

1 THE TRIBUNAL RESUMED AS FOLLOWS ON THURSDAY, 31ST JULY 2003
2 AT 10.30 A.M:

3

4 CHAIRMAN: Morning Mr. O'Neill

5

6 MR. O'NEILL: Morning Mr. Chairman. Perhaps I might outline the history of
7 events which have taken place since the 23rd, when we were last dealing with
8 the issue of Mr. Lawlor's compliance.

9

10 CHAIRMAN: Mr. Lawlor, do you want to come up and sit in one of the lawyer's
11 seats so you can respond, if necessary?

12

13 MR. O'NEILL: The Tribunal will be aware that on Wednesday last, 23rd July,
14 the Tribunal deferred its decision in relation to Mr. Lawlor's established and
15 ongoing noncompliance with the Tribunal's order of the 12th March, until today.
16 In doing so the Tribunal offered Mr. Lawlor a further opportunity to swear an
17 affidavit in the correct form and to deliver such affidavit and to produce the
18 relevant documentation to the offices of the Tribunal prior to the close of
19 business on Tuesday of this week.

20

21 The Tribunal further indicated that account would be taken of any such
22 affidavit and production of documents before the Tribunal would make its final
23 order today.

24

25 On the afternoon of the 29th July, Mr. Lawlor's secretary advised the Tribunal
26 office that a considerable volume of documentation was in the course of
27 preparation for delivery to the Tribunal, and that in view of the fact that
28 some of this documentation had arrived very late with Mr. Lawlor that an
29 extension of time would be sought in which to make the delivery to the
30 Tribunal. An extension of time was granted and between 5.30 and 7.30. That

1 evening Mr. Lawlor delivered to the Tribunal over 11,000 pages of documentation
2 and a further Affidavit of Discovery.

3
4 In this affidavit, or rather in this material, Mr. Lawlor broke down the
5 material into a number of categories which he named firstly,

6 F1 which was to relate to documents relating to the sale of the one acre at
7 Somerton;

8 F2, documents relating to the receipt of the proceeds of sale at one acre in
9 Somerton;

10 F3, documents relating to the application of proceeds of sale at one acre at
11 Somerton and;

12 F4, documents relating with the sale not falling under any of the above
13 categories. No documents were actually discovered under this F4 heading.

14
15 An analysis of the documents provided under these headings indicates that 21
16 pages of documents fall within category F1, 21 pages of documents fall within
17 category F2 and 320 pages fall within F3. The balance of the 11,000 documents
18 made fall within the category of documents said to be connected with the sale
19 not falling within the three or four mentioned categories, but that is not
20 quite clear.

21
22 The documents within categories F1 to F3 are scheduled. The balance of the
23 documents are not scheduled. The connection, if any, between these unscheduled
24 documents and the order of 12th March, 2003, can only be ascertained after
25 consideration of each of the individual documents contained within the (E)
26 category. It has not been possible to conclude this exercise given the limited
27 time available and the volume of unscheduled documents which have been provided
28 to the Tribunal.

29
30 The extent to which Mr. Lawlor therefore continues to be in breach of the order

1 of 12th March, 2003, remains unclear. Of the documents falling within the
2 category F2 and F1 the majority of these documents have already been furnished
3 by Mr. Lawlor to the Tribunal in his original discovery of documents. In
4 relation to the documents falling within category F3 an analysis of these
5 documents shows that the major part of the documentation is concerned with the
6 application of the funds which were drawn down from the Haynes & Trias account
7 in Gibraltar through Mr. Lawlor's Ulster Bank account at Lucan.

8
9 However, the majority of disbursements of these funds were made by cheques
10 written to cash, or cash withdrawals, or payments to Demographic and Strategic
11 Consultants, the business name which Mr. Lawlor uses in his consultancy.

12
13 These documents discovered, therefore, don't explain the ultimate application
14 of these funds. The majority, something in excess of 76 percent of these
15 disbursements were applied in the manner I have just described.

16
17 It may be of course, that such expenditure appears in the body of the remaining
18 11,000 pages of documents which are as yet unscheduled by Mr. Lawlor.

19
20 From the documents which have been provided by Mr. Lawlor, as of the 29th, it
21 does appear, however, that there are continuing significant and obvious
22 deficits in his discovery to date. Firstly, the latest affidavit has not been
23 sworn in the form requested, namely in the form of affidavit provided for in
24 Appendix C, Rule 10 of the Rules of the Superior Court 1986. In particular
25 there is no schedule to the second schedule to the affidavit. Mr. Lawlor, in
26 the affidavit and in an accompanying letter to that affidavit, says that due to
27 the pressure of time and the submission of other documents it has not been
28 possible to prepare one but that he will do so if he recalls any further
29 documentation.

1 Secondly Mr. Lawlor does not appear to remedy the obvious deficiencies in the
2 second schedule of the original Affidavit of Discovery and that he has not
3 identified with sufficient particularity the documents formerly in his
4 possession and power and what has come of them.

5
6 Thirdly, the Haynes & Trias documentation discovered appears to be seriously
7 deficient in that it is limited solely to their communications with Barclays
8 Bank concerning the transfer of funds to Mr. Lawlor's accounts and it does not
9 contain any documentation relating to the original instructions to set up such
10 an account or facility for Mr. Lawlor or any communications which took place
11 between Mr. Nicholas Morgan on Mr. Lawlor's behalf, with Haynes & Trias, in
12 connection with the setting up or the operation of this account. Again, it may
13 be that further information can be gleaned from the 11,000 pages of documents
14 provided, but it cannot be said at this time that Mr. Lawlor has now complied
15 with the order of the 12th March, 2003, in full.

16
17 Further developments have taken place in relation to Mr. Anthony Seddon since
18 the Tribunal was last addressed in connection with his involvement with the
19 Tribunal. Mr. Seddon has agreed to attend at a public session of the Tribunal
20 which is scheduled for 17th September next. In the circumstances it seems
21 likely that further evidence will be taken from Mr. Lawlor on such issues as
22 are canvassed with Mr. Seddon in his evidence on that occasion.

23
24 It seems to the legal team, apparent from the volume of documentation which has
25 been provided by Mr. Lawlor, that it touches upon a number of areas which have
26 already been addressed in correspondence between the Tribunal and Mr. Lawlor in
27 connection with proposed further orders for discovery.

28
29 From 10th March of this year, the Tribunal had been in communication with
30 Mr. Lawlor in connection with a proposed order for discovery, which would

1 involve his discovery of documentation in relation to Zatecka 14 SRO, Metro
2 Launch Properties Limited, Pentagon Property Services Limited, Valley Holdings
3 Limited, Sabre Limited, Cara Sports Limited, Trenary Holdings Limited, Seddons
4 and Bill Riordan.

5
6 Consideration of the making of such an order was deferred in the light of
7 Mr. Lawlor's claimed inability to comply with the provisions of the order which
8 had already been made on the 12th March. However, since this has now been
9 fully aired in the public sessions of the Tribunal it might be appropriate at
10 this point in time for the Tribunal to consider the making of the already
11 revised orders, subject to whatever submission Mr. Lawlor may have, if any, in
12 connection with any such orders.

13
14 I think that brings up-to-date the position in relation to the ongoing
15 noncompliance of Mr. Lawlor.

16
17 CHAIRMAN: Mr. Lawlor, do you wish to say anything at this stage?

18
19 MR. LAWLOR: I wasn't prepared, but just to briefly comment, that following
20 the ruling, Chairman, I set out in correspondence to you, and I don't wish to
21 be repetitive, as to what actions I took, and you are probably aware of those,
22 that I had a rather heated meeting with Nicholas Morgan on Friday morning in
23 London on the basis that his correspondence previously had committed himself to
24 do certain things relating back as far as the meeting in January, and while he
25 had made his commitments to provide documentation he was belatedly doing so on
26 Friday last in London, and undertook to go and pursue any other documentation
27 that he believed I had an entitlement to.

28
29 Now, the documentation that I have provided is referred to by Mr. O'Neill in an
30 unscheduled way because I collected the files on Friday and Seddons Solicitors,

1 London, prepared and sent out for copying all the records they had in their
2 London office. A member of their staff brought back bank statements regarding
3 Zatecka 14 SRO and then I arranged on Monday to have collected from Seddons'
4 office in Prague, all of the documentation which Mr. Seddon saw fit to release
5 to me. And I have provided that information to the Tribunal.

6
7 In complying with your order of the 12th March, it's my understanding that we
8 have gone into great itemised detail to identify the spending, which came as a
9 surprise to me that that was of great interest to the Tribunal. I could well
10 understand the interest of the source of funding, how it's dispersed is in the
11 records of the Ulster Bank. They delivered at half two on Monday a very
12 substantial quantum of records of which we would have had a certain amount in
13 our possession, but we're missing documents. It was virtually impossible
14 during the time at my disposal to further schedule all of those documents.

15
16 So, you know, and I have also had to just give the "bills paid" file and the
17 "bills to be paid" file in their state as originals to the Tribunal. So, there
18 is a lot of documents I placed in the possession of the Tribunal which I don't
19 any longer have copies of in an effort to show that whatever is there is
20 available to the Tribunal.

21
22 As regards other documentation, quite honestly, Chairman, I don't see how I can
23 advance further from the Nicholas Morgan connection or from Haynes & Trias any
24 further documentation. Now, I did explain that you outlined, Chairman, that I
25 should complain to the Jersey Incorporated Law Society, or possibly English
26 Incorporated Law Society, and of course Nicholas Morgan took a hostile reaction
27 to that. My concern was if I formulated a complaint it would cease the process
28 of cooperation and have the reverse effect of what I am trying to achieve by
29 securing documentation from any party.

1 So, I have to say in conclusion, that from Nick Morgan's point of view, Isadore
2 Goldman, Haynes & Trias, they were most co-operative and they did everything
3 possible to meet the very tight deadline. Having had the opportunity to do
4 this for quite a number of months previously and didn't do so. Seddon has
5 released documentation to me, put in a letter saying a lot of it is probably
6 privileged. I ignored that and put the full quantum of what he provided me in
7 the possession of the Tribunal.

8
9 There rests the situation. And I would like to say that the anomalies and the
10 gaps and the missings are not by intent and I apologise for the dilemma. I can
11 appreciate when Mr. O'Neill gets 11,000 pieces of paperwork that it takes time
12 to evaluate the content, and we had that in the court before, whether it is
13 quality not quantity that the Tribunal wants. I understand the point being
14 made there. We've provided bank documents, and really we've endeavoured to
15 focus in on this occasion on the tracing of all monies so that the Tribunal can
16 be satisfied that wherever I had any funds or have drawn any funds from, that
17 that information is in the possession of the Tribunal. That was my intent and
18 that's what I have set out to achieve for you since you made out your ruling.
19 Any further cooperation in that area will be generously forthcoming.

20
21 I don't see how I can advance it any further other than take back a lot of the
22 documentation and schedule it and put it in the format Mr. O'Neill rightly
23 points out, rightly so that, it is not in at the moment.

24
25 MR. O'NEILL: It may be of assistance to Mr. Lawlor to have the following
26 analysis of the funds which came from Gibraltar because it might focus his mind
27 on what information he can produce to the Tribunal. He took down from
28 Gibraltar through Haynes & Trias the sum of 316,758 Euros. Of that he
29 translated it in the following way into cash or other benefit to himself:
30 He withdrew 116,563.26 Euro in cash.

1 He paid himself 12,500 pounds by way of cheque.

2 He paid Demographic and Strategic Consultants 42,500 Euro.

3 He paid Mastercard 18,000.

4 He paid an MBNA credit card 35,800.

5 He paid a Bank of Ireland credit card 4,000.

6 He paid the Irish Permanent Finance Account 3,021.24 Euro.

7 He paid the Permanent TSB account 10,587.

8 The total of that is 242,972 Euro which is not accounted for in any way other
9 than to demonstrate in this particular fashion that it came to Mr. Lawlor or to
10 his accounts. The order of the Tribunal is directed towards establishing what
11 became of the proceeds of sale of the one acre. This 242,900 Euro is in this
12 current format. No information is available to the Tribunal from the present
13 discovery as to what Mr. Lawlor expended those monies on. The Tribunal would
14 like to know that.

15

16 That represents 76.71 percent of the monies which have come in from Gibraltar.

17

18 In relation to the Haynes & Trias and Morgan documentation, again it seems from
19 what Mr. Lawlor is saying that persons who are engaged by him as his lawyers
20 and advisers are for some reason not giving him documentation which on its face
21 would appear to be compellable documentation, yet he is not pursuing that
22 through the channels which the Tribunal has indicated are open to him in the
23 event that persons who are engaged by him are refusing to obey his lawful
24 instruction.

25

26 CHAIRMAN: We are going to rise for about ten or fifteen minutes.

27

28 MR. LAWLOR: Chairman, I didn't quite grasp, is Mr. O'Neill outlining that is
29 where those monies are expended but they are not explained?

30

1 CHAIRMAN: As I understand Mr. O'Neill, there is no indication as to what the
2 monies were used for other than in the very vague fashion he has set out, and
3 there is inadequate explanation as to what the total of the money was applied
4 for.

5
6 MR. LAWLOR: Is Mr. O'Neill saying it's not clear when you pay Mastercard a
7 cheque that it's not clear what you are spending it on?

8
9 CHAIRMAN: No. A substantial sum was used by you in cash, so part of the --

10
11 MR. LAWLOR: Chairman, I can explain that. I'd maybe take out 1,200 on a
12 Friday, every Friday, and use it for paying various outgoings and, you know --
13 so, the cash withdrawals are just; you pay petrol, you have a petrol receipt or
14 maybe you don't have a petrol receipt.

15
16 CHAIRMAN: But this is a huge sum of money.

17
18 MR. LAWLOR: It's over quite a long period of time. You are running an
19 office with three or four people in it. The expenses associated -- the
20 transfers to Demographic was to pay standing orders for photocopying machine
21 and various other matters. It is a bit baffling to me: If you pay to a credit
22 card, if you pay 10,000 on a credit card the credit card account shows every
23 payment that was used by the card for the 10,000 pounds. All that information
24 is there in detail.

25
26 MR. O'NEILL: The application, Sir, deals with monies which were withdrawn
27 from the Gibraltar account between 19th March 2002 and the 20th December, 2002.
28 In that period, as I say, 316,000 Euro is expended. 242,900 of that went to
29 Mr. Lawlor in cash or to an account of Mr. Lawlor's, either MBNA or Mastercard
30 or Demographic and has not been accounted for, save that it went to that

1 account. In relation to Demographic and Strategic Consultants, if that is
2 hiring photocopiers involves --

3
4 MR. LAWLOR: Other discharges from Demographic, you have been given the
5 Demographic files as well which shows where every payment out of that money
6 went, because it's all by cheque. The point here about the Haynes & Trias
7 transfer, not one penny of it is other than traceable through accounts in
8 Ireland. Everything is traceable down to the last penny. If there is a couple
9 of thousand taken out in cash every so often or whatever, if I am to try and
10 break down what you spent in cash we can endeavour to do so. If you pay MBNA,
11 there is a statement there with an itemised bill for every use of the card and
12 you paid 5,000 on the card, surely to God that's traceable and known.

13
14 Mr. O'Neill referred to, was it, TSB finance or something, sure that's a
15 monthly payment on a lease for a car. What's the query about that? Has it not
16 been explained where it went? That's where it went, it went every month on a
17 payment for a car lease.

18
19 CHAIRMAN: Mr. Lawlor 170,000 in cash was effectively used by you over a
20 relatively short period of time and as I understand it the Tribunal have no
21 detail as to how that money was expended. Now, you say it was the ordinary
22 working of your business, but presumably there are accounts and details to
23 support that.

24
25 MR. LAWLOR: Every -- it's either there is a photocopy of a cheque which has
26 been discovered, or the stub of the cheque where my secretary writes in what
27 the cheque is for, or if it's down to cash it's a cash withdrawal and it's just
28 spent as normal outgoings, that you have a thousand Euros in your wallet, you
29 pay this and that, and suddenly you are down to two or three hundred and you
30 cash another cheque and use it in that way. That's the answer to that. It's

1 just used in normal day-to-day spending. Pay for an airline ticket for the
2 airport for three or four hundred pounds in cash, collected at 7 o'clock in the
3 morning, there's an airline ticketed related to it. From the 1st January we
4 set about a detailed receipt arrangement to try and keep everything in record.
5

6 Quite honestly I was working at this the other way around, I thought this
7 Tribunal's function was to see where you received payments from, not where you
8 spent it. It's now getting to a situation in your own case you requested me to
9 give you an itemised break down of the weekly or monthly spend and it could be
10 dealt with, and the next thing it's up on the screen here and that's what
11 caused the difference of opinion with the former Chairman, that's how you spend
12 your money, wasn't something I assumed. I Have no problem with disclosing it
13 all. We're coming at it from the other side rather than trying to trace where
14 the monies came from.
15

16 CHAIRMAN: The reason you were asked for a break down of your expenditure
17 to -- so that the Tribunal could consider whether or not your case to the
18 effect that you couldn't afford 10,000 pounds to pay solicitors to release
19 documentation, whether that was a reasonable or good reason for your inability
20 to comply with the order of the Tribunal. The break down that you gave the
21 Tribunal turned out to be inaccurate to a very big degree.
22

23 MR. LAWLOR -- Chairman, I don't wish to interrupt, but the 10,000 pounds is, to
24 quote yourself, "a red herring". Mr. Morgan might have a bill for --
25

26 CHAIRMAN: Mr. Lawlor, we're not going into that now.
27

28 MR. LAWLOR: I am just making the point that the reference to 10,000 pounds
29 is not relevant. It could be 120, Mr. Morgan was preparing a bill --
30

1 CHAIRMAN: You, in your correspondence, sought to make the 10,000 pounds
2 relevant. It was stated in black and white that because you couldn't afford
3 this money that you were unable to comply with the order of the Tribunal. And
4 you can -- anybody listening to that case can understand our bewilderment at
5 the fact that hundreds of thousands of pounds can be dispersed by you, a lot of
6 it in cash, over a relatively short of period of time, and at the same time you
7 make the case that you are unable to pay, compared to those figures, relatively
8 small sums in legal costs.

9
10 MR. LAWLOR: -- Ignore the three quarters of a million of legal bills I have.
11 That doesn't enter into your psyche at all.

12
13 CHAIRMAN: We've been through all of this.

14
15 MR. LAWLOR: They are genuine debts that I owe. You are making the issue of
16 the 10,000 pounds, it is not relevant.

17
18 CHAIRMAN: You made the issue of the 10,000. We're not going into that
19 again. We're going to rise for ten or fifteen minutes and make a decision on
20 the compliance.

21
22 THE TRIBUNAL ADJOURNED FOR A SHORT BREAK AND RESUMED AS FOLLOWS:

23
24 CHAIRMAN: This is the ruling of the Tribunal:
25
26 On the 23rd July the Tribunal deferred its decision as to Mr. Lawlor's
27 continuing noncompliance with its order for discovery and production, which had
28 been made on the 12th March, 2003. Having satisfied itself that Mr. Lawlor had
29 thus far failed to comply with that order.

30

1 Late on the 29th July, the day before yesterday, as Mr. O'Neill has outlined, a
2 very substantial volume of documentation was delivered on behalf of Mr. Lawlor
3 to the Tribunal's offices, amounting to in excess of 11,000 pages.

4
5 In the short time since then it has not been possible for the Tribunal to
6 satisfy itself as to the content of this material, and the extent to which Mr.
7 Lawlor might have, belatedly, complied with the order of 12th March last.

8
9 It is clear, however, that the affidavit filed by Mr. Lawlor does not comply
10 with the order provided for in Appendix C, Rule 10 of the Rules of the
11 Superiors Courts 1986. In particular, Mr. Lawlor's affidavit contains no
12 second schedule, and the importance of the requirement to include a second
13 schedule has been pointed out to him on many occasions.

14
15 Furthermore, Mr. Lawlor has not remedied the obvious deficiencies in the second
16 schedule of the Affidavit of Discovery.

17
18 In addition, Mr. O'Neill has highlighted other deficiencies which are still
19 apparent, although it is still possible that a more detailed analysis of the
20 11,000 pages referred to may shed some light on some or all of these matters.
21 The Tribunal therefore has decided to again defer making a decision on a
22 referral to the High Court to enable it to fully consider the documentation
23 delivered by Mr. Lawlor, and do so to a date not before 16th September next.

24
25 Mr. Lawlor will be advised of the date in due course.

26
27 Mr. Lawlor is required, in the meantime, to file an affidavit in its correct
28 form on or before 5 p.m. on Friday, 5th September. Mr. Lawlor has liberty to
29 make additional discovery before that date if he so chooses, in further
30 compliance with the order of the 12th March last.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

Separately to the compliance issue, the Tribunal is particularly concerned that Mr. Lawlor gave contradictory evidence under oath in his recent evidence, particularly in his explanation of the receipt of a sum of 100,000 pounds, which was the balance for his -- for the sale of his land at Somerton. And will therefore -- the Tribunal will therefore consider between now and mid September whether or not it is appropriate at this time to refer the relevant papers to the Director of Public Prosecutions to enable him decide as to whether or not a prosecution is warranted.

Finally, the Tribunal wrote to Mr. Lawlor on 10th March last indicating its intention to make orders, these are separate orders, for discovery, relating to additional matters which have been outlined by Mr. O'Neill, and which are detailed in that letter of 10th March.

The Tribunal now is -- will now make such an order and will direct that the appropriate affidavit, in the correct form, be delivered to the offices of the Tribunal with the relevant documentation on or before 5 p.m. on 12th September next.

That concludes the ruling.

In ease of Mr. Lawlor, and given the fact that he is not legally represented, arrangements will be made by the Tribunal to write to him with details of this ruling, and he will also be provided with a CD-Rom of the documentation which he delivered on the 29th July and which apparently he has not retained copies of.

MR. O'NEILL: That will be done today.

1 CHAIRMAN: All right. The next scheduled date for the Tribunal public
2 sessions is, I think, Tuesday 16th September.

3

4 MR. O'NEILL: Mr. Seddon will be here on 17th, perhaps Mr. Lawlor should be
5 specifically enjoined to attend on that date so as to avail of the opportunity
6 for cross-examination of Mr. Seddon.

7

8 CHAIRMAN: Mr. Lawlor, you will be required to be in attendance on 17th
9 September, and again the Tribunal will write to you in that regard. All right.

10

11 THE TRIBUNAL ADJOURNED UNTIL TUESDAY, 17TH SEPTEMBER 2003.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

