

19 November 2013

## **TRUSTEE AND RECEIVERS COMMITTED TO DELIVERING THE BEST OUTCOMES FOR NOTE HOLDERS OF GIPPSLAND SECURED INVESTMENTS (GSI)**

The Trustee and the Receivers of Gippsland Secured Investments Limited (Receivers & Managers Appointed) (GSI) are committed to ensuring the best outcomes for note holders following the announcement that the Rescue Group has withdrawn from its attempts to recapitalise GSI.

The Trust Company (Trustee) and EY (Receivers and Managers) outlined three potential receivership strategies at the note holder information sessions in Bairnsdale and Warragul in October:

1. Sale of the loan portfolio
2. Recapitalisation options (including ongoing discussions with the Rescue Group)
3. A loan portfolio run-off

The Rescue Group yesterday announced it had withdrawn from attempts to recapitalise GSI.

“We understand this will be a disappointing development for note holders – and the broader local community – who had shown strong support for the Rescue Group proposal,” The Trust Company’s Group Executive General Manager, Corporate Client Services, David Grbin said.

“The receivership provided additional time and opportunity for the Rescue Group to develop its recapitalisation proposal, unfortunately a number of the key threshold issues were unable to be resolved.”

Receiver Adam Nikitins of EY added: “A key focus of the receivership has been to ensure we maintain a number of options available for note holders and we will continue to look at all options to ensure we get the best outcome for all note holders.”

### **A second distribution expected before Christmas**

In a positive development for note holders, the Trustee and Receivers today advise that a second meaningful interim distribution is expected to be paid to note holders of GSI in December 2013.

A first interim distribution of 15 cents in the dollar was paid in early October.

Any GSI note holders experiencing additional hardship can continue to make a claim for a partial early redemption of their investment. Note holders should refer to the GSI website or contact the GSI Hotline for details in relation to hardship applications.

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**Note holder committee formed**

The Trustee has finalised the formation of a note holder committee as proposed at the note holder information sessions in October.

The committee has been formed to represent the interests of the wider body of note holders. The committee – consisting of 7 note holders – will meet with the Trustee and the Receivers and have the opportunity to provide feedback on the conduct of the receivership and issues facing note holders generally.

The first meeting of the committee is scheduled for Thursday 12 December.

**ENDS**

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