

Form 2 - Pawnbrokers and Second-hand Dealers Act 1996

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(Clause 27 of *Pawnbrokers and Second-hand Dealers Regulation 2015*)

Notice to person pawning goods

Note : The information contained in this notice is to be treated only as a guide to your rights and obligations. In order to fully ascertain your legal rights and obligations you should refer to the relevant legislation.

Pawn ticket

- 1) You must sign an original record of your pawn agreement that contains all the required information.
- 2) You must be given a copy of this record (a pawn ticket) and this ticket must include the following information:
 - a) The total amount lent on the goods.
 - b) The date the pawn was made and the agreement signed.
 - c) The date that the redemption period ends.
 - d) If the goods consist of more than one item, whether or not the items can be separately redeemed.
 - e) The interest that you will be charged and the fees and charges that you will or may have to pay including any that may be deducted from the sale of your goods and how those fees and charges are calculated. Note that the interest rate and the fees and charges must not be more than those that are displayed on a sign in the pawnbroking shop.
 - f) The equivalent annual interest rate.
 - g) How often interest will be charged, with an option to pay interest monthly if you want to.
 - h) The address of where the goods will be kept during the redemption period.
 - i) A fair and reasonable description of your goods, including serial numbers or other identifying numbers of every component.
 - j) The name and residential address of the owner of the goods and any agent through whom they are pawned.
 - k) By what method your goods may be sold if you were not to redeem them, for example, sold on the shelf or by auction at the pawnbroking shop or sold by auction at other premises.

Redemption of goods

- 1) You may reclaim the goods that you have pawned by paying the outstanding amount of the loan, and any interest due and any fees and charges payable, as stated on your pawn ticket. You must also produce your pawn ticket to the pawnbroker and reproduce the signature on the ticket. If you have lost your ticket, you can provide evidence of your identity and a declaration that you are the owner of the goods instead. If you wish an agent to collect the goods on your behalf they will need an authorisation from you or evidence that you are unable to collect the goods yourself or provide an authorisation.
- 2) You may reclaim the goods at any time before the pawnbroker sells or disposes of them, even if the period of the loan has passed. The pawnbroker cannot charge interest after the end of the loan period but may charge you a safekeeping fee (this must be on your pawn ticket). This safekeeping fee cannot be more than that stated on the pawn ticket and the sign in the pawnbroking shop.

Period of loan and payments

- 1) The pawnbroker must provide you with a minimum 3-month loan period. The period of the loan commences on the day the goods are pawned.
- 2) You have a right to pay your interest charges on a monthly basis, the interest does not all have to be paid at the end of the loan period and you can make an interest payment to the pawnbroker at any time during business hours.
- 3) Any person may make an interest payment on your behalf.

Lost or stolen pawn ticket

If the pawn ticket is lost or stolen you have a right to redeem the goods if you give the pawnbroker proof of your identity and:

- a) a declaration stating that you are the owner of the goods, or
- b) an authority from the owner to collect the goods, or
- c) reasonable evidence of the owner's death, incapacity or inability to sign an authority.

Sale of unredeemed goods and payment of surplus

The following provisions apply if the period of the loan expires and you have not reclaimed the pawned goods:

- a) The pawnbroker must, if the loan is greater than \$100, offer the goods for sale as soon as possible in a way that will get the best price possible.
- b) The only fees and charges that may be taken off the price paid for the goods are those that are stated on your pawn agreement (these must also be shown on a sign in the pawnbroking shop).
- c) If the goods are sold for more than the loan and any interest or charges payable, then that excess money (or surplus) is payable to you. It is your right to collect that money within 12 months of the sale.
- d) If there is a surplus which is greater than \$50, then not more than 21 days after the goods are sold the pawnbroker must send you a notice (unless you have requested the pawnbroker not to send you a notice) stating that the goods have been sold and there is a surplus due to you and that you have 12 months to collect it.
- e) The pawnbroker, an employee of the pawnbroker or a person acting on behalf of a pawnbroker cannot buy the goods. If they do so they will not have legal ownership of the goods.

Pawn agreement cannot be varied other than to extend

- 1) You and the pawnbroker cannot vary the original agreement to pawn your goods other than to extend the loan period (this can be done even if the original loan period has already finished).
- 2) You must sign the agreement to extend the loan period and be provided with a copy of that agreement. The copy must:
 - a) include a reference to the original agreement and state the date the extension agreement is made and what the new redemption period is, and
 - b) state any new fees, charges or interest payable as a result of the extension agreement.

What happens if the pawnbroking shop closes or the pawnbroker sells the business?

- 1) If the pawnbroker sells the pawnbroking shop, the pawnbroker must write to you within 14 days of the sale, at the address that you have supplied, and notify you as to who has bought the business and will be in charge of the pawn.
- 2) If a pawnbroker surrenders the pawnbroker's licence, the Commissioner for Fair Trading may require the pawnbroker to advise you as to where you can redeem your goods.