

## ARTICLE 7. PAWNBROKING

### Rule 1. General Provisions

#### 750 IAC 7-1-1 Books and records; bills of sale (Voided)

Sec. 1. (Voided by P.L.14-1992, SECTION 166, effective July 1, 1992.)

#### 750 IAC 7-1-2 Advertising materials; retention; examination

Authority: IC 28-7-5-12

Affected: IC 28-7-5-18

Sec. 2. Advertising. Each licensee shall retain for a period of not less than fourteen (14) months from the date of use, with the date of such use indicated thereon, identical copy of all advertising material, including radio script, which has been printed, displayed, published, distributed or broadcast by such licensee, available for examination by representatives of the Department at any time; Provided, however, the licensee may dispose of said advertising after an examination. Licensee holding more than one license may designate one office located in Indiana as the repository for such records.

#### COMMENT

The laws of the State of Indiana are sufficient to control the advertising of a licensee. In determining what advertising is false, what is misleading, and what is calculated to deceive, the advertisement must be considered with the surrounding facts and circumstances, and the representatives of the Department are instructed to examine the advertising of each licensee, giving consideration to the facts and circumstances under which such advertising is done, and giving consideration, among other things, to statements which are ambiguous or incomplete. Such representatives shall report to the Department such advertising by a licensee which in their opinion violates the provisions of the statute. (*Department of Financial Institutions; Pawnbroking Reg No 1, Sec 2; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 1017; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 181; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939*)

#### 750 IAC 7-1-3 Annual report form

Authority: IC 28-7-5-12

Affected: IC 28-7-5-17

Sec. 3. Annual Report. The annual report of the licensee shall be made in the following form:

PAWNBROKING

PAWNBROKING

License No \_\_\_\_\_

Name of Pawnbroker \_\_\_\_\_ City \_\_\_\_\_

State of Indiana

DEPARTMENT OF FINANCIAL INSTITUTIONS

Annual Report for the Year Ending December 31, 19\_\_\_\_

As Required by

Chapter 195, Section 17, Acts of 1935  
and any acts amendatory thereof

SCHEDULE A  
General

1. Name of Licensee \_\_\_\_\_
2. License Number \_\_\_\_\_
3. Place of Business (Exact Address) \_\_\_\_\_
4. Date Licensee began Business \_\_\_\_\_
5. State whether Independent Corporation, Incorporated Affiliate, Partnership, Individual, or Unincorporated Branch \_\_\_\_\_
6. Monthly Rate of Interest and Fee Charged on Pledges \_\_\_\_\_
7. Are any other charges made on pledges? \_\_\_\_\_ If "Yes" state nature \_\_\_\_\_
8. Are books kept on Cash or Accrual basis? \_\_\_\_\_
9. If company engages in any business, other than Pawnbroking, give brief description here \_\_\_\_\_

SCHEDULE B  
Statement of Financial Condition\*

	(1)		(2)	
	As of Dec 31, 19 ____ End of Present Year		As of Dec 31, 19 ____ End of Previous Year	
<b>Assets of Entire Company:</b>				
10. Cash on Hand and in Bank _____				
11. Pledge Loans Outstanding _____				
12. Other Loans (Specify) _____				
13. Merchandise Inventory _____				
14. Furniture and Fixtures _____				
15. Other Assets (Itemize) _____				
16. Total all Assets (Items 10 to 15) _____				
<b>Liabilities of Entire Company:</b>				
17. Notes Payable _____				
18. Accounts Payable _____				
19. Pledgee's Surplus Account _____				
20. Other Liabilities (Itemize) _____				
21. Net Worth (If not incorporated) _____				
22. Capital Stock issued (Corporation)				
Common _____				
Preferred _____				
23. Surplus and Undivided Profits (Corporation) _____				
24. Total Liabilities and Capital (Items 17 to 23) _____				

\*Note: In order to avoid complications, this report has been designed to include only assets of the licensee; therefore, if company engages in the small loan, merchandise, or any other business in addition to Pawnbroking, all assets from such business or businesses should be included in Items 10 to 15 above, in the proper classification. (The same principle applies to Schedule C, Items 24 to 30 inclusive.)

PAWNBROKING

**SCHEDULE C**

**Statement of Income and Expense**

For Period from January 1, 19 \_\_\_\_, to December 31, 19 \_\_\_\_.

<b>Gross Earnings from Entire Business:</b>				
25. Interest collected on Pledge Loans				
26. Interest collected on Other Loans				
27. Storage Fees on Pledged Articles				
28. Gross Income from Merchandise Business				
29. Other Income (Itemize)				
30. Total Gross Earnings (Items 25 to 29)	X	X	X	X
<b>Expenses of Conducting Entire Business:</b>				
31. Rent				
32. Salaries:				
Officers				
Employees				
33. Printing and Stationery				
34. Legal Fees				
35. License Fees (Specify)				
36. Taxes:				
State and Local Taxes				
Federal Taxes				
37. Losses on Auction Sale of Pledges				
38. Interest on Borrowed Money				
39. Other Expenses (Itemize)				
40. Total Expenses (Items 31 to 39)	X	X	X	X
41. Total Net Earnings from Entire Business (Item 30 minus Item 40)	X	X	X	X
<b>Reconciliation of Surplus or Net Worth:</b>				
42. Surplus or Net Worth Dec. 31, of the Previous Year (Must agree with Item 21 or 23, Col. II, Sch. B) Add:				
43. Net Earnings (Item 41)				
44. New Capital Invested (Individual or Partnership)				
45. Other Credits to Surplus (Itemize)				
46. Total	X	X	X	X
Deduct:				
47. Withdrawals from Profits or Capital (Individual or Partnership)				
48. Dividends				
49. Other Debits to Surplus (Itemize)				
	X	X	X	X
50. Surplus or Net Worth Dec. 31, of the Present Year (Must agree with Item 21 or 23, Col. I, Sch. B)	X	X	X	X



## PAWNBROKING

### INSTRUCTIONS FOR PREPARING PAWNBROKING REPORT

#### Who Should Prepare Pawnbroking Report

The pawnbroking report must be prepared by all persons, partnerships, or companies licensed to do a pawnbroking business in Indiana (Section 17, Pawnbroking Law). Any person, partnership, or company having both a small loan license and a pawnbroking license will be required to file a small loan annual report and a pawnbroking annual report on the forms provided by this Department.

#### When and to Whom Report Should Be Made

Pawnbroking report must be filed with The Department of Financial Institutions (Division of Small Loans and Consumer Credit) not later than March 15 (Section 17, Pawnbroking Law). However, in order to allow time for correction in case of incomplete or incorrect reports, licensees are advised to file their reports as soon as possible after December 31.

#### Period to Be Covered By Report

Schedule B, Column I (Items 10 to 24) should show the financial statement of condition of the entire company as of December 31 of present year. Schedule B, Column II (Items 10 to 24) should show the financial statement of condition of the entire company as of December 31 of the previous year.  
The first part of Schedule C (Items 25 to 41) should cover the period from January 1 to December 31 of the present year.

#### SCHEDULE A

Under Item 6, answer "lawful rate" if all pledge loans made during the year carried the maximum rate of interest allowed by law. If all pledge loans made during the year did not carry the maximum rate allowed by law at the time the loans were made, attach a schedule of the actual rates charged, showing the period of time during which the reduced rates were in effect and the rate of pledge loans to which such rates were applicable.

Item 8: Your books are on a cash basis if they show only money actually received and expended during the year. Your books are on an accrual basis if they show receipts and expenses, earned or incurred, during the year whether or not actually received or paid.

#### SCHEDULE B

Schedule B should be a balance sheet showing all assets and liabilities of the entire company in the proper classifications. The first section of Schedule B (Items 10 to 16) should include all the assets employed in carrying on the licensee's business or businesses. If the schedule does not show all the headings applicable to the business, insert the additional headings under Item 15.

Pledge or Pawn loans should be shown under Item 11. Any other loans made by the company, such as "loans of \$500 or less made under the Small Loan Act," or "straight eight per cent loans, etc." should be shown under Item 12.

The second section of Schedule B (Items 17 to 24) should include all the outstanding liabilities and capital of the company under the proper headings. Show properly captioned under Item 20 any liability items not provided in the schedules. Include under Item 19 (Pledgors Surplus Account) all amounts owed to pledgors from the public auction sale of pledged articles as provided by Section 31 of the Pawnbroking Law.

The amount shown under Item 24 must agree with the amount shown under Item 16.

If the licensee is a corporation, Item 21 will be disregarded. If the licensee is a partnership or individual, Items 22 and 23 will be disregarded.

#### SCHEDULE C

Enter under Gross Earnings (Items 25 to 30) all earnings from the entire company under the proper classifications. Income, reported under Item 29, must be itemized. If sufficient space is not provided, a separate schedule of other income should be attached.

Under Items 31 to 40 enumerate all expenses of carrying on the business or businesses of the entire company. Expense listed under Item 39 must be itemized.

In instances where Item 40 exceeds Item 30, then Item 41 will indicate a loss and should be so shown.

Items 42 to 50 should show the distribution of earnings of the entire company and also all other transactions during the year that affect surplus or net worth. Items 45 and 49 must be itemized. If the licensee is a corporation, Items 44 and 47 will be disregarded. In the case of corporations, Items 42 and 50 are the same as Item 23, Column II, Schedule B and Item 23, Column I, Schedule B, respectively, and, therefore, must agree.

If the licensee is a partnership or individual, Item 48 will be disregarded. In the case of a partnership or individual, Items 42 and 50 are the same as Item 21, Column II, Schedule B, and Item 21, Column I, Schedule B, respectively, and, therefore, must agree.

#### SCHEDULE D

This schedule includes an analysis of pledge or pawn loans only, and is self explanatory. The first section of Schedule D may be proved as follows: Item 51 plus Item 52 minus Items 54 and 55 should equal Item 46.

Item 57 classifies all pledge loans made during the year according to size, and the total of this group (Item 57g) should agree with Item 52.

Item 58 should represent the actual amount of surplus paid to pledgors during the present year in accordance with Section 31 of the Pawnbroking Law.

#### AFFIDAVIT

The affidavit must be executed, if a corporation, by a duly authorized officer of such corporation, or by a member of the firm or partner if the licensee is a firm or partnership. In the case of illness or inability of such person to sign the affidavit, it may be executed by a legal representative or agent. The affidavit must be made before a Notary Public, Justice of the Peace, or other person authorized to administer oaths.

#### IN GENERAL

All items and schedules must be properly filled out. Incomplete or inaccurate reports cannot be accepted.

In instances where no amount can be entered, write the word "none."

Typewritten reports are preferred; however, if this cannot be done, reports properly filled out in ink will be accepted.

The annual report form which we are providing has been given careful consideration and we feel that no company need omit any figures called for.

*(Department of Financial Institutions; Pawnbroking Reg No 1, Sec 3; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 1018; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 182; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)*

#### 750 IAC 7-1-4 License application form

Authority: IC 28-7-5-12

Affected: IC 28-7-5-4

PAWNBROKING

Sec. 4. Application Form. The application for a license shall be made in the following form:

THE DEPARTMENT OF FINANCIAL INSTITUTIONS  
STATE OF INDIANA

APPLICATION FOR PAWNBROKING LICENSE OR RENEWAL OF A LICENSE

....., Indiana, ..... 19.....

License No. ....  
(Leave Blank)

To the Department of Financial Institutions of  
The State of Indiana,  
Indianapolis, Indiana.

The undersigned hereby makes application for a license or renewal of a license to conduct a pawn-  
broking business in ..... County, State of Indiana, as provided in Chapter 195, Acts of 1935.

(To be filled in by all Applicants)

Name .....  
(Trade name)

Address.....

INDIVIDUALS

(Schedule to be filled in only by those operating as Individuals)

Name ..... d/b/a .....  
(Trade name)

Place of Business .....

Residence Address .....

Is an office maintained at the above address? .....

Name and address of affiliate licensed offices.....

PARTNERSHIPS

(Schedule to be filled in only by those operating as Partners)

Name.....  
(Trade name)

Place of Business.....

Is an office maintained at the above address?.....

Name and address of affiliate licensed offices.....

Name and residence address of each partner is as follows:

Name Residence Address

PAWNBROKING

CORPORATIONS

(Schedule to be filled in only by those operating as Corporations)

Name .....

Place of Business .....

Such corporation was organized under the laws of the state of .....

Date of Incorporation ..... Place .....

Is an office maintained at the above address? .....

.....

.....

The names, addresses and titles of its officers and directors are as follows:

Officers and Directors	Title	Address
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

Is any stock held by holding company or managing company? ..... If so, give name and address of affiliate company .....

GENERAL QUESTIONS

(Schedule to be filled in by all Applicants)

Do you intend to carry on or engage in any other business in addition to the Pawnbroking Business? .....

If so, describe other business or businesses in detail .....

.....

.....

Do you agree to keep a separate set of books and records to be used for the Pawnbroking Business only? .....

.....

Describe the method employed or to be employed in allocating expenses .....

.....

Do you agree to surrender license in event of failure to renew? .....

Has any officer, employee or owner been convicted of violating any of the provisions of this Act? .....

If so, give particulars .....

.....

Has any officer, employee or owner been connected directly or indirectly as principal or employee with any business, licensed under this Act, which license was suspended or revoked? .....

PAWNBROKING

If so, give particulars.....

Do you agree to operate your business honestly, fairly, and within the purposes of the Act?.....

Do you agree to abide by all General Orders and Regulations promulgated by this Department?.....

(Individual)

(Seal)

Corporation Signatures

(Name of Corporation)

By

Partnership Signatures

(Partner)

(Partner)

(Partner)

(Partner)

(Partner)

ACKNOWLEDGMENT (Individuals or Partnership)

State of Indiana, County of , SS:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared

and acknowledged the execution of the above and foregoing instrument to be their free act and deed for the uses and purposes therein mentioned.

Witness my hand and Seal, this day of , 19

(Notary Public)

My commission expires



PAWNBROKING

ACKNOWLEDGMENT
(Corporate)

State of Indiana, County of....., SS:

Before me,....., the undersigned, a Notary Public
in and for said County and State, personally appeared.....

..... to me known to be the.....
(Name) (Title)
of..... and acknowledged the execution of the
(Name of Corporation)

above and foregoing instrument to be the free act and deed of such corporation for the uses and purposes
therein mentioned.

Witness my hand and..... Seal, this..... day of

....., 19.....

(Notary Public)

My commission expires.....

BOND

Know All Men by These Presents, That the undersigned.....
of..... County, State of Indiana, as principal and.....

.....of.....

as suret....., are firmly bound unto the State of Indiana in the penal sum of ONE THOUSAND DOLLARS,
for the payment of which, well and truly to be made, we bind ourselves, jointly and severally, and our joint
and several heirs, executors, administrators and assigns, firmly by these presents, this..... day of

....., 19.....

The conditions of the Above Obligations are Such, That, Whereas the above named.....
.....
has applied for a license or renewal of a license to conduct a Pawnbroking business in.....
County, as provided in Chapter 195, Acts of 1935.

Now if the said.....
.....
will faithfully conform to and abide by the provisions of the said Pawnbroking Act and the regulations
lawfully made by the Department of Financial Institutions of the State of Indiana pertaining to the busi-
ness of pawn loans and will pay to the State of Indiana and to any person or persons any and all money that
may become due or owing to them from said.....

PAWNBROKING

under and by virtue of the provisions of said law, then the above obligations to be null and void, else to remain in full force and effect.

(SEAL)

Corporation Signature

By

(Individual)

(Corporation)

(Name of Officer)

Partnership Signatures

(Partner)

(Partner)

(Partner)

(Partner)

(Surety)

By

(Name of Officer)

ACKNOWLEDGMENT

State of Indiana, County of

, SS:

Before me,

in and for said county, this

day of

, 19.....

personally appeared

as principal and

as surety and acknowledged the execution of the above and foregoing bond.

Witness my hand and

Seal, this.....day of

, 19 .....

(Notary Public)

My commission expires .....

Accepted and approved this

day of

, 19.....

(Small Loan Supervisor)

PAWNBROKING

State of Indiana, County of..... SS:

I, ..... above subscribed surety, hereby declare on my oath, that I am worth in real estate situated in Indiana, in my own right and name, not less than..... in excess of all encumbrances and obligations, and any interest that my wife (if married) may have in my property.

Subscribed and sworn to before me, this..... day of....., 19..... (Notary Public)

My commission expires.....

For the purpose of complying with Chapter 195, Section 8, Acts of 1935, new applicants are to furnish the following three references, one of which is to be a bank:

- 1. ....
2. ....
3. ....

(Department of Financial Institutions; Pawnbroking Reg No 1, Sec 4; filed Dec 15, 1945, 9:40 am: Rules and Regs. 1947, p. 1027; filed Feb 13, 1947, 9:50 am: Rules and Regs. 1948, p. 182; readopted filed Nov 5, 2001, 2:59 p.m.: 25 IR 939)

Rule 2. Thumb Print Requirement

750 IAC 7-2-1 Thumb prints of customers (Voided)

Sec. 1. (Voided by P.L.14-1992, SECTION 166, effective July 1, 1992.)

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