



Tithe an
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Houses of the
Oireachtas

Joint Committee of Inquiry into the Banking Crisis

Clarification Statement of

John Corrigan

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- “(a) with the prior consent in writing of the committee,
- (b) to the extent necessary for the purposes of an application to the Court, or in any proceedings of the Part 2 inquiry, or
- (c) to his or her legal practitioner.”¹

Serious sanctions apply for breach of this section. In particular, your attention is drawn to section 41(4) of the Act, which makes breach of section 37(1) a criminal offence.

¹ See s.37 of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act 2013

John Corrigan

21/10/2015

I refer to the Chairman's letter dated 2 October 2015 inviting me to provide a statement in writing for clarification purposes on questions attached as Document 1 ("the Document") to his letter.

Question 1

I agree with Brendan McDonagh's assessment that the nationalisation of INBS was inevitable. It seemed to me from early on in the crisis that INBS's deteriorating liquidity position, as reported by the Financial Regulator at various meetings attended by me or my colleagues from the NTMA, would fatally undermine its viability. In that regard nationalisation was the preferred solution (a solution which I supported) as reflected in the preparation around that time of a draft bill providing a scheme for bank and building society nationalisation (which I referred to in my written statement of June 2015 to the Committee).

I was not copied on William Beausang's e-mail of 26 September 2008 or Brendan McDonagh's reply (nor was I aware of this exchange of e-mails as I was out of the office). I was not aware that a system wide guarantee was the preferred option or indeed was being considered. I only became aware that consideration was being given to a system wide guarantee after the event: I was in New York on business in connection with the National Pensions Reserve Fund when I received on Tuesday 30 September an e-mail from Brendan McDonagh informing me that a system wide guarantee had been put in place.

Question 2

I attended a meeting convened by the Minister for Finance on 24 September 2008. My recollection is that the discussion at the meeting centred on Anglo Irish Bank and INBS and that it was inconclusive. I have no information or documentation on "the subsequent meeting" referred to in the Document.

I trust the Committee will find the above helpful.

John Corrigan