



BUYING PRECIOUS METALS FROM THE PUBLIC IN OHIO: IMPORTANT LAWS

There are several laws that govern the purchase of precious metal from the public, and the sale of that precious metal to refiners or other entities. Knowing these laws, and how to comply, is important to any jewelry company that buys second-hand items from consumers. Here's a summary of the federal and state regulations that apply to these transactions in Ohio:

First. The U.S.A. Patriot Act requires any entity, such as a retail store, that purchases precious metal valued at \$50,000 or more in one calendar year, and sells that precious metal, to create and implement a written anti-money laundering program. The Jewelers Vigilance Committee (JVC) offers a Patriot Act Compliance Kit to help jewelers implement a program that is fully compliant with the law. The Kit is available on JVC's website at www.jvclegal.org.

Second. Certain companies in Ohio are required to have a special license for buying precious metals from the public, known as a "precious metals dealers" license. It may be necessary for them to comply with several requirements regarding these purchases. The relevant laws are contained in the Ohio Revised Codes at Title 47, Chapter 4728. Among other things, the Code requires that precious metals dealers:

- Keep accurate records of transactions, including a description of articles purchased and identification of the seller;
- Keep these records in books and forms approved by the state and make them available to law enforcement; and,
- Make daily reports to police, and retain purchased articles for five days after the date of purchase.

It is unlawful to purchase from a minor, an intoxicated person, or a person who is known or believed to be thief. For details visit: 47 ORC 4728, available online at <http://codes.ohio.gov/orc/4728>.

For more information please contact the Jewelers Vigilance Committee at 212-997-2002, or visit our website at www.jvclegal.org.