



Est 1856  
**STANLEY  
GIBBONS**

# Capital Protected Growth Plan

Excellent Potential Returns Over 5 years  
with Capital Security

Limited Issue

- **Contract term of 5 years**

- **Early exit option**

After a minimum period of 1 year, option to exit all or part of investment early, subject to terms and conditions.

- **Excellent growth potential**  
Average annual compound growth in the past 50 years of 10% per annum.

- **A simple investment**  
Invest your capital then relax. We do all the work to maximise your return in the rare stamp market. Stanley Gibbons is the most respected brand in its field, with 153 years experience of providing collecting and investment advice on rare stamps.

- **100% Capital Security**  
Your original investment returned in full no matter what happens to the underlying value of the rare stamps.

- **Recession-proof investing**  
Rare stamps historically continued to rise in value during previous recessions and have continued to rise in value during the current recession.

## *Safe Haven Investment with strong medium term growth potential*

The Capital Protected Growth Plan provides the lowest trading spread available in any of our investment products. The lower trading spread gives you the opportunity for higher returns.

This investment is ideal if you are looking for greater growth potential (particularly relevant in the current low interest rate environment), as well as peace of mind from knowing that your capital is secure.

This report explains what the Capital Protected Growth Plan is, how it works and provides answers to many questions you might have.

Please note the Capital Protected Growth Plan is a limited issue product, available for investment until 31 July 2009 (or earlier if it becomes fully subscribed).

### *What is the Capital Protected Growth Plan?*

The Capital Protected Growth Plan is, first and foremost, an investment in rare stamps. Your capital is protected whilst benefiting from the underlying growth in the value of rare stamps that you purchase.

We have combined the best attributes of our Guaranteed Minimum Return Investment Contracts with our Active Management Investment Portfolios to create an investment that offers you:

- The capital protection of a guaranteed minimum return investment contract.
- The flexibility to sell when you want with no long term commitment normally enjoyed only in our Active Management Investment Portfolios
- The lowest trading spread in any of our investment products.

Not only is your capital protected during the investment term, you stand to make a substantial return in the next 5 years. That return is not guaranteed but is certainly backed up heavily with historic and current statistical evidence.

### *Key Terms of Investment*

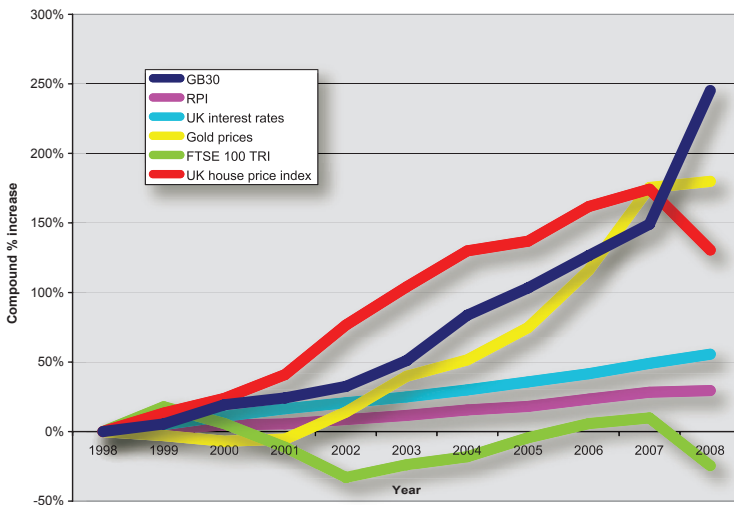
The key terms of investment in our Capital Protected Growth Plan are as follows:

- Contract term of 5 years invested in an individual portfolio of rare stamps.
- You receive an up-front discount on the value of your portfolio of between 5% and 10% (portfolios between £10,000 and £25,000 – 5%; portfolios above £25,000 – 10%).
- We offer free storage and insurance for the duration of your contract
- At the end of your contract term, Stanley Gibbons will actively market your investment portfolio to our clients at the full market value at that time. You will receive 70% of the profits on items sold (with your overall return being enhanced by the level of up-front discount received on the original purchase).

- Any stamps remaining unsold after 12 months may be sold to Stanley Gibbons at a price equal to their purchase price.
- Alternatively at the end of the contract term you have the following other key options:
  - a. Subject to availability, roll over your contract for a further year (or any other period agreed by Stanley Gibbons at its sole discretion)
  - b. Instruct Stanley Gibbons's auction division to sell the stamps at its auction on your behalf, commission free
  - c. Retain your portfolio
  - d. Choose to sell your portfolio privately
  - e. Sell the stamps to Stanley Gibbons at a price equal to 75% of catalogue value at that time.
  - f. Sell the stamps to Stanley Gibbons at a price equal to their purchase price.
- We offer an early exit opportunity provided you have held your investment for a minimum period of 1 year. At any time after the initial period, you can request Stanley Gibbons to either auction your items or to market your items in return for a 50% share of profit on any sale. In this scenario, no buy back guarantee applies although Stanley Gibbons will make every effort to find a buyer for the items concerned.

### Price Histories

#### GB Rare Stamps Investment Performance Comparisons



The GB30 Rarities index as quoted on Bloomberg.

The GB30 Rarities Index lists Great Britain rare stamps available on the open market, and gives an accurate picture of the market for scarce items. Stamps included in the index represent examples of the type of classic material recommended by Stanley Gibbons for investment purposes. Such stamps are considered to be the most likely to show consistent returns over the medium to long term, as demand from collectors exceeds what, in many cases, is a very scarce supply.

The prices quoted are from Stanley Gibbons' published catalogues which represent estimated selling price of Stanley Gibbons Limited at the time of publication. They are for examples in fine condition for the issue concerned. Superb examples are worth more; those of a lower quality considerably less.

The GB30 Rarities Index increased by 38.6% in 2008 amidst a global credit crunch and a backdrop of world economic gloom. The compound 10 year return of the index since inception in 1998 is 245.2%. This equates to an average annual compound return of 13.2% over a 10 year period.

### *Illustration of Returns*

The table below shows your potential returns under a range of different scenarios and compares those returns to the returns you would currently get in our guaranteed minimum return investment contracts.

The illustration assumes an initial investment of £100,000 which would result in ownership of a portfolio of rare stamps with a market value of £111,111:

Portfolio performance	5 year Guaranteed Minimum Return Contracts <sup>1</sup>	5 year Guaranteed Minimum Return Contracts	5 year Capital Protected Growth Plan	5 year Capital Protected Growth Plan
	Investment value at end of term	Your return %	Investment value at end of term	Your return %
20% growth per annum	£150,000	50%	£185,555	86%
10% growth per annum	£120,000	20%	£146,667	47%
7% growth per annum	£120,000	20%	£135,000	35%
5% growth per annum	£120,000	20%	£127,222	27%
No growth	£120,000	20%	£107,778	8%
Value falls 50%	£120,000	20%	£100,000	0%

	20% growth p.a	10% growth p.a	7% growth p.a	5% growth p.a	0% growth
Sum invested <sup>2</sup>	£100,000	£100,000	£100,000	£100,000	£100,000
Value of portfolio at start	£111,111	£111,111	£111,111	£111,111	£111,111
Value at end <sup>3</sup>	£222,222	£166,667	£150,000	£138,889	£111,111
Our commission <sup>4</sup>	£36,667	£20,000	£15,000	£11,667	£3,333
Your return	£185,555	£146,667	£135,000	£127,222	£107,778

- <sup>1</sup> Assumes option to re-sell to Stanley Gibbons at higher of minimum guaranteed return or 75% of catalogue value taken by investor
- <sup>2</sup> Portfolio value less 10% discount
- <sup>3</sup> Based on a basic 10% non compound return
- <sup>4</sup> 30% of profit

The table above illustrates that should rare stamp prices continue to appreciate by 10% per annum over the next 5 years, you stand to make a return after 5 years of 47% (9.3% per annum). This illustration assumes a simple 10% per annum growth rate, whilst historic growth levels have shown compound growth of 10% per annum. Your return based on a compound increase in value of 10% per annum over 5 years would be 54%.

### *What Happens if Rare Stamps Fall in Value?*

As shown above in the illustrations, even if rare stamp prices fall over the next 5 years, we will return your original capital in full. Although your capital is protected, the effect of inflation will affect the value of your investment.

### *Can I Make Cash Withdrawals?*

You have the option to instruct Stanley Gibbons to sell all or part of your portfolio any time after the minimum commitment period of 1 year.

Early termination options can be exercised in accordance with the following procedures:

- a. Instruct Stanley Gibbons auction division to sell the stamps at its auction; Stanley Gibbons will charge a standard vender commission on such a sale.
- b. Instruct Stanley Gibbons to market the stamps for sale (including offering the stamps on its website [www.stanleygibbons.com](http://www.stanleygibbons.com)) for the period of 12 months at a price shown for each stamp (subject to condition) in the most recent edition of the relevant Stanley Gibbons Limited catalogue. On receipt of the sale proceeds Stanley Gibbons will pay the investor a sum equal to the sale price for each stamp plus 50% of any profit.

Such early termination option may only be exercised once during the contract period.

Any stamps unsold after the exercise of an early termination option shall remain in the Capital Protected Growth Plan contract until expiry of the contract period when the investor may exercise any one of the normal options at the end of the term.

### *How Much Can I Invest?*

The minimum investment size is £10,000 and the maximum is £1 million. We recommend an investment size of at least £25,000 to benefit fully from the lower trading spread available.

If you invest between £10,000 and £25,000, you receive a 5% up-front discount on the current market value. If you invest above £25,000 you obtain a 10% discount, which means that your investment starts with an immediate potential capital gain of 11.1%.

### *When Can I Start Investing?*

You can subscribe to this product any time until 31 July 2009 subject to availability. You can also make further investments up to the maximum balance until this date, subject to continued availability based on our maximum subscription level.

### *What Happens in the Event of Death?*

The stamps and the benefit of the plan pass to your beneficiaries.

They can hold the plan to its maturity and exercise any of the options available under the terms of the plan. Alternatively, they can exercise one of the early termination options and either sell the stamps through Stanley Gibbons Auctions or market them to Stanley Gibbons' customer base (subject to conditions).

### *What about Administration, Security and Insurance Charges?*

There are **no hidden charges** in this product. We offer free storage and insurance during the term of your contract. We also provide you with free annual valuations so that you can see how your portfolio is performing.

Stanley Gibbons store your stamps in secure facilities. Instead of storing the stamps in Stanley Gibbons' secured facility, the investor may keep the stamps at their home or elsewhere. However, in this case, if at the expiry of the contract period the condition of any of the stamps has deteriorated from its condition at the purchase date, the investor loses the guarantees within the contract.

### *What About Tax?*

Rare stamps are a tangible asset and investment returns represent a capital gain as a "chattel." This provides distinct tax planning advantages. It is your responsibility to declare any relevant capital gain to the appropriate tax authorities from your investment returns.

## *How do I Apply for a Capital Protected Growth Plan?*

To proceed with your investment, simply read the contract terms and conditions at the end of this report.

Thereafter, complete the application form and send it back to us. We will contact you as soon as we receive the form. Alternatively, contact one of our investment advisers at the number below for a free, no obligation and personal consultation.

If you wish to apply instantly, simply [click here](#) and complete our priority application form online.

But do not delay – we have a limited supply available for the first run of subscriptions to this new product which **closes on 31 July 2009** (or earlier if fully subscribed).

**Stanley Gibbons (Guernsey) Limited 18-20 Le Bordinge,  
St Peter Port, Guernsey, Channel Islands GY1 1DE**

Tel +44 (0)1481 708 270

Toll free from the US +1 866 644 6146

Email: [investment@stanleygibbons.co.uk](mailto:investment@stanleygibbons.co.uk)

Web: [stanleygibbons.com/investment](http://stanleygibbons.com/investment)

## *Terms and Conditions*

### **1 Purchase of Stamps**

- 1.1 The Investor will buy the stamp(s) listed in the Schedule (Stamps) from Stanley Gibbons for the Total Purchase Price shown in the Schedule (Total Purchase Price)
- 1.2 The purchase will take place on the agreed Purchase Date when Stanley Gibbons will deliver the Stamps to the Investor or place the Stamps in secure storage, as instructed, and the Investor will pay Stanley Gibbons the Total Purchase Price. The place of delivery is as stated in the Schedule.
- 1.3 The Total Purchase Price will be paid by the Payment Method described in the Schedule.

### **2 Storage of Stamps**

- 2.1 During the Contract Period detailed in the Schedule (Contract Period) the Investor may, if they wish, store the Stamps free of charge in Stanley Gibbons' secure facility at Group 4 Securicor, Guernsey, Channel Islands.
- 2.2 While held in Stanley Gibbons' secure facility:
  - (a) Stanley Gibbons will take all reasonable care of the Stamps;
  - (b) the Stamps will be insured free of charge for their full replacement value against fire theft and other perils (full details of the risks covered are available on request);
- 2.3 Instead of storing the Stamps in Stanley Gibbons' secure facility, the Investor may keep the Stamps at their home or elsewhere. However, in this case, if at the expiry of the Contract Period the condition of any of the Stamps has deteriorated from its condition at the Purchase Date, the options in clauses 3.1(e) and (f) below will not apply in the case of the Stamp(s) affected.

### **3 Options on expiry of the Contract Period**

- 3.1 Subject to clause 2.3, at the expiry of the Contract Period the Investor may exercise any one of the following options in accordance with the following procedures:
  - (a) retain the Stamps;
  - (b) sell or otherwise deal with the Stamps entirely as the Investor wishes;
  - (c) instruct Stanley Gibbons' auction division to sell the Stamps at its auction; Stanley Gibbons will not charge any vendor commission on such a sale;
  - (d) instruct Stanley Gibbons to market the Stamps for sale (including offering the Stamps on its website [www.stanleygibbons.com](http://www.stanleygibbons.com)) for a period of 12 months at the price shown for each Stamp (subject to condition) in the most recent edition of the relevant Stanley Gibbons Limited catalogue. On receipt of the sale proceeds Stanley Gibbons will pay the Investor a sum equal to the Investor's purchase price for each stamp (Purchase Price) plus 70% of the balance between the original purchase price and the sale price (the Profit). Any Stamps remaining unsold after 12 months may be sold to Stanley Gibbons at a price equal to their Purchase Price;
  - (e) sell all the Stamps to Stanley Gibbons (except any already sold under clause 4.1) at a price equal to 75% of the price shown for each Stamp (subject to condition) in the most recent edition of the relevant Stanley Gibbons Limited catalogue published prior to the expiry of the Contract Period;
  - (f) sell all the Stamps to Stanley Gibbons (except any already sold under clause 4.1) at a price equal to their Purchase Price
  - (g) if both parties agree, extend the Contract for a further period, subject to the terms being offered by Stanley Gibbons at the time.
- 3.2 The Investor must give Stanley Gibbons at least 30 Working Days (Working Day means a day other than a bank holiday on which clearing banks are open for general banking business in Guernsey) written notice before the expiry of the Contract Period specifying which of the options listed in clause 3.1 they wish to exercise.
- 3.3 Where the Investor selects any of the options in clauses 3.1(c), 3.1(d), 3.1(e) or 3.1(f) Stanley Gibbons will complete the action required of it to fulfil the option within 30 Working Days of receiving the Investor's notice except that:

- (a) in the case of the option contained in clause 3.1(c) Stanley Gibbons' obligations will be fulfilled by placing the Stamps in the next appropriate Stanley Gibbons auction taking place after receipt of the Investor's notice; and
- (b) if the Investor exercises the option contained in clause 3.1(g) and an extension to the Contract is not available from Stanley Gibbons or the terms Stanley Gibbons is offering are not acceptable to the Investor, then the Investor will have a further 15 Working days from the date of Stanley Gibbons' notification to select one of the other options in clause 3.1.

3.4 Once the Investor has notified a choice of options to Stanley Gibbons the choice is irrevocable and cannot be changed. If no option is notified to Stanley Gibbons in the required time the option in clause 3.1(a) will apply.

3.5 The options in clauses 3.1 (d), 3(e) and 3(f) are personal to the Investor. They will cease to apply if, during the Contract Period the Investor:

- (a) sells or transfers any of the Stamps to anyone else; or
- (b) parts with possession of any of the Stamps to anyone other than Stanley Gibbons.

#### 4 Early Termination options

4.1 Subject to clause 2.3, following the expiry of a minimum of 12 months of the Contract Period, the Investor may exercise any one of the following options for early termination (Early Termination Options) in accordance with the following procedures:

- (a) instruct Stanley Gibbons' auction division to sell the Stamps at its auction; Stanley Gibbons will charge its standard vendor commission on such a sale;
- (b) instruct Stanley Gibbons to market the Stamps for sale (including offering the Stamps on its website [www.stanleygibbons.com](http://www.stanleygibbons.com)) for a period of 12 months at the price shown for each Stamp (subject to condition) in the most recent edition of the relevant Stanley Gibbons Limited catalogue. On receipt of the sale proceeds Stanley Gibbons will pay the Investor a sum equal to the purchase price for each stamp plus 50% of any Profit.

4.2 Where the Investor selects any of the option in clauses 4.1(a) and (b), Stanley Gibbons will complete the action required of it to fulfil the option within 30 Working Days of receiving the Investor's notice except that:

in the case of the option contained in clause 4.1(a) Stanley Gibbons' obligations will be fulfilled by placing the Stamps in the next appropriate Stanley Gibbons auction taking place after receipt of the Investor's notice;

4.3 Such Early Termination Option may only be exercised once during the Contract Period.

4.4 Any stamps unsold after the exercise of an Early Termination Option shall remain in the CPGP Contract until expiry of the Contract Period when the Investor may exercise any one of the options under clause 3.1.

#### 5 Notices

All notices given under this Agreement shall be in writing in the English language. Notices may be served personally or by prepaid first class letter addressed to the relevant party at its address set out in this Agreement. A notice shall be deemed to have been received:

- (a) if delivered personally at the time of delivery; and
- (b) if sent by post on the second Working Day after posting.

#### 6 Taxes and Costs

All taxes or costs due at any time arising directly or indirectly as a result of the execution of this Agreement will be borne by each party according to the applicable law.

#### 7 Variations

No variation of or amendment to this Agreement will be effective unless it is in writing and signed by or on behalf of both parties.

**8 Complaints**

Stanley Gibbons endeavours to carry out all its contractual obligations to the satisfaction of its customers. However, if the Investor feels they have any cause for complaint they should address this to The Company Secretary at the following address:

*Stanley Gibbons (Guernsey) Limited, 18 Le Bordage, St Peter Port, Guernsey, Channel Islands GY1 1DE.*

**9 Joint Investors**

If there is more than one Investor their liability to Stanley Gibbons will be both joint and several which means that Stanley Gibbons can enforce the obligations of the Investor fully against each Investor individually.

**10 Governing law**

Guernsey law applies to this Agreement and the courts of Guernsey will have exclusive jurisdiction in respect of any dispute arising out of this Agreement.

**11 Distance Contracts**

11.1 For the purposes of this clause this Agreement is a Distance Contract where it is concluded without the simultaneous physical presence of the Investor and a representative of Stanley Gibbons.

11.2 The Investor may cancel this Agreement, if it is a Distance Contract, by giving notice in writing, by e-mail or by fax, to Stanley Gibbons at its above address, such notice to be received within 7 Working Days beginning with the day after the Stamps are delivered either to the Investor or placed in secure storage by Stanley Gibbons, as instructed by the Investor.

11.3 If the Investor wishes to cancel this Agreement in accordance with clause 11.2 the Investor must, if the Stamps are not still held by Stanley Gibbons, arrange for the Stamps to be returned to Stanley Gibbons at the same time as giving the notice of cancellation. The Stamps must be delivered to Stanley Gibbons or returned by first class registered post at the Investor's cost. The Stamps will be at the Investor's risk until they are safely received by Stanley Gibbons in the same condition as originally dispatched to the Investor.

**12 Investor Notice – 'Capital Protection' and 'Capital Protected'**

12.1 'Capital Protection' and 'Capital Protected' in relation to this Contract refer only to Stanley Gibbons' obligation to repay the Investor's capital invested. The investment is not guaranteed or underwritten by any third party.

## Priority Application Form

To protect your capital in a safe haven investment in these uncertain times, please complete the application form below and send to us as soon as possible. Do not miss out on the opportunity for a return of over 9% per annum over the next 5 years.

This is a limited issue product and closes on 31 July 2009 (or earlier if fully subscribed).

Stanley Gibbons (Guernsey) Limited  
18-20 Le Bordage, St Peter Port, Guernsey, Channel Islands, Brish Isles GY1 1DE  
Telephone +44 (0) 1481 708 277 Fax +44 (0)1481 708 279  
Email: investment@stanleygibbons.co.uk

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### Investor details

First name ..... Family Name: .....  
Address .....  
..... Postcode .....  
Telephone (Work) ..... Home .....  
Mobile ..... Email .....

If you would like a joint investment, please provide details of your fellow investor(s) below:

.....  
.....  
.....  
.....

### Photo identification

Please attach a photocopy of valid passport or driver's licence

### Declaration

I/We hereby apply to invest £..... in a Capital Protection Growth Plan with Stanley Gibbons (Guernsey) Limited

Client signature (1) .....

Client signature (2) .....

Client signature (3) .....

Client signature (4) .....

Date .....

**Method of payment**

Please be aware that we do not request payment until the contents of your portfolio have been agreed.

Full payment will be transferred to Stanley Gibbons (Guernsey) Limited as follows:

Personal cheque in GBP Sterling  *Cheques should be made in GBP Sterling and made payable to Stanley Gibbons (Guernsey) Limited.*

Credit Card payment (to include surcharge)

Card type: Mastercard  Visa  Diners  Amex  Switch

Card number:

Expiry date:   /   CVC    Amount to be charged.....

Bank transfer

Account name: Stanley Gibbons (Guernsey) Limited

Account No 74129104

Sort code: 600920

Swift code: RBOSGGSX

IBAN: GB16NWBK60092074129104

Name of bank: NatWest Offshore Limited

Address of bank: PO Box 55, 35 High Street, St Peter Port, Guernsey, Channel Islands  
GY1 4BE

Amount to be transferred.....

Please use your own name as reference for the bank transfer.

I understand that on receipt of funds Stanley Gibbons (Guernsey) Limited will provide an invoice as proof of ownership and issue a contract where applicable.

The items will be stored in the chosen Stanley Gibbons vault with free insurance and storage for the duration of the investment unless otherwise requested.

Signatures: ..... Date .....

Applicant 1

Other Applicants (if applicable):

.....  
.....  
.....

**Stanley Gibbons (Guernsey) Limited 18-20 Le Bordage,  
St Peter Port, Guernsey, Channel Islands GY1 1DE**

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Web: [stanleygibbons.com/investment](http://stanleygibbons.com/investment)