



November 22, 2024

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# Insurance Requirement

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Dear Reader:

The following document was created from the CTAS website ([ctas.tennessee.edu](http://ctas.tennessee.edu)). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Table of Contents

<b>Insurance Requirement .....</b>	<b>3</b>
------------------------------------	----------

# Insurance Requirement

Reference Number: CTAS-405

Every licensed pawnbroker is required to maintain sufficient insurance coverage on the property held on the pledge for the benefit of the pledgor, to pay the stated value as recited on the pawn stub of the pawned article, in case of fire or other catastrophe. The policy must be payable in case of loss to the county clerk or city clerk for the benefit of the pledgor, and the policy must be deposited with the county or city clerk. T.C.A. § 45-6-215. If the county clerk knows of a violation of this provision or believes the insurance policy filed with the county clerk's office is insufficient to cover the aggregate stated values of pawned articles, the county clerk should notify the district attorney general serving the county clerk's district. Failure to meet the insurance requirement is a Class A misdemeanor. T.C.A. § 45-6-218.

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**Source URL:** <https://www.ctas.tennessee.edu/eli/insurance-requirement>