

STATE OF NEW JERSEY



DEPARTMENT OF BANKING AND INSURANCE DIVISION OF BANKING

ORDER TO SHOW CAUSE NO. E14-014600

IN THE MATTER OF:)	OAL DOCKET NO.: BKI 05796-2015N
)	
CASTLE ROCK CAPITAL, INC. REF.)	
NO. 1100588 AND AMIT RAUT, REF.)	CONSENT ORDER
NO. 1100589)	
)	

THIS MATTER having been opened by the Commissioner ("Commissioner") of the New Jersey Department of Banking and Insurance ("Department"), upon information that Castle Rock Capital, Inc. ("Castle Rock") and Amit Raut ("Raut") (collectively referred to as "Respondents") may have violated provisions of the New Jersey Pawnbroking Law, N.J.S.A. 45:22-1 et seq. ("Act"), and the regulations, N.J.A.C. 3:16-1 et seq., by conducting "on-line pawnbroker activity"; and

WHEREAS Raut is the person on record with the Commissioner as an officer, director, or principal of, or person with controlling interest in Castle Rock and as its registered agent; and

WHEREAS Castle Rock is currently licensed as a pawnbroker, pursuant to N.J.S.A. 45:22-3; and

WHEREAS Castle Rock listed its New Jersey principal address in its license application as 402 Main St., Suite 100-224, Metuchen, NJ 08840; and

WHEREAS, in the Notes to the Financial Statement as of August 31, 2011 submitted in support of the license application, it is stated that Castle Rock "is in the start-up business of performing online pawn broker activity"; and

WHEREAS the Department conducted a compliance examination of Castle Rock on or about July 25 2013; and

WHEREAS, pursuant to rules implementing the Pawnbroking Law, set forth at N.J.A.C. 3:16-4.1(a)1, no licensee shall violate the Act or its implementing rules; and

WHEREAS on March 23, 2015, the Department issued the Order to Show Cause No. E14-014600, against Respondents alleging violations of the Pawnbroking Law and regulations as follows:

COUNT ONE

IT APPEARING that Castle Rock failed to maintain a place or places to conduct business consistent with the provisions of N.J.S.A. 45:22-3; and

COUNT TWO

IT FURTHER APPEARING that Castle Rock and Raut failed to ensure that its proposed "on-line pawnbroker activity" was conducted in all respects in compliance with the requirements of the Act, in violation of N.J.A.C. 3:16-4.1(a) 1 and 6; and

COUNT THREE

IT FURTHER APPEARING that Castle Rock failed to conspicuously display its license and fee schedule at its place of business, in violation of N.J.S.A. 45:22-9; and

COUNT FOUR

IT FURTHER APPEARING that Castle Rock transacted business under a name other than "Castle Rock, Inc.", which is the only business name approved and on file with the Department, in violation of N.J.A.C. 3:16-1.6; and

COUNT FIVE

IT FURTHER APPPEARING that Castle Rock failed to provide evidence that the required insurance had been obtained, in violation of N.J.S.A. 45:22-5; and

COUNT SIX

IT FURTHER APPEARING that Castle Rock failed to maintain a pledge or redemption book, in violation of N.J.S.A. 45:22-13; and

COUNT SEVEN

IT FURTHER APPEARING that Castle Rock failed to provide daily reports of the deposit and redemption of all goods and pledges to the local police department, in violation of N.J.S.A. 45:22-34; and

IT FURTHER APPEARING that on April 15, 2015, Respondents Raut and Castle Rock answered the charges of the Order to Show Cause and requested a hearing on the allegations; and

IT FURTHER APPEARING that on April 23, 2015, this matter was filed as a contested case with the Office of Administrative Law, OAL Docket No. BKI 05796-2015N; and

IT FURTHER APPEARING that Respondents Raut and Castle Rock admit and agree to take responsibility for the violations contained in the Order to Show Cause; and

IT FURTHER APPEARING that cause does exist pursuant to N.J.S.A. 45:22-32 and N.J.S.A. 45:22-39 for imposition of a fine upon Respondents Raut and Castle Rock for these violations; and

IT FURTHER APPEARING that Respondents Raut and Castle Rock have waived their right to a hearing on the aforementioned violation and consent, jointly and severally, to the payment of a fine to the Department of \$500.00; and

IT FURTHER APPEARING that this matter should be resolved upon the consent of the parties without resort to a formal hearing; and

IT FURTHER APPEARING the undersigned parties have consented to the form of this Order; and

NOW, THEREFORE, IT IS, on this 25th day of December 2016, ORDERED:

1. Respondent Castle Rock's pawnbroking license shall be suspended for a period of six months from the day of this Order; and
2. Respondents shall cease and desist from engaging in any pawnbroking activity, including online pawnbroking activity, in the State of New Jersey for a period of six months from the day of this Order; and
3. Respondent Castle Rock's pawnbroking license will be restored after the six-month period of suspension, provided Respondents undertake certain corrective measures as will be communicated by the Department to assure continuing compliance with the Pawnbroking Law and regulations; and
4. Respondents shall pay the fine in the amount of \$500.00, to be payable to the Commissioner of the Department of Banking and Insurance.

IT IS SO ORDERED.

Richard J. Badolato
Commissioner

N.J. Department of Banking and Insurance

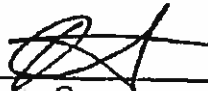


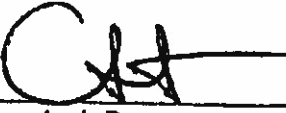
Thomas M. Hunt
Assistant Division Director
Office of Consumer Finance

CONSENTED AS TO FORM, CONTENT AND ENTRY OF ORDER:

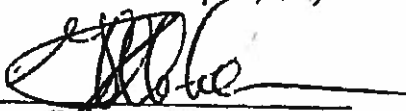
**CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiff**

Dated: 10/24/2016

By: 
Garen Gazaryan
Deputy Attorney General


Amit Raut
(individually and on behalf
of Castle Rock Capital, Inc.)

Dated: 10/17/2016


Gary Maher, Esq.
Attorney for Respondents

Dated: 10/20/16