



**Private and confidential**

To All Investors

29 January 2018

Dear Sir or Madam

**Stanley Gibbons (Guernsey) Limited  
(In Administration) (the “Company”)**

I write further to my letter dated 23 November 2017 to present an update on the status of the administration and to provide you with the further information regarding your options once the stock reconciliation has been completed.

**Stock Reconciliation**

The stock reconciliation continues to be our main priority and we have retained the Company's employees to assist us with this process. We have received many enquiries regarding the progress and timeframe for this exercise and we therefore feel it would be useful to provide some additional context to the steps being taken.

There are over 4,000 investment portfolios which collectively hold approximately 22,000 individual items of stock. These items have historically been stored by reference to the individual item number rather than by client portfolio, so in addition to reconciling each investor's collections to the Company's records, it has been necessary to collate portfolios so that they are stored in a manner that will facilitate the return of these items to investors, as appropriate, in due course.

Stocks are delivered daily from the secure storage facility to the Company's premises for processing, but due to insurance limits on the value of items that can be held on site at any given time, there is a restriction on the number of items that can be sorted on any one day. There are also fixed delivery and collection windows for the items delivered to the Company's premises so we are unable to work extended hours to expedite this process.

We estimate that we are approximately 65% through this process and expect the remaining part to be completed in less time than taken to date as we have reconciled more than half of the items and there is therefore much less material to sort through to collate and reconcile the remaining portfolios.

**Requests for the Immediate Return of Items**

We have received a number of requests from investors for the immediate return of their collections. We have advised those investors, and reiterate our position here, that we are not able to release items until the reconciliation has been completed.

The administrators owe duties to all investors and stakeholders and must have certainty in respect of the legal ownership of all items of stock to ensure that items are returned to the true owner. That can only be achieved by completing the stock reconciliation against investor records.

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T: +44 (0) 1481 752000, F: +44 (0) 1481 752001, [www.pwc.com/jg](http://www.pwc.com/jg)*

PricewaterhouseCoopers CI LLP, a limited liability partnership registered in England with registered number OC309347, provides assurance, advisory and tax services. The registered office is 1 Embankment Place, London WC2N 6RH and its principal place of business is 37 Esplanade, St Helier, Jersey JE1 4XA.



The reconciliation remains an ongoing process and we are not currently able to comment on the status of individual contracts or balances.

### **Next Steps**

We understand that, in the vast majority of cases, investors are keen to receive their items back and we intend to oversee the orderly return of collections as soon as the reconciliation is complete.

The administrators have reviewed the terms of each type of contract generally and it is our initial view that the return of items to you will conclude your contractual arrangements with the Company. This is because the other rights available to you are derived from the sale of your collection, which would not be available to you if you opt to take possession of your items.

If you do not wish to take possession of your collection and would rather assert a claim in the administration, please keep in mind that the Company is insolvent and is therefore unable to continue the existing contractual arrangements or honour any buy-back guarantees. Your claim would rank alongside all other unsecured creditors and although we can't say with any certainty at this point what the timing or value of any dividend may be, the prospect of full payment is remote and any dividend is likely to be minimal.

### **Receiving your collection from the administrator**

If you are already certain that you wish to receive your items as soon as the reconciliation has been completed, please complete and return the enclosed election form. This will assist the administrators in processing returns efficiently. Any further claims you may seek to bring against the Company will be adjudicated at the appropriate time and you will continue to receive correspondence from us in the course of the administration in the same way as all other investors.

If you select this option we will notify you once the reconciliation has been completed and collections are ready to be released. We will arrange for the items to be returned to you by post or courier in accordance with our insurance arrangements and please note that it may be necessary to send the full collection in consignments rather than in one package. The maximum insurance coverage available for any one item is £250,000, so if you own items in excess of this limit we would encourage you to collect this from us in person.

If you own larger items of memorabilia we will contact you directly to make appropriate arrangements for their return.

Please be aware that the removal of items from Guernsey to another jurisdiction may create a tax liability and we recommend that you seek your own tax advice in that regard.

### **Surrendering your collection to the Company**

As noted above, if you do not wish to take possession of your items you may surrender them to the administrators and submit a claim in the administration.

If you are interested in selling your items you may be better served by electing to have your items returned to you, whereupon you may then sell them directly and retain the sale proceeds directly attributable to your items. If you elect to surrender your items and submit an unsecured claim in the administration, you will rank equally with other unsecured creditors in proportion to the value of your claim and will only receive a distribution if sufficient funds are realised during the administration.



There is no need to decide on this option now. If you do not elect to take possession of your items now you will retain the right to do so at a later stage and we will contact you in due course outlining how you may submit a claim and will provide details on the adjudication process.

### **Continued Storage of Items**

The administrators will continue to maintain the existing storage and insurance arrangements until the items are returned. You may wish to make your own storage arrangements and we can arrange delivery of items to a storage facility of your choice upon receipt of appropriate supporting documentation.

### **Address Verification**

The company is registered as a Non-Regulated Financial Services Business and is required to comply with anti-money laundering rules and regulations. A requirement of this registration is that the Company, now acting through its administrators, verifies the identity and address of its investors and performs ongoing monitoring of its client base.

In view of this, and to provide us with additional assurance that we are sending collections or distributions to the correct address, we require you to provide us with an original recent utility bill (within the last 3 months) in your name that confirms your current address.

Please note that we will not be able to return items to you until we have verified your current address.

Please send this information to:

PricewaterhouseCoopers LLP  
SGG Insolvency Management Team  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL  
United Kingdom

We hope you have found this update useful, but should you have any queries regarding the information provided or steps to be taken you may contact us on 0113 289 4231 or by e-mail at [sgg@uk.pwc.com](mailto:sgg@uk.pwc.com).

Yours faithfully  
for and on behalf of  
Stanley Gibbons (Guernsey) Limited

A handwritten signature in black ink, appearing to read 'Zelf Hussain'.

Zelf Hussain  
Joint Administrator

*Nick Vermeulen and Zelf Hussain, of PricewaterhouseCoopers CI LLP and PricewaterhouseCoopers LLP respectively, were appointed joint administrators of Stanley Gibbons (Guernsey) Limited on 21 November 2017, (the Joint Administrators) to manage its affairs, business and property as agents without personal liability. The Joint Administrators are authorised to act as insolvency practitioners in Guernsey by the Institute of Chartered Accountants in England and Wales.*

*The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. The Joint Administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Administration.*



PricewaterhouseCoopers LLP  
SGG Insolvency Management Team  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL  
United Kingdom

**Stanley Gibbons (Guernsey) Limited  
(In Administration) (the “Company”)**

I/ We .....

of address: .....

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Account/ Portfolio Number(s) .....

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**Wish to take possession of my/ our items as soon as practicable after completion of the  
stock reconciliation exercise.**

I have read the letter of 29 January and considered the factors before confirming that I wish my stock  
to be returned to me.

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Please sign and send this back to:

PricewaterhouseCoopers LLP, SGG Insolvency Management Team, Central Square, 29 Wellington  
Street, Leeds, LS1 4DL, United Kingdom  
or scan back to [sgg@uk.pwc.com](mailto:sgg@uk.pwc.com).