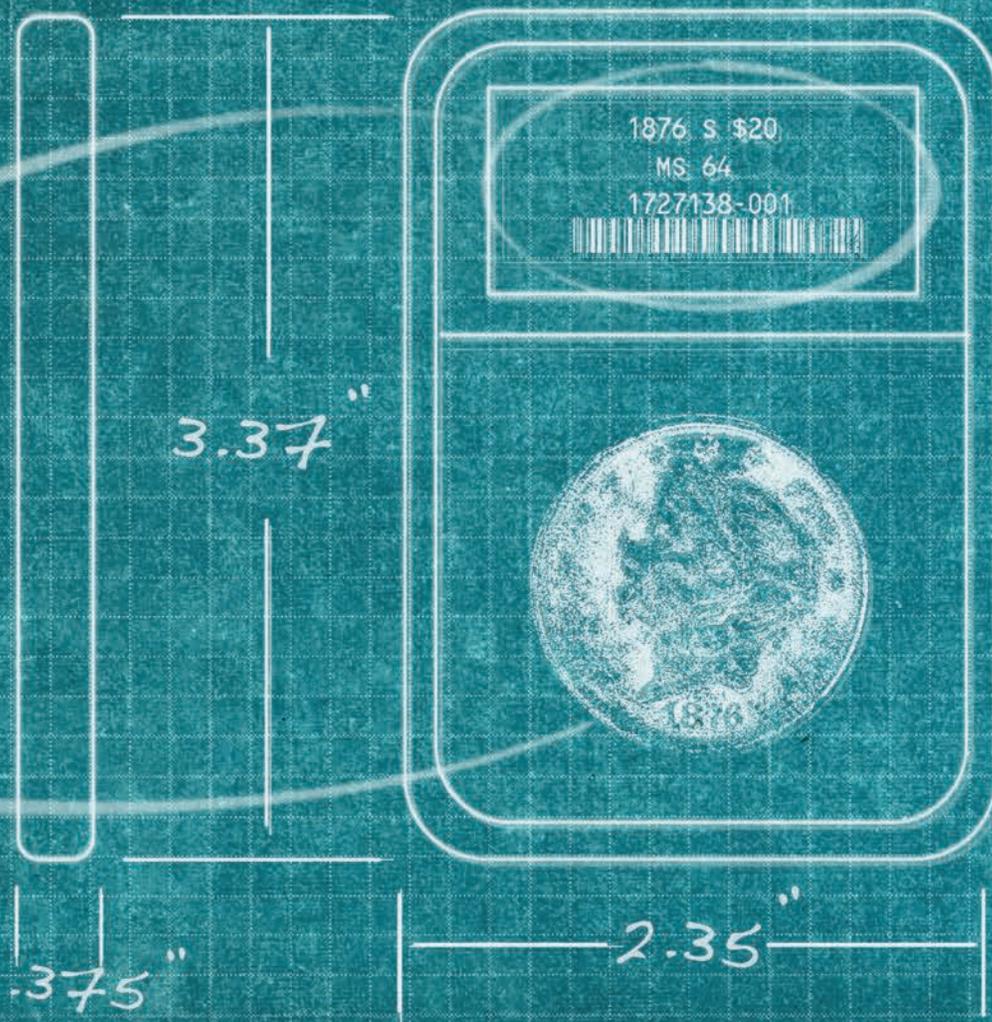


NEW 2020

WHY ALL YOUR IMPORTANT GOLD & SILVER COINS SHOULD BE CERTIFIED

*Coin Date
& Denomination
Certified Grade*

*Coin encapsulated
& securely sealed
in a tamper-evident
holder to preserve
their condition*



- ▶ Why your coins should be graded
- ▶ Understanding the grading process
- ▶ A look inside NGC
- ▶ Benefits of certification

NLG AWARD WINNING ARTICLE



According to one of the former U.S. Mint Directors, in 1998, the number of U.S. coin collectors was approximately 2 million. By 2001, this had exponentially exploded to an estimated 60 million and counting. Largely as a result of innovative U.S. Mint programs, like the State Quarters and the Presidential Golden Dollars. By late 2007, the U.S. mint estimated the number had swelled to approximately 140 million, nearly half the entire population in America. The serious collectors among this group demand their coins be certified. The Numismatic Guaranty Corporation [NGC] and the Professional Coin Grading Service [PCGS] are the two major independent certification services filling this demand. To date, these two services have certified tens of millions of coins making them the indisputable, preferred certification and grading services for serious collectors.

Why Are Coins Graded?

Until 1986 liquidity in the rare coin market was severely limited. Grading standards were not uniform and transactions often required both participants getting together or mailing coins back and forth repeatedly until a deal was consummated.

Industry leaders grew deeply concerned that without standardized grading, and its acceptance on a sight-unseen basis, expansion of the market place and participation by major brokerage firms would be limited.

The advent of independent third party assessment of a coin's physical condition, backed by a guarantee, provided a climate where collectors, dealers, and investors could participate in the coin market with confidence.

How Are Collectible Coins Certified?

That confidence was due to the expertise of the graders and the pledged acceptance of NGC and PCGS grading standards by what is now over 1,000 dealers nationwide.

The graders were selected from an elite group of world class numismatic experts. To prevent conflicts of interest the graders are precluded from participation in certain outside activities in the coin market. These professional numismatists are dedicated to the preservation of the hobby and industry and accuracy in their craft. Each coin received by the grading service is assigned a unique certification number by the computerized inventory system. This enables the grading service to track a coin along every step of the process. Numerical labeling along with generic packaging provides anonymity to coins entering the grading room. State of the art security systems and insurance protect your coins while at the grading service.

During the grading process each coin is carefully handled and examined under laboratory conditions in a specially designed, **properly-lit room**.

The final grade is determined by a consensus of 3 or more expert opinions and is based on the Sheldon Numerical Grading Scale of 1 to 70 (1 poor; 70 perfect). NGC and PCGS will typically not grade coins with major problems such as corrosion, harsh cleaning or environmental damage.

Once the grading process is complete, the coin is sonically sealed inside a plastic coin capsule (also referred to as a "slab"). It is then returned to the grading room for verification in the holder by yet another expert. Finally, it is returned to the submitter with its guaranteed PCGS or NGC grade.

The Holder

Encapsulation of the coin and the inclusion of its grading certificate occurs in a dust-free atmosphere by a trained specialist.

The coin is carefully inserted into the holder with the skilled hands of a trained professional. It is held in place by an inert flexible plastic ring or core. The coin's grading certificate is printed on chemically inert paper. It indicates the coin's certification number, grade, denomination, unique bar code and pedigree if applicable. The coin and its grading certificate are then sonically sealed within the holder. The holder is molded from a durable shatter resistant transparent plastic and presents an unobstructed view of both the obverse and reverse of the coin. The rim along the front of the holder, much like that of a coin, has been raised to protect the viewing surface from scratches and to interlock with other holders to stack easily for more compact storage and shipping.

The holder is tamper-evident, having many overt and covert security devices including a distinctive hologram security device on the back. It also has a barcode to accommodate modern inventory control systems.





Why Experts Should Certify Your Coins

All certified coins are not created equal. While most coins are average for the grade assigned, 10 - 25 percent of coins barely make the grade or barely miss a higher grade. For this reason, it is important for your personal professional coin dealer to select for you only eye-appealing coins that are solid for the grade indicated. A small premium paid for upper end coins often results in large gains in premiums and liquidity during hot markets. Both NGC and PCGS now assign a "+" symbol to upper end coins.

Submitting Collectible Coins For Certification

To have coins submitted to grading services for certification, it is recommended that consumers go through authorized NGC and PCGS dealers. These dealers or the grading services guarantee:

- **A written receipt of submission**
- **Prompt return after grading**
- **Careful handling and courteous service**
- **Guaranteed grade and authenticity**
- **Tamper evident holder reliability**

Your authorized dealer can be your best ally in saving you money on certification. The fees for certification range from about \$10 to over \$100 and vary depending on the quantity of coins submitted, the time requested for turn around, special service designations and coin value. Some coins are ungradable due to cleaning, physical damage or unsightly appearance. Also, it is not cost effective to certify coins valued at under \$20 or at bullion value. Your authorized dealer can save you untold sums from wasted grading fees by "pre-screening" your coins prior to submission, and advising you on the most cost effective service for your particular coins. This advice is indispensable and invaluable.

Population Reports For Certified Coins

Reports on certified coin populations are published online by NGC and are available on our website. They provide a census of millions of coins and are standard references for anyone seriously buying certified coins or engaging in competitive set building.

These reports are easy to use and provide information on circulated, uncirculated and proof United States coins as well as most significant coin-age of the world. Population reports provide such useful information as:

- **Coin population totals by design type**
- **Mintage figures**
- **Total coins graded for a particular year of a coin in a particular grade**
- **Total coins graded for all coins of a particular year of a coin and much more.**

These "pop" reports provide an excellent guide for a collector to compare the relative rarity and comparative condition of particular coins and series. While they are the best rarity guides available they are not perfect. Many coins are resubmitted or have not been certified thus your experienced professional coin dealer can put populations for particular coins in the proper perspective.

Low population coins, finest known coins and condition census coins often bring significant premiums. Your coin expert can assist you in determining whether collectible coins that fall into these categories in population reports warrant significant or insignificant premiums.



CERTIFIED TRADING NETWORKS

The NGC and PCGS grading and authenticity guarantees are the cornerstone of numismatic exchanges and computer systems linking thousands of dealers. Such trading networks have made it possible for large volumes of routinely traded certified coins to trade dealer-to-dealer sight-unseen and sight-seen instantly from coast to coast, over the phone, or by computer transmission.

Electronic trading of coins sight-unseen and sight-seen has been made possible due to the high degree of confidence that dealers, collectors and investors have in NGC and PCGS certified coins.

Today, this modern financial market links dealers very efficiently. The daily quotation of prices has created improved liquidity for many certified coins for all consumers.

SPECTACULAR CERTIFIED COLLECTIBLE COIN TRANSACTIONS

The finest coins in the world are graded and certified by NGC or PCGS. The Proof-65 Dexter Specimen of the 1804 Silver Dollar sold for \$3,290,000 in 2017. It previously sold for \$1,000 in 1885 and \$990,000 in 1989.

A Proof-66 1913 Liberty Nickel sold for \$1,840,000 in 2001. In 2018, a different Proof-66 1913 Liberty Nickel sold for a whopping \$4,560,000. In 2013 a Specimen-66 1794 Silver Dollar sold for \$10,016,875. In 2019, the finest-known Proof-66 1885 Trade Dollar, 5 known, sold for a record \$3,960,000. In 2020, the legendary AU-58+ 1854-S Half Eagle, the first year the San Francisco Mint struck \$5 gold coins, sold for \$1,920,000.

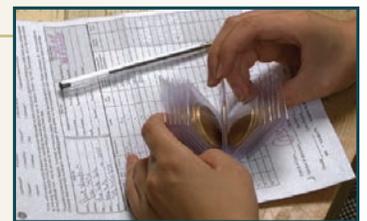
Even relatively inexpensive coins like the 1880-0 Silver Dollar warrant huge premiums for only one grade difference. For example, in MS-64, this date trades for \$1,400-\$1,700, but in MS-65, the 1880-0 trades between \$15,000-\$18,000. No seasoned dealer or collector would dream of paying MS-65 levels for a non-certified 1880-0 dollar that could grade MS-64 when certified.

A LOOK INSIDE NGC

As one of the two major rare coin grading services, hundreds of thousands of collectible coins are submitted for certification to NGC each year by collectors and dealers; because, they have confidence in NGC's ability and integrity as a third-party grading service. NGC's grading process is a coordinated, multi-task interaction among several specialized departments, each focused on the common goal of safely and accurately grading every single coin, sonically-sealing those coins in NGC holders to preserve their condition, and returning them safely to their owners.

Receiving the Coin

The process begins at NGC's Receiving Department, which opens newly-arrived packages and verifies that the number of coins in each package matches the number shown on the submission invoice.



A more detailed comparison follows to insure that the written descriptions by date, denomination and mint mark match the actual coins. All verified information is then entered into a computer and assigned an invoice number, so that the coins can be tracked throughout certification.

Each coin receives a temporary holder with a bar-code inscribed label bearing the invoice and line item numbers, for quick, precise computer verification. The coins are then placed in bar-code dated and labeled plastic boxes, arranged by selected service type in the order received and graded on a "first in - first out" basis. Until they are graded, all coins are stored in NGC's secure vault.

Before certifying the grade condition, coins are first examined by a numismatist specializing in variety attribution. At this stage, each coin is compared against published references to determine it qualifies as a particular variety. If so, the appropriate descriptions and numbers are then added to its record. As with the grading process to follow, this work is performed without any labeling that could identify the submitter.

Grading the Coin

The grading process is a team effort. A minimum of three professional graders examine almost every coin. NGC's graders come from diverse backgrounds, though typically all were coin dealers at some time in their careers. However, NGC's full-time graders cannot be actively involved in the commercial buying and selling of coins.

Each coin is examined by one grader at a time, and each assigns a grade from 1 to 70 (using the Sheldon numerical scale, an industry standard) into the system. In some instances, it may be necessary to add supplemental information describing a particular coin more fully. For example, a grader may supplement a designation by including a determination of whether a Mercury Dime has full split bands, or whether a Franklin Half Dollar displays full lines on its Liberty Bell. These essential distinctions may seem esoteric to the beginning collector, but they play a significant role in providing a more complete description.

Once the initial grader has viewed all the coins in a particular box, that box is then routed to the next grader and the process repeated. Only after three or more graders have examined each coin is its final grade assigned. Occasionally, the graders may confer with one another on a particular coin. When this happens, a consensus is ultimately reached which reflects their collective experience as rare coin experts.

Some coins fail to make the grade, so to speak. For example, coins which have been damaged or harshly cleaned will not be certified by NGC. Instead, they are returned to the submitter in a vinyl flip with a note affixed explaining why they were rejected.



Encapsulating & Sealing the Coin

After the coins have been graded and their data records updated, they are delivered to the Encapsulation Department. Here, individually unique labels are printed out bearing the following text: the coin's date, mintmark (if any), denomination, variety (if any), grade, special designation (such as FB for "full bands") and, finally, its identification number. These features are an important deterrent to counterfeiting. The holder and label designs have changed over time.

The newly-printed labels are matched with the coins to be encapsulated with them, and placed inside a perfectly sized plastic core piece that holds it securely within the transparent holder. The core, like other components of the NGC holder, is made of inert material that won't adversely affect the coin it holds.

Each coin's label is then positioned in place on the core, and all these components are then enclosed within matching top and bottom shells of transparent plastic. Before final sealing, all of the pieces, including the coin itself, are blown free of dust and other contaminants by either a jet of compressed air or ultrasonic vibration. The result is a newly-encapsulated NGC coin, ready to be shipped to its proud owner.

After encapsulation, all coins are returned briefly to the Grading Department for final inspection. An experienced grader examines each encapsulated coin to make certain that its label is correct for both the grade and its accompanying descriptive information. He also inspects each coin for any flaws on its holder, such as scuffs or nicks. NGC is careful to make certain that the coins it certifies are not only accurately graded but are attractively presented, as well.



Shipping the Coin

After the coins have been graded, encapsulated, sealed and received final inspection, they are either held in NGC's vault for in-person pick-up by the submitter or prepared for shipping. A shipping technician again verifies the coins and labels match the submitter's original invoice. Then, the coins are appropriately packaged for return delivery.

Regardless of whether the U.S. Postal Service or some private carrier is used, the method of packaging is essentially the same. The encapsulated coins are typically placed vertically inside boxes. These shipping boxes contain a row of dividers, so that the holders don't come into contact with one another. A shipping copy of the submitter's invoice is included before the box is sealed, and heavy tape, laced with wire, is used to prevent accidental or unauthorized opening of the box while it's in transit. Properly registered and insured, the coins are safely shipped and are soon in the hands of their owners.

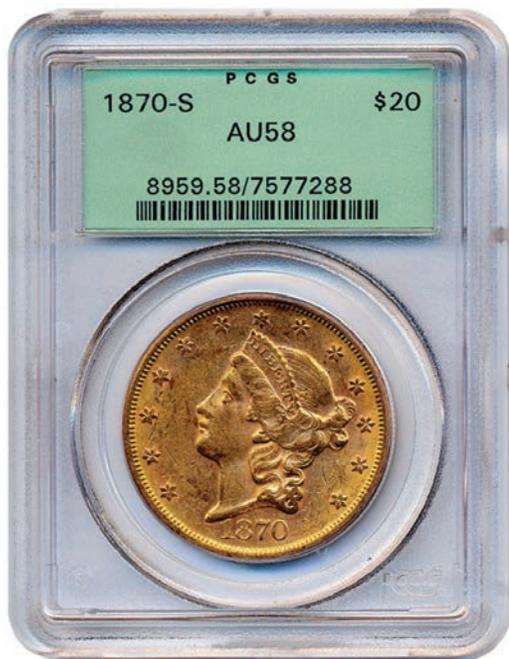


In the 21st century, if you are a serious collector of rare coins, understanding certification and its benefits is a requirement for you to build a collection of true and lasting value. While certification does not guarantee absolute protection from the normal risks inherent in collectible market dynamics, certification provides the absolute best insurance available in preserving the condition, pedigree and heirloom value of your family's collection.

**To find out more on the benefits of NGC or PCGS certification,
Call 24/7 • (800) 336-1630**

CERTIFIED GRADES ASSIGNED

Certified grades assigned to collectible coins range from poor (1) to perfect (70). A coin can either be designated mint state, (struck for circulation) or proof, (usually specially struck for collectors). The following are the grades you may see on a certified coin and a brief description of what it means.

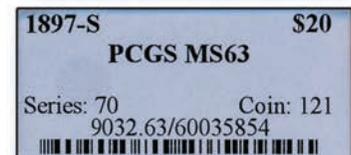


Grade	Adjective	Description
P-1	Poor	All designs are barely recognizable
AG-3	About Good	Very heavily worn but part of date may be readable
G-4	Good	All design elements are visible but may be faint
VG-8	Very Good	Well worn but all design elements are clear although flat
F-12	Fine	Even moderate wear so that entire design is bold
VF-20	Very Fine	Moderate wear on high points of design but all major details clear. A pleasing circulated coin.
VF-30	Choice Very Fine	A very fine example just short of the next grade with minimum contact marks or other imperfections
XF EF 40	Extremely Fine	Design is lightly worn with most high points visible with slight wear or flatness. Luster may be present in protected areas
XF-45	Choice Extremely Fine	A bit more luster or less contact marks than previous grade
AU-50	Almost Uncirculated	Traces of light wear on most high points. Usually 25-50 percent of mint luster evident
AU-53	Choice Almost Uncirculated	Same as above but fewer contact marks or other imperfections
AU-55	Premium Almost Uncirculated	At least 50 percent of luster is evident and less contact marks or other imperfections
AU-58	Premium Almost Uncirculated	At least 75 percent or more luster is present and lighter wear

UNCIRCULATED GRADES

(Accurate determination of these grades can only be done through extensive comparisons to standard grading service grading sets.)

Grade	Adjective	Description
MS-60	Uncirculated	No wear but may show considerable bag marks, discoloration, abrasion, detail weakness and other unsightly traits including diminished luster. Out of an original bag of coins the most imperfect coins are the MS-60s. In some early series, for example 18th and 19th century coinage, where mint state examples are rare, MS-60s are coveted. In most 20th century series MS-60s are considered too low a grade for rare coin investors to consider.
MS-61	Uncirculated	Less imperfections than MS-60s, luster is better in the fields.
MS-62	Choice Uncirculated	Less and lighter marks and abrasions and 90-100 percent full luster. The first really choice mint state grade. May have some strike weakness.
MS-63	Choice Uncirculated	A pleasing uncirculated coin with full luster. Most contact marks are on the periphery. Contact marks may be present in key central areas but are scattered. Strike may be a trifle less than full. Other minor imperfections may be present.
MS-64	Gem Uncirculated	Less marks in key central areas, full luster, almost full detail and good overall eye appeal separate this grade from lower grades.
MS-65	Gem Uncirculated	Only a few marks in key central areas and minor marks on the periphery. Excellent eye appeal whether the coin is brilliant or has attractive coloration (toning). Details are strong and mint made imperfections, if any, are barely noticeable.
MS-66	Gem Uncirculated	Slightly more eye appealing than MS-65. Contact marks or frost breaks are minimal.
MS-67	Superb Uncirculated	All imperfections require intense scrutiny to locate. It is a very eye appealing specimen.
MS-68	Superb Uncirculated	An amazing coin that experts often use a term like wonder coin to describe its eye appeal and near immaculate surfaces.
MS-69	Superb Uncirculated	Only under intense scrutiny can any undesirable trait be discerned. Phenomenal eye appeal.
MS-70	Perfect Uncirculated	Essentially perfect to the naked eye.



Benefits of Certification

Certifying your collectible rare coins provides:

- Grading and authenticity guarantees
- Greater liquidity and collectible value
- Anti-counterfeit control
- Attractive, secure tamper evident holder
- Rarity verification by population reports
- Barcode serial number tracking for theft protection and inventory control
- Ease of storage
- Market conformity



“21st Century Collectors & Investors Demand Certification!”

Find out how to convert your uncertified coins into more valuable certified coins!



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