

CAPITAL GOLD GROUP, INC.

WHY IS COIN GRADING IMPORTANT?



When the trading of rare coins was predominantly from one dealer to another, the dealers themselves would decide on the coin's value using three simple definitions:

- "Good" - a coin with most of the detail intact;
- "Fine" - a coin with clear detail and some luster on its surfaces; and
- "Uncirculated" - a coin which had never been in general circulation

Soon terms such as 'fine', 'very fine', and 'extra fine' emerged as collectors sought to add further value to their coins for sale. However, when the ban against owning gold was lifted in 1974 and more and more consumers began entering the coin market, it became obvious that additional protection was needed for consumers acquiring numismatic gold beyond these general terms.

By 1985, industry leaders and some of the country's leading coin experts (numismatists) realized a need for 'grading' coins - assigning a definition to reflect the 'grade' or condition of a coin using a standardized scale for grading which was consistent throughout the numismatic industry in order to avoid product misrepresentation. Eventually the industry came to accept the 'Sheldon Scale' which assigns a grade from '1' through '70', with '70' being a perfect coin.

With the introduction of grading agencies providing a third-party appraisal of a coin's physical condition backed by a guarantee, a national network of reputable coin dealers could provide an extremely reliable form of protection for rare coin consumers. This introduced a climate in which consumers could acquire numismatic coins with greater confidence.

Capital Gold Group, Inc. offers Pre-1933 coins graded by either the Professional Coin Grading Service or Numismatic Guaranty Corporation, the industry leaders in grading.

Established in 1986 and 1987 respectively, the numismatic experts of PCGS and NGC guarantee you a level of grading consistency unparalleled among grading services.