

Schedule 3

WHAT ARE MY RIGHTS WHEN I PAWN GOODS?

Second-Hand Dealers and Pawnbrokers Act 1989 (Section 23(3)(b))

In brief

- **The pawnbroker must give you a pawn ticket and written notice of the charge you will have to pay in addition to the loan.**
- **If you do not repay your loan in time, the pawnbroker can sell your goods without telling you.**
- **If the pawnbroker sells your goods, you are entitled to claim the money left from the proceeds of sale after the money you owe under the loan, any unpaid pawnbroker's charge and the reasonable costs of sale of the goods have been deducted.**

For further information

- If you have any questions about your rights when you pawn goods or if you have a complaint about a pawnbroker, please contact Consumer Affairs Victoria.

In more detail

Pawnbroker's charge

The pawnbroker will charge you a weekly or monthly amount (sometimes called interest) and must give you written notice of the amount of the charge.

The pawnbroker's premises must have a sign that shows the maximum amount charged by the pawnbroker on pawn transactions.

The pawnbroker must not charge you more than the maximum amount shown on the sign, unless the notice given to you states the reason for the higher amount and you agree in writing to pay the higher amount. You must also be given a copy of this agreement.

Repaying the loan

You may repay your loan at any time before the pawnbroker sells your goods, even if the period of your loan has ended. The pawnbroker must record on your pawn ticket all payments you make on your loan.

Claiming your pawned goods

You may claim your goods back by paying what you owe under the loan, and the amount of unpaid pawnbroker's charge. You may claim your goods back at any time before the pawnbroker sells them, even if the period of your loan has ended. When you claim your goods back you must show the pawnbroker —

- your pawn ticket; and
- one piece of identification with a photograph (such as a passport or a driver's licence) or two pieces of identification without a photograph (such as a birth certificate, health care card or a marriage certificate). If you do not have these, either the pawnbroker or Consumer Affairs Victoria can advise you what other identification can be used.

Lost or stolen tickets

If your pawn ticket is lost or stolen, the pawnbroker must give you a replacement pawn ticket if you provide —

- a statutory declaration stating that your ticket has been lost or stolen; and
- proof of identity as set out above.

Selling unclaimed pawned goods

- If you do not claim back your goods by the end of the loan period, the pawnbroker can sell them without telling you.
- The pawnbroker must sell your goods as soon as practicable after the end of the loan period and must obtain the best price reasonably obtainable for the goods.
- It is illegal for the pawnbroker to buy your goods.

Money left over from the sale of unclaimed pawned goods

- If your goods are sold, the pawnbroker is entitled to deduct from the proceeds of sale any money you owe (under the loan and the pawnbroker's charge) and the reasonable costs of selling the goods.
- You are entitled to any money left over from the proceeds of sale after these amounts have been deducted, if you claim it within 12 months after the sale of the goods.
- If the amount of money left over is \$10 or more, the pawnbroker must send you a notice advising you that you can claim the money.
- The notice must be sent within 14 days after the sale to the last address you gave the pawnbroker unless you gave an alternative address for sending notices. It is important that you tell the pawnbroker if you change your address.
- If you do not claim the money left over within 12 months after the sale of the goods, you are no longer entitled to it and the pawnbroker can keep it.
- It is illegal for the pawnbroker to refuse to pay you the money left over if you request payment within the 12-month period. If the pawnbroker refuses to pay you, you may apply to the Magistrates' Court for an order that the pawnbroker pay you the money.