th?
16 A. No. Like, if everything was in place there is no reason for it to be held
17 over.
18 Q. 470 Well then why wasn't it all done on the 23rd?
19 A. I don't know.
- 15:48:49 20 Q. 471 As opposed to the 24th?
21 A. Why wasn't the loan.
22 Q. 472 Processing of the loan?
23 A. It could have been. Was the, what day did you say the 23rd was.
24 Q. 473 Thursday. The day before Christmas Eve?
15:49:04 25 A. Yeah. It might have been after early close off do you know. There, they would
26 have been closing stuff off a bit early and it might have been after that
27 particular time and then gone into the workings of the 24th.
28 Q. 474 To be completed on the 24th?
29 A. Yeah that would have happened, like if it was particularly busy you close stuff
15:49:22 30 off. I think we were still open at 5 o'clock on the Thursday so you might have

15:49:26 1 closed stuff off at 4 and then the rest of the stuff was processed on the next
2 morning.

3 Q. 475 Yes. Couldn't it equally happen that the opening of the savings account might
4 have been postponed until the next working day which could have been the 30th?

15:49:38 5 A. It could have happened but there was no reason to do that, you know.

6 Q. 476 About busy?

7 A. Yeah.

8 Q. 477 Up to your eyes?

9 A. Yeah. Um, my memory of it is that it was done on the 30th. I don't know why
15:49:53 10 the 23rd is written down.

11 Q. 478 18874, please.

12

13 Mr. Murphy, going back to the loan

14 A. Yeah.

15:50:39 15 Q. 479 This is, this is a withdrawal docket, isn't that right?

16 A. Yes.

17 Q. 480 Now, I wonder. We have it blown up and you might be able to see it. So could
18 we go on to 24483, please.

19

15:50:59 20 Now, if I can read out. This is a withdrawal docket. And it says account
21 number and the number there is the loan account number, I think, isn't that
22 right? Can you make it out?

23 A. 0040 ... I think it is, yeah.

24 Q. 481 Is that all right?

15:51:20 25 A. Yep.

26 Q. 482 It's signed. It says received from Allied Irish Bank Banks plc the sum of and
27 I don't think that there's any money there in that particular place?

28 A. No.

29 Q. 483 Signed Bertie Ahern?

15:51:31 30 A. Yeah.

15:51:32 1 Q. 484 There is an X, there are two Xs on either side of the signature, isn't that
2 right?
3 A. Yes.
4 Q. 485 There is a stamp?
15:51:39 5 A. Yes.
6 Q. 486 There is a narrative that says loan?
7 A. Yes.
8 Q. 487 There is an initial on the left?
9 A. Yes.
15:51:46 10 Q. 488 Whose is that?
11 A. That's mine.
12 Q. 489 And the amount of 19,115.97 appears in two places in the right margin?
13 A. Yes.
14 Q. 490 Isn't that right?
15:51:57 15 A. Yes.
16 Q. 491 All right. And that's Mr. Ahern's signature?
17 A. Yes.
18 Q. 492 Sorry. I want to draw your attention to -- can that go upside down for a
19 second, please. Just I think this completes the information on the document,
15:52:25 20 face of the document that I want to draw your attention to in what is now the
21 top right hand corner. Can you see a date there that says 24/12/93?
22 A. Sorry.
23
24 JUDGE FAHERTY: Top left hand corner I think on screen, Mr, is it not?
15:52:47 25
26 MR. MURPHY: Sorry. Do you see the upside down number which ends in four
27 zero's?
28 A. Yeah.
29 Q. 493 Underneath that and just above the letters which are upside down?
15:52:59 30 A. Yes I think.

15:53:01 1 Q. 494 24. I can see it because of course it's highlighted in my document?
2 A. The 17 after it.
3 Q. 495 Yeah. 24/12/93 I think is the date, is that right?
4 A. Yeah, yeah.
15:53:13 5 Q. 496 You see that?
6 A. I do, yeah.
7 Q. 497 All right. Now, whose is the handwriting on that document apart from
8 Mr. Ahern's signature?
9 A. Oh, that's my handwriting.
15:53:22 10 Q. 498 All of it?
11 A. Yeah.
12 Q. 499 Account number?
13 A. Sorry, can you just turn it up the other way, please.
14 Q. 500 Sorry?
15:53:30 15 A. The account number does yeah those figures are mine. The loan narrative is
16 mine. The initial is mine. The Xs I don't know I presume they're mine.
17 Q. 501 All right?
18 A. And the figures are mine.
19 Q. 502 All right. Now,,
15:53:45 20
21 CHAIRMAN: What's the, could you just turn it over again. There's a, is that
22 1700 after the date on the top left there looking at the screen? Mr. Murphy,
23 do you know what that is?
24 A. I don't know what that is, Chairman, sorry.
15:54:06 25
26 CHAIRMAN: Do you use, would the time be there for any reason
27 A. I wouldn't think so, no.
28
29 MR. MURPHY: I think it might be 17 followed by three 0's.
15:54:17 30

15:54:17 1 CHAIRMAN: That's fine, well then it's not.

2 Q. 503 I think?

3 A. I'm sure it's a coded reference or something but I don't know what it is now to

4 be honest.

15:54:26 5 Q. 504 Yes?

6 A. It looks like a 17 and three 0's yeah.

7 Q. 505 All right. Now, the fact that the Xs are there for the signature, Mr. Murphy?

8 A. Yeah.

9 Q. 506 Isn't that something that you normally do when you're sending a document to

15:54:39 10 somebody and you're asking them to sign it as opposed to when they were they

11 are across the table from you?

12 A. Oh, no that wouldn't be like, what's the word, uncommon to just pass a docket

13 over to somebody and say just "listen sign between those there". That would be

14 normal procedure.

15:54:55 15 Q. 507 All right. Now, this is one of the bank records that you would have created in

16 the presence of Mr. Ahern, isn't that right?

17 A. Yes.

18 Q. 508 You would have filled that out in front of Mr. Ahern?

19 A. I'm nearly sure I would have, yeah.

15:55:14 20 Q. 509 And asked him to sign it. Is that right. Do you think that's part of the

21 business that you did that afternoon?

22 A. Oh, that would be part of certainly the business, yeah.

23 Q. 510 And this is him drawing down that particular sum from his loan account, isn't

24 that right?

15:55:28 25 A. Yeah.

26 Q. 511 All right. And if we go to 24484. Perhaps I should do 18875 first.

27

28 This is the back of that withdrawal docket, Mr. Murphy.

29 A. Yeah.

15:56:06 30 Q. 512 And do you see in up close to not quite the left hand corner a date I assume is

15:56:15 1 a date -- I think is the date 23/12/93?

2 A. Yes.

3 Q. 513 All right?

4 A. Yes.

15:56:28 5 Q. 514 Now, Mr. Murphy, I understand that that represents the date on which that

6 document was generated, the date on the back?

7 A. Okay.

8 Q. 515 Well sorry can you help me?

9 A. Well.

15:56:42 10 Q. 516 I don't know but I believe that may be the case?

11 A. It could very easily be now I'm not a hundred per cent sure now of that.

12 That's not my area of expertise.

13 Q. 517 In any event the back of this withdrawal docket it says is sprayed on. What

14 is -- the date sprayed on it is the 23rd of December 1993?

15:57:00 15 A. Yeah.

16 Q. 518 And on the front, on the front of it is the date the 24th of December 1993?

17 A. Yeah.

18 Q. 519 Can you explain why that is?

19 A. No, I don't know the answer to that.

15:57:13 20 Q. 520 All right. Well can you tell me what the position is in relation to this

21 document. We've seen the front of it and the back of it. It's for the loan

22 amount, withdrawn the amount, signed by Mr. Ahern. Is this, can the Tribunal

23 take it that that this is part of the business conducted on that afternoon?

24 A. Oh, yeah yeah that's definitely the docket.

15:57:32 25 Q. 521 All right. Now, 18876, please.

26

27 Can you explain that document to the Tribunal, Mr. Murphy, please

28 A. Well.

29 Q. 522 It's a credit docket?

15:58:16 30 A. It's a credit docket, yeah.

15:58:19 1 Q. 523 COMP and SSUSP?

2 A. It could be computer suspense.

3 Q. 524 Yeah?

4 A. Yeah.

15:58:26 5 Q. 525 And then the amount is the amount of the loan?

6 A. Yes.

7 Q. 526 And the narrative says what?

8 A. Comments.

9 Q. 527 It looks like comments. Does it mean anything to you that word?

15:58:47 10 A. No. But it's definitely a suspense account with the three 9s before it, it's a
11 suspense account.

12 Q. 528 All right. It's a suspense account. And if we go to 18877?

13 A. Sorry. I think what.

14 Q. 529 Yes?

15:58:51 15 A. What might explain the difference between the two dates is that it went in to
16 the computer suspense account on the 23rd and then when the account was opened
17 the docket went through on the 24th. I'd say that's probably what ...

18 Q. 530 All right.

19 A. Does that help?

15:59:06 20 Q. 531 If we look at 18877 which is the back of the credit docket?

21 A. Yeah.

22 Q. 532 And at the top left there is the date the 24th of December 1993, isn't that
23 right.

24 A. Yes, yes.

15:59:18 25 Q. 533 All right. And then it's also further down on the right-hand side lower down.
26 I think it says presented by and I think 931136 is O'Connell Street branch,
27 isn't that right?

28 A. Yes.

29 Q. 534 And then you go on to the number for the account?

15:59:37 30 A. Yeah.

15:59:37 1 Q. 535 They are the three 9's?
2 A. Yeah.
3 Q. 536 And then 24/12/93, isn't that right?
4 A. Yes.
15:59:42 5 Q. 537 Okay. Now, so I don't really understand why does this -- I mean, Mr. Ahern is
6 in with you, he's getting a loan?
7 A. Uh-huh.
8 Q. 538 We will see in a moment that the date of the loan account is the 24th of
9 December?
16:00:01 10 A. Yeah.
11 Q. 539 But you were doing the business here on the afternoon of the 23rd?
12 A. Yeah.
13 Q. 540 And this withdrawal docket is created on the 23rd?
14 A. Right.
16:00:10 15 Q. 541 Why is there a suspense account?
16 A. In order for the actual physical account to be opened up.
17 Q. 542 Yes?
18 A. That might have been either late in the day.
19 Q. 543 I see?
16:00:21 20 A. Or whatever. So to facilitate the client in relation to the drawing the funds
21 down the monies would have gone into a computer suspense account.
22 Q. 544 Okay?
23 A. So the loan would have been drawn down on that. The next day the computer
24 suspense account would have been cleared out because the loan would have been
16:00:38 25 drawn properly on. It would have been -- not so much normal procedure but it
26 would have happened quite a bit.
27 Q. 545 If the transaction was taking place later in the day.
28 A. Correct, you couldn't physically open up the account. You needed to get the
29 computerised.
16:00:53 30 Q. 546 Yes?

16:00:53 1 A. Documentation and the number in place so you'd put it in to a computer suspense
2 account.

3 Q. 547 Yes. I mean, it couldn't reflect the fact that the whole thing couldn't be
4 completed there and then for some reason like you needed to talk to somebody or
16:01:11 5 something else needed to be done or anything like that?

6 A. No, no, the answer is yes that is possible but not, not -- normally the
7 computer suspense is used for that particular purpose.

8 Q. 548 Right.

9 A. And cleared out the next day.

16:01:25 10 Q. 549 All right.

11 A. And if it's not cleared out the next day there is an internal inquiry as to why
12 it's not cleared out.

13 Q. 550 I see. And then if we look at 21394.
14

16:01:40 15 Which according -- says that it is a computer suspense account

16 A. Yeah.

17 Q. 551 And if you. If you go down. Do you see down the debit column you can pick up
18 the figure of 19,115.97?

19 A. I see that, yeah.

16:01:59 20 Q. 552 Do you see that?

21 A. Yeah.

22 Q. 553 That's the loan amount?

23 A. Yeah.

24 Q. 554 And in fact all right, yes that's the loan amount?

16:02:05 25 A. Yeah.

26 Q. 555 And beneath it is the 23rd of December. Sorry. If you go down a little bit
27 further down that the column you will get again computer suspense account and
28 the date the 23rd of December '93?

29 A. Right.

16:02:18 30 Q. 556 All right?

- 16:02:19 1 A. Right. Yeah.
- 2 Q. 557 Is that consistent with what you're saying, namely that the money goes into the
3 computer suspense account?
- 4 A. Right.
- 16:02:27 5 Q. 558 All right. And in the right hand column there beside the loan amount you see
6 the sum of 12,813.61?
- 7 A. Yeah.
- 8 Q. 559 Which in fact is one of the drafts drawn down on that date?
- 9 A. Okay.
- 16:02:38 10 Q. 560 All right?
- 11 A. Yeah.
- 12 Q. 561 Are you familiar with that figure for being one of the drafts?
- 13 A. I think it's one of drafts, I just can't remember.
- 14 Q. 562 All right. We'll see it again?
- 16:02:47 15 A. Yeah.
- 16 Q. 563 Now, if we look at 21399, which is the All Items Report for the 23rd of
17 December 1993. And do you see in the left hand column the numbers 23/12/93
18 being the date 23? In the left hand column in manuscript, I think it's being
19 pointed out to you just there?
- 16:03:41 20 A. Oh, I do I see that there, yeah.
- 21 Q. 564 I think that's Mr. McNamara's handwriting, do you recognise it?
- 22 A. Yeah it could possibly be his, yeah.
- 23 Q. 565 And then if you look lower down for the next All Items Report, the
24 continuation, you see the date the 23rd?
- 16:03:57 25 A. Yes.
- 26 Q. 566 I think this is the All Items Report for the 23rd of December 1993?
- 27 A. Yeah.
- 28 Q. 567 Now, do you see if you go back up to 1, 2, 3, 4, the fifth line of numbers. It
29 is a tracer number 1802823 E?
- 16:04:14 30 A. I do I see that yeah.

- 16:04:16 1 Q. 568 With an amount of £1,302.36?
- 2 A. Yes.
- 3 Q. 569 And you go across that line and you get C/T which I think is Mr. McNamara's
- 4 handwriting and does that mean credit transfer?
- 16:04:30 5 A. Yes.
- 6 Q. 570 Below the sum of £1,302 you get the sum of £12,813.61?
- 7 A. Yeah.
- 8 Q. 571 And if you go across to the manuscript it says the word "draft?"
- 9 A. Yes.
- 16:04:46 10 Q. 572 Mr. McNamara's handwriting?
- 11 A. Uh-huh.
- 12 Q. 573 And then going back again to the amount and you get the sum of 5,000?
- 13 A. Yeah.
- 14 Q. 574 And again there's draft entered in manuscript opposite that?
- 16:04:58 15 A. Yes.
- 16 Q. 575 And then if you skip down what is the fee for a draft you get the sum of
- 17 19,115.97?
- 18 A. Okay.
- 19 Q. 576 With debit written opposite?
- 16:05:09 20 A. Yes.
- 21 Q. 577 Now, this is the All Items Report recording -- the All Items Report recording
- 22 these transactions on the 23rd of December 1993?
- 23 A. Okay.
- 24 Q. 578 In other words, you have the loan figure there 19,115.97, Mr. Murphy, isn't
- 16:05:27 25 that right?
- 26 A. Yes, yes.
- 27 Q. 579 All right. And those other three amounts that I read out to you add up to that
- 28 sum?
- 29 A. Yes.
- 16:05:35 30 Q. 580 So this is how Mr. Ahern spent his loan?

16:05:38 1 A. That's how it was drawn down, yeah.

2 Q. 581 Isn't that right?

3 A. Yes.

4 Q. 582 You can confirm that?

16:05:42 5 A. Yes.

6 Q. 583 And the first is 1,302.36 which is a credit transfer?

7 A. Okay.

8 Q. 584 And then there is a sum of £12,813.61 which is a draft.

9 A. Yes.

16:05:55 10 Q. 585 And the number of that draft is 12978?

11 A. Yes.

12 Q. 586 And the third matter is 5,000, another draft, the number is 12980?

13 A. Yes.

14 Q. 587 Now, Mr. McNamara has written in manuscript, I believe it's Mr. McNamara get

16:06:12 15 copies of above two drafts and then there's a dash and then it says not

16 available and underneath it says "unable to locate". Those drafts have not

17 been located, is that your understanding?

18 A. That's my understanding, yeah.

19 Q. 588 All right. 188 -- 18880, please.

16:06:54 20

21 This is the demand drafts account, Mr. Murphy

22 A. Yeah.

23 Q. 589 Is that right?

24 A. Yes.

16:07:09 25 Q. 590 For the 24th of December. Dated 24th of December 1993?

26 A. Uh-huh.

27 Q. 591 And the two drafts I've just referred to are set out there. The first one is

28 draft number 12980 for 5,000?

29 A. Yes.

16:07:25 30 Q. 592 Do you see that?

16:07:26 1 A. I do, yes.

2 Q. 593 Now, that seems to be dated the 23rd of December '93?

3 A. Okay.

4 Q. 594 Can you see that?

16:07:32 5 A. Yes.

6 Q. 595 And then underneath that, dated the 24th of December is the second draft 12978

7 for 12,813.61?

8 A. Uh-huh.

9 Q. 596 So they are the two drafts?

16:07:46 10 A. Right.

11 Q. 597 That we were seeing in the All Items Report?

12 A. Yes.

13 Q. 598 I don't understand why the date for one is the 23rd and the other the 24th, do

14 you know?

16:07:55 15 A. I don't know, no, I'm sorry.

16 Q. 599 And we saw that the lower draft 12,813.61 went into the computer suspense

17 account?

18 A. Right.

19 Q. 600 You saw that earlier, isn't that right?

16:08:08 20 A. Yeah.

21 Q. 601 All right. Okay. Mr. Murphy, it appears if we go back to 21399, please. From

22 the all items report that the two drafts and the credit transfer were created

23 on the 23rd of December 1993 which is the afternoon of the day of your meeting

24 with Mr. Ahern?

16:08:46 25 A. Yes.

26 Q. 602 And yet the loan account doesn't open until the 24th?

27 A. Yeah.

28 Q. 603 Can you explain that?

29 A. Well that's what I was saying to you. The actual physical loan may not have

16:08:57 30 been done on that particular day, it was done the next day because stuff would

16:09:02 1 have been closed off.

2 Q. 604 Yes. But presumably Mr. Ahern left with the two drafts would that be right?

3 A. Oh, I would think that would be absolutely correct, yeah.

4 Q. 605 Do you recall handing him the drafts?

16:09:12 5 A. Not physically no. I don't, no. But I'm sure I would have given them to him,

6 yeah.

7 Q. 606 And he would get the drafts but the loan wouldn't actually come into existence

8 until the following day?

9 A. Yes.

16:09:28 10 Q. 607 Yes?

11 A. Because it went in to computer suspense overnight while the account is opened

12 the next day. Taken out, debited from the loan account and that's how it would

13 evolve.

14 Q. 608 And do you have any recollection in relation to those drafts as to who they

16:09:48 15 were made out to you?

16 A. I'm afraid I don't, no.

17 Q. 609 No.

18 A. My understanding is that one of them was made out to a solicitor but I don't

19 know who.

16:10:01 20 Q. 610 All right. And do you know what they were, what. Well sorry. You told us

21 that the loan was in connection with costs in relation to Mr. Ahern's

22 litigation I think, is that right?

23 A. Marriage separation.

24 Q. 611 Separation, yes. Did you understand those drafts to be in connection with

16:10:16 25 that?

26 A. Oh, absolutely.

27 Q. 612 All right. I see. And if we go to 24352, please.

28

29 Which is Mr. and Mrs. Ahern's loan account in AIB Finglas

16:10:34 30 A. Right.

16:10:34 1 Q. 613 And if you go down to the second last line there in, on the date column you get
2 the date 30th of December 1993?
3 A. Uh-huh.
4 Q. 614 And then the words "to close" and then the sum of 1,302.36?
16:10:49 5 A. Yeah.
6 Q. 615 So that credit transfer that came out of that came out of Mr. Ahern's loan?
7 A. Yeah.
8 Q. 616 Isn't that right?
9 A. Yes.
16:11:00 10 Q. 617 One of the three sums?
11 A. Is that so, I don't remember that but I'm taking your word for it.
12 Q. 618 If we can go back to 21399. You see the figure there. Sorry.
13 A. Yeah 130236.
14 Q. 619 Which is a credit transfer?
16:11:21 15 A. Yeah.
16 Q. 620 And this is it showing up in Mr. and Mrs. in the account of Mr. and Mrs. Ahern
17 in Finglas on the 30th of December?
18 A. Okay that's where it ended up, yeah.
19 Q. 621 So that money, that credit transfer leaves Mr. Ahern's account in O'Connell
16:11:40 20 Street on the 23rd according to the All Items Report?
21 A. Yeah.
22 Q. 622 But only hits the joint account on the 30th, isn't that right?
23 A. Yes.
24 Q. 623 Why would that be, that delay, why would that not happen the following day, you
16:11:51 25 know the 24th?
26 A. Because generally speaking credit transfers take two days but with the
27 Christmas period that's the reason it was delayed I'd imagine.
28 Q. 624 24353, please.
29
16:12:27 30 In the section in the middle of the page there, Mr. Murphy, you see the sum of

16:12:35 1 3,100 Pounds and then lodgement I think, isn't that right

2 A. Yes.

3 Q. 625 And then you see the sum of 1,900 and paid?

4 A. Yeah.

16:12:44 5 Q. 626 And then the sum of 5,000. And the number for that is 012980.

6 A. Yeah.

7 Q. 627 Which is the number of the draft for the sum of 5,000 that we looked at a

8 moment ago?

9 A. Okay.

16:12:58 10 Q. 628 Is that all right?

11 A. Yes.

12 Q. 629 So that is the draft from your bank hitting the Finglas bank on the 28th of

13 January 1994. If you go to the top of the page?

14 A. Okay.

16:13:15 15 Q. 630 The top line do you see 28th of January 1994?

16 A. I do, yeah.

17 Q. 631 Where it says Automated Waste Report?

18 A. I see that, yeah.

19 Q. 632 So the draft has left your bank?

16:13:26 20 A. Uh-huh.

21 Q. 633 And it has come in to this other account on the 28th of January. Do you see

22 that?

23 A. Yes.

24 Q. 634 With 3,100 of it lodged and 1,900 of it paid out, isn't that right?

16:13:42 25 A. Yeah.

26 Q. 635 And then 24354.

27

28 Do you see for the 28th of January 1994, lodgement 3,100

29 A. Just a second.

16:14:02 30 Q. 636 Oh, sorry.

16:14:47 1
2 MR. MURPHY: Chairman, perhaps we could continue it tomorrow.
3
4 CHAIRMAN: Yes. It might be a suitable time although I think Mr. Kavanagh has
16:14:54 5 found it now. But, no, we'll rise until -- we're not sitting until 12 o'clock
6 tomorrow to facilitate Mr. Murphy I think.
7
8 So we'll sit at 12 tomorrow.
9
16:15:11 10 MR. MURPHY: I think ...
11
12 CHAIRMAN: Is it? Is that correct that we're sitting at 12 tomorrow?
13
14 MR. MURPHY: I'm not sure what Mr. Nesbitt's position is. Is Mr. Nesbitt
16:15:23 15 happy with that?
16
17 CHAIRMAN: We were just wondering if you would like to ...
18
19 MR. NESBITT: I will here at 12. Is it suggested that we might be starting
16:15:46 20 earlier than that.
21
22 CHAIRMAN: Are you in a position to start earlier than that?
23
24 MR. NESBITT: I'm not I'm afraid. I could ask Mr. Kiernan.
16:15:54 25
26 CHAIRMAN: If you are happy that that would be the case.
27
28 MR. NESBITT: Well I'll talk to Mr Kiernan.
29
16:15:56 30 CHAIRMAN: Well we will say 11 o'clock unless there is a difficulty.

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MR. MURPHY: 11 o'clock.

CHAIRMAN: Thank you.

**THE TRIBUNAL THEN ADJOURNED UNTIL THE FOLLOWING DAY,
WEDNESDAY, THE 21ST OF NOVEMBER 2007, AT 11:00 A.M.**