

MR. ROGERS, EXAM. BY MR. MERRICK

1 A. My impression is that they had approached their
2 bankers sometime in early '88. I'm just trying to -- I
3 don't have that particular reference here. I just tried
4 to check my own calendar here at that time. My guess is
5 it would be sometime in the summer of '88 that they
6 probably approached their bankers for some undertaking in
7 principle and would have put to them the amount of
8 financial support that was set forth in the A.E.P.
9 requirement.

10 I don't know that it was concluded. I guess the
11 banks may have said, you know, "Keep going, it looks
12 interesting." But I don't think they had anything more
13 than a general undertaking at that point. And I don't
14 know what the discussions would have been or what
15 conditions the bank might have suggested to them at that
16 time.

17 Q. It strikes me, though, that if a commercial banker
18 is told that an applicant is going to have 85 percent of
19 the loan guaranteed by the Federal Government, it becomes
20 a much more attractive proposition to a banker. Do you
21 know if Curragh ever went to their bankers to see what
22 they could get before or in lieu of any government
23 guarantees?

24 A. No. No, all I do know is that it was clear early in
25 my dialogue with Curragh that the loan guarantee was