DEPARTMENT OF LABOR, LICENSING AND REGULATION *

*

v. *

* CASE NO.: SPMG-09-0019

LAWRENCE WEINBERG
Chain Reaction, Inc. *
7000 Arundel Mills Circle
#442 *
Hanover, Maryland 21076,

*

Respondent

* * * * * * * * * * * * *

CONSENT ORDER

This matter comes before the Maryland Department of Labor, Licensing and Regulation ("Department") based on a complaint filed by the Anne Arundel County Police Department. Based on that complaint, the Department determined that administrative charges against Lawrence Weinberg ("Respondent") were appropriate and that an administrative hearing on those charges should be held. However, prior to a hearing being scheduled, the Department and the Respondent reached an agreement to settle this case. The Department and the Respondent consent to the entry of this Order as final resolution of the regulatory charges in Case No. SPMG-09-0019.

IT IS STIPULATED BY THAT PARTIES that:

1. The Respondent is currently licensed (No. 2302) as a secondhand precious metal object dealer ("dealer"), as defined in Section 12-101(b) of the Business Regulation Article of the Maryland Annotated Code.

2. The Respondent became licensed as a dealer on or about April 23, 2009.

3. The name of the company through which the Respondent acquires secondhand precious metal objects is Chain Reaction, Inc.

4. The Respondent's shop acquired secondhand precious metal objects ("object" or "objects") prior to the date on which he became licensed as a dealer.

5. The Respondent acquired objects prior to April 23, 2009 in at least the following transactions: a) Transaction No.728 and Invoice No. 03147, dated March 17, 2009; b) Transaction No. 730 and Invoice No. 03129, dated March 19, 2009; c) Invoice No. 03149, dated March 20, 2009; d) Transaction Nos. 733 and 735, dated March 21, 2009; e) Transaction No. 734, dated March 22, 2009, f) Transaction No. 736, dated March 24, 2009; g) Transaction No. 738, dated April 16, 2009, and h) Transaction No. 739, dated April 17, 2009.

6. On or about March 23 and March 25, 2009, a member of the Anne Arundel County Police Department had advised Zach Heddington, identified as the regional manager for CR [Chain Reaction] Jewelers, that a dealer's license was needed to acquire objects.

7. The Respondent, therefore, acquired some objects after one of his employees had been advised that a dealer's license was needed.

8. After the Respondent became licensed as a dealer, his shop acquired objects in the following transactions: a) Transaction No. 144, dated April 25, 2009; b) Transaction Nos. 745 and 746, dated April 26, 2009; c) Transaction No. 748, dated April, 27, 2009; d) Invoice No. 03165, dated April 30, 2009; e) Transaction No. 752, dated May 1, 2009; f) Transaction Nos. 750 and 751, dated May 2, 2009; g) Transaction No. 753, dated May 3, 2009; h) Transaction No. 754, dated May 4, 2009; i) Transaction Nos. 755 and 756, dated May 5, 2009; j) Invoice No. 03168, dated May 10,

2009; k) Transaction No. 760, dated May 10 or 12, 2009; and l) Transaction No. 761, dated May 13, 2009.

9. In regard to those (post-licensure) transactions, the Respondent failed to complete required daily return, or transaction, forms.

10. The forms which the Respondent did complete in the (post-licensure) transactions failed to include required information about the sellers, the objects, the time and place of the transactions, and other information included on the State's daily return, or transaction, forms.

11. The (post-licensure) forms which the Respondent completed failed to include the signatures of the sellers and the dealers or employees, and a statement indicating whether or not the seller was personally known to the Respondent.

12. Objects were not tagged or were not tagged properly.

13. The Respondent allowed an employee to acquire objects, although the employee had not been registered with and approved by the Department to engage in transactions.

14. The Respondent failed to submit daily return, or transaction, forms to the primary law enforcement unit.

15. On the forms which the Respondent did complete, he used a company name other than the name listed on his license.

16. The Respondent knew, or should have known, of all requirements concerning completion of the daily return forms, submission of those forms to the primary law enforcement unit, registration of employees, and other requirements.

17. By entering this Consent Order, the Respondent expressly waives his right to any hearing or further proceedings to which he may be entitled in this matter and any rights to appeal from the Consent Order.

18. The Respondent enters this Consent Order freely, knowingly, and voluntarily, and having had the opportunity to seek the advice of counsel.

19. The Respondent agrees to comply with the requirements of Section 12-101 *et seq.* of the Business Regulation Article, Maryland Annotated Code, and the Code of Maryland Regulations 09.25.01.01 *et seq.* in future transactions.

BASED ON THESE STIPULATIONS, IT IS, THIS 6th day of Aug, 2009, BY THE DEPARTMENT OF LABOR, LICENSING AND REGULATION,

ORDERED that Respondent Lawrence Weinberg violated Maryland Annotated Code, Business Regulation Article, §§12-201(a), 12-203, 12-301(a),(d) and (e), 12-302(a), and 12-304 (a)-(c), as well as Code of Maryland Regulations 09.25.01.05C and it is further

ORDERED that the Respondent is reprimanded for those violations, and it is further

ORDERED that the Respondent is assessed a total civil penalty of $1,000.00 for those violations, which amount is payable to the Department within 30 days of the date this Consent Order is executed by the Department, and it is further

ORDERED that, if payment of the civil penalty is not made within that 30-day period, the Respondent's license as a "dealer" shall be automatically suspended until that payment is made, and it is further

ORDERED that the Department's records and publications shall reflect the discipline imposed on the Respondent.

LAWRENCE WEINBERG

LEONARD H. HOWIE III
DEPUTY SECRETATY
DEPARTMENT OF LABOR, LICENSING
& REGULATION

Date 7/26/09

CHAIN REACTION, INC.

66522

DEPARTMENT OF LABOR LICENSING & REGULATIO

7/8/2009

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
7/8/2009	Bill		1,000.00	1,000.00		1,000.00
					Check Amount	1,000.00

RECEIVED

AUG 0 4 2009

O&P LICENSING

CASH-BANK OF AME 1,000.00