

MR. ROGERS, EXAM. BY MR. MERRICK

1 that you had in your business plan dated October 14, you  
2 can't use that for other purposes than operating the  
3 Westray plant. And if you do, you have to pay 50 cents  
4 of whatever you choose to disburse for every dollar back  
5 to the Federal Government to pay down -- or back to your  
6 lenders to pay down that debt faster. It was expected to  
7 be paid down over 15 years, and we said the period that -  
8 - if this was exercised, they would pay it back in ten  
9 years.

10 The related companies is simply to be sure that  
11 nobody is siphoning off cash through numbered companies  
12 or other -- without it being approved. And they can't  
13 restructure their way out of this as well. That's what  
14 No. 4 talks about. You can't put all the assets in  
15 another company and sell that company and say that you  
16 have complied with the contract.

17 No. 5, it was still open that Nova Scotia government  
18 would fully subordinate the loan so that it would count  
19 as equity under the A.E.P. rules. That was still open at  
20 that time.

21 And the whole issue of who was responsible for cost  
22 overruns was absent from any of the discussions, and so  
23 we wanted to fix that very clearly as the responsibility  
24 of the promoters.

25 Q. All right, am I correct in assuming that at this