

DEPARTMENT OF LABOR
LICENSING AND REGULATION

*

*

*

*

CASE NO.: SPMG 11-0018

LAWRENCE H. WEINBERG
t/a Chain Reaction Inc.,

*

*

Respondent

*

* * * * *

CONSENT ORDER

This matter comes before the Maryland Department of Labor, Licensing and Regulation (“Department”) as a result of a complaint filed by the Anne Arundel County Police Pawn Unit, against Lawrence H. Weinberg dba Chain Reaction, Inc, 7000 Arundel Mills Mall, Arundel Mills Circle #442, Hanover, MD 21076 (the Respondent). Upon a review of the complaint, the Department has determined that administrative charges against the Respondent should be held. In an effort to resolve this matter without a formal hearing, the Respondents and the Department have agreed to enter into this Consent Order as the final settlement of this matter.

THE PARTIES AGREE AND STIPULATE:

1. At all times relevant to the matters set forth this Consent Order, the Department had jurisdiction over the subject matter and the Respondent.

2. The Respondent obtained a license (License No. 2301) as a Secondhand Precious Metal Object Dealer, dba Chain Reaction, Inc., 7000 Arundel Mills Mall, Arundel Mills Circle #442, Hanover, MD 21076 on April 22, 2009.

3. On September 9, 2010, members of the Anne Arundel County Police Pawn Unit conducted an inspection of secondhand precious metal objects acquired by the Respondent or the Respondent’s employees at 7000 Arundel Mills Mall, Arundel Mills Circle #442 in Hanover, Maryland on August 30, 2010.

4. The inspection found that secondhand precious metal objects acquired in three transactions were improperly or incompletely described as follows:

- (a) Transaction No. 2082, Item #19799237 did not list "WFM" which was engraved inside of a ring described as a Subaru sales ring;
- (b) Transaction No. 2075, Item # 1969147 a yellow gold ring with, five amethyst stones was missing two of the stones; and
- (c) Transaction No. 2044, Item #189932, which was reported to be a 18 karat yellow gold clasp, was actually a three-inch square link tri- color piece of chain connected to a clasp.

5. The Respondent or the Respondent's employees knew, or should have known, of the requirements concerning the proper description of items to be reported on the daily transaction report forms and in the electronic filing of this information to local law enforcement agencies.

6. Based on the aforementioned facts, the Respondents acknowledges that she has violated Business Regulation Article §§12-301 and 302 (a) (1), (3), (4) (i) and (ii) 2, (6), and 304 (b) (1) (a):

§12-301. Required Records.

(a) Each dealer shall make a written record, on a form provided by the Secretary, of each business transaction that involves the acquisition of a secondhand precious metal object when the transaction is made.

§12-302. Contents of Records

(a) In addition to any other information required by the Secretary, the records of a dealer shall include:

(1) the date, place, and time of each transaction that involves the acquisition of a precious metal object;...

(3) a description of the precious metal object, including:

- (i) its approximate metallic composition;
- (ii) any jewels, stones, or glass parts;
- (iii) any mark, number, word, or other identification on the precious metal object;
- (iv) its weight, if payment is based on weight;

(4) for each individual from whom the dealer acquires a precious metal object:

- (i) the name, date of birth, and driver's license number of the individual; or
- (ii) identification information about the individual that:

1. positively identifies the individual from at least 2 forms of identification, which may include an age of majority card, military identification, or passport; and
2. provides a physical description of the individual, including the sex, race, any distinguishing features, and approximate age, height, and weight of the individual;

(6) the signature of the person from whom the precious metal object or personal property is acquired and the dealer or employee who accepted the precious metal object.

§12-304. Copies to local law enforcement units.

(a) (1) A dealer shall submit a copy of each record to the primary law enforcement unit in accordance with subsection (b) of this section...

(b) (1) Except as provided in paragraph (2) of this subsection, the dealer shall submit the records by one of the following methods:

- (i) by delivering or mailing a copy of the records by the end of the next business day after the day on which the item was acquired; or
- (ii) by transmitting a copy of the records electronically, in a format acceptable to the receiving law enforcement unit, by the end of each business day.

7. Based on the aforementioned violations, the Respondent agrees to pay to the Department a civil penalty of \$500.00 upon the Respondent's execution of this Consent Order.

8. The Respondent further agrees that he shall abide by the provisions of the Maryland Secondhand Precious Metal Object Dealers and Pawnbrokers Act, § 12-101 et. seq. and COMAR 09.25.01, et. seq.

9. The Respondent, by entering into this Consent Order, expressly waives the right to have the pending allegations by the Department reduced to written charges, the right to an administrative hearing on the charges and the making of Findings of Fact and Conclusions of Law, and any all further proceeding before the Department to which the Respondents may be entitled to in this matter, and any rights to appeal from this Order.

10. The Respondents enters into this Consent Order freely, knowingly and voluntarily.

BASED ON THESE STIPULATIONS, IT IS, THIS 7th DAY OF December, 20 10, BY THE DEPARTMENT OF LABOR, LICENSING AND REGULATION:

ORDERED that the Respondent has violated Business Regulation Article §§12-301 and 302 (a) (1), (3), (4) (i) and (ii) 2, (6), and 304 (b) (1) (a); and it is further

ORDERED that the Respondent is, hereby, reprimanded;

ORDERED that the Respondents be assessed a civil penalty of \$500.00 for the violations, which amount is to payable to the Department upon the Respondent's execution of this Consent Order and Settlement Agreement, and it is further

ORDERED that the Department's records and publications reflect the violations and the civil penalty of \$500.00 imposed on the Respondents.

RESPONDENT'S SIGNATURE
APPEARS ON ORIGINAL ORDER
Lawrence H. Weinberg

DEPUTY SECRETARY'S SIGNATURE
APPEARS ON ORIGINAL ORDER
Leonard J. Howie, III
Deputy Secretary

11/30/10
Date

MARYLAND DEPARTMENT OF LABOR,
LICENSING AND REGULATION