

# STATUS OF RULES



**TWEEDEHANDSE HANDELAARS EN PAND RAAD**  
VEREENIGING INGELYF KRAGTENS ARTIKEL 21  
&  
**SECOND-HAND DEALERS & PAWN BOARD**  
ASSOCIATION INCORPORATED IN TERMS OF SECTION 21

## **1. STATUS OF RULES**

- 1.1 The rules issued by the Association and acceptance of a completed application form and the registration of a member by registration certificate issued pursuant thereto by the Board of directors or representative shall comprise the agreement between the Association and the member.

## **2. REGISTRATION AS MEMBER - CATEGORIES**

### 2.1.1

- General second-hand dealer (pawn excluded) / auctioneer –all classes and types of second-hand goods
- General second-hand dealer & pawnbroker / auctioneer
- Second-hand motor vehicle / motorcycle / aircraft / boat / trailers / caravans / spares / other spares and accessories as part of / inclusive of pawnbroker / general dealer / auctioneer excluding a primarily dealer
- All classes / types of flea market (second-hand goods)
- Second-hand jewellery (purchase, pawn, swop / selling as part of /included in normal business activities as pawnbroker / second-hand dealer / auctioneer excluding a primarily dealer in jewellery
- Agricultural implements including tractors, ploughs and harvesters or any part or accessory thereof
- Bicycles or any part or accessory thereof
- Household and office equipment
- Factory equipment and machinery or any part or accessory thereof
- Tyres of any vehicle or motorcycle
- Communication equipment or any part or accessory thereof
- Antique goods, art and collectables
- Sporting equipment
- Valuables and collectables
- Books
- Shop-fitting equipment

- 2.1.2 In terms of the regulations for an accredited Second-hand Goods Dealer Association, no association of general dealers may accept as a member of that association

- A dealer who deals primarily in vehicles or goods relating to vehicles with the exception of a pawnbroker who deals in vehicles as part of the ‘general’ in second-hand goods
  - A recycler or other dealer who deals primarily in controlled metals
  - A jeweller who deals exclusively in jewellery
  - A scrap metal dealer who deals primarily in scrap metal
- 2.2 The member must be a dealer in the business of acquiring, trading, buying, selling, pawning, swopping, exchanging or storage of second-hand goods, specified in terms of the Act on Second-hand Goods, Act 23/ 1955 and Act 6 / 2009 from a commercial or business site approved by the local metropolitan/city council or other authorities who exercise control and have jurisdiction in the area where the business will be conducted from.
- 2.3 A member wishing to be registered with the Association, shall submit a written application and any other documents requested by the Association, together with a non refundable application fee, the registration fee and the annual certification fee and thereafter maintain membership by proof of payment of the annual membership fee (s)
- 2.4 The Association may, without derogating from the general power to impose conditions of registration, issue a provisional registration certificate for a determined period, or such an extension thereof, as the Association may in it’s sole discretion determine, where the member is not in a position to meet the conditions and or requirements for registration at the time of application but where the Association has reason to believe that the member will meet and qualify in terms of conditions and rules of membership.
- 2.5 A member must submit a copy of the application or permit required or issued by the SA police service in terms of Section 4 of the Act on Second-hand Goods, Act 23/1955 or Act 6/2009, to trade in the class or category of second-hand goods specified in the permit and authorize the SA police service to take fingerprints in order to obtain any information with regard to criminal record, comprising of offences in respect of theft, fraud or any offence involving dishonesty or a conviction indicating propensity to violence or indicative violent debt collection practises, provided that the Association may within its discretion register a member where it is satisfied that the registration of such member will not militate against the objective of developing a clean industry.
- 2.5 a) A member, directors of a company, trustees or members in the case of a Closed Corporation and executive staff may not have any criminal records of which dishonesty was an element and or in respect of paragraph 2.4
- b) An applicant who is insolvent and not rehabilitated cannot be registered as a member
- 2.6 a) A member shall submit a statement under oath / confirmation affidavit, verified by SAPS to comply with all the rules, acts by laws, regulations, requirements, and registration applicable to the category of his/her trade in terms of;
- \* Consumer Protection Act
  - \* SA Revenue Services
  - \* National Credit Act
  - \* Regional Council Services (where applicable)
  - \* Labour Relations Act
  - \* Act on Second-hand Goods, Act 23/1955 and Act 6/2009
  - \* Act on Price Control
  - \* Criminal Procedure Act
  - \* Common law/ Law of Possession
  - \* Law of Lien (Pawn)
  - \* Act on cattle theft, (pawn of live stock)
  - \* Act on cattle burn marks, (pawn of live stock)
  - \* Occupational and Safety Act

and any other legislation applicable to the category or class of trade, in conducting business in the trade in or receiving or storage of second-hand goods as a business.

- b) A member shall be subject to the minimum rules, regulations and directives issued from time to time by the Association, irrespective of any activity which may affect a class or category of the trade.
- c) A member / dealer shall be subjected to on request and after consultation and confirmation by an Association representative towards participation with SAPS on local, provincial and national level regarding crime prevention projects / operations, which will not have an impact on the normal business activities of a dealer / member with the acknowledgement of each individual's Constitutional Rights.

2.7 The Association may cancel or reject an application on the ground of proven false information supplied by a member in the application for membership.

2.8 Membership will only be valid once **proof of full payment** of registration and annual certification fees is provided, payable to and as determined by the Association from time to time in advance from date of registration.

### 3. **COPYRIGHTS**

3.1 A member shall not **divulge, sell, trade or transfer any information** to any other person, **unauthorised institutions or bodies** relating to any aspect of the trade or process of which the member's rights might be infringed while being a fully paid up subscribed and registered member of the Board.

3.2 Such information includes copyrights with regard to methods, processes, **computer software, documentation**, membership lists, programmes, trade secrets, technical information, chemical formula, drawings, contracts, written agreements, registers or any other information to any person or parties which could be in competition with or damaging to the Association and or its members, or operations or which could benefit other parties to the detriment of the association and or its members.

3.3 Any member found to be in breach of this rule shall be deregistered with immediate effect, and be **subject to prosecution and civil claims**. These conditions shall apply during and after determination of membership.

### 4. **CONSUMER RELATIONS AND OTHER**

All members shall maintain proper business practice with regard to fair consumer relations and applicable laws, by-laws, regulations, and policies affecting consumers in the trade.

- At all times maintain good working relations with law enforcement agencies, within the framework of all constitutional rights of the members.
- At all times be honest and maintain proper consumer relations and respect the rights of consumers
- At no time force any agreements with or without the clients consent as a way of conducting business.
- All conditions, rights and obligations of both parties in written agreement, shall be explained before the conclusion of any business transaction
- Acknowledge the right of the client (consumer) to a open, honest, fair and legal business deal within all requirements, limitations, advantages and responsibilities of a legal business practice
- Conduct fair labour practices with regard to their employees and where applicable affirmative action and equal opportunities for employees must be upheld to ensure a climate whereby good labour relations and sound consumers (client) services can be assured by employees.

- At all times promote the good image of the Association and participate in personal and or staff training programs

Programmes for members with regard to:

- Consumer Protection Act
- Act on second-hand goods: various categories
- Act on Price Control
- Consumer relations
- Good business practices
- Valuation and testing methods
- Criminal Procedure Act (Section 36 and 37)
- Law of Lien
- National Credit Act (pawn and credit agreements)
- Other courses on request (Training certificates issued for courses/seminars conducted by the Association)

## 5. **CONFIDENTIALITY**

5.1 The registered member shall not disclose, without the express consent of a client, any confidential information obtained in the course of any business transaction except on request of a police officer in terms of the Criminal Procedure Act and the Second-hand Goods Act or any legislation applicable to the trade and or persons authorised to obtain information on request.

## 6. **DISCLOSURE**

6.1 The registered member shall provide his registration certificate number on all documents and written agreements

6.2 The registered member shall, at each of its business premises conducting business in respect of category of trade prominently display:

- A copy of the member registration certificate issued by the Association and or regulatory institution
- A copy of the certificate issued by the SA Police Services in terms of, section 4 of the Act on Second-hand Goods, Act 23/1955 or Act 6/2009.
- The registered member shall use standard written agreements and systems, as prescribed and approved by the Association containing all the terms and conditions of the business transaction and clearly reflecting the rights and obligations of the client and the registered member.

6.3 The registered member shall, before the conclusion of a business transaction, explain the essential terms of any agreement to a pawn client / seller / buyer so as to ensure that the meaning and consequences of the transaction to are understood

## 7. **TRADE (SECONDHAND GOODS)**

7.1 Receipt of goods: a member shall record all transactions of goods pawned / acquired, irrespective whether exempted or not and

“Goods, means all articles as stipulated in the Government Gazette by the minister in terms of the Act on Second-hand Goods, Act 23/1955 & Act 6/2009 as amended and also includes livestock pawned as security - in registers, systems, prescribed / approved / accredited by the Association.

- 7.2 All goods taken in or received in terms of the act described in paragraph 2.1 of the rules must be kept stored on the approved premises and address stated in the certificate in terms of section 3 and 4 of Act 23/1955 and or Act 6/2009 when implemented.
- 7.3 Separate storage facilities for the proper safe keeping of all goods received, apart from the normal trade stock must be provided for with regard to all goods **not exempted** from and in terms of the Act on Second-hand Goods 23/1955 and or Act 6/2009 for a period of not less than 7 days after receipt thereof. Any goods stored, pawned or received by member for safe keeping, must be kept in such manner that would comply with the rights and the interest of the clients in terms of the common law (example: lockup facilities, safes, strong rooms etc. where applicable)
- 7.4 Any goods or livestock received by a member in terms of pawn for storage and safe keeping must be kept in the same order or condition as received with respect to maintenance, feeding and or other services needed for the protection and safe keeping of such goods / livestock. The member must comply with the obligation to services tendered or supplied
- 7.5 The receipt of live stock (example: cattle, sheep, goats, game etc.) as security for pawn and the transport and keeping thereof, must also comply with the Act on Cattle Theft, Act 57/1959 and the Act on Cattle burn marks, act 87/1962, or any amendments of this Act with regard to the proper safekeeping, transport, feeding and maintenance of all animals, birds etc.
- 7.6 Proper records and documentation of all business transactions must be kept at all times in terms of all applicable acts/ by laws and regulations.
- 7.7 Irrespective of any exempted goods, keep records of all acquired second-hand goods
- 7.8 In the case of goods / articles which cannot be stored / kept within the normal building where business is conducted, such goods / articles must be kept / stored at a secured place with fencing.

## **8. CANCELLATION / DE-REGISTRATION OF MEMBERSHIP**

### **Members shall be subject to cancellation / de-registration in the following instances:**

- 8.1 Membership expires each year on the 30<sup>th</sup> of June and is subject to renewal by advance payment of the annual prescribed membership fee as determined by the Association from time to time. Failure to pay and/or submit the proof of payment timorously for the annual membership fee will result in cancellation of membership.
- 8.2 A re-registration fee will be payable for renewal of membership after the expiry date.
- 8.3 The cancellation / withdrawal of an SAPS certificate in terms of Act 23/1955 and or Act 6/2009 by SAPS
- 8.4 Membership can be cancelled:
  - 8.5 In the event of the breach of any conditions, rules, statutes of the Association
    - 8.5.1 As a result of insolvency
    - 8.5.2 As a result of a conviction in a criminal offence in which dishonesty is an element and or any conviction in a criminal case without the option of a fine and leading to imprisonment
    - 8.5.3 When change in ownership occurs without notification
    - 8.5.4 When any gross negligence or intentional action of a member / dealer, executive staff, irrespective of whether by word, behaviour, actions in which the good name, status and image of the Association, its management or other members or interest groups in the trade, could be or have been affected and or damaged.
    - 8.5.5 As a result of the breaching or contravention of any form of the copyrights, disclosure of privileged information and/or activities of the Association including but not limited to the nature, origin of written material, computer readable programs, recording systems, sound recordings, consultation, internal documentation, ideas, concepts, intellectual knowledge, techniques, trade names, and trademarks of the Association

## 9. **ADDITIONAL RULES**

The Association may as it seems necessary from time to time, amend any of the standing rules or institute new and or alternative rules applicable to the trade and issue directives by way of communication (electronically or other)