

MR. CAMERON, EXAM. BY MR. MERRICK

1 A. On the --

2 Q. -- on the subordination agreement?

3 A. On the subordination, yeah. I mean, that was pretty
4 clear cut, the Government decided we're going to
5 subordinate. I remember we're going to Cabinet and
6 saying, "Now they want to subordinate the loan." I
7 wasn't too fussy about that, to tell the truth, but we
8 realized that's the only way it was going to be done.

9 Q. Are you able to tell me today whether your letter of
10 May the 10th was, in effect, not consistent with the
11 position that Elizabeth Cuddihy was recommending?

12 A. Well, she -- the letter is not -- the letter is
13 different than this. The one aspect of subordination is
14 certainly in here, and she said she didn't want to
15 discuss it with them.

16 Q. All right, let me just finish off the point for
17 record purposes. If you turn over to page 65, that's a
18 letter from Mr. -- well, from Westray to you, responding
19 to your May 10th letter, and just wanting clarification.
20 He asks you, "To confirm that the Province will do
21 whatever is necessary so that the \$12 million from the
22 Province qualifies as equity under the Atlantic
23 Enterprise Program, e.g., it is subordinated to the
24 claims of all secured and unsecured creditors." And the
25 Province gave that commitment, I take it?