

DEPARTMENT OF LABOR
LICENSING AND REGULATION,

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v.

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CASE NO: SPMG 13-0001

ADI KAYED *
dba Spotlight, Inc.,

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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 Frederick County Sheriff’s Department. Upon a review of the complaint, the Department has determined that administrative charges against Adi Kayed (the “Respondent”) dba Spotlight, Inc., 5 Willowdale, Unit 6, Building B, Frederick, Maryland 21703 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 holds a secondhand precious metal object dealers and pawnbrokers license (License No 01-2492) with the Department dba Spotlight, Inc., 5 Willowdale, Unit 6, Building B, Frederick, Maryland 21703, which was initially issued on August 23, 2011.
3. On February 15, 2012, members of the Frederick County Sheriff’s Department conducted an inspection of Spotlight, Inc. to determine the Respondent’s compliance with the requirements of the Maryland Secondhand Precious Metal Object Dealers and Pawnbrokers Act.

4. The inspection determined that the scale used by the Respondent to determine the weight of secondhand precious metal objects involved in transaction had not been registered with the Department of Agriculture, Division of Weights and Measures.

5. The inspection also determined that five transaction reports involving secondhand precious metal objects failed to properly describe the items acquired by the Respondent as follows:

a) Transaction No. 3262536, conducted on January 31, 2012, described the items on the hand written daily transaction as a yellow gold class ring school of nursing "Mt Sinai Hospital 1948" 10K, and a pair of yellow gold hoop earrings with butterflies on them. The electronic report lists the items as ladies 14K yellow gold earrings 1.1 g, and unisex 10K yellow gold ring class/school, size 7 weight 6 g.;

b) Transaction No. 3301194, conducted on February 7, 2012, failed to include the seller's race in the electronic report and entered an incorrect date of birth. This transaction also failed to describe the silver spoon or the silver handled knife;

c) Transaction No. 332295, conducted on February 11, 2012, failed to list the race of the seller on the electronic report and the items were listed on the report as broken silver link chains, 23.1 g. of silver, when the items were actually a necklace with a locket containing 2 pictures of children, a butterfly pendent with 5 orange stones and 2 green stones, and a bracelet with the initials "RBH."

d) Transaction 332461, conducted on February 12, 2012, described a ladies ring as "10K yellow gold" on both the hand written daily transaction sheet and the electronic report. But both failed to include the wording "I LOVE YOU" visible on the ring.

e). Transaction 3263506, conducted on January 31, 2012, described a ladies 14K yellow gold chain link necklace on both the hand written daily transaction sheet and the electronic report. But both failed to include the pendant with the name "JESSICA" attached to the necklace.

6. The Respondent acknowledges that the Respondent knew, or should have known, of the requirement of the Secondhand Precious Metal Object Dealers and Pawnbrokers Act for a the Respondent to file transaction reports that were complete and provided adequate descriptions of secondhand precious metal objects.

7. Based on the aforementioned facts, the Respondent acknowledges that the Respondent has violated Business Regulation Article §§12-203, 12-302 (a) (1)-(4), Annotated Code of Maryland and Code of Maryland Regulations COMAR 09.25.02.02, which provide:

§ 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.

COMAR 09.25.02. .02 Registration Required.

- A. A licensed dealer shall register with the Department of Agriculture any weights and measures which are used in buying from, selling to, or trading commercially with the public, any secondhand precious metal object.
- B. Registration with the Department of Agriculture shall be in accordance with Agriculture Article, 11-204.1--- --11-204.7, Annotated Code of Maryland.
- C. A licensed dealer shall display the registration conspicuously in the place of business of the licensee.

8. Based on the aforementioned violation, the Respondent agrees to pay to the Department a civil penalty of \$800.00 upon the Respondent's execution of this Consent Order.

9. 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.

10. 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.

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

BASED ON THESE STIPULATIONS, IT IS, THIS 23 DAY OF
October, 2012, BY THE DEPARTMENT OF LABOR, LICENSING
AND REGULATION:

ORDERED that the Respondent has violated Business Regulation Article §12-302 (a)
(1)-(4), Annotated Code of Maryland and Code of Maryland Regulations COMAR
09.25.02.02;

ORDERED that the Respondent is, hereby, reprimanded;

ORDERED that the Respondent be assessed a civil penalty of \$ 800.00 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 \$ 800.00 imposed on the Respondent.

RESPONDENT'S SIGNATURE
APPEARS ON ORIGINAL ORDER
Adi Kayed

DEPUTY SECRETARY'S SIGNATURE
APPEARS ON ORIGINAL ORDER
Scott Jensen
Deputy Secretary
MARYLAND DEPARTMENT OF LABOR,
LICENSING AND REGULATION

10-16-12
Date