



On approval of the Rules for organizing the activities of pawnshops, including the issues of storing things in a pawnshop, establishing requirements for ensuring the safety and technical strength of pawnshop premises, measures to counter the circulation of illegally obtained things in pawnshops

Unofficial translation

Resolution of the Managing Board of the National Bank of the Republic of Kazakhstan dated November 28, 2019 No. 226. Registered with the Ministry of Justice of the Republic of Kazakhstan on December 6, 2019 No. 19709.

Unofficial translation

In accordance with the Law of the Republic of Kazakhstan dated November 26, 2012 "On Microfinance Organizations" the Managing Board of the National Bank of the Republic of Kazakhstan **HEREBY RESOLVES:**

1. To approve the attached Rules organizing the activities of pawnshops, including the issues of storing things in a pawnshop, establishing requirements for ensuring the safety and technical strength of pawnshop premises, measures to counter the circulation of illegally obtained things in pawnshops.

2. The Department of Methodology and Regulation of Financial Organizations in accordance with the procedure established by the legislation of the Republic of Kazakhstan shall ensure:

1) jointly with the Legal Department, state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;

2) placement of this resolution on the official Internet resource of the National Bank of the Republic of Kazakhstan after its official publication;

3) within ten working days after the state registration of this order, submission to the Legal Department of information about implementation of measures, stipulated by subclause 2) of this clause and clause 3 of this resolution.

3. The Department of External Communications – press-service of the National Bank shall ensure within ten calendar days after the state registration of this resolution, submission of its copy for the official publication to the printed periodicals.

4. Control over execution of this resolution shall be entrusted to the deputy Chairman of the National Bank of the Republic of Kazakhstan Smolyakov O.A.

5. This resolution shall come into force from January 1, 2020 and shall be subject to official publication.

*Chairman
of the National Bank*

Ye. Dossayev

"AGREED"

Ministry of Internal Affairs
of the Republic of Kazakhstan
" ___ " _____ 2019

Approved
by the Resolution of the Managing
Board of the National Bank
of the Republic of Kazakhstan
dated November 28, 2019 No. 226

Rules for organizing the activities of pawnshops, including the issues of storing things in a pawnshop, establishing requirements for ensuring the safety and technical strength of pawnshop premises, measures to counter the circulation of illegally obtained things in pawnshops Chapter 1. General provisions

1. These Rules for organizing the activities of pawnshops (hereinafter referred to as the Rules) have been developed in accordance with subclause 4-3) of article 27 of the Law of the Republic of Kazakhstan dated November 26, 2012 "On Microfinance Organizations" (hereinafter referred to as the Law) and determine the procedure for organizing the activities of pawnshops.

2. The Rules shall use the basic concepts, specified in the Law, as well as the following definitions:

1) registered trust receipt – a document, which is issued by a pawnshop when concluding a thing storage contract containing information about an item stored and obligations of the pawnshop on a thing storage within three months upon expiration of the registered trust receipt;

2) depositor - an individual who transfers a thing to a pawnshop for storage in accordance with the terms of a registered safe receipt;

3) pawn ticket – a document, which is issued by a pawnshop when registering a microcredit, containing information about the subject of pawning and the conditions for the provision of microcredit;

4) subject of pawning - movable property designated for personal use, ensuring the fulfillment of fulfillment of the obligation to repay the microcredit;

5) unclaimed thing – a thing, which is stored in a pawnshop and not claimed by the depositor upon the expiration of the registered trust receipt.

3. A pawnshop shall:

1) carry out activities provided for by the Law;

2) conclude contracts on providing a microloan and pledging things in a pawnshop by issuing a pawnticket and obtaining the borrower's consent to:

the provision of information about it to the credit bureau (except for the credit bureau with state participation) and to the internal affairs bodies;

the issuance of a credit report to the recipient of the credit report and internal affairs bodies;

3) create conditions on the territory of the pawnshop for storing things, ensuring their safety and excluding access to them by unauthorized persons;

4) store the collateral for at least 30 (thirty) calendar days after the expiration date of the microloan;

5) store the unclaimed item for three months after the expiration of the personal safety receipt;

6) immediately inform the borrower about the threat of loss or damage to the collateral;

7) immediately return the pledged item in accordance with the pawnticket after the borrower fulfills his/her obligations to the pawnshop.

Footnote. Paragraph 3 is in the wording of the resolution of the Board of the Agency of the Republic of Kazakhstan for regulation and development of the financial market dated 21.02.2022 No. 7 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

4. In accordance with the Civil Code of the Republic of Kazakhstan dated December 27, 1994, laws of the Republic of Kazakhstan dated December 12, 1995 "On state awards of the Republic of Kazakhstan", dated March 7, 2014 "On rehabilitation and bankruptcy" and dated April 2, 2010 "On enforcement proceedings and the status of enforcement agents" a pawn shall not be allowed to accept as a pawn:

1) immovable property;

2) things, withdrawn from circulation and limited in circulation;

3) distrained property;

4) property encumbered with the rights of third parties;

5) property that will become the property of the pledger in the future;

6) perishable raw materials, food;

7) clothing, footwear, linen, bedding, kitchen and dining utensils that were in use, with the exception of fur and other valuable clothing, dinner services, items made of precious metals, as well as having artistic value;

8) baby accessories;

9) vehicles specially designed for the movement of disabled people, technical auxiliary (compensatory) means and special transport means for disabled people;

10) international and state prizes, state orders, medals and badges for honored titles of the Republic of Kazakhstan;

11) whole and complete jewelry containing precious metals and precious stones, such as scrap jewelry.

Chapter 2. Storage conditions in a pawnshop

5. The agreement for the storage of things in a pawnshop is drawn up through the issuance of a registered trust receipt by the pawnshop.

6. The pawnshop independently develops the form of a registered trust receipt, which contains the following information:

1) name, legal address and actual location of the pawnshop;

2) surname, name, patronymic (if any) of the depositor, date of birth, nationality, address of registration, actual place of residence, individual identification number, the data of identity document of the depositor;

3) classification of a thing in accordance with the following categories:

Jewelry and other articles made of precious metals and precious stones;

costume jewelry, coins, base metals and articles made therefrom;

transport means;

electrical equipment;

cellular devices;

works of art, collectibles and antiques;

categories of things, determined in accordance with the internal documents of the pawnshop;

4) name and detailed description (depending on the item: serial number, model, condition, date of manufacture, weight, color, dimensions and other individual characteristics) of the item;

5) three months storage period for unclaimed things after the expiration of the registered trust receipt;

6) the amount of payment for storage and other payments due to the pawnshop;

7) the estimated value of the thing;

8) the right of the depositor to receive from the pawnshop the amount from the sale of the thing minus the storage fee and other payments due to the pawnshop;

9) the obligation of the pawnshop to insure the thing in favor of the depositor at its own expense, in the amount of its assessed value;

10) conditions and place of storage of the thing.

7. During the three-month storage period for an unclaimed item and until the day the thing is sold, the pawnshop does not worsen the storage conditions of the thing.

Chapter 3. Requirements for ensuring the safety and technical strength of pawnshop premises. Countering the circulation of illegally obtained things in pawnshops

8. The pawnshop room consists of an operating cash desk, a storage space (an isolated room with a locked door) and a customer service area.

8-1. The arrangement of the storage space corresponds to the following:

1) walls are of brick or not inferior in strength to brick walls;

2) the entrance door is armored or metal, providing protection against penetration into the storage;

3) metal bars on the windows (if any);

4) the presence of a fire alarm.

Storage space is located in the operating cash desk or in a separate room.

Footnote. The Rules are amended by clause 8-1 in accordance with the Resolution of the Managing Board of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market dated 24.03.2020 No. 20 (shall come into force from the date of its first official publication).

8-2. If the activity of a pawnshop is connected exclusively with the provision of microcredits secured by movable property, in which the pledged property remains in the possession and use of the pledger, there is no need to have a place to store things.

It is allowed to arrange a place for storing things of a pawnshop located in shopping, entertainment complexes and other buildings that have a security system to prevent unauthorized access to the building, including security and security alarm devices, without observing the requirements of subclauses 1), 2) and 3) of clause 8-1 Rules in accordance with the internal documents of the pawnshop.

Footnote. The Rules are amended by clause 8-2 in accordance with the Resolution of the Managing Board of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market dated 03.08.2020 No. 71 (shall come into force from the date of its first official publication).

9. A pawnshop premise shall be equipped with:

1) video surveillance systems with the function of storing records for at least 30 (thirty) days;

2) a security alarm and an emergency call panel, with a signal output to a centralized security point of a private security organization, and in the absence of a private security organization in settlements, it is equipped with an alarm that has a spare power source and the ability to transmit an alarm signal to the mobile phone of the manager or owner of the pawnshop.

10. The pawnshop informs the credit bureau in the manner prescribed by the Law of the Republic of Kazakhstan "On credit bureaus and the formation of credit histories in the Republic of Kazakhstan" about changes or receipt of any data regarding the borrower, and also provides the credit bureau with information about collateral and property, subject to implementation in the extra judicial procedure, in accordance with subclauses 3) and 4) of clause 6 of the Rules.

Information about the property to be sold out of court is provided by the pawnshop to the credit bureau no later than fifteen calendar days before the date of the auction.

11. When registering cases of criminal offences against property, the internal affairs bodies send information about stolen things to pawnshops in accordance with subclause 4) of clause 6 of the Rules, with the attachment of their photographs (if any).

If the item provided as a pledge corresponds to the description of the stolen item, the pawnshop shall immediately report this fact to the internal affairs bodies.

The provisions of part one of this clause do not apply to cases of criminal offenses, the object of which is the things specified in clause 4 of the Rules.