



National Pawnbrokers Association

Best Practices for the Pawn Industry

Pawnbrokers Should Strive For The Following:

1. **Enhance Pawn Image.** Members should protect the professional image of the pawn industry by maintaining reputable stores that enhance and promote a positive representation of all pawnbrokers. Members should employ professional staff and keep their stores updated, clean, and brightly lit to sustain the evolution of the pawn industry.
2. **Business Practices.** Members should conduct business with the highest level of integrity. They should attentively interact with the general public by offering superb customer service and quality merchandise.
3. **Promote Responsible Borrowing.** Members should encourage customers to use pawn services responsibly, by working with them to encourage repayment of their pawn loans and reclaim their pledged property.
4. **Stolen Property.** Members should avoid the acceptance of stolen property by refusing any items that are suspicious in nature or thought to be misappropriated.
5. **Law Enforcement.** Members should work closely with law enforcement officials to help ensure the safety of their respective communities while encouraging respect for the financial privacy rights of their customers.
6. **Satisfaction Guarantee.** Members should back their quality merchandise by offering retail customers a fair satisfaction guarantee program.
7. **Display NPA Membership Seal.** Members should notably display the NPA seal in their stores to signify their affiliation with the organization and commitment to these Best Practices.
8. **Support Balanced Legislation.** Members should take an active role in public policy, and be amenable to working with lawmakers and regulators to support legislation that will enhance the products and services offered by pawnbrokers.
9. **Accountability.** Members should monitor other member businesses and hold them accountable for following these Best Practices.
10. **Laws & Regulations.** Members should comply with all federal, state and local laws and regulations related to the pawn industry.

Pawnbrokers are licensed and regulated by local, state and federal (Federal Trade Commission, Bureau of Alcohol Tobacco, Firearms and Explosives and the Treasury Department) authorities and must abide by:

- Truth & Lending Act
- Equal Credit Opportunity Act
- Fair Credit Reporting Act
- Patriot Act
- Federal Trade Commission Rules on Marketing and Data Privacy and Security
- Federal Firearms Laws and Regulations (for stores dealing in firearms)
- State laws
- Local ordinances

The best practices presented in this document are general in nature. NPA members should not use the contents of this document in lieu of legal advice from qualified local counsel in their respective jurisdictions because state or local laws may create additional or different compliance responsibilities