

MR. ROGERS, EXAM. BY MR. MERRICK

1 Don't we lose something in that scenario?

2 A. [No audible response]

3 Q. You noted yourself that the bank reports appeared to
4 be rather bland.

5 A. Yeah, in retro -- in examining those reports, it
6 would not be immediately evident that there was a sense
7 of crisis or impending crisis. And certainly they did
8 not contain any of the sorts of information that I have
9 read of in the press concerning repeated requests in
10 polite writing from inspectors to do something and
11 nothing was done, and they knew nothing was done, but
12 continued to tolerate the situation. None of that you'd
13 find in these reports.

14 I would hesitate to say that the bank was less
15 diligent in this case than in other cases. You'd have to
16 ask them, but I suspect you'd get an answer that says,
17 "We assess risk the same way with every client."
18 Secondly, that we would not have taken on this project
19 without government guarantees, so that it speaks for
20 itself, that it was a high-risk project, in their view, a
21 high risk technically, possibly, high risk in terms of
22 the likelihood of all those business plan elements coming
23 together they way they said, quality, production being at
24 appropriate levels and on schedule and so forth, as well
25 as to other technical problems. So I don't have a -- I