

Precious Metal Permit Process

Effective October 1, 2009 North Carolina legislators amended North Carolina general statutes 66-164 and 66-165 relating to the purchase of precious metals. Beginning October 1, 2009 any person engaging in the business of purchasing precious metals must obtain a precious metal permit. Precious metal dealers licensed prior to October 1, 2009 must comply with the ratified bill beginning January 1, 2010.

The below listed worksheet only serves as a quick reference guide to these statutes. Precious Metal dealers should review and follow the attached legislative laws for precious metal regulations.

Compliance with the Precious Metals Law is the responsibility of the business owner. Each business is advised to consult with their attorney to ensure that they are meeting the requirements of the statute. Information provided here is only intended as a guide.

Precious Metal Dealers

A precious metal dealer is defined as a person who purchases precious metals from the public, other than by an exempted transaction, in the form of jewelry, flatware, silver services, or other forms and holds himself or herself out to the public by signs, advertising, or other methods as engaging in such purchases, including any independent contractor purchasing precious metals under any arrangement in any department store.

If you purchase any precious metals you must have a permit with the exception of purchases of coins, medals, medallions, tokens, numismatic items, art ingots, or art bars. Businesses that primarily conduct transactions such as coins, non-precious metal jewelry, antiques, tools, electronic equipment, etc. that are not related to the purchase of precious metals must still maintain a precious metals permit if they purchase non-exempt precious metals.

The law does not apply to Pawn Shops which are governed by North Carolina General Statute 91A.

Precious Metals

Precious metals are defined as gold, silver, platinum and palladium.

Owner Requirements

Each owner/dealer, co-owner, and stockholder who owns 10% or more of a business that purchases precious metals must complete the precious metal permit application packet to include:

- Recent photograph of applicant (labeled with applicant name and date photograph was taken)
- A full set of fingerprints of the applicant. (Applicant fingerprint card, see attachment label Copy of Applicant Card Information). The owner will either come to the Wilmington Police Department, complete a fingerprint

card and have photo taken by the Code Enforcement Officer or have fingerprint card completed by another law enforcement agency.

- Driver's license number, if any, and state of issuance
- Record of felony convictions
- Record of other convictions during the preceding five years
- Complete application form #1 for owners and form #2 for co-owners
- Consent to Criminal History Check form #8
- Permit applications must be notarized or completed under oath
- Individual permits are required for each location where business is conducted
- There is a 30 day waiting period before permits are issued. (Permit renewals do not require the 30 day waiting period)
- Permits are valid for 12 months
- Cost of each permit is \$180.00, payable to the City of Wilmington

Employee Requirements

Every employee engaged in the purchase of precious metals must, within 2 days of employment, complete an employee registration process packet for the issuance of a permit. The application packet must include:

- Recent photograph of applicant (labeled with applicant name and date photograph was taken)
- A full set of fingerprints of the applicant. (Applicant fingerprint card, see attachment label Copy of applicant Card Information)
- Driver's license number, if any, and state of issuance
- Record of felony convictions
- Record of other convictions during the preceding five years
- Completed employee registration form #3
- Consent to Criminal History Check form #8
- Cost of Employee permit is \$10.00 for the first year, payable to the City of Wilmington
- The annual renewal fee for each employee is \$3.00

Special Occasion Permit

Special Occasion Permit is defined in General Statute 66-165 Permits, Section 2(c). The applicant will abide by all requirements and laws of this section.

Record Keeping Requirements

- See law North Carolina General Statute 66-169
- Records of purchases must be turned into the Wilmington Police Department within 48 hours of the purchase. This agency utilizes **LeadsOnline** to electronically collect this information. A Quick Start for Businesses instructional document has been included in this packet to assist the applicant.

A valid description shall include each of the following applicable and available items of information: the manufacturer's name, the model, the model number, the serial number, and any engraved numbers or initials found on the items; the date of transaction; the name, sex, race, address, telephone number and driver's license number of the person selling the items purchased; and the signature of both the dealer or registered employee and the seller. In the event that the seller cannot furnish valid, unexpired photographic identification in the form of a driver's license, state issued identification card, passport, or military identification card; the dealer shall require two forms of positive identification. A date of birth is also required by the Wilmington Police Department.

Items Not to Be Modified

All purchases must be maintained for a period of 7 days in the original condition on the licensed premises or other location specified in the permit application.

Miscellaneous

Upon completion of all requirements of the application process, the packet can be delivered to the Wilmington Police Department anytime. Applicants may also mail the completed packet to:

Wilmington Police Department
615 Bess Street
Wilmington, North Carolina 28401
Attention: Criminal Investigation Division - Precious Metals

The requirements of photographs may be met by the submission of any type of photos as long as it accurately resembles the applicant. (i.e. Polaroid, printed digital etc.) Please label the photograph with the name of the applicant and the date it was taken.

The requirements of fingerprints may be met by visiting the Wilmington Police Department located at 615 Bess Street, Wilmington, N.C. Fingerprints may be obtained Monday, Wednesday, and Friday from 9:00 a.m. to 11:00 a.m. and from 1:00 p.m. to 3:00 p.m.

Out of town applicants may inquire at their local law enforcement agency for assistance with fingerprints and photographs.