



PRESS RELEASE

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Chief Minister confirms Full Repayment of Threepwood Loan and Publishes Documents that Show GSD's Shameful Secret Loans that Lost Taxpayer £4m

- *Threepwood loan repaid with interest*
- *GSD secret loan documents disclosed (see attached)*
- *£4m lost by the taxpayer with GSD deals*

Exposing the GSD's ongoing false and shallow attempts to slur the Government's management of finances, the Chief Minister, the Hon Fabian Picardo QC, has this afternoon disclosed that the loan made by Credit Finance Company Ltd to Threepwood, the developer of the hotel planned for the Risso Bakery site, has been fully repaid. The Chief Minister said:

"Mr Feetham seems to think that he has evidence of a secret loan but this same "evidence" is in public documents and has been referred to in public by the borrower, Threepwood. As a consequence, Mr Feetham has made a complete fool of himself by referring to these documents as 'secret.' They are not a secret and never have been.

The Chief Minister has also confirmed that the loan was not directly related to the demolition of the old Risso Bakery. In an open, public meeting the DPC determined that it was necessary to demolish the building as a result of the total lack of investment in the sixteen years that the GSD had been in Government.

Illustrating that it was the GSD Government that lost public funds in making secret loans, Mr Picardo has also disclosed details of the loan agreements of the loans entered into by the GSD and OEM, the developer previously represented by Mr Robert Noonan which was responsible for the developments at Bayview, Nelson's View and Cumberland Terraces. The loans, one for £1m and another for £3m were totally secret. Moreover, the money loaned was tax payers' money and it was lost as the loans were never repaid and there was no effective security.

Mr Picardo said: "Things that are disclosed and discussed publicly are not secret. The secretive deal making is over. The DPC is open. The GSD's secret and failed loans to developers are a thing of the past. This loan to Threepwood was publicly recorded and referred to in public by the borrower. It has been entirely and fully repaid with interest. So where is the "secret"? The DPC now meets in public, but under the GSD it met in secret. And there are other secrets Mr Feetham



seems to want to bury with his blundering attacks on Government. We won't allow him to bury those dirty secrets. So today I am putting into the public domain a copy of the TWO loans which the GSD in Government granted to OEM Limited in order to destroy the Rosia Tanks. The first was for £1m and the second was for £3m. They are loans for which there was no effective security. They were never repaid. The tax payers' money was completely lost. And to make matters worse, they were loans granted by the GSD out of Gibraltar Residential Property Ltd, a company which does not have a money lender's licence as CFCL does. That was highly unusual and frankly improper and totally secret. And at that time, the Savings Bank held deposits of only £350m, made only a few hundred thousand in profit each year and had a cash reserve of one thousand pounds because the GSD had needed the money for general spending! Instead, under our management, the Savings Bank has over £1Billion in deposits, profits of over £9Million per year and reserves of over £20Million. People can see that the secret meetings to grant permits to developers, the secret loans of taxpayers' money, which has been lost, and the appropriation of the reserves of the Savings Bank all happened under the GSD. Once again Mr Feetham ends up with egg on his face because the numbers don't lie."