DEPARTMENT OF LABOR
LICENSING AND REGULATION

v.

CASE NOS.: SPMG 10-0081

LEONID BARMAK
dba Square Circle

Respondent

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

CONSENT ORDER

This matter comes before the Maryland Department of Labor, Licensing and Regulations ("Department") as a result of complaints filed by the Baltimore City Police Department. Upon a review of the complaint, the Department has determined that administrative charges against Leonid Barmak, dba Square Circle (the "Respondent"), 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. The Respondent obtained a license as a secondhand precious metal object dealer and pawnbroker (License No. 2082) dba Square Circle located at 6794 Reisterstown Road, Baltimore, Maryland 21215 on April 14, 2003.

3. On or about February 24, 2010 the Respondent acquired a woman's yellow gold heart-shaped pendant and a women's yellow gold diamond ring.

4. The Respondent displayed the woman's yellow gold heart shaped pendant and a yellow gold woman's diamond ring at the Respondent's place of business Square Circle which is located at 6794 Reisterstown Road, Baltimore, Maryland 21215.

5. On February 24, 2010, detectives of the Northwest District of the Baltimore City met with the Respondent regarding a stolen property investigation, Baltimore City Police Department Investigative Report # involving the theft of a woman's yellow gold heart shaped pendant and a gold woman's diamond ring on January 20, 2010.

6. The victim of the theft positively identified the woman's yellow gold pendant and gold woman's diamond ring as her property.

7. The Respondent acknowledges that he or the Respondent's employees did not obtain positive identification of the seller of the woman's yellow gold heart-shaped pendant and a women's yellow gold diamond ring.

8. The Respondent acknowledges that he or his employees failed to file an electronic transaction report through the Baltimore Regional Pawn Database Sharing System with the Baltimore City Police Department.

9. On February 25, 2010, detectives of the Baltimore City Police Department Pawn Unit conducted an inspection of the Respondent's secondhand precious metal object transactions and inventory in conjunction with the stolen property investigation Case # 10A-6-A-8795. The detectives requested one of the Respondent's employees to produce records of the transaction involving the woman's heart shaped pendant and a woman's diamond ring. The employee told the detectives that there were not any written records of the transaction.

10. The detectives of the Baltimore City Police Department determined that the Respondent failed to electronically file the transaction involving the woman's heart-shaped pendant and a woman's diamond ring in the Baltimore Regional Pawn Data Sharing System.

11. Based on the aforementioned facts, the Respondent acknowledges that he has violated Business Regulation Article §§12-301 (a) and (b) and 12-302 (a) (1), (3), (4), (5) 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.
>
> **§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;

(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.

§ 12-303. Retention of records

Unless otherwise authorized by the Secretary, a dealer shall keep the records required by this subtitle, at a location within the State, for 3 years after the date of the transaction.

§ 12-304. Copies to primary law enforcement units

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

(b) The dealer shall submit the records by transmitting the required information from the records electronically, in a format acceptable to the receiving law enforcement unit, by Noon of the next business day.

12. Based on the aforementioned violations, the Respondent agrees to pay to the Department a civil penalty of $ 2,000.00 upon the Respondent's execution of this Consent Order.

13. 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.

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

15. The Respondent enters into this Consent Order freely, knowingly and voluntarily.

BASED ON THESE STIPULATIONS, IT IS, THIS 2nd DAY OF JUNE, 2010, BY THE DEPARTMENT OF LABOR, LICENSING AND REGULATION:

ORDERED that the Respondent has violated Business Regulation Article §§12-301 (a) and (b) and 12-302 (a) (1), (3), (4), (5) and (6), Annotated Code of Maryland;

ORDERED that the Respondent is, hereby, reprimanded;

ORDERED that the Respondent be assessed a civil penalty of $2,000.00 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 $2,000.00 imposed on the Respondent.

Leonid Barmak

Leonard J. Howie, III
Deputy Secretary
MARYLAND DEPARTMENT OF LABOR,
LICENSING AND REGULATION

05/19/10
Date