

2008 Mandela Coin: Is it legal to sell them?

The biggest mystery about the 2008 Mandela coin, also known as the 90th birthday coin, is not why anyone would want to pay more than R5 for a coin that is worth exactly R5. The mystery is how is it possible that no one in the South African Reserve Bank saw it coming? After all, there have been precedents: the 1994 Mandela Presidential Inauguration R5 coin, as well as the 2000 Mandela R5 coin.

Against such background, it was to be expected that the new 90th birthday Mandela coin will end up on *bidorbuy* and other trading places. And yet, the veritable trading frenzy that was unleashed on 18 July 2008, the date the coin was released, seems to have taken the authorities by surprise.

Truth to be told, the frantic trading surprised the *bidorbuy* people too. "As far as I am concerned, the 2008 Mandela coin is worth R5," says the site's Managing Director Andy Higgins. "It is not an investment coin. On the other hand, *bidorbuy* firmly believes in the freedom of trading in all legal items, and if people are willing to pay more than R5 for the coin, I don't see why they should not be allowed to do so."

Even though the Mandela R5 coin is certainly legal, a phone call from the South African Reserve Bank made *bidorbuy* change its stand a little. At one point, staff were instructed to close all 2008 Mandela coin listings. Then a compromise between the somewhat vague concerns expressed by the South African Reserve Bank and the website's own policy was reached: *bidorbuy* sellers were informed that they may list smaller quantities of the coin at a time, at their own risk. However, listing an unopened bag containing 400 or 500 coins would definitely not be tolerated.

The "at their own risk" part of the message stems from the Reserve Bank's caution that people who trade in 2008 Mandela coins may come under the stern scrutiny of the law, especially if they trade in large quantities.

The *bidorbuy* coins and notes community is abuzz with speculations. The traders are doubtlessly rubbing their hand. As one forum member pointed out, "Controversy breeds collectability, and all this will just make the coins more sought after."

As for the site, it will stick to its policy of allowing listings of a reasonable quantity of the 2008 Mandela R5 coins on its pages, at least until further, more definite instructions from the authorities are received. *bidorbuy* will also, at its own discretion, cooperate with authorities in case of an investigation into how this or that seller came into possession of the coins.

In the meantime, the message from *bidorbuy* and their expert coin dealers is: the 2008 Mandela coins are not investment coins. More than two million of them was released into circulation, and a circulation coin is considered somewhat rare only when there are fewer than a thousand of them.

True, some exceptionally well-done samples of a circulation coin, graded and number-proofed by a reputable firm, may be valuable. However, that is an involved issue, best left to the experts. The chances of such a 2008 Mandela coin landing into the hands of a man in the street is about equal to the chances of winning the grand lottery prize.

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