

THE UNITED REPUBLIC OF TANZANIA



No. 17 OF 1965

I ASSENT,

*Julius K. Nyerere*

President

24<sup>TH</sup> MARCH, 1965

**An Act to prohibit the Business of Pawnbroking**

[26<sup>TH</sup> MARCH, 1965]

ENACTED by the Parliament of the United Republic of Tanzania.

1. This Act may be cited as the Pawnbroking (Prohibition) Act, 1965. Short title

2.-(1) Subject to subsection (2) of this section, in this Act-

"the business of a pawnbroker" means the business of taking goods in pawn as security for a loan of money or the grant of credit facilities, and includes the business of a keeper of a shop described (with the deletion of the limit of four hundred shillings) in subsection (1) of section 3 of the Pawnbrokers Ordinance; Interpretation and exclusion Cap. 226

"the Minister" means the Minister for the time being responsible for finance.

(2) Nothing in this Act shall apply to-

(a) the taking of goods in pawn as security for a loan, or for the grant of credit facilities, exceeding one thousand shillings, or to the pledge in or the parties to any such transaction; or

(b) to any pledge which, before the commencement of this Act, became the absolute property of a person to whom it was pawned.

3.-(1) Subject to subsection (3) of this section, no person shall carry on the business of a pawnbroker. Pawnbroking prohibited

(2) Any person who contravenes the provisions of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding two thousand shillings or to imprisonment for a term not exceeding three months or to both such fine and imprisonment.

(3) For the avoidance of doubt, it is hereby declared that nothing in subsection (1) shall apply to any dealing with or in relation to a pledge taken in pawn before the commencement of this Act.

Existing  
pledges

4. Subject to the provisions of section 5-
- (a) where, on the commencement of this Act, any person holds any pledge in pawn, he may deal with and in relation to such pledge in any manner authorized by law; and
  - (b) without prejudice to the generality of paragraph (a), the provisions of the Pawnbrokers Ordinance shall continue to apply to and in relation to-
    - (i) any pledge which, being a pledge to which the Pawnbrokers Ordinance applies, is held in pawn on the commencement of this Act; and
    - (ii) any person who is subject to that Ordinance as a pawnbroker or a pawner in respect of any such pledge.

Modifica-  
tions of  
power of  
pawnbrokers  
and disposal  
of pledges  
Cap. 433

5.-(1) Notwithstanding the provisions of the Pawnbrokers Ordinance, the Law of Contract Ordinance or any other rule of law, or of any contract of pledge, no person who carried on the business of a pawnbroker before the commencement of this Act, nor any personal representative of any such person, shall, on or after the commencement of this Act-

- (a) obtain any absolute property in any pledge taken in pawn before the commencement of this Act as security for a loan of fifteen shillings or under, until the expiration of the period prescribed by subsection (1) of section 12 of the Pawnbrokers Ordinance or the thirtieth day of June, 1965, whichever is the later;
- (b) sell or otherwise dispose of any other pledge taken in pawn before the commencement of this Act, except at an auction held on a day appointed by the Minister in accordance with subsection (2) or (3), or by redelivery on redemption,

and until the expiration of the appropriate period, or such date or auction, as the case may be, a pledge held in pawn on the commencement of this Act shall continue to be redeemable.

(2) The Minister may, by notice in writing to any person who carried on the business of a pawnbroker before the commencement of this Act or to any personal representative of any such person, appoint a day not earlier than the first day of July, 1965, for the auction of any pledges pawned for more than fifteen shillings which are then held by such person or representative, and an auction of all such pledges held by that person or representative shall be held on that day (or on such other day as the Minister may substitute therefor) notwithstanding that any period of redemption shall not then have expired.

(3) If the Minister shall not have appointed a day for the holding of an auction within one year after the commencement of this Act in respect of any such person or representative aforesaid, such person or representative may, by notice in writing to the Minister, require the Minister to appoint a day for such purpose, and the Minister shall thereupon appoint a day within three months of the receipt of the notice, and an auction of all pledges pawned for more than fifteen shillings which are then held by that person or representative shall be held on that day (or on such other day within such period of three months as the Minister may substitute therefor).

(4) The Minister may appoint a person in the service of the United Republic to supervise an auction and, subject to the supervision of such a person, the arrangements for every such auction shall be made, and every such auction shall be held, in accordance with the provisions in that behalf of the Pawnbrokers Ordinance.

(5) Notwithstanding section 7 of the Pawnbrokers Ordinance, this section and sections 18 and 19 of the Pawnbrokers Ordinance shall apply to and in relation to pledges taken in pawn for loans of more than four hundred shillings and to the persons to whom they were pawned as they apply to pledges taken in pawn for more than fifteen shillings and to pawnbrokers.

6.- (1) Sections 31, 32, 33 and of the Pawnbrokers Ordinance and the Fourth and Fifth Schedules thereto are hereby repealed.

Expiry of  
Pawnbrokers  
Ordinance

(2) The unrepealed provisions of the Pawnbrokers Ordinance shall expire on the fourth anniversary of the commencement of this Act.

Passed in the National Assembly on the eighteenth day of March, 1965.

