

Large Project Financing Program



Overview

We provide financing for large-scale projects requiring a minimum of \$20 million and up. Our Project Financing Program provides up to 100% debt financing for large energy projects, commercial real estate and infrastructure projects, government projects and growth-stage companies. Bonds are issued from a newly-created Special Purpose Vehicle (SPV) backed by client-provided collateral, i.e., government guarantees, bank guarantees, or other assets such as signed offtake agreements, marketable securities, precious metals, etc.

Program Requirements

We will consider commercially viable projects in virtually any geographic area throughout the world including North and South America, the Caribbean, Western/Eastern Europe, Australia/New Zealand, Southeast Asian (ASEAN) countries, China, India, Africa and the Middle East. Our minimum loan size is \$20 million and up, interest only, with a repayment period of 3-7 years. In most cases, some portion of the interest will be prepaid from the loan, allowing the borrower to focus on repayment of principal at maturity.

Costs Of Issuance

The costs of issuance are expenses paid by or on behalf of the issuer in connection with the sale and issuance of the bonds. These include: capital advisory; placement agent; bond counsel; disclosure counsel; trustee; rating agencies, bond insurers; etc. The costs of issuance can range from \$100,000 - \$500,000, depending on the complexity of the transaction, and must be paid in advance to retain the services of these professionals. However, as likely the only out-of-pocket expense for the project sponsor, it is much less than the capital required for most project financings.

Qualified Assets as Collateral

The key to our program is the client's ability to provide a qualified asset as collateral, other than direct project assets such as real estate, land or equipment. Qualified assets include government guarantees, standby letters of credit, bank guarantees, offtake agreements, publicly-traded stock, precious metals/precious gems, etc. (see below for a list of Qualified Assets). Once the Qualified Asset has been accepted by our Trustee, typically a large multinational bank such as Citibank, BNY/Mellon, etc., the time to funding is approximately 90 – 120 days.

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Program Benefits

- 100% financing potential for borrower (after the costs of issuance);
- Allows borrower to raise patient capital without sacrificing equity;
- The loan proceeds can be used as debt or equity capital, investor buy-out, down payment, refinancing, etc.;
- Ability to obtain financing quickly—usually in 90 to 120 days—depending on the quality/liquidity of the collateral;
- No restrictions on use of capital as long as for prescribed purposes.

List of Qualified Assets

- Standby letters of credit, bank guarantees;
- Sovereign & sub-sovereign guarantees;
- Assignment of proceeds from commodities contracts, i.e., oil/gas;
- Marketable securities, i.e., stocks, bonds, preferred shares of stock, index funds, or ETFs;
- U.S. Treasury bills (T-bills), bonds, mutual funds, and money market funds;
- Retirement investment accounts: 401(k)s, IRAs, etc.;
- Pensions, annuities, royalties;
- Certificates of Deposit (CDs), promissory notes;
- Gold, precious metals, precious gems, jewelry, artwork, collectibles;
- Hard/soft commodities, i.e., oil, natural gas, minerals, corn, wheat, etc.;
- Offtake agreements, i.e., signed purchase power agreements (PPAs);
- Business inventory.

More Information

For more information, please visit our website: www.gideongroup.net, or contact us via email at info@gideongroup.net, or phone at: +1 602.896.9000.