

4 October 2013

## TRUSTEE AND RECEIVERS RELEASE INTERIM REPORT TO NOTE HOLDERS OF GIPPSLAND SECURED INVESTMENTS (GSI)

The Trustee and the Receivers of Gippsland Secured Investments Limited (Receivers & Managers Appointed) (**GSI**) today released their first interim report to note holders, providing an overview of GSI's financial position and outlining the possible receivership strategies.

The report, produced by The Trust Company (Nominees) Limited, as Trustee, and EY, as Receivers, is available on the GSI website ([www.gsi.com.au](http://www.gsi.com.au)).

The Trust Company's Group Executive General Manager, Corporate Client Services, David Grbin said the report is the next step in communicating with note holders, ahead of information sessions being held next Wednesday, 9 October.

"Since the appointment of the Receivers in early September, we have actively engaged with note holders to ensure they are regularly updated," Mr Grbin said.

"We are sensitive to community concerns and understand that note holder funds have been frozen for a number of months. Our priority is to ensure the best and most timely outcome for all note holders. This report forms part our ongoing commitment to full disclosure and transparency, and provides all note holders with access to information about the financial position of GSI and the receivership."

The report details three possible receivership strategies to realise the assets of GSI that are currently being considered:

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

Receiver Adam Nikitins of EY said: "While discussions are ongoing with respect to recapitalisation, we have worked diligently to be prepared to execute on any of the possible asset realisation strategies."

"Our priority is to manage GSI's assets in a manner that will maximise the financial returns to note holders in the most cost effective way, to enable the Trustee to accelerate distributions," Mr Nikitins said.

The release of the interim report follows the announcement last week of a first interim distribution of 15 cents in the dollar to all note holders and comes ahead of a series of note holder information sessions being held in Bairnsdale and Warragul next Wednesday, 9 October. The information sessions will be an opportunity for note holders to hear directly from the Trustee and the Receiver, and to ask questions about GSI and the receivership.

The report confirms that total returns to note holders are expected to range between 80 to 90 cents in the dollar.

Details of the upcoming note holder information sessions can be found on the GSI website ([www.gsi.com.au](http://www.gsi.com.au)).

MEMORANDUM  
FOR THE  
RECEIVERS  
AND  
TRUSTEE  
OF  
GIPPSLAND  
SECURED  
INVESTMENTS  
LIMITED



**ENDS**

**Media enquiries:**

Paul Cheal

Honner Media

02 8248 3752

[paul@honnermedia.com.au](mailto:paul@honnermedia.com.au)

**GSI note holders, other creditors and borrowers:**

GSI Hotline

1300 551 378

[gsi@linkmarketservices.com.au](mailto:gsi@linkmarketservices.com.au)

[www.gsi.com.au](http://www.gsi.com.au)



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COMPANY**