

WHEREAS, the Board of Aldermen for the City of Arcadia, Missouri, is desirous of implementing appropriate regulations for the operation of a pawnshop within the corporate limits of the City of Arcadia, Missouri; and

WHEREAS, Chapter 367 R.S.Mo. sets forth State statutes relative to said regulations, and the City of Arcadia, Missouri, is desirous of complying with said State statutes and compelling all pawnbrokers and pawnshops within the corporate limits of the City of Arcadia, Missouri, to comply with said State statutes.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF ARCADIA, MISSOURI, as follows:

SECTION 1 - Definitions.

A. "Chief of Police": The Chief of Police of Arcadia, Missouri, or his or her designee.

B. "City Collector": The City Collector of the City of Arcadia, Missouri, or his or her designee.

C. "Net Assets": The book value of the current assets of a person or pawnbroker less its applicable liabilities as stated in this subdivision. Current assets include the investment made in cash, bank deposits, merchandise inventory, and loans due from customers excluding the pawn service charge. Current assets do not include the investments made in fixed assets of real estate, furniture, fixtures, or equipment; investments made in stock, bonds or other securities; or investments made in prepaid expenses or other general intangibles. Applicable liabilities include trade or other accounts payable; accrued sales, income, or other taxes; accrued expenses; and notes or other payables that are unsecured or secured in whole or part by current assets. Applicable liabilities do not include liabilities secured by assets other than current assets. Net assets must be represented by a capital investment unencumbered by any liens or other encumbrances to be subject to the claims of general creditors.

D. "Pawnbroker": Any person engaged in the business of lending money on the security of pledged goods or engaged in the business of purchasing tangible personal property on condition that it may be redeemed or repurchased by the seller for a fixed price within a fixed period of time.

E. "Pawnshop": The location at which or premises in which pawnbroker regularly conducts business.

F. "Person of Good Moral Character": A person who has not been convicted of any State, Federal or Municipal offense involving drugs or narcotics, robbery, burglary, theft, stealing, receiving stolen property, embezzlement, extortion,

forgery, gambling, bribery, purgery, any weapons offense, or crime of violence within the last five (5) years.

G. "Person": An individual, partnership, corporation, joint venture, trust, association or any other legal entity however organized.

H. "Pledged Goods": Tangible personal property other than choses in action, securities, or printed evidences of indebtedness, which property is deposited with or otherwise actually delivered into the possession of a pawnbroker in the course of his business in connection with a pawn transaction;

I. "Secured Personal Credit Loan": Every loan of money made in this State, the payment of which is secured by a security interest in tangible personal property which is physically delivered into the hands of the lender at the time of the making of the loan and which is to be retained by the lender while the loan is a subsisting obligation.

Section 2. License Required and Annual Fee.

A. No person shall carry on or engage in business as a pawnshop or pawnbroker in the City of Arcadia without having first obtained a license therefor from the City Collector as approved by the Board of Aldermen.

B. Every pawnbroker must obtain a license for each place where such pawnbroking business is transacted, and no one shall act as agent, employee or solicitor for any pawnbroker while such pawnbroker is engaged in such business at a place other than that specified in the license.

C. Before any license under this ordinance is issued, the applicant must obtain a certificate from the Chief of Police stating the applicant has complied with all of the requirements of Section 3 of this ordinance.

D. Each applicant or licensee shall pay an annual pawnshop or pawnbroker's fee of \$25.00 in addition to the annual merchant's license fee.

Section 3. Issuance of Certificate - Requirements.

Every applicant for a pawnbroker's license shall complete and submit to the Chief of Police an application on a form to be provided by the Chief of Police. The application shall indicate compliance with the following requirements:

A. The owner, operator and employees of the pawnshop shall be persons of good moral character as defined herein.

B. The applicant shall enter into a bond to the use of the City of Arcadia, the State and any person or persons who may have a cause of action against the obligor of such bond under R.S.Mo. Chapter 367, or this ordinance with two (2) or

more good and sufficient sureties, who are residents of the State of Missouri and licensed to do business in this State, to be approved by the Mayor and the City Collector in the penal sum of Five Thousand Dollars (\$5,000.00), conditioned that the applicant will faithfully observe all laws, ordinances, regulations and requirements of the City of Arcadia and the State of Missouri in relation to pawnbrokers or their business, and will pay all costs, fines and penalties incurred on account of his or her failure or neglect in that behalf, and will pay all damages resulting to the City of Arcadia, the State of Missouri or to any person by reason of his or her wrongfully purchasing, taking or receiving in pledge or on deposit any stolen property, or the property of any minor. Such bond shall be filed with the City Collector and may be sued upon by any person damaged, as aforesaid, in the name of the City of Arcadia, to the use of such person. In no event shall the City of Arcadia or State of Missouri be liable for any costs in such suit.

C. The application shall provide the form of the pledgee's ticket to be used by the pawnshop, which form must be approved by the Chief of Police. Every pawnbroker shall give, to the person negotiating or leaving property with him or her, a plainly written or printed ticket having upon it a full and perfect copy of all the entries required by Section 5 to be kept in the register, for which copy no charge shall be made.

D. All property purchased absolutely by any pawnbroker shall be kept by him or her, at his place of business, for thirty (30) days after such purchase.

E. No pawnshop shall be open for business or receive, as pawned, pledged or purchased on any condition, whatsoever, any article of personal property or other valuable thing, between the hours of 10:00 p.m. on any day and 7:00 a.m. on the following day. No such place of business, or any place or room, a portion of which is used for the conduct of pawnbroking business, shall be open for business on Sundays nor on New Year's Day, Thanksgiving Day nor Christmas.

F. Every pawnbroker shall keep at his or her place of business a clean and legible register in which he or she shall enter in writing, a description of all property taken, purchased or received, including any number that may be in or upon any article, together with their time and a complete description of the person leaving or selling the property, giving his or her name, age, nationality, sex, color of eyes and hair, height, weight, scars, tattoos, or other identifying physical characteristics, driver's license number, military identification number capable of identifying the person, and place of residence, including street and number, and a signed document from the seller providing that the seller has the right to sell the property. The amount lent shall also be entered in the register together with the interest charged and the time when the loan falls due. Such

entries shall be made within one (1) hour after the receipt or purchase of the property. Every entry shall be made in ink and shall not, in any manner, be erased, obliterated or defaced. This provision shall not apply to any piece of property previously taken or received from the same person within the same calendar year.

G. The register provided for herein shall at all times be kept open to the inspection of the Sheriff of the County of Iron, State of Missouri, or his or her deputy, any officer of the police force of the City, the City Attorney, the Prosecuting Attorney of the County of Iron, State of Missouri, and anyone authorized in writing for the purpose by the Chief of Police. Every pawnbroker shall also, upon request, show and exhibit to any such person or officer for inspection any article purchased, taken or received by him or her.

H. No pawnbroker shall purchase, take or receive in pledge or deposit any article or property of or from a person under eighteen (18) years of age or owned by any person under eighteen (18) years of age, or any stolen property or property which, from any cause, he or she may have reason to believe or suspect cannot be lawfully or rightfully sold, pawned or pledged by the person offering it.

I. Every pawnbroker shall have net assets of at least Fifty Thousand Dollars (\$50,000.00) readily available for use in conducting business as a pawnshop for each licensed pawnshop location. If the City is unable to verify that the applicant meets the net assets requirement for a licensed pawnshop, the City may require a finding, including the presentation of a current balance sheet, by an independent certified public accountant that the accountant has reviewed the books and records of the applicant and that the applicant meets the net assets requirements of this subsection.

J. An application for a new pawnshop license, the transfer of an existing pawnshop license or the approval of a change in the ownership of a licensed pawnshop shall be under oath and shall state the full name and place of residence of the applicant, the place where the business is to be conducted, and other relevant information required by the City. If the applicant is a partnership, the application shall state the full name and address of each member. If the applicant is a corporation, the application shall state the full name and address of each officer, shareholder and director.

K. Every pawnbroker shall keep, consistent with accepted accounting practices, adequate books and records relating to the licensee's pawn transactions, which books and records shall be preserved for a period of at least two (2) years from the date of the last transaction recorded therein.

L. Every pawnbroker shall comply in all respects with R.S.Mo. Chapter 367.

M. The application shall be accompanied by an investigation fee of Five Hundred Dollars (\$500.00) if the applicant is unlicensed at the time of applying for the pawnshop license or Two Hundred Fifty Dollars (\$250.00) if the application involves a second or additional license to an applicant previously licensed for a separate location or involves substantially identical principals and owners of a licensed pawnshop at a separate location. There shall be no investigation fee for renewal of a previous license so long as the principals or owners and the location of the pawnshop remain the same.

Section 4. Secured Personal Credit Loans - Maximum Rate of Interest.

The maximum rate of interest which may be charged for making and carrying any secured personal credit loan shall not exceed two percent (2%) per month on the amount of such loan. The pawnbroker, pawnshop or lender may also charge a reasonable fee for the storage and security of such pledged property.

Section 5. Pledged Property Receipts.

A. At the time of making any secured personal credit loan, the pawnshop, pawnbroker, or lender shall execute and deliver to the borrower a receipt for and describing the tangible personal property subjected to the security interest to secure the payment of the loan. The receipt shall contain the following:

- (1) The name and address of the pawnshop;
- (2) The name and address of the pledgor, the pledgor's description, and the driver's license number, military identification number, identification certificate number, or other official number capable of identifying the pledgor;
- (3) The date of the transaction;
- (4) An identification and description of the pledged goods, including serial numbers if reasonably available;
- (5) The amount of cash advanced or credit extended to the pledgor;
- (6) The amount of the pawn service charge;
- (7) The total amount which must be paid to redeem the pledged goods on the maturity date;
- (8) The maturity date of the pawn transaction; and

(9) A statement to the effect that the pledgor is not obligated to redeem the pledged goods, and that the pledged goods may be forfeited to the pawnbroker sixty (60) days after the specified maturity date.

B. If the pawn ticket is lost, destroyed, or stolen, the pledgor may so notify the pawnshop or pawnbroker in writing, and receipt of such notice shall invalidate such pawn ticket, if the pledged goods have not previously been redeemed. Before delivering the pledged goods or issuing a new pawn ticket, the pawnbroker shall require the pledgor to make a written affidavit of the loss, destruction or theft of the ticket. The pawnbroker shall record on the written statement the identifying information required, the date the statement is given, and the number of the pawn ticket lost, destroyed, or stolen. The affidavit shall be signed by a notary public.

Section 6. Revocation of License.

If any pawnbroker, or his or her agents, servants or employees shall violate any of the provisions of this ordinance or any of the provisions of Chapter 367 R.S.Mo., and is finally convicted in any court of record of the City of Arcadia or State of Missouri, or fails to remain a person of good moral character, the license issued under this ordinance shall be revoked by the City of Arcadia, upon notice and recommendation by the Chief of Police.

Section 7. Violation and Penalty.

It shall be unlawful for any pawnbroker or his or her agents or employees to violate any of the requirements of Sections 2, 3, 4 or 5 of this ordinance. Any person, whether a pawnbroker or his or her agents or employees, convicted of violating any of the requirements or provisions of Sections 2, 3, 4 or 5 of this ordinance, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punishable by a fine not in excess of One Thousand Dollars (\$1,000.00) or by imprisonment in the City Jail for a period not in excess of One Hundred Eighty (180) days, or by a combination of both such fine and imprisonment.

Section 8. Licensed Issued before August 8th, 1994.

No person who has received a valid pawnbroker's license from the City of Arcadia or the State of Missouri, and was lawfully operating a pawnshop on or before August 8th, 1994, and has continued to operate said pawnshop through the date of this ordinance's effectiveness, shall be required to obtain a new license in accordance with this ordinance as long as such person does not violate the requirements and conditions of the previously issued license or the terms of this ordinance, or the terms of Chapter 367 R.S.Mo.

Section 9. Provisions Applicable to All Pawnbrokers.

The provisions contained within this ordinance shall be applicable and binding upon all pawnbrokers operating within the City of Arcadia, Missouri, no matter whether said individuals were operating prior to or subsequent to August 8th 1994, with the exception of the license requirements set forth in Section 8 of this Ordinance.

Section 10. Municipal Code Citation.

The preceding ordinance sections shall be indexed into the Municipal Code of the City of Arcadia, Missouri.

SECTION 11. Separability.

If any section, sub-section, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof.

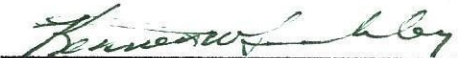
SECTION 12. Ordinances repealed.

All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 13. Effective date.

This Ordinance shall take effect immediately upon its final passage by the Board of Aldermen of the City of Arcadia, Missouri.

WHEREUPON, this ordinance was read three times and approved by vote of the Board of Aldermen of the City of Arcadia, Missouri, on this 8th day of August, 1994.



Kenneth W. Lumbley, Mayor

ATTEST:



City Clerk