



*RETIREMENT MILLIONAIRE*  
RESEARCH REPORT

# **The Free Silver Loophole: How to Legally Remove Silver from the U.S. Banking System**

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Published by Stansberry & Associates Investment Research.

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# The Free Silver Loophole: How to Legally Remove Silver from the U.S. Banking System

By Dr. David Eifrig Jr., MD, MBA

I recently heard about a major loophole in the U.S. retail banking system...

This loophole allows you to get real, “hold-in-your-hand” silver from practically any FDIC-insured bank in the U.S... essentially for free. All you do is walk into a typical branch and ask for it... and the teller will simply hand it over as part of a totally free transaction.

You don't even need an account with the bank where you want to collect your silver...

I'm not talking about getting discounted silver or undervalued coins. I'm talking about walking into almost any ordinary bank and asking any teller one, specific question. Then, after a short, free transaction... potentially walking out with a handful of real silver.

You're probably wondering how this is possible... Is there really a loophole in our financial system that enables you to get this incredibly valuable asset essentially for free?

I had these exact questions when I began researching this situation. After studying this for three months, I've compiled this report to share what I found.

In short, it's true... Banks are handing out silver – if you know what to ask for...

But before I describe how it works, let me explain why I think having real silver is so important...

## **Silver Is the Best Chaos Protection for Your Portfolio**

A lot of people have turned to gold as an investment. The problem is, they've pushed gold prices to around \$1,600 an ounce.

Meanwhile silver is trading for at about \$27 an ounce... only about half of its all-time nominal highs in the \$50s. (And miles from its inflation-adjusted highs of more than \$100.) As a result, gold is overvalued relative to silver (I'll explain this more in a moment).

Think about it this way: We've all seen ads from companies offering to pay you cash if you mail in your

gold jewelry. (Don't go anywhere near those sharks, by the way.) Have you seen any for silver? Me neither

Right now, you would need about 59 ounces of silver to buy one ounce of gold. This difference in value is wildly out of step with centuries past. And it's not going to stay that way...

The U.S. Congress established its monetary system in 1792 and agreed to mint coins using both gold and silver. At the time, you needed 15 ounces of silver to buy one ounce of gold. (In other words, what we call the "silver-to-gold ratio" was 15:1.)

That ratio was well established. In fact, 15 ounces of silver had roughly equaled an ounce of gold for the previous four *centuries* (at least according to my 1932 edition of the U.S. Geological Survey *Minerals Yearbook*).

But then, in the early 20th century, governments around the world (notably ours) stopped backing their money with gold. People started hoarding gold, driving up its value, and the ratio went haywire, cracking 71:1 during the Great Depression.

A variety of political and economic factors calmed the gold market and the ratio narrowed (though not to pre-Depression levels). It eventually bottomed out at a little more than 20:1 in the 1960s... when the U.S. stopped backing its currency with silver (those were the so-called silver certificates). People then bought up silver coins, driving the price of silver higher relative to the price of gold.



But guess what? In 2009, enthusiasm for gold pushed the ratio back to near its decades high of 71:1... exactly where it was in the last depression, when people were crazy for gold. Right now, the ratio is about 59:1. Will it drop again to 20:1 or the pre-Depression ratio of 15:1? No one knows. But given the reasons for precious metals to rise, it's smarter to own the metal near a low rather than the one near its all-time high.

Fundamental changes in the market (low interest rates combined with inflationary pressure on food and housing prices) could power silver to \$50, \$100, or even \$200.

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To capture the biggest gains, you should get in soon.

A silver/gold ratio of 15 would put silver in the \$106 range... an amazing **293% increase from current prices of \$27.**

You have a lot of ways to invest in silver. But the best way I've found allows you to take physical possession of the silver without paying huge markups to the spot price. It doesn't require any risky leverage or buying of mining companies that may or may not be around this time next year...

And that brings me to this incredible silver loophole, which might be my most unusual find yet...

## How to Start Getting Your Silver Today

A small group of banks in the U.S. are in possession of a certain type of government-created coin, which does not circulate widely in the general population...

You see, these coins – which contain varying amounts of silver – were originally produced during the early part of the 20<sup>th</sup> century, as part of a government mandate – called H.R. 2934 – to create money that was respected and easy to use. More than 750 million of these coins were minted, all containing varying amounts of silver.

These coins – which contain as much as 90% pure silver – were designed by many of the best sculptors and engravers of the day – people like Augustus St. Gaudens, Charles E. Barber, and Gilroy Roberts. One of these coins is even listed by the Professional Coin Grading Service (PCGS) as one of the 20th century's most beautiful silver coins.

The coins were date-stamped and engraved with official U.S. government markings, to ensure authenticity.

The government intended to keep these unique “silvers” in circulation. But the feds ceased production in 1971 because people were hoarding them and not circulating them.

The coins I'm talking about are 50-cent pieces. As I mentioned before, up through 1964, dimes quarters, and half dollars were made using silver. In 1965, all of the silver was removed from dimes and quarters. But from 1965 to 1970, half dollars contained 40% silver. After that, silver was completely removed.

But the banks still hold large quantities of these coins. The U.S. government minted more than 2 billion silver half dollars during the 1900s. If you assume that just 1% of them are still out there... that's probably about 20 million left in the banking system.

The key to this is... if the bank has half dollars, you can exchange your ordinary paper dollars for a roll of half dollars for the face amount... so \$10 will get you 20 half dollars. Just walk in and say these five magic words: “Do you have half dollars?”

## What Does that 'S' Mean?

Something else to look for in your coin rolls: proof coins.

These so-called proof coins are made especially for collectors. Many of them were designed to be in sets (you've probably seen ads on TV for proof coins). Because they're specially made, you're not supposed to see them in circulation.

But on a very rare occasion, one will make its way into a coin roll. You can usually tell proof coins by the mirrored background. Proof coins also tend to have much greater detail than circulating coins. And proof coins made after 1967 will have an "S" on the coin. The "S" signifies the San Francisco mint struck it.

Proof coins made after 1971 don't have any silver in them. But if it's in good condition, it could still be worth as much as twice the coin's face value. And there's a chance you can sell the coin for more profit to a coin dealer or on an auction site like eBay. The most valuable proof coins are sealed in protective packaging. Obviously, if you find one in coin roll, it won't be in a protective seal, so it will have lost some of its collectible value.

Take the roll home... look through the coins. If you have even one pre-1965 coin... At the current price of silver... That's a more than 250% return on your \$10. If your roll is nothing but post-1971 coins... you can still spend the half dollars (or deposit them in your checking account)... You've lost nothing. They're legal tender, after all. You simply exchanged \$10 for \$10.

The thing you have to remember is, sometimes these banks have possession of these coins and sometimes they don't. Half dollars aren't popular and don't circulate as much as other denominations coins – like dimes and nickels – so banks may have very few on hand.

But this is also our opportunity... This so-called "coin-roll hunting" isn't as effective with commonly used denominations. The supplies of pre-1965 coins have been picked over much more thoroughly.

To increase your odds of finding valuable half dollars... I recommend you visit rural banks... They likely won't have a lot of customers looking for silver half dollars. If the bank doesn't have silver dollar rolls, ask the teller if he can order some for you. Just make sure you won't be charged for the order. I also recommend looking in March and April. People deposit lots of change these two months... probably to help pay taxes.

## The Inside Tracks

Of course, if you want to invest a little more effort, you can try getting on "The List," as one gentleman we talked to called it.

"I started bringing the tellers baked goods like cookies and cream cheese pies. I sent them postcards when I went on vacations... mowed lawns for a few of the older tellers," he said. "In other words, it's a popularity contest with the other guys who are after the hand-rolled halves. Treat the tellers nice and they will put you at the top of their 'List.'"

If you're friendly with the tellers, they can hold half dollars for you and alert you when they have new ones in.

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One important thing to remember... most banks will let you exchange dollars for rolled coins without an account. But if you're taking coins back to the bank or asking for half dollars to be ordered, the bank may require you to have an account there.

Also, a word of caution, this opportunity is not infinite. The government is no longer printing silver coins... As more people catch on to the opportunity and squirrel away these coins, the number of coins making their way into rolls will dwindle. Eventually, silver half dollars will effectively disappear...

When will that happen? It's anyone's guess. It could be a month from now... or five years from now. We probably have at least a one-year window of opportunity to take advantage of this secret. That is, unless the price of silver shoots up in the next few months and this idea all of a sudden becomes VERY popular.

The important thing to remember is that once the word really starts to spread, I expect this free silver will become increasingly difficult to find. In other words, this loophole is closing... and exactly how fast it will close is impossible to predict. Opportunities like this don't stick around forever. Those who act sooner will undoubtedly reap the best results.

So, if this idea interests you, I strongly recommend you consider it carefully, but act swiftly. When we first began researching this idea, we estimated the chances of success were about 25%. But as it becomes popular, that could decrease to 15%, or even 10%.

Let's recap how you can get your silver coins...

- Walk into a bank and ask for half dollars.
- Exchange your paper money for real silver.
- Rural banks offer the best chance of finding these coins.
- Visit banks in March and April.
- Get on "The List" by becoming friendly with tellers.
- Some banks require an account when returning coins or ordering rolls.

## Where to Sell Your U.S. Coins

Selling silver and gold can be risky business if you do not know whom you are dealing with. Over the years, we at S&A have formed some reliable contacts in all areas of the financial world. Here are some of those folks... and feel free to tell them we sent you. (Also, be sure to let me know your experience dealing with them.)

The names are:

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