

A BETTER WAY TO OWN GOLD



FOR THE PAST 6,000 YEARS, THE MOST SOUGHT-AFTER FORM OF ASSET PROTECTION HAS BEEN GOLD. IT'S EASY TO SEE WHY.



Gold is the most liquid financial asset in the world. It knows no borders, is recognized throughout the world, and can easily be transported or hidden. For this reason, owning gold represents financial privacy and independence. Gold frustrates the attempts of

governments to completely control the finances and lives of their citizens.

Gold performs the role as the only true money. Its value can't be undermined by tyrants, dictators or politicians who print paper money at will, making their currencies worth less and less each year. Unlike paper money, gold holds its value over the long run. For example ...

Back in 1933, you could buy a first class, tailor-made suit of clothes with a U.S. \$20 gold coin or a \$20 bill. Today, that \$20 gold coin, worth about \$500, will still buy a nice suit of clothes. The \$20 bill, however, won't even buy a decent necktie.

During the Great Depression, cash was king because cash was backed by gold. In truth, gold was king. While most assets plunged like a stone in the 1930s, the price of gold shot up dramatically.

In a depression, economic crisis, inflation or war, people seek financial security. They invest in assets that represent more than just a paper promise to pay. For many, that means owning gold.

GOLD PROVIDES INSURANCE AND PEACE OF MIND.

The past few years have not been kind to investors in the traditional markets. Investors and savers have lost over \$8 trillion in market declines. Increasing unrest and instability throughout the world will lead to a greater need for financial security.

Will we see the kind of double-digit inflation that has plagued the U.S. in the past? Never forget the power of the Federal Reserve's printing press. Due to the Fed's recent record expansion of the U.S. monetary supply, it is likely that the U.S. dollar will continue to weaken.

A spastic economy, with elements of both inflation and deflation, will make more traditional investment strategies obsolete. Gold coins should be a major part of every investor's portfolio over the next few turbulent years.



Why Gold Prices Will Continue To Rise

The fundamentals for gold have never been stronger.

Global demand for gold exceeds supply by over 1,000 tons per year. Central banks have made up the shortfall — and have helped suppress the price of gold — by selling or loaning thousands of tons of their gold reserves.

But all that is about to come to a screeching halt.

The bull market in the U.S. dollar is now over. As the dollar goes into a long-term downtrend, millions of foreigners will start re-directing their money out of the paper financial markets and into the world's "other" proven reserve currency —

GOLD.

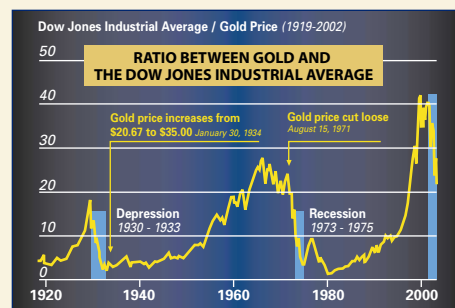
All it would take to spark an explosion in the price of gold is one major event — an escalation of terrorism in the U.S. ... an expansion of the war in the Middle East ... another stock market meltdown ... or a major bank failure.



Once the price takes off, panic buying could easily set in. If you're not in position before the price explosion starts, your opportunity for profits will be substantially reduced.

To safeguard your financial portfolio, we recommend that you place up to 1/3 of your investments in precious metals. The best way to own gold is in the form of privately-held gold coins.

However, a shortage of gold coins is already developing. U.S. \$20 double eagles are in very short supply. Sophisticated investors are quietly acquiring millions of dollars worth of non-reportable gold coins. When the crowd comes rushing in, supplies of these coins will evaporate and prices will skyrocket, as they did in 1979-80.



THREE CATEGORIES OF GOLD COINS

BULLION COINS

Bullion Coins are purchased primarily for their gold and silver value. They are minted by major governments, but are not intended to be used in circulation. Instead, they offer a way to invest directly in the different precious metals, trading at only a slight premium over their metal content.

These would include American Eagles, Canadian Maple Leafs, and South African Krugerrands. Bullion coins are very liquid, but they are also easy to track. For the sophisticated investor concerned with privacy, bullion coins have definite drawbacks.



NUMISMATIC COINS

Numismatic Coins are legal tender coins that were minted decades ago and now exist in very limited supply. (The word is from numisma — Latin for "a coin.") These are the coins that are eagerly sought after by collectors. A numismatic coin's value is based on its rarity, age, condition, and demand in the marketplace. The current price of gold plays a small part in the price of each coin, and premiums are far higher than those of bullion coins.

Unlike bullion coins, numismatic coins offer investors greater privacy and protection against a possible future gold confiscation.

Most rare numismatic coins are purchased in higher grades, such as MS66 - MS70. This category would include very rare, museum quality U.S. and foreign gold coins.



SEMI-NUMISMATIC COINS

Semi-Numismatic Coins fall between the above two categories. These coins are not as rare — or expensive — as numismatic coins. Semi-numismatic coins generally range in condition from lightly circulated to MS65.

The commissions on semi-numismatic coins are very low compared to numismatic coins. That's one reason many coin dealers in America are reluctant to place these coins in their clients' portfolios.



The Advantages of Semi-Numismatic Gold Coins



Semi-numismatic gold coins offer the investor the best of all categories — high gold content, low premiums, privacy, and superb profit potential.

Semi-numismatic gold coins, like bullion, are also very liquid — there is always a two-way market for these coins. They are priced much closer to their bullion content than the more highly promoted rare coins, yet maintain the same privacy that numismatic coins offer.



NO DEALER REPORTING REQUIREMENTS

Virtually every asset or investment which we own is highly visible, traceable, reportable, and under the watchful, scrutinizing eyes of the government. With the new cash and metals transaction reporting laws and regulations, even cash, cashier's checks, money orders and most forms of gold transactions are reportable. In effect, the privacy which was guaranteed by the Constitution's 4th Amendment has, for the most part, disappeared in the area of investments.

If you sell bullion coins to a coin dealer, the dealer is required by law to report that sale to the IRS on Form 1099. That's just one reason to avoid gold bullion coins.

However, coins with a premium above 15% do not have to be reported by a coin dealer when you sell them. For example, the semi-numismatic \$20 Liberty and \$20 St. Gaudens have a premium above 15% and are, therefore, gold coins which do not have dealer reporting requirements.*

Everyone should own an asset that no one else knows about — a low-profile, bearer-type investment that leaves no tracks when bought or sold. Semi-numismatic gold coins fit the bill perfectly.

**Note: Any profit generated from the sale of U.S. \$20 Gold Pieces is indeed taxable, as any capital gain would be, but they are not dealer reportable.*



World Governments vs. Gold

Powerful governments and socialists hate gold for the financial independence it represents. Plus, rising gold prices signal rising inflation and economic fears — and governments don't like anything that signals economic trouble.

You can expect the U.S. Government to attempt to squash any apparent bull market in gold — the same way it waged war on gold in the 1970s — a war of words, warnings, manipulations, and even pressuring foreign central banks to periodically dump gold. These tactics have caused occasional price sell-offs, but they haven't changed the current upward trend of gold.

Any market that has been artificially held down, such as gold, will form a tremendous base like a coiled spring. Eventually the massive forces of the free market override any artificial interference, and the spring will unleash in a mighty upward move.

PROTECTED FROM CONFISCATION

Unfortunately, many governments, including the U.S., have a history of confiscating gold bullion coins. In 1933, by Executive Order, the Roosevelt Administration declared it illegal for American citizens to own gold. Practically overnight, a law went into effect that forced Americans to turn over their gold or face up to 10 years in prison.

Gold was confiscated and replaced with freshly printed paper dollars. The following is an excerpt from Roosevelt's Executive Order (dated April 5, 1933):

All persons are hereby required to deliver on or before May 1, 1933, to Federal reserve bank or branch or agency thereof or to any member bank of the Federal Reserve System all gold coin, gold bullion and gold certificates now owned by them or coming into their ownership on or before April 28, 1933 ...

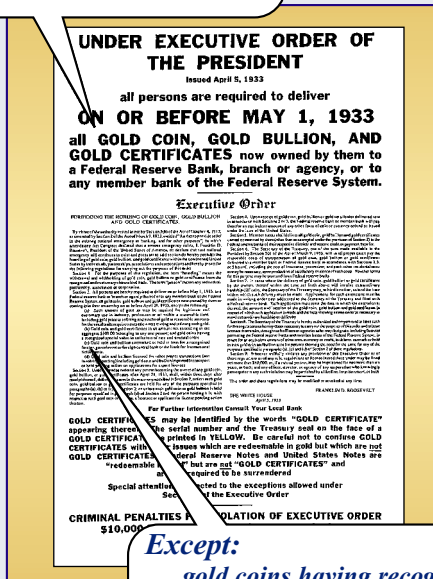
But there was one type of gold that was exempt from this draconian law — namely, “gold coins having a recognized special value to collectors of rare and unusual coins.” In other words, numismatic and semi-numismatic gold coins.

Since 1975, Americans have again been allowed to own gold bullion. But during some future crisis, power-hungry politicians, eager to squeeze out the last drop of your civil

liberties, could again make gold illegal and confiscate gold bullion bars and coins.

Could the current “war on terrorism” give the government the excuse to call in gold bullion once again? In the event of another “government gold grab,” collectible gold coins have always been excluded from such a confiscation.

deliver all GOLD COIN and GOLD BULLION



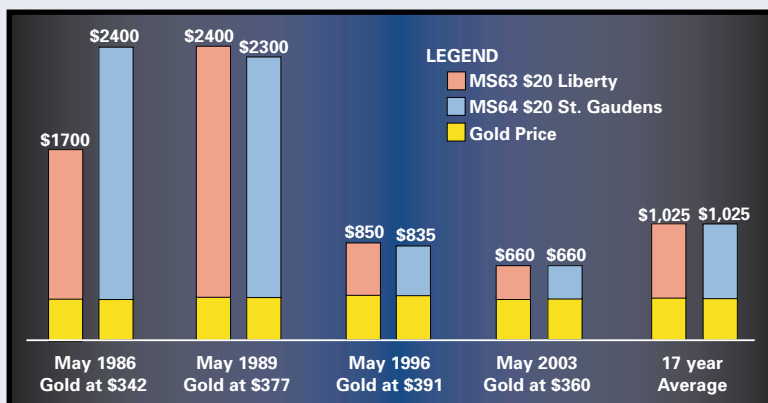
“I am afraid that one day the government will indeed call gold in. Gold bullion will be subject to confiscation. This is one big advantage to numismatic gold, such as double eagles. It is an idiosyncrasy of governments that although they may prohibit ownership of gold bullion in any form, they are reluctant to touch collections of numismatic gold coins.

“Today, there are some 49 countries which forbid ownership of gold by their citizens, but do allow holding gold coins for numismatic purposes. Even the (former) Soviet Union and Eastern European countries legally tolerate the acquisition of numismatic gold coins.”

Dr. Franz Pick, Austrian Economist



GREATER UPSIDE POTENTIAL



The semi-numismatic \$20 Liberty and \$20 St. Gaudens gold coins currently have a 40-90% premium over bullion. (Numismatic coins have 500-5000% premiums over their bullion content.) The premium on the \$20 gold coins have expanded to 100% in recent years, and under certain bullish gold market conditions, could rise even higher. In a rising gold market, the semi-numismatic \$20 Liberty and \$20 St. Gaudens coins have a substantially greater upside potential than a normal gold bullion coin.

Why? Unlike bullion coins, which are freshly minted by the millions each year, most semi-numismatic coins are nearly 100 years old and in very limited supply.

For example, if the price of gold moved up \$100 an ounce, a bullion coin would move up a corresponding \$100. However, semi-numismatic coins have historically doubled that movement.

Silver Coins Have a Huge Profit Potential

Silver is perhaps the most undervalued asset in the world today, yet the fundamentals for investing in silver are stronger now than at any time since 1971.

An enormous shortfall is developing in silver. Available supplies of silver have been steadily shrinking over the past decade as primary silver mines closed due to depressed prices. Demand has surged, however, as low prices make silver increasingly more attractive to manufacturers and investors.

THE U.S. GOVERNMENT NO LONGER HAS ANY SILVER RESERVE OR SUPPLY WHATSOEVER!

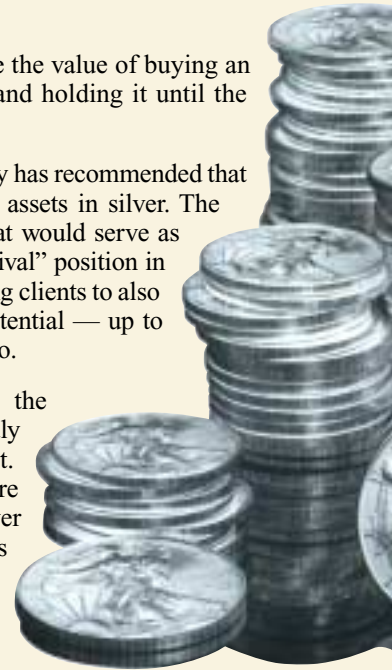
Available supplies of silver have been depleted by over 100 million ounces a year for the past 10 years. That's a decrease of over 1 billion ounces of silver over the past decade! It should also be remembered that the U.S. Government no longer has any silver reserve or supply whatsoever!

Some of today's richest and most successful investors have recently taken huge positions in silver, including Warren Buffett, George

Soros and Bill Gates. They recognize the value of buying an investment when it is out of favor, and holding it until the rest of the world catches on.

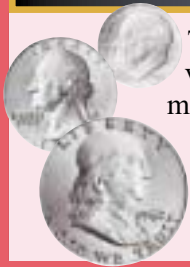
Over the past 30 years, Don McAlvany has recommended that investors maintain a portion of their assets in silver. The objective was to have some silver that would serve as both a portfolio hedge and as a "survival" position in the event of a crisis. He is now advising clients to also purchase silver for its huge profit potential — up to 10% of their total investment portfolio.

Rarely in a lifetime are we given the opportunity to participate in a truly significant investment bull market. Don McAlvany believes that we are about to witness a bull market in silver that will not only yield enormous gains, but might in fact reward some savvy investors for many years to come.



THE THREE BEST WAYS TO OWN SILVER

U.S. 90% CIRCULATED SILVER COINS



Traded in bags of \$1,000 face value and containing approximately 720 ounces of silver, the 90% bags currently represent the least expensive method for purchasing silver per ounce.

The 90% "junk" bags consist of U.S. dimes, quarters and half dollars minted prior to 1965. Circulated 90% bags are highly liquid, instantly recognizable and offer a convenient, small barter type coin.



U.S. CIRCULATED SILVER DOLLARS

Circulated silver dollar bags contain 1,000 circulated U.S. Peace silver dollars, most of which are over 75 years old. Circulated silver dollars offer the investor greater anonymity because they are not dealer reportable. Because they are considered a collectible, they are also less likely to be confiscated, as bullion silver was in 1934.

The circulated silver dollars also offer the investor a double play on both the silver content and the scarcity of the coins.

Each bag of dollars contains approximately 770 ounces of silver. Circulated dollars can be purchased in bags of 1,000 coins, or in fractional bags of 500, 250 or 125 silver dollars.



INVESTMENT GRADE SILVER DOLLARS

For those investors who are interested in a decidedly up-scale silver dollar that has significant investment potential, the certified MS63 to MS65 U.S. silver dollars are just the item. They have traded at 5 to 10 times their current price levels!

Also, rolls (20 coins) of MS60 Morgan and Peace silver dollars are a popular and profitable method of investing in the most widely held collectible in the world.



WHAT TO WATCH FOR WHEN BUYING INVESTMENT GRADE COINS



Before buying a coin as an investment, you need to know if that coin matches your investment goals. One of the most important considerations is how easily you will be able to sell the coin later. You should understand how desirable and how liquid the coin is. Here are some questions to keep in mind:

When was the coin minted?

After 1933, the U.S. and the rest of the world stopped minting gold coins as legal tender. In some instances, however, gold coins were later reproduced by a country reusing their old coin dies. These coins are known as “restrikes”, and should be avoided.

For example, the Swiss and French 20 francs were reproduced in the mid-1940s using old die casts, bearing an older date. Also, Austrian Ducats, bearing the date 1915, which are currently being reproduced, are offered as old coins, and are selling for a premium. This creates a problem for the coin as a collectible, because at this point no one knows the true population of the coins minted with a certain date, nor how to tell the old from the new.

Is the coin protected from confiscation?

A precedence was set by our government when Franklin D. Roosevelt instituted Executive Orders outlawing ownership of gold bullion in 1933. The only gold that people were allowed to own was in jewelry and collectible coins. Should the government once again decide to make gold ownership illegal, any bullion you have in your possession will be confiscated — and replaced with freshly printed paper money.

Collectible coins are far less likely to be confiscated, because of the government’s exclusion precedence. Even when Stalin and Hitler confiscated gold, they did not confiscate collectible coins.

It’s estimated that less than 5% of all the gold in the U.S. is in the form of collectible coins. It’s simply not worth the government’s effort to attempt to confiscate every coin collection.

Will the coin help protect your privacy?

We have covered this earlier, and simply want to restate here that the sale of bullion coins are reportable to the IRS by coin dealers. Collectibles with premiums above 15% are exempt from these reporting requirements, and thus, offer greater privacy.

Does the coin have upside potential?

Bullion type coins move up in value only when the spot gold market moves up. Semi-numismatics get their value both from their gold content and from their rarity, giving them a double play in both the bullion market and rare coin market.

Is the dealer reputable?

Many coins are sold through local coin shops. These coin dealers cater to hobbyists and generally lack experience in building sound investment portfolios. Also, most small coin shops are not equipped to handle large purchases and sales.

There are over 5,000 coin dealers currently in existence in the United States. Don McAlvany’s ICA has a 30-year history of buying and selling precious metals and is one of the largest dealers in the country. ICA has the size and experience to provide a two-way market, as well as a unique perspective to offer sound investment advice.

ICA also guarantees the authenticity and the grade represented on each coin you purchase. ICA will repurchase coins, at the same grade, at the new prevailing market value, as long as the coins have not been impaired through improper handling.

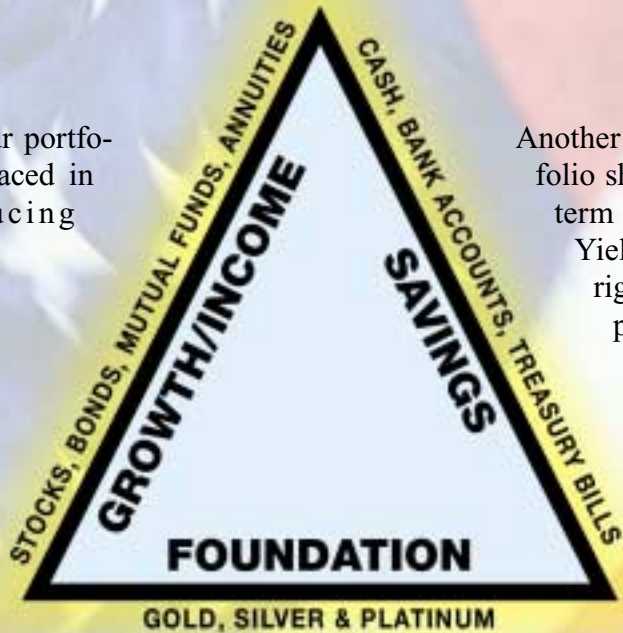
When you invest in coins with ICA, you get more than just a clerk at a counter. You will receive in-depth information from one of America’s top financial analysts, Don McAlvany. In addition, financial consultants at ICA have an average of over 20 years of market experience. Our advisors will take the time to both educate and advise you in formulating a prudent financial strategy.

HOW TO MAKE GOLD AND SILVER COINS A CORNERSTONE OF YOUR PORTFOLIO

The millions of Americans who lost 40-60% of their retirement funds in the stock market meltdown made one huge blunder: They failed to preserve their assets by diversifying. You can avoid those kinds of losses with these three pillars of a rock-solid portfolio:

1

One-third of your portfolio should be placed in income-producing assets.



2

Another third of your portfolio should be in short-term Treasury Bills.

Yields on Treasury paper are low right now, but this pillar of your portfolio is meant to help protect your assets in deflationary periods.

3

Finally, the cornerstone of your portfolio should be anchored in precious metals. Unlike a lot of investments, gold and silver aren't simply a "paper promise" to pay back funds at some later date. They represent real wealth that has survived every disaster known to man. The safest form, and the one that offers the greatest amount of privacy and upside potential, is in semi-numismatic coins.

U.S. gold \$20 Double Eagles (\$20 Liberty or \$20 St. Gaudens gold coins) and silver Morgan and Peace Dollars should be included in every portfolio. If you have gold bullion coins (e.g.; American Eagles, South African Krugerrands, Canadian Maple Leafs, Mexican 50 Pesos, etc.), consider swapping them for pre-1934 U.S. \$20 Libertys or \$20 St. Gaudens, and fractional European gold coins such as British Sovereigns and Dutch Guilders.



\$20 St. Gaudens



British Sovereigns



Dutch 10 Guilders



\$20 Libertys

Call for Don McAlvany's latest recommended portfolio toll-free:
(800) 525-9556



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1-(800)-525-9556
for private consultations, price quotes and orders.

For international calls please dial (970)-259-4100.

Don McAlvany provides his clientele with a simple way to buy and sell precious metals. His 31-year-old firm, ICA, offers very competitive prices and fully-disclosed commissions.

Personal service, a broad base of experience & up-to-the-minute investment recommendations, taking into account your world view, are just a toll-free call away. This means worry-free transactions and privacy in the purchase of your coins.

Your coins are shipped registered and insured. ICA will ship your coins approximately 10 days from receipt of funds.

Your coins are backed by our unconditional Triple Protection Policy

International Collectors Associates guarantees the authenticity and the grade represented on each coin you purchase. We offer PCGS (Professional Coin Grading Service) and NGC (Numismatic Guaranty Corp) certified coins. Each coin is panel graded by professional numismatists, sonically sealed in an inert plastic holder, individually serial numbered, and further guaranteed by PCGS or NGC to be both authentic and properly graded.

ICA will repurchase coins, at the same grade, at the new prevailing market value, as long as the coins have not been impaired through improper handling.

All coins offered by ICA are personally inspected and individually selected by our in-house numismatist, who has built a 20-year reputation for being extremely discerning on quality.

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