



Galway West Constituency



Correspondence 3.3
Meeting – 16/02/2012

PAC-R-301

**SENATOR
FIDELMA HEALY EAMES**

*Spokesperson, Social Protection
Member, European Affairs Oireachtas
Committee*

Tel: 091 792017

Mobile: 087 6776937

E Mail: fidelma.healy.eames@oir.ie

www.fidelmahealyeames.ie

Deputy John McGuinness TD
Chairperson
Public Accounts Committee
Leinster House
Kildare St
Dublin 2



RE: Bank of Ireland

Dear Deputy McGuinness,

I am writing to request that you invite the management of the Bank of Ireland into the Public Accounts Committee to answer questions regarding the unauthorised withdrawal of €1.1 Million from Galway Airport's Account to offset against the airport's term loans, some of which was taxpayers' money, intended to aid the airport in serving redundancy and operational costs.

Only last week, Galway Airport was trading as a going concern and had agreed a business plan for its future with its bankers. It had €1.6 million in its bank account with further funds due. On Friday 3rd February 2012, without any notice to the Directors, Bank of Ireland seized €1.1 million from the company's account and set it off against the company loans which were up to date, fully compliant and not in default in any way.

Bank of Ireland's actions in taking this money from Galway Airport without informing directors is highly questionable, especially bearing in mind that all loans were up to date. This type of unscrupulous behaviour has wider implications for all businesses that do business with Bank of Ireland. Furthermore, their behaviour is damaging to the reputation of Ireland as a place to do business as well as the banking sector in general. This shocking action taken by the bank has only served to instil fear in firms that have entrusted their business to Bank of Ireland.

Given the serious impact and implications of this unprecedented action by Bank of Ireland and the unwillingness of the Bank to explain its reasoning behind this seizure of funds, I am writing to request that the Public Accounts Committee requests that the management of Bank of Ireland is called before the Committee to answer questions regarding this seizure by the Bank.



FINE GAEL



@senhealyeames



/senhealyeames



/fidelma-healy-eames

Seanad Éireann, Leinster House,
Kildare Street, Dublin 2.

Tel: 01 6183742

Locall: 1890 732623

It is vital that Bank of Ireland is given an opportunity to explain its unusual action in a public forum. The importance of restoring public confidence on this matter cannot be underestimated.

Looking forward to hearing from you,

Kind regards,



Senator Fidelma Healy Eames