

OCCC CASE NO. L23-00042

IN THE MATTER OF:	§	BEFORE THE
	§	
MASTER FILE NO.: 2200072995	§	OFFICE OF CONSUMER
NATIONAL COINS & JEWELRY, LLC	§	
16321 STIRLING RD.	§	CREDIT COMMISSIONER
SOUTHWEST RANCHES,	§	
FLORIDA 33331	§	STATE OF TEXAS

**ORDER TO CEASE AND DESIST UNREGISTERED ACTIVITY
AND TO TAKE AFFIRMATIVE ACTION**

The Office of Consumer Credit Commissioner (“OCCC”) issues this Order to Cease and Desist Unregistered Activity and to Take Affirmative Action against National Coins & Jewelry, LLC (“National Coins & Jewelry”), based on the violations described below.¹

Statement of Facts and Law

I. Unregistered Crafted Precious Metal Dealer Activity

Under Chapter 1956, Subchapter B of the Texas Occupations Code, a person who purchases and sells crafted precious metal must obtain a registration with the OCCC.² Crafted precious metal includes jewelry, silverware, artwork, or other objects made wholly or partly from precious metal and used for personal, family, or household purchases.³ Precious metals include gold, silver, platinum, palladium, iridium, rhodium, osmium, ruthenium, or an alloy of those metals.⁴

National Coins & Jewelry is a crafted precious metal dealer that does not hold a registration with the OCCC and has never held a registration with the OCCC.

¹ Tex. Fin. Code § 14.208.

² Tex. Occ. Code § 1956.0612.

³ Tex. Occ. Code § 1956.051(3).

⁴ Tex. Occ. Code § 1956.051(6).

According to records of the Texas Secretary of State:

- National Coins & Jewelry's address is 16321 Stirling Rd., Southwest Ranches, Florida 33331.
- National Coins & Jewelry's registered agent is Eric Etskovitz, whose address 2206 Great Prairie Lane, Katy, Texas 77494.

On November 28, 2021, National Coins & Jewelry ran an advertisement in the Houston Chronicle advertising that National Coins & Jewelry would purchase crafted precious metals at the Sheridan Brookhollow located at 3000 North Loop West, Houston, Texas from November 30, 2021, through December 3, 2021.

On July 23, 2022, National Coins & Jewelry ran a second advertisement in the Houston Chronicle advertising that National Coins & Jewelry would purchase crafted precious metals at the Hilton Garden Inn located at 722 Bonaventure Place, Sugar Land, Texas from July 27, 2022 through July 30, 2022.

On July 26, 2022, the OCCC received a written complaint alleging that National Coins & Jewelry had run an advertisement in the Houston Chronicle without registration information.⁵

The Consumer Credit Commissioner ("Commissioner") has reasonable cause to believe that National Coins & Jewelry has violated Chapter 1956, Subchapter B of the Texas Occupations Code by purchasing crafted precious metal without a registration from the OCCC.

II. Transaction Reporting Violations

Under Chapter 1956, Subchapter B of the Texas Occupations Code and its implementing rules, a crafted precious metal dealer must prepare a transaction report for each transaction.⁶ The transaction report must contain required elements, including the following:

- a. the date of purchase;
- b. the name and address of the dealer's permanent business location;
- c. the dealer's registration number;

⁵ OCCC Complaint ID No. 119964.

⁶ Tex. Occ. Code § 1956.063(c); 7 Tex. Admin. Code § 85.2001(a).

- d. the full name of the seller, as listed on the seller's driver's license or personal identification certificate;
- e. a physical description of the seller;
- f. the physical address of the seller;
- g. the seller's driver's license number, personal identification number, or handgun license number;
- h. a description of the crafted precious metal purchased by the dealer, using either a list containing the description, or a description accompanied by a clear image, including the following details:
 - 1. total number of items purchased by the dealer;
 - 2. type of each item;
 - 3. type, color, and purity of each kind of metal purchased;
 - 4. weight for each metal group;
 - 5. amount paid by the dealer for each metal group;
 - 6. color, number, and approximate size of any stones and which items include those stones;
 - 7. a clear photocopy or digital photograph of all items purchased by the dealer; and
 - 8. any unique markings that are not visible and identifiable from the image;
- i. the total amount paid to the seller by the dealer;
- j. the seller's certification that the seller's name and address, as well as the description of the crafted precious metal, are true and complete;
- k. the seller's representation that the seller has the right to possess and sell the property; and
- l. the following notice: "This business is registered under the laws of the State of Texas and by state law is subject to regulatory oversight by the Office of Consumer Credit Commissioner. Any consumer wishing to file a complaint against this business may contact the Office of Consumer Credit Commissioner through one of the means indicated below:
In Person or U.S. Mail: 2601 North Lamar Boulevard, Austin, Texas 78705-4207. Telephone No.: (800) 538-1579. Fax No.: (512) 936-7610. E-mail: consumer.complaints@occc.texas.gov. Website: occc.texas.gov."⁷

⁷ 7 Tex. Admin. Code § 85.2001(a).

Within 48 hours of each transaction, a crafted precious metal dealer must report each item of crafted precious metal that the dealer purchases to local law enforcement.⁸ A crafted precious metal dealer must retain a copy of each transaction report until the third anniversary from the date the report is filed.⁹

According to information provided by the Houston Police Department, National Coins & Jewelry did not provide transaction reports to local law enforcement.

The Commissioner has reasonable cause to believe that National Coins & Jewelry has violated Chapter 1956, Subchapter B of the Texas Occupations Code and its implementing rules by failing to deliver transaction reports to local law enforcement within 48 hours of each purchase of crafted precious metal.

III. Failure to Allow an Investigation

Under Chapter 1956, Subchapter B of the Texas Occupations Code, the Commissioner shall: (1) monitor the operation of a dealer to ensure compliance with the subchapter; and (2) received and investigate complaints against a dealer or a person acting as a dealer.¹⁰ On receipt of a written complaint or other reasonable cause to believe that a person is violating Chapter 1956, Subchapter B of the Texas Occupations Code, the Commissioner may require the person to furnish information regarding a specific retail transaction, or business practice to which the violation relates; and (2) conduct an investigation to determine whether a violation exists.¹¹

On August 23, 2022, after receiving a written complaint against National Coins & Jewelry, the OCCC requested information from National Coins & Jewelry. The OCCC requested:

- a. a statement from National Coins & Jewelry by explaining how National Coins & Jewelry is operating in compliance with the Texas Occupations Code; and
- b. proof of an active crafted precious metal dealer registration or an estimated date by which National Coins & Jewelry would apply for the registration.

National Coins & Jewelry did not provide the requested information.

⁸ Tex. Occ. Code § 1956.062(d)(2); 7 Tex. Admin. Code § 85.2002(b).

⁹ Tex. Occ. Code § 1956.063(d).

¹⁰ Tex. Occ. Code § 1956.0613.

¹¹ Tex. Fin. Code § 14.202.

On February 15, 2023, the OCCC sent a second request for information from National Coins & Jewelry. In this second request, the OCCC requested both missing items from the August 23, 2022 request, as well as the following additional items:

- a. copies of any records for transactions where National Coins & Jewelry purchased or sold a crafted precious metal item in Texas;
- b. copies of any transaction reports that National Coins & Jewelry has provided to local law enforcement when it purchased a crafted precious metal item in Texas; and
- c. the total number of crafted precious metal items that National Coins & Jewelry has purchased in Texas since January 1, 2020.

National Coins & Jewelry did not provide the requested information.

The Commissioner has reasonable cause to believe that National Coins & Jewelry has violated Chapter 14 of the Texas Finance Code by failing to furnish requested information and failing to allow the OCCC to conduct an investigation.

Authority

If the Commissioner has reasonable cause to believe that a person is violating Chapter 1956, Subchapter B of the Texas Occupations Code or Chapter 14 of the Texas Finance Code, the Commissioner may issue an order to cease and desist from the violation, an order to take affirmative action, or both to enforce compliance.¹²

The Commissioner has reasonable cause to believe that National Coins & Jewelry has violated Chapter 1956, Subchapter B of the Texas Occupations Code, Chapter 1956's implementing rules, and Chapter 14 of the Texas Finance Code by failing to register with the OCCC as a crafted precious metal dealer, by failing to send transaction reports to local law enforcement, and by failing to furnish requested information and allow an investigation of National Coins & Jewelry.

¹² Tex. Fin. Code §§ 14.201, 14.208(a).

Order

IT IS ORDERED that:

1. National Coins & Jewelry must comply with, and cease and desist from violating, the crafted precious metal dealer registration requirement found in Section 1956.0612 of the Texas Occupations Code.
2. National Coins & Jewelry must cease and desist purchasing crafted precious metal without a registration from the OCCC.
3. National Coins & Jewelry must cease and desist advertising the purchase of crafted precious metals without a registration from the OCCC.
4. National Coins & Jewelry must comply with, and cease and desist from violating, the transaction report requirements described in Sections 1956.062 and 1956.063 of the Texas Occupations Code, and Title 7, Sections 85.2001 and 85.2002 of the Texas Administrative Code.
5. **No later than 30 days after the date of this Order**, National Coins & Jewelry must send a statement by e-mail to Audrey Spalding at audrey.spalding@occc.texas.gov. The statement must either:
 - a. explain that National Coins & Jewelry has ceased purchasing any crafted precious metal; or
 - b. explain that National Coins & Jewelry has obtained a crafted precious metal dealer registration with the OCCC and has prepared a transaction report form containing all required elements. National Coins & Jewelry must attach a copy of any transaction report form to its statement.
6. National Coins & Jewelry must file a complete copy of each transaction report, including all required elements, with local law enforcement within 48 hours of any purchase of crafted precious metal, in a manner approved by local law enforcement.
7. National Coins & Jewelry must maintain each transaction report for three years from the date the report is filed and must make each transaction report available for inspection by the OCCC and local law enforcement.

8. **No later than 30 days after the date of this Order**, National Coins & Jewelry must provide the following information to Audrey Spalding at audrey.spalding@occc.texas.gov:
- a. copies of any records for transactions where National Coins & Jewelry purchased or sold a crafted precious metal item in Texas;
 - b. copies of any transaction reports that National Coins & Jewelry has provided to local law enforcement when it purchased a crafted precious metal item in Texas; and
 - c. the total number of crafted precious metal items that National Coins & Jewelry has purchased in Texas since January 1, 2020.

Violation of Order

If you violate this Order, the OCCC may impose an administrative penalty of up to \$1,000 for each day.¹³

Right to Request Hearing

You have the right to request a hearing regarding this Order.¹⁴ Your request must be made in writing and sent to the OCCC not later than 30 days after the date of this Order.¹⁵ You must send your request to Audrey Spalding, Assistant General Counsel, Office of Consumer Credit Commissioner, 2601 N. Lamar Blvd., Austin, Texas 78705, or by email to audrey.spalding@occc.texas.gov

If you request a hearing, a hearing on this matter will be set and conducted in accordance with Chapter 2001 of the Texas Government Code.¹⁶ If you fail to request a hearing by this deadline, this Order is considered final and enforceable.¹⁷

All communications with the OCCC concerning this matter must be through Audrey Spalding, Assistant General Counsel. You may contact her by mail at 2601 N. Lamar Blvd., Austin, Texas 78705, by telephone at (512) 936-7659, or by email to audrey.spalding@occc.texas.gov.

¹³ Tex. Fin. Code § 14.208(c).

¹⁴ Tex. Fin. Code § 14.208(b).

¹⁵ Tex. Fin. Code § 14.208(b).

¹⁶ Tex. Fin. Code § 14.208(b).

¹⁷ Tex. Fin. Code § 14.208(c).

Signed this 26th day of April, 2023.

/s/Leslie Pettijohn
Leslie L. Pettijohn
Consumer Credit Commissioner
State of Texas

CERTIFICATE OF SERVICE

I certify that on April 26, 2023, a true and correct copy of this Order to Cease and Desist Unregistered Activity and to Take Affirmative Action has been sent to National Coins & Jewelry, LLC by the following:

National Coins & Jewelry, LLC
Attn: Eric Etskovitz, Compliance Officer
16321 Stirling Rd.
Southwest Ranches, FL 33331
ncjbuyers@yahoo.com

☒ email
☒ regular mail
☒ certified mail, return receipt requested
9214 8901 9403 8300 0012 4715 76

National Coins & Jewelry, LLC
Attn: Eric Etskovitz
2195 Southwest University St.
Stuart, FL 34997

☐ email
☒ regular mail
☒ certified mail, return receipt requested
9214 8901 9403 8300 0012 4718 42

National Coins & Jewelry, LLC
Attn: Eric Etskovitz, Registered Agent
2206 Great Prairie Ln.
Katy, TX 77494

☐ email
☒ regular mail
☒ certified mail, return receipt requested
9214 8901 9403 8300 0012 4720 23

/s/Audrey Spalding
Audrey Spalding
Assistant General Counsel
Office of Consumer Credit Commissioner
State Bar No. 24111055
2601 North Lamar Blvd.
Austin, Texas 78705
(512) 936-7659 (phone)
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