

## “WHY CAN’T I JUST RENEW MY PLEDGE ?”

Pawnbroking is intended to be a **short term** form of borrowing.

You should aim to reclaim your property as soon as possible and by the end of the original seven month term...

*...but we know that sometimes isn't possible.*

When that happens, as **responsible lenders** we may allow you to “renew” your pledge but only **IF you can repay some of what you borrowed, as well as the interest due.**

We do not have to allow **any** pledge to be renewed, but if you wish to reclaim your property and can repay a reasonable amount of the loan capital, this usually **helps you repay your loan faster, with less interest.**

We strongly encourage you to make **part payment(s)** before the redemption date.

You may be able to **renew and reduce** at any time. This means repaying some of the loan capital as well as any interest due.

Please ask for our guidance. There is an advice sheet on our website.

### **You don't have to redeem or renew your loan at all.**

While we never wish to SELL anyone's pawned property, allowing that to happen is **another** reasonable option. Sale of the property repays the loan and there may even be a surplus repayable to you.

If you are struggling with your finances, mental health or in any other way, please **TELL US** so that we can try to help.

If renewing your loan contract, the following framework shows the **MINIMUM** percentage of capital we now ask you to repay at the same time.  
We can tell you how much this means for **your** loan.

<b>1<sup>st</sup> renewal :</b>	interest accrued <b>+ 10%</b> of the original loan
<b>2<sup>nd</sup> renewal :</b>	interest accrued <b>+ 20%</b> of the capital outstanding
<b>3<sup>rd</sup> renewal :</b>	interest accrued <b>+ 30%</b> of the capital outstanding
<b>4<sup>th</sup> renewal :</b>	interest accrued <b>+ 50%</b> of the capital outstanding

*We would NOT now wish to allow a 5<sup>th</sup> renewal.*

If at any stage you need help, or think this is unmanageable but do not wish to lose your property, please ask to speak with the pawnbroking manager.

**We have a range of options to assist.**

We can also print you a leaflet **NOW**  
Which provides further details of  
**FREE support and debt advice.**



Remember :

- Always try to repay your loan as quickly as you can.
- Renew a loan only if you are confident that it is in your best interests.  
Does the benefit and likelihood of getting your property back outweigh the interest to be paid?
- If borrowing for longer than a normal pledge term, could you get a better deal borrowing from another credit provider like a bank? *If so, we may be able to hold your pledge while you arrange that.*
- Smaller loans may attract higher interest rates. Check our rate bands in store and ask us for help if you need it.
- Allowing your pledge to be sold can be the rational, best option.
- NEVER borrow from unregulated lenders.