

Thank you for your interest in our firm.

I'd like to briefly explain what has recently happened in the rare coin market and what you can expect in the future. I'd like to explain all the special services we offer you.

We're very excited about the prospects for the rare coin market. But, as always, certain coins have more potential than others. That's where the INSIDE VIEW comes in. In each issue of the INSIDE VIEW we focus on the areas that we feel have the best potential. We want to prove to you how valuable the information in each INSIDE VIEW can be to you. We've enclosed several special reports in which David explains our view of the current situation. I think you'll enjoy and benefit from reading David's views and recommended strategies.

WHAT'S IN IT FOR YOU

The rare coin market offers you some very significant benefits. Rare coins offer you all of the following:

1. **Superb hedge.** Rare coins offer an excellent hedge against the possible decline in value of paper assets. There are actually two ways in which this hedge works. First of all, there are several scenarios under which moderate decline in stock market values would be accompanied by significant gains in rare coin prices. In other words, rare coins offer a hedge against declining stock market prices. After the greatest bull market in stock market history, it would certainly make sense to hedge some of your stock market "paper profits" and put some of those profits into the rare coin market. The second way that rare coins offer a hedge against the possible declining value of paper assets is a pure inflation hedge. Over the decades, rare coins have been a premier inflation hedge. The long-term rate of growth of prices for top quality rare coins exceeds inflation rates by a large margin.

2. **High potential, moderate risk gold play.** Rare gold coins (and to a certain extent, rare silver coins) offer an incredible double edge gold bullion play. It works like this. Since 1970, every time that gold bullion has made a significant move, prices for top quality rare gold coins have increased many multiples of the percentage of increase for gold bullion. On the other hand, when gold bullion prices decline, prices for rare gold and silver coins usually do not fall anywhere near as far or as fast as prices of other gold influenced assets. In other words, rare gold (and silver) coins offer you much more upside potential than gold bullion.

3. **Long term appreciating asset.** For the long term, rare coins have a superb price appreciation track record. The rare coin market moves in cycles and certainly has its ups and downs. But it's interesting that in every cycle of the past 30 years, the highs have been higher than the previous lows. That's a classic definition of an appreciating asset. Additionally, the average rate of return for rare coins is equal to or exceeds nearly every other long-term appreciating asset including stocks and real estate.

4. **Anonymous.** In these days of increasing government intrusion into the private affairs of its citizens, rare coins offer an attractive degree of anonymity. There are no reporting requirements in the rare coin market. Whatever you do with your rare coins is your business as far as we are concerned. We don't even have to know your real name.

5. **Great long-term store of value.** Rare coins offer a wonderful

way to store and preserve wealth long-term. They are also an excellent way to pass wealth to your heirs.

6. **Tax-advantage asset.** Rare coins, when held for the long-term, offer you significant tax advantages. Unlike income from interest and dividends which is taxed on a yearly basis, increases in value for your rare coin holdings are not taxed until you actually sell the coin. This is a tremendous advantage as far as your rate of return goes. Instead of whacking you once a year, the government only gets to take its piece when you actually liquidate your coins. And then, your rare coin profits are taxed at the favorable capital gains tax rate.

WHAT WE CAN DO FOR YOU

As you can see, rare coins offer some very significant advantages. The case for participating in the rare coin market is compelling, but you may be asking yourself whom you should participate with. The following significant factors separate us from all other rare coin dealers:

1. **The men behind the company,** Van Simmons and David Hall. In the past 20 years, Van Simmons and David Hall have helped to assemble some of the major collections in the world, as well as offering services to investors, historians, banks, and many other individuals and organizations.

David Hall has been a major force in the rare coin industry for the past 25 years. Today he is considered the most influential man in the rare coin market. In fact, the February 20, 1996 issue of the national trade paper, Numismatic News, calls David Hall "the man who changed the rare coin market forever."

Van Simmons is the consummate collector, an energetic entrepreneur, and a dedicated professional in his chosen field of numismatics. Van Simmons' collecting interests are as varied as they are challenging and interesting. His collections run the gamut from antique golf clubs to firearms, from English pottery to Bowie knives, from American and French art glass to Western Americana, from Indian baskets to Gold Rush memorabilia. Even with this wide range of interests, his number one collecting passion remains rare coins. Since the days of sorting pennies in his native Long Beach, California, home in the 1960s until today, his fascination with the beauty, rarity, and historical significance of coins has never waned.

All of the major market developments of the past 20 years have originated with David, Van and our firm, including grading guarantees, daily cash buy/sell markets, third party certified grading, and electronic trading networks. Our firm is the leader in innovative ways to better serve clients. When you deal with our firm, you get the very best the rare coin market has to offer and you are dealing with the most influential rare coin firm in the world.

2. **The world's finest coins.** For the past 20 years, David Hall Rare Coins has specialized in Gem quality coins exclusively. We don't try to be everything to everybody. We deal in top of the line quality rare coins. When you deal with us, you are doing business with a firm that specializes, in fact, consistently leads the marketplace, in the sale of Gem quality coins. We have the expertise and the exposure to help you acquire the very best of the best. And every coin we sell is inspected by Van and David to insure that they meet their personal standards

for quality, which for over twenty years have been the strictest and most respected standards in the industry.

3. We sell PCGS coins exclusively. Our firm only sells coins that have been graded by the Professional Coin Grading Service (PCGS). PCGS is the leading third party grading service. After 14 years of operation, PCGS has graded a total of 6,640,648 coins with a cumulative declared value of \$9,292,132,882! That's more coins than all of the other grading services put together. PCGS is the standard for the industry and the grading service of choice for the rare coin professionals. PCGS coins are worth more than the coins graded by other grading services and they are much more liquid. When you do your rare coin business with David Hall Rare Coin's, you aren't sold just whatever we have on hand. We only acquire PCGS graded coins for our clients. Once again, it's our specific business strategy to help our clients acquire the best of the best.

4. Ultra competitive prices. Even though we consistently lead the market in sales of Gem quality rare coins, we are a small, low overhead firm. Our prices are always competitive. As an example, check out our tight margins on some of the generic gold coins. Not only do we help you acquire the world's finest coins, we do it for the best possible price.

5. Superb service and follow up. We don't just sell you coins and forget about you. We offer a continuing program of client service including our monthly INSIDE VIEW newsletter, monthly coin listing titled THE VELVET TRAY with analysis by Van, and personal consultation with Van any time you desire.

6. Financial stability. This firm has been in business since 1977 (David has been buying and selling rare coins since 1961.) Through good markets and bad, we've been helping our clients with their rare coin needs. Van and David as a team have had a strong presence in the rare coin market for the last 21 years. In July of 2000 we strengthened that presence by joining the Collectors Universe™ family of companies.

A MARKET THAT'S RIPE AND READY

The rare coin market is poised for significant price gains. In fact, those price gains have already begun. The reasons why now is one of the very best times to buy rare coins are:

1. Prices are near the bottom. After major bull markets in 1970-74, 1976-80, and 1983-89, rare coins went through a significant bear market between 1990 and 1994. The rare coin market moves in definite cycles and every four or five years you get the chance to buy coins at near the bottom of the cycle. You have that chance today.

2. The stock market could be topping out. Stocks have enjoyed the longest bull market in history. Some smart money investors are starting to become more than a little nervous about of this "smart money" is leaving the stock market holdings. A significant amount of

this "smart money" is leaving the stock market and looking for investment alternatives. The rare coin market is starting to get some of this money. It only takes a little increase in demand to move the rare coin market upward.

3. Supplies of top quality rare coins are paper thin. The bottom of every coin market supply is very thin. Actually, the time when rare coin supplies are at their thinnest is in the 12 to 24 month period following a major bottom period. That's approximately the scenario we have at this moment. Supplies are so thin that the slightest increase in demand creates immediate upward pressure on rare coin prices.

The rare coin market is ripe and ready to move. In fact, prices are already moving up. This is a market that's just waiting for an excuse to explode. Any of the following events would be very bullish for rare coins. A move by gold bullion to over \$350, a sustained period of sluggish price action in the stock market, or a noticeable increase in the rate of inflation. If any one of the preceding events occur, rare coin prices could immediately take off. If a combination of those events happen, rare coin prices could soar.

Please take the time to read over the enclosed literature. Then give me a call and we'll discuss the strategy you wish to employ and the top quality rare coins we have available that might fit that strategy. As a way of saying thanks for your interest in our firm, I'm giving you a complimentary three month subscription to David's newsletter, INSIDE VIEW, as well as to the VELVET TRAY, a detailed listing of our most current high quality United States rare coins.

Sincerely,



Van Simmons
President of DHRC

P.S.: Please take a moment to read through our references and you will see many financial writers such as: Richard E. Band, Editor of "Profitable Investing"; Adrian Day, Editor of "Investment Analyst"; Mark Skousen, Editor of "Forecasts and Strategies"; Doug Casey, Editor of "Crisis Investing"; R.E. McMaster, Editor of "The Reaper"; Robert Bishop, Editor of "The Gold Mining Stock Report"; Larry Abraham, Editor of the "Insider Report"; and John Pugsley, Editor of "John Pugsley's Financial Newsletter," recommended our firm.



DAVID HALL RARE COINS

P.O. Box 6220, Newport Beach, California 92658 • (800) 759-7575 • (949) 567-13254 • Fax (949) 477-5874

E-Mail: info@davidhall.com • www.davidhall.com

“Wise and powerful men have always collected rare coins.”

Baron Rothchild

Now that we're entering our 3rd decade in business I thought I would put a small list together of just a few of today's top economic advisors in the world who recommend our firm for purchases of rare coins.

Richard E. Band, Author and Investment Advisor

He is America's #1 investment advisor for individuals seeking low-risk growth. His conservative model portfolios have quadrupled in value since 1984, outperforming all major market indexes, while accepting far less risk than market averages. He is the author of *Contrary Investing* (named "Best Investment Book" of 1985, recently updated for the 1990's). He is a frequent speaker at investment conferences. Band's straightforward style and safety-first "value" approach to wealth building have won numerous awards, including four in the "Best Financial Advisory" category by the Newsletter Publishers Association. Band has been quoted in *Business Week*, *Barron's*, *Forbes* and other financial publications.

Adrian Day, Financial Analyst

Mr. Day is editor of monthly investment newsletter, "Investment Analyst," which has one of the largest circulations in the country. Mr. Day is also a registered financial consultant and manages accounts for clients who want to diversify into gold, oil, and natural resource stocks along with investments in many foreign countries.

Mark Skousen, Author and Economist

Mr. Skousen is currently the CEO for the Foundation for Economic Education (FEE), and Editor of the monthly financial newsletter "Forecasts and Strategies." He is author of over 10 financial books (*Economics on Trial*). Mr. Skousen is actively involved in some of the most prestigious free-market and liberty think tanks in the world. He frequently speaks and writes articles for organizations such as the Cato Institute, the Foundation for Economic Education, the Libertarian Party, the Council for National Policy, and the Mt. Pelerin Society.

Doug Casey, Author and Economist

Mr. Casey is editor of the monthly financial newsletter "Crisis Investing" and author of the best selling financial book "Crisis Investing."

R.E. McMaster, Author and Economist

He is editor of the monthly financial newsletter "The Reaper", and author of four books on finance. Mr. McMaster was hired by President Rios Mont of Guatemala to go to Guatemala and set up a free enterprise economic system. He has also been an advisor to the Shah of Iran, President Nixon, President Reagan, and Henry Kissinger.

Robert Bishop, Stock Analyst

Editor of "The Gold Mining Stock Report" Mr. Bishop is highly regarded as one of the major analysts on gold mining stock and other hard assets.

Larry Abraham, Geopolitical Investment Advisor and Author

Editor of "Insider Report" the top geopolitical investment newsletter and author of several books, including best seller "None Dare Call It Conspiracy."

John Pugsley, Author and Economist

He is editor of "John Pugsley's Financial Newsletter" and author of 2 books on investment strategies, "Common Sense Economics" and "The Alpha Strategy."

Howard Ruff, Economist

Mr. Ruff is editor of the monthly newsletter "Ruff Times" and one of the first hard money speakers.

Bill Donoghue, Author

Mr. Donoghue is the founder of the Donoghue Mutual Fund news service and best selling author, host of radio and television programs on "Do It Yourself Investing." He is also profiled in *Boston Magazine*, *Fortune*, *Wall Street Journal*, *Barron's* and *New York Times*.



Van Simmons on the Price of Gold Coins: Why High-End Coins Are Set to Ride Even Higher

By Dr. Steve Sjuggerud, President, Investment U

At a gold conference I attended last week, coin guru Van Simmons explained how top-quality, high-end rare coins outperform their lower-quality counterparts in the second part of a coin bull market.

Together with David Hall (www.davidhall.com), Van Simmons revolutionized the coin industry in 1986, with the creation of PCGS, the grading system for coins. Needless to say, Van knows his stuff. And in this discussion on the price of gold coins, Van convinced me that buying high-end gold coins could pay off handsomely for investors who are smart enough to get in now.

The first thing is the relative cheapness of these high-end gold coins we kept talking about... many top-of-the-line coins that sold for \$4,000 or more back in the 1980s can be had for less than \$1,500 today. It's like that across the board in the top-of-the-line part of the market.

The second thing is the fact that these coins are the ones that move up a lot in the big part of a move in gold coins, Van says, as new collectors gravitate toward the best stuff (it's a macho thing). And it seems like that's where we are now in the price of gold coins. To me the last part, and the most important part, is that I think you won't go wrong by dealing with Van (see his phone number and e-mail address below). Simply put, Van already has plenty of money, and probably has been "on Easy Street" for years now. So it is not in his best interest to overcharge anyone or treat him badly, and risk a lawsuit or something. He doesn't need the business... he just loves it.

Van Simmons Is a Man of His Word with True "Insider" Knowledge

I spent a good deal of time with Van while out in

California, and I believe he's as straight-up a guy as they come. He strikes me as so decent he's someone to aspire to be like. Let me tell you about my personal experiences with Van Simmons...

A few months ago, Van offered to pick Porter Stansberry and me up at the airport when we came out for the gold coin conference. Honestly, I'd forgotten about it... I took it as something someone says in passing, but then doesn't really stick to. After all, Van is a multi-millionaire, with tons of things going on. He'd forget, right?

Wrong. Van meant it. He was waiting for our call the day we arrived last week, but we'd rented a car... which brings me to the next thing... Van had offered to loan us a car for our entire time out there. We'd forgotten about that too... but he hadn't.

Porter and I spent an evening at Van's house, talking about collecting everything (on one level, Van is just a big kid who loves to "trade stuff"), telling stories about people we all know, and enjoying each other's company.

The next day, Porter had an incident requiring medical attention. We called Van, and he found Porter an appointment immediately... Porter had help an hour after we called Van. In short, the more we did with Van, the more he struck us as a good, solid guy. A man of his word.

This is not any kind of paid endorsement or advertising. This is simply me telling you of my experience last week with a good man. If you are considering moving up to top-of-the-line quality rare coins, then you ought to consider doing business with Van Simmons. Contact him at 800.759.7575, or e-mail him at info@DavidHall.com.



Interview with Van Simmons: How to Make Some Coin with Undervalued Coins By Dr. Steve Sjiggerud, President, Investment U

Throughout the decade of the 1990s, stocks did nothing but go up. In the same time, collectibles like rare stamps and rare coins lost three-quarters of their value.

Here in 2004, stocks are now extremely expensive, and are finally starting to break down. But collectibles like rare stamps and coins are super cheap (still down by 75% from their 1980s highs) and have been rising.

Today I interviewed a man whom I consider to be one of the most knowledgeable investors on the planet when it comes to collectibles. Van Simmons came to my hotel room this morning here in Las Vegas, and we talked for nearly two hours on collectibles. I'd like to share some highlights now, including:

- 1) How to make money in collectibles**
- 2) Which collectibles are attractively priced right now**
- 3) And what you should do now with coins you own if you own them**

The Profits Hiding In Neat Old Things...

Van has been a collector his whole life. Van was a founder (and still is a large shareholder) of Collector's Universe (www.collectors.com), a company specializing in authenticating and grading collectibles, like sports cards, stamps and coins, so he has an intimate knowledge of these markets. Separately, he likes to collect a variety of things from other, smaller collectibles markets as well... including guns and knives.

Additionally, Van's day-to-day business has been running David Hall Rare Coins (www.davidhall.com), where he's dealt with collectibles investors for a few decades. He's seen how people succeed and what they

do right, and he's seen how people lose money. I don't think anyone has had a broader experience in collectibles in the world.

Van's strategy for making money is fairly simple. He always buys things of the highest quality. And he buys something when nobody else is interested in buying it. Then he sells when everybody thinks it's the perfect time to buy.

Van gave numerous examples... like the real estate he bought in California (people thought he was crazy back when he bought, and people now think he's crazy for selling).

For "buying quality," you can see an analogy in the stock market - when the market is getting hit, the smaller, poorly run businesses usually get hammered the worst, and may even go out of business. But the decent businesses can hang on, and eventually rise above where they were in the crisis.

It's the same in the collectibles market... "common" collectible items can crash to close to nothing. But exceptional items don't, Van says. Even better, they soar the highest when the market starts going back up again... which is where we are now.

Making 1,000% Profits on the "Next Harley"

In sizing up the markets right now, Van thinks that baseball cards could be "fully priced." But high-quality rare coins and stamps are "a bargain." Many of the other markets are smaller, and more difficult for you to be successful in.

As far as where to speculate in collectibles now, a nifty rule of thumb Van suggested is this: Consider a 35-year-old man today. 15 years ago, he was 20 and there was something in this world that he lusted after,



INVESTMENT U

Interview with Van Simmons: How to Make Some Coin with Undervalued Coins *(continued)*

but he couldn't afford. In 15-20 years, he'll be able to afford it. Figure out what that thing is, and buy it now. Hold onto it for 15 years, and sell it, for maybe 10 times what you paid for it. For example...

Right now, guys in their 50s and 60s are willing to buy Harley Davidson motorcycles, both new and old. Van says you can buy a much better motorcycle than a Harley for the money today (I don't know, I don't ride 'em). But people aren't buying the bike, they're buying back their youth... and buying themselves a symbol that "they've made it." So they're willing to pay any price for it. You'll love to sell to that guy in 10 years...

What's the Harley Davidson of the next 10 years? There have to be many of them. Figure them out, and buy them.

How to Make Money by Selling Low and Buying High

Van had a suggestion for you: Many people have coins laying around, and they don't know what to do with them. They're generally lower-quality coins that might have been in the family.

Van has offered to give a free appraisal of the coins.

With that appraisal, you can then sell them on your own, or you can have Van sell them for you. What Van would recommend you do is sell off these lower-quality coins, and buy a few very high-quality rare coins.

Van and I believe that high-quality rare coins are cheap right now. It's kind of like buying California beachfront at 75% off the highs. It's a great opportunity. He was saying, "Sell off your acres in Wyoming (the lower-quality coins) and use the proceeds to buy super-cheap California beachfront (high-quality rare coins), as quality endures, and prices will recover."

Van won't make his money on your old coins if you choose to sell them through him. He makes his profit on the high-grade coins he buys for you if you decide to buy "California beachfront at 75% off." He is the expert, and he deserves his pay, as he'll get you into good, quality coins that have the potential for triple-digit gains in the next five years, and he won't cheat you. What more could you want?