## MR. ROGERS, EXAM. BY MR. MERRICK

- 1 absolutely vital. Was there any evidence for that? Did
- they ever have any letters of rejection from banks or
- 3 letters indicating that a banker wouldn't look at it
- 4 without such a quarantee?
- 5 A. Not that I saw, no. I'm not aware of them and I
- 6 didn't see any.
- 7 Q. Would that not have been something that should have
- 8 been a requirement of the Department before putting
- 9 public funds on the table? Go to your banker first; get
- 10 what you can and only if absolutely needed come back to
- 11 us?
- 12 A. I guess the answer is you accept at face value when
- a proponent says, "Without this, I can't proceed." We
- 14 did not -- we did not deem it appropriate to be
- approaching their bankers with information or with
- 16 questions that we had not put to the proponent. In point
- 17 of fact, I don't even think we knew who the bankers were
- until probably the end of 1988.
- 19 Q. This is a point that I want as much of your
- 20 assistance on as I can get because, as a layperson again,
- 21 it strikes me as making far more sense if a lender has
- 22 some tangible evidence that an applicant had made other
- 23 attempts to get private financing. We've got a policy in
- 24 place that said private industry should have been able to
- 25 do this kind of project. We had the private industry