

Senator DOMINICK. How long did it take you between the time you went there and the time you got the money?

Mr. DOE. Approximately 2 weeks.

Senator DOMINICK. Did they ask to see your books at all?

Mr. DOE. No, sir.

Senator DOMINICK. Did you give them an income statement or a liability statement?

Mr. DOE. Yes, sir.

Senator DOMINICK. You did do that?

Mr. DOE. Yes, sir.

Senator DOMINICK. And this loan to the loan shark was not listed on that?

Mr. DOE. Pardon me?

Senator DOMINICK. Your borrowings from the loan shark were not listed on that?

Mr. DOE. No, sir.

Senator DOMINICK. You had been paying out by this time what—\$14,000 on that loan?

Mr. DOE. No, not at the time I took the Small Business Administration loan. In other words, at that time I was paying out \$100 a week, I would say roughly I paid him back at that time about \$4,500.

Senator DOMINICK. Did you show these payments as a loss in your business books?

Mr. DOE. No, I did not. This money came out of the salary that I drew from the business.

Senator DOMINICK. So it was not reflected in your business at all?

Mr. DOE. No.

Senator DOMINICK. Did the Small Business people come around to your office at all, your place of business?

Mr. DOE. No, sir.

Senator DOMINICK. They did not?

Mr. DOE. No, sir.

Senator DOMINICK. They made no physical inspection?

Mr. DOE. You are talking about prior to the loan, right?

Senator DOMINICK. That is right.

Mr. DOE. No, sir; nobody came around.

Senator DOMINICK. How much did they loan you?

Mr. DOE. \$900.

Senator DOMINICK. Did you pay that back?

Mr. DOE. No, sir, I did not. That was declared in the bankruptcy also.

Senator DOMINICK. All right. That is all.

The CHAIRMAN. I would like to clear up how it was possible for you to make this loan from the Small Business Administration so easily. Usually it has been the experience of my constituents that they do not get this money this easily from the Small Business Administration. You mentioned you made this loan after the subway strike. Had there been a disaster area created within the city of New York as a result of this strike?

Mr. DOE. That is right.

The CHAIRMAN. And was it on the basis of your being one of the victims of this disaster that you qualified for this particular loan?