DEPARTMENT OF LABOR *
LICENSING AND REGULATION
*

v. *

* CASE NOS.: SPMG 10-0021
SPMG 10-0040
SPMG 10-0057

EUGENE W. GILBERT *
In Association with
JAY NATHAN ZUKERBERG *

dba Genuine Gold, LLC
*

Respondents *

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

CONSENT ORDER

This matter comes before the Maryland Department of Labor, Licensing and Regulations ("Department") as a result of a complaints filed by Nicky Burris of the Frederick County Sheriff's Police Department. Upon a review of the complaints, the Department has determined that administrative charges Eugene W. Gilbert in Association with Jay Nathan Zukerberg, dba Genuine Gold, LLC (the "Respondents") be filed and an administrative hearing should be held. In an effort to resolve this matter without a formal hearing, the Respondent 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. Respondent Gilbert holds a license as a secondhand precious metal object dealer (Registration No. 2194) which was originally issued on April 15, 2008.

3. Respondent Zukerberg holds a license as a secondhand precious metal object dealer (Registration No. 2241) which was originally issued on August 19, 2008.

4. The Respondents hold equal shares in Genuine Gold, LLC which trades the fixed business address 11155 Dolefield Road, Suite 104, Owings Mills, MD 21117.

5. The Respondents acknowledge that they held events under the name Genuine Gold, LLC at which secondhand precious metal objects were acquired at the Hampton Inn, 5311 Buckeystown Pike, Frederick, MD 21704 on the following dates:

a. September 18 through 20, 2009;
b. October 17 through 19, 2009; and
c. November 6 through 8, 2009.

6. The Respondents completed and filed daily transaction reports to the Frederick County Sheriff's Department for the event held at the Hampton Inn, 5311 Buckeystown Pike, Frederick, Maryland 21704 from September 18 through 20, 2009. The Respondents acknowledge that the reports were not completed and/or incorrectly, as follows:

a. The daily transaction report, Transaction No. F-1069, failed to adequately describe the second object(s) listed.

b The daily transaction report, Transaction No. F-1070, failed to adequately describe the fourth object(s) listed.

c. The daily transaction report, Transaction No. F-1071, failed to adequately describe the fifth, sixth, and seventh objects listed and failed to provide separate record entries for the fourth and fifth objects.

d. The daily transaction report, Transaction No. F-1072, failed to include the correct dealer price. In addition, the report failed to adequately describe the second and fifth objects listed and failed to provide separate record entries for those objects.

e. The daily transaction report, Transaction No. F-1078, failed to provide separate record entries for the first, second, fifth, and eighth objects listed.

f. The daily transaction report, Transaction No. F-1081, failed to adequately describe the third, seventh and eighth objects listed and included an incorrect total dealer price, In addition, the form failed to include separate record entries for the first, fourth, fifth, sixth and seventh object.

g. The daily transaction report, Transaction No. F-1082, failed to adequately describe the first object(s) listed and failed to provide separate record entries for the second and third object.

h. The daily transaction report, Transaction F-1083, failed to include the time of the transaction and failed to adequately describe the

third object(s) listed. In addition, the form failed to provide separate record entries for the second and fourth objects.

i. The daily transaction report, Transaction No. F-1084, failed to adequately describe the first object listed.

j. The daily transaction report, Transaction F-1085, failed to provide separate record entries for the fourth object(s) listed.

k. The daily transaction report Transaction F-1087, failed to adequately describe the sixth object(s) listed. In addition, the form failed to provide separate record entries for the first, second, third, and ninth objects listed.

l. The daily transaction report, Transaction F-1090, failed to adequately describe the eighth and ninth object listed and failed to provide separate record entries for the first, third, fourth, sixth, and eighth objects.

m. The daily transaction report, Transaction F-1091, failed to adequately describe the third and fourth objects listed and failed to provide separate record entry for the second object.

n. The daily transaction report, Transaction F-1092, failed to adequately describe the third object listed and failed to provide separate record entries for the second object(s).

o. The daily transaction report, Transaction F-1093, failed to adequately describe the first and third objects listed and failed to provide separate record entries for the first and fifth object(s).

p. The daily transaction report, Transaction F-1094, failed to adequately describe the third, fifth, ninth, and tenth objects listed and failed to provide separate record entries for the third, fourth, fifth, seventh, ninth, and tenth objects..

q. The daily transaction report, Transaction F-1095, failed to adequately describe the first, third, fourth, and eighth objects listed. In addition, the report failed to provide separate record entries for the fifth and eighth object(s).

r. The daily transaction report, Transaction F-1096, failed to adequately describe the first, second, fourth, and fifth objects listed and failed to provide separate record entries for the fourth object(s).

s. The daily transaction report, Transaction F-1098, failed to adequately describe the first and third objects listed and failed to provide separate entries for the third object(s).

t. The daily transaction report, Transaction F-1101, failed to adequately describe the first and fifth objects listed and failed to provide separate record entries for the second and sixth objects.

5. The Respondents held an event at the Hampton Inn, Buckeystown Pike, Frederick, MD 21704 during the period October 17 though 19, 2009, at which precious metal objects were acquired. Transaction No.1187 failed to indicate the buyer's signature.

6. The Respondents held an event at the Hampton Inn, Buckeystown Pike, Frederick, MD 21704 during the period November 6, through 8, 2009. Transaction No.1256 failed to indicate the seller's race or ethic identification.

7. Based on the aforementioned facts, the Respondents acknowledge that they have has violated Business Regulation Article §§ 12-301 (a) and (d) and 12-302 (a) (3), (4) and (6), Annotated Code of Maryland, which state:

§12–301. Required Records

(a) *Records of dealers.* - 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.

(d) *Separate entries.* - A separate record entry shall be made for each item involved in a transaction. However, items in a matching set may be recorded as a set if acquired in a single transaction.

§12–302. Contents of Records

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

(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;

(v) a statement whether it appears to have been altered by any means, including:

1. obscuring a serial number or identifying feature;
2. melting; or
3. recutting a gem; and

(vi) the amount paid or other consideration;

(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;

(5) a statement indicating whether or not the person making the transaction is personally known to the dealer; and

(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 law enforcement units.

(c) Each copy of a record, submitted to the primary law enforcement unit and, if applicable, local law enforcement unit, shall include:

(1) the license number of the dealer;

(2) the location of each item listed in the record; and

(3) the information required under § 12-302 of this subtitle.

8. Based on the aforementioned violation, the Respondents agree to pay to the Department a civil penalty of $1,750.00 upon the Respondent's execution of this Consent Order.

9. The Respondents 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.

10. The Respondents, 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 Respondent may be entitled to in this matter, and any rights to appeal from this Order.

11. The Respondents enter into this Consent Order freely, knowingly and voluntarily.

BASED ON THESE STIPULATIONS, IT IS, THIS 29th DAY OF January, 2010, BY THE DEPARTMENT OF LABOR, LICENSING AND REGULATION:

ORDERED that the Respondent has violated Business Regulation Article §§ 12-301 (a) and(d), and 12-302 (a) (1)-(6), and 12-304 (c), Annotated Code of Maryland;

ORDERED that the Respondent is, hereby, reprimanded;

ORDERED that the Respondent be assessed a civil penalty of $1,750.00 for the violations, which amount is to payable to the Department upon the Respondents' execution of this Consent Order and Settlement Agreement, and it is further

ORDERED that the Department's records and publications reflect the violation and the civil penalty of $1,750.00 imposed on the Respondents.

Eugene W. Gilbert

Jan 26, 2010
Date

Jay Nathan Zukerberg

1/26/10
Date

Leonard J. Howie, III
Deputy Secretary

MARYLAND DEPARTMENT OF LABOR, LICENSING AND REGULATION