

DEPARTMENT OF LABOR
LICENSING AND REGULATION,

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v.

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CASE NO: SPMG 12-0017

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MANISH VINODRAI MEHTA
dba Wheaton Services,

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Respondent

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CONSENT ORDER

This matter comes before the Maryland Department of Labor, Licensing and Regulations (“Department”) as a result of a complaint filed by the Montgomery County Police Department. Upon a review of the complaint, the Department has determined that administrative charges against Manish Vinodrai Mehta (the “Respondent”) dba Wheaton Services (License No 01-2427), 2535 Ennalls Avenue, Wheaton, Maryland 20902 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 (License No 01-2427), holds secondhand precious metal object dealers and pawnbrokers license with the Department dba Wheaton Services, 2535 Ennalls Avenue, Wheaton, Maryland 20902, which was originally issued on July 27, 2010.
3. On November 18, 2011, the Respondent or an employee of the Respondent acquired a 14 Karat Yellow Gold Bracelet which included 6 matched flat star sapphires in Transaction No. 145.

4. In Transaction 147, dated November 21, 2011, the Respondent or the Respondent's employees acquired the following items:

- a) Two ladies 14 karat yellow gold bracelets, each of which had two stones;
- b) A ladies 14 karat yellow gold ring that had two purple stones; and
- c) A ladies 14 karat yellow gold ring that had one large purple stone.

5. On December 5, 2011, an officer of the Montgomery County Police Department interviewed Nimesh Kapadia, the manager of Wheaton Services. Mr. Kapadia told the officer that it was the store's practice to remove the stone from jewelry at the time of purchase.

6. Based on the aforementioned facts, the Respondent acknowledges that the Respondent or the Respondent's employees have violated Business Regulation Articles 12-301 (a)(1) and (e), 12-302 (3) (iii) and 12-305 (c) (2), Annotated Code of Maryland, which provide:

§12-301. Required Records

(a) (1) 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.

(2) Each dealer shall retain the original copy of the written record required to be made under paragraph (1) of this subsection at the dealer's place of business.

(b) Each pawnbroker shall make a written record, on a form provided by the Secretary, of each business transaction that involves:

(1) lending money on pledge of personal property, other than a security or printed evidence of indebtedness; or

(2) buying personal property on condition of selling it back at a stipulated price; or

(3) buying the following items for the purpose of resale:

- (i) binoculars;
- (ii) cameras;
- (iii) firearms;
- (iv) furs;

- (v) household appliances;
- (vi) musical instruments;
- (vii) office machines or equipment;
- (viii) radios, televisions, videodisc machines, videocassette recorders, and stereo equipment;
- (ix) personal computers, tapes, and disc recorders;
- (x) watches;
- (xi) bicycles; and
- (xii) tangible personal property pledged as collateral.

(c) Each pawnbroker shall make a written record, on a form provided by the Secretary, of each transaction that involves the acquisition of an item described in subsection (b)(3) of this section for the purpose of resale.

(d) (1) A separate record entry shall be made for each item involved in a transaction.

(2) Items in a matching set may be recorded as a set if acquired in a single transaction.

(e) (1) The dealer shall tag each item individually with a number that corresponds to the transaction under which it was acquired. However, items acquired in a matching set may be tagged as a set.

(2) Each item tagged by a dealer under paragraph (1) of this subsection shall remain tagged for the entire period the item is stored in the dealer's inventory.

(f) For the purposes of this subtitle, there is a presumption that an object is a precious metal object if:

(1) it reasonably appears to be a precious metal object; and

(2) it was received by a dealer in the course of business or is found in the place of business or storage facility of a dealer.

§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;

(2) the name and address of the principal, if the transaction is by an agent;

(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.

(b) In addition to any other information required by the Secretary, the records of a pawnbroker shall include, for each item pawned:

(1) the type of item;

(2) its manufacturer, model number, year of manufacture if known, and serial number if known; and

(3) its color and size.

§12-305. Holding period for precious metal objects.

(a) (1) (i) 1. Except as otherwise provided in this section, a dealer who acquires a precious metal object shall keep it in the county where the dealer holds a license from the time of acquisition until at least 18 days after submitting a copy of a record of its acquisition under § 12-304 of this subtitle.

2. Notwithstanding subparagraph (ii) of this paragraph, the 18-day holding period established under this subparagraph applies to a precious metal object that:

A. a dealer licensed in Prince George's County acquired in a pawn transaction; and

B. an individual seeks to redeem by presenting the original ticket issued as part of the pawn transaction.

(ii) A dealer who holds a license in Prince George's County and who acquires a precious metal object, other than a pawned precious metal object described in subparagraph (i) 2 of this paragraph, shall keep it in Prince George's County from the time of acquisition until at least 30 days after submitting a copy of a record of its acquisition under § 12-304 of this subtitle.

(2) A dealer who acquires a precious metal object at an event which takes place at a location other than the dealer's fixed business address shall place the object and a record of its acquisition at a location in accordance with subsection (d) (1) or (2) of this section by the next business day after acquiring the object.

(3) In partial compliance with the 18-day holding requirement under this subsection, a dealer may maintain an object and the record of its acquisition at a location other than the dealer's fixed business address, if the local law enforcement unit in the jurisdiction where the item was acquired provides written approval.

(b) (1) A dealer may submit to the primary law enforcement unit a written request for a shorter holding period for a specific precious metal object.

(2) Within 48 hours after the primary law enforcement unit receives a request, the primary law enforcement unit shall approve or deny the request.

(3) After inspecting the precious metal object, the primary law enforcement unit may authorize in writing a shorter holding period.

(4) If the primary law enforcement unit denies the request, the primary law enforcement unit shall state the reasons in writing.

(c) (1) Except as provided in paragraph (2) of this subsection, a dealer may not alter a precious metal object before or during the holding period.

(2) During the holding period, a dealer may chemically test a precious metal object to determine its metal content or value if the dealer

does not alter the precious metal object so as to affect its identification or value.

(d) During the holding period for a precious metal object, a dealer shall keep the precious metal object and the record of its acquisition in:

(1) the place of business of the dealer; or

(2) a storage facility specified in the license application of the dealer.

7. Based on the aforementioned violation, the Respondent agrees to pay to the Department a civil penalty of \$ 1,000.00 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 Respondent may be entitled to in this matter, and any rights to appeal from this Order.

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

BASED ON THESE STIPULATIONS, IT IS, THIS 8th DAY OF March, 2012, BY THE DEPARTMENT OF LABOR, LICENSING AND REGULATION:

ORDERED that the Respondent has violated Business Regulation Articles §§12-301 (a)(1) and (e), 12-302 (3) (iii) and 112-305 (c) (2), Annotated Code of Maryland;

ORDERED that the Respondent is, hereby, reprimanded;

ORDERED that the Respondent be assessed a civil penalty of \$1,000.00 for the violation, 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 violation and the civil penalty of \$1,000.00 imposed on the Respondent.

RESPONDENT'S SIGNATURE
APPEARS ON ORIGINAL ORDER
Manish Vonodrai Mehta

DEPUTY SECRETARY'S SIGNATURE
APPEARS ON ORIGINAL ORDER
Scott Jensen
Deputy Secretary

MARYLAND DEPARTMENT OF LABOR,
LICENSING AND REGULATION

2/24/12
Date