

miltons

PAWNBROKERS AND JEWELLERS

"I'd like to pay some money off my pawn ticket."

When customers have any spare cash we encourage them to pay something off their pawnbroking loan, to make it easier to get their property back. During the term of a pawn contract there are really two ways that this can be done.

Part payment : Within the normal term of your agreement, you choose whatever amount you would like to repay (which can be less than the interest charged so far) and it will be allocated appropriately against your loan and interest, depending on how much you pay. A transaction statement will be issued, showing what you have done. ***Please note that this does not change / extend the end-date of your agreement, which is a reason some customers may choose the next option.***

"Renew and Reduce" : Instead, you can pay all interest that has accrued ("built up") so far *plus* any additional amount that you like (usually in multiples of £5) and have a **new contract**. This option is liked by some clients because not only have they paid all the interest to date but their new contract is for a smaller loan and, ***crucially, they have a further seven month period in which to reclaim their property.***

You can usually "renew and reduce" even ***after*** your normal agreement has expired.

We want to help you make the right choices, so please note :

"Renewing and reducing" is the dearer option for most clients, although it does still reduce your debt and "*buy you more time*" in which to reclaim your property.

If you do "renew and reduce," you will get best value if you do so immediately before the monthly anniversary of your individual loan agreement.

Our interest rates are tiered according to loan value, so you may wish to avoid reducing your loan to a value which attracts a higher rate of interest. Our rate bands are clearly published in store and on our website, but *please ask to speak with a manager if you would like advice about your individual agreement.*

Summary :

Partial payment : usually cheaper, can be made only during the original term, payment(s) can be any amount but do not "*buy you any extra time.*"

Renew and reduce : usually dearer, cannot be less than the interest already charged but does give you a *new* end-date, seven months later.