

£14.0 million loan redemption

RNS Number : 8388M
GCP Infrastructure Investments Ltd
12 May 2015

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('GCP' or the "[Company](#)")

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GCP is the only listed fund focused on investments in UK infrastructure debt.

Since its IPO in July 2010, the Company has been exposed to a loan (the "**GEM 1 Loan**") of c. £14.0 million secured against the performance of a portfolio of senior UK PFI loans. As expected, the GEM 1 Loan was redeemed in full on 11 May 2015.

It is anticipated that the redemption proceeds will be reinvested in due course.

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Background to the GEM 1 transaction

Since its initial public offering in July 2010, the Company has been exposed to a loan of c. £14.0 million (the "**GEM 1 Loan**") to White Rock Insurance (SAC) Ltd, a member of the Aon Group incorporated as a Bermudan cell company and acting solely in respect of its segregated account, T26 - GEM Infrastructure Loan Fund ("**GEM 1**").

In June 2010, GEM 1 entered into a contract (the "**Guarantee**") with a leading international bank (the "**Bank**") which is active in the making of senior loans secured against UK PFI projects. The Guarantee protected the Bank against any losses in excess of c. £2.3 million, up to a maximum of c. £14.0 million, which may have been incurred by the Bank on a portfolio of senior loans (the "**Reference Loans**"). The aggregate value of the Reference Loans to which GEM 1 was exposed was c. £230 million. The Reference Loans are secured against 14 availability-based UK PFI projects primarily in the education sector. The Guarantee was secured by a deposit of c. £14.0 million placed by GEM 1 with the Bank.

The terms of the Guarantee enabled the Bank to terminate the Guarantee from 10 May 2015. As expected, the Bank has opted to terminate the Guarantee on 11 May 2015 and as a result the Loan was redeemed in full on 11 May 2015.

This information is provided by RNS
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