

A guide to applying for a licence or certificate

The Licensing Authority of Secondhand Dealers and Pawnbrokers

Using this guide

This guide will provide you with the information needed to complete your application for a licence or certificate to engage in secondhand dealer or pawnbroker activities. The guide covers applications for:

- A certificate to enter into transactions and/or issue pledge tickets on behalf of a licensed secondhand dealer or pawnbroker, and
- A licence as an individual or company to engage in business as a secondhand dealer or pawnbroker.

Who needs to hold a licence?

If you are engaged in business as a secondhand dealer or act as a pawnbroker, you must hold a licence. If you are in a business partnership with one or more people, each of you must hold a licence.

What does 'engaged in business as a secondhand dealer' mean?

You are presumed, unless you prove otherwise, to be engaged in business as a secondhand dealer if, in any 12-month period, you:

- Buy secondhand articles or scrap metal for the purpose of trade on 6 or more different days
- Sell, exchange, or in any other manner deal with secondhand articles or scrap metal (that have been acquired for the purpose of trade) on 6 or more different days, or so as to receive revenue of \$2,000 or more from the sale, exchange, or dealing.

How do I apply for a licence

Sole Trader or Partnership

If you are engaged in the business as a sole trader or are in a business partnership, you need to:

- Fill out an 'Application for a Licence by an Individual' form;
- Attach 2 photos of yourself, (authenticated in the prescribed form);
(see *Photo Specification section on page 4*)
- Complete a Statutory Declaration; and
- Pay the prescribed fee.

To confirm how you pay the application fee, please visit the Ministry of Justice website:

<https://www.justice.govt.nz/tribunals/licences-certificates/secondhand-dealers-pawnbrokers/forms-and-fees/#pay>

If you operate in partnership with someone else, you must provide information about the other partner(s), to assure the Licensing Authority that your business partner(s) are also eligible to be licensed or certified, even if they are not yet actively applying for a certificate.

Important Note: Sections 6(2) and 7(2) of the Secondhand Dealers and Pawnbrokers Act 2004 provide that if 2 or more people engage in business as secondhand dealers and/or pawnbrokers in partnership with another, each partner must hold a licence.

Each partner must complete a separate licence application.

Company

If the company is engaged in business as a secondhand dealer or pawnbroker, and you are a person concerned with the management of the company (you are either a director or chief executive), you need to:

- fill out an 'Application for a Licence by a Company';
- complete a Statutory Declaration; and
- pay the prescribed fee.

To confirm how you pay the application fee, please visit the Ministry of Justice website:

<https://www.justice.govt.nz/tribunals/licences-certificates/secondhand-dealers-pawnbrokers/forms-and-fees/#pay>

If only one person is concerned with the management of the company, that person must also hold a certificate before the company can be issued a licence.

If more than one person is involved in the management of the company, you must provide information about these people to assure the Licensing Authority that they are also eligible to hold a certificate. Every person involved in the management of the company must be checked for eligibility.

A 'person concerned with the management of a company' means:

- A director of the company, as defined in section 126 of the Companies Act 1993; and
- The Chief Executive of the company or any person occupying the equivalent position.

Application Forms can be downloaded from: <https://www.justice.govt.nz/tribunals/licences-certificates/secondhand-dealers-pawnbrokers/forms-and-fees/>

How much does a licence cost?

The following are the prescribed licence fees (GST inclusive):

- For an individual: NZ\$410
- For a company: NZ\$230 plus \$180 for each person concerned in the management of the company*

*A person concerned in the management of the company is a director or chief executive of the company (or equivalent position).

Who needs to hold a certificate?

You need to hold a certificate if:

- You work for a licensed secondhand dealer and you enter into transactions on behalf of the secondhand dealer; or
- You work for a licensed pawnbroker, and you issue a pledge ticket on behalf of the pawnbroker; or
- You manage, supervise, or control a person who works for, and enters into transactions on behalf of a licensed secondhand dealer, or issues pledge tickets on behalf of a licensed pawnbroker.

How do I apply for a certificate?

To apply for a certificate, you need to:

- Fill out an 'Application for a Certificate' form;
- Attach 2 photos of yourself, (authenticated in the prescribed form) (see *Photo specification section page 4*);
- Complete a Statutory Declaration; and
- Pay the prescribed fee.

To confirm how you pay the application fee, please visit the Ministry of Justice website:

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How much does a certificate cost?

- Free for a person concerned in the management of the company* that is applying concurrently for a company licence.
- \$180 (incl. GST) for any other person.

*A person concerned in the management of the company is a director or chief executive of the company (or equivalent position).

Who is eligible to hold a licence or certificate?

You are not eligible to hold a licence or certificate if you:

- Are under 18 years of age;
- Have been convicted within the past 5 years of an offence under:
 - the Secondhand Dealers and Pawnbrokers Act 2004; or
 - the Fair Trading Act 1986; or

- sections 217 to 265 of the Crimes Act 1961 (which relates to crimes against rights of property); or
 - the Pawnbrokers Act 1908; or
 - the Secondhand Dealers Act 1963
- Have been subject to a sentence of imprisonment at any time within the past 5 years;
 - Have had a certificate or licence cancelled or had renewal refused within the past 5 years;
 - Hold a certificate that has been suspended; or
 - Are or have been a person involved in the management of a company that has had a licence cancelled within the past 5 years.

If you are not eligible to hold a licence or certificate but believe that there are special reasons why you should not be disqualified from holding a certificate, you may apply for a 'Waiver of Disqualification'.

Fill out an 'Application for Waiver of Disqualification' form which you can download from our website:

<https://www.justice.govt.nz/tribunals/licences-certificates/secondhand-dealers-pawnbrokers/forms-and-fees/>

What are the photograph specifications?

You must include with your application 2 recent photos of yourself.

Your photos must be of a standard-size, so that they can be produced on a "credit card"- sized certificate or licence. They therefore must be:

- Identical, recent photos of you;
 - A full-front view of your face, head and shoulders only;
 - Taken without a hat, head covering, or head band;
 - On a plain light-coloured background; and
 - 40mm wide and 50mm high.
-

Who can authenticate my photographs?

The following people can authenticate your photographs:

- A Barrister or Solicitor of the High Court of New Zealand;
- A Registrar or Deputy Registrar of a District Court;
- A Justice of the Peace;
- A member of the New Zealand Police;
- A registered medical professional;
- A person authorised by law to take statutory declarations in New Zealand.

Who is not:

- A relative or part of the family group of the applicant;
- A spouse, de-facto partner, or civil union partner of the applicant;
- A person who lives at the same address as the applicant;
- The employer of the applicant;
- A business partner of the applicant.

What do they need to do to authenticate my photos?

The person authenticating your photos must do 2 things:

- On the application form:
 - Write in his or her own handwriting, the statutory section authenticating photographs.
- On the back of one of the photos:
 - Write in his or her own handwriting: "Certified true likeness of [full name of the applicant]"; and
 - Print his or her name and sign and date that certificate.

Certified true likeness of:
.....
(full name of the applicant)
.....
authenticator's name
.....
signature

Licensing Authority of Secondhand Dealers and Pawnbrokers

Postal address: SX 11159

Wellington

New Zealand

Address: Level 1, 86 Customhouse Quay, Wellington 6011

Phone: 04 462 6660

Fax: 04 462 6686

Email: shdlicensing@justice.govt.nz

Website: <https://www.justice.govt.nz/tribunals/licences-certificates/secondhand-dealers-pawnbrokers/>