

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) SOUTHERN VARIETY GUNS & AMMO 121 SOUTH MIDDLETON ST ROBBINS, NC 27325, MOORE	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 763025-2017-0353-B1B		
	3. PERMIT/LICENSE NUMBER 156125010E09548	4a. TARGET DATE 7/24/2017	4b. TARGET HOURS 40
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

6. ATF OFFICER(S) ASSIGNED
(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
(b)(6), Area Supervisor, 05/24/2017

8. PURPOSE/SPECIAL INSTRUCTIONS
CONDUCT DE/COMPLIANCE INVESTIGATION

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	3	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	10	NO. OF TECS HITS		2112 - P.O.A.	
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES		2113 - COMM. AIR	
		\$ VALUE OF TAX DECREASES		2114 - RENTAL CAR	
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS		2115 - GPV EXPENSES	
NO. OF CLAIMS		\$ VALUE OF CLAIMS		2116 - MISC.	
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED		TOTAL \$ FOR INSP.	

11. ATF OFFICER'S RECOMMENDATION
Submitted by (b)(6) - Industry Operations Investigator
Submitted on: 06/30/2017

Viols WL ONLY and Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)	
JUN 2017	59.00		
ATF OFFICER'S SUBTOTAL	59.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	59.00		

13. REVIEW AND ROUTING
REVIEW COMMENTS AND RECOMMENDATION
PII folder Created
Viols WL ONLY and No Recall Inspection

☒ REVIEWED ☒ CONCUR ☒ SEE COMMENTS ☒ FINAL DISPOSITION
SIGNATURE AND TITLE REVIEW DATE
(b)(6) - Area Supervisor 07/03/2017

ROUTING SEQUENCE AND DATE
☐ 1. _____
☐ 2. _____
☐ 3. _____
☐ 4. _____
CONTROL FILE POSTED DATE _____

Report of Violations

Instructions

Please write firmly with a ball point pen when completing this form. ATF officers will prepare this form in triplicate. The original copy will be given to the proprietor or a responsible representative. The remaining copies will be submitted with the completed inspection report. Supervisors will detach one copy from the completed report for their files.

Name of Proprietor SOUTHERN VARIETY GUNS & AMMO	Street Address 121 SOUTH MIDDLETON ST	City ROBBINS	State NC	Zip Code 27325-	County MOORE	Page 1 of 2 Pages
License/Permit/Registry Number <i>(If any)</i> 156125010E09548		Expiration Date 5/1/2020		Date(s) or Period of Inspection 06/14/2017 through 06/21/2017		

Inspection Results

An examination of your premises, records and operations has disclosed the following violations which have been explained to you:

Number: 1

Nature of Violation:

(b)(3) - 112 Public Law 55 125 Stat 552 instances, the Licensee failed to record the disposition of a firearm in the A&D Record. (b)(3) - 112 Public Law 55 125 Stat 552 instance, the Licensee failed to record the acquisition of a firearm. (b)(3) - 112 Public Law 55 125 Stat 552 The Licensee had (b)(3) - 112 Public Law 55 125 Stat 552 firearms that were discovered missing during the inspection (b)(3) - 112 Public Law 55 125 Stat 552).

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

(b)(3) - 112 Public Law 55 125 Stat 552

and were found on ATF F 4473's. The The Licensee was advised to record all acquisitions and disposition timely.

Citation: 27 CFR 478.125(e)

Number: 2

Nature of Violation:

(b)(3) - 112 Public Law 55 125 Stat 552 instances, the Licensee transferred a firearm to a non-licensee who indicated they were not the actual buyer by checking "No" to question 11a (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instances, the Transferee failed to answer question 11a (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6).

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

A background check conducted through Open Fox was conducted on the Transferees which was negative for prohibiting factors. The Licensee was advised to never transfer a firearm to a person who indicates they are not the actual buyer. He was also advised to make sure the Transferee answers all questions.

Citation: 27 CFR 478.21(a)

Report of Violations

Instructions

Please write firmly with a ball point pen when completing this form. ATF officers will prepare this form in triplicate. The original copy will be given to the proprietor or a responsible representative. The remaining copies will be submitted with the completed inspection report. Supervisors will detach one copy from the completed report for their files.

Name of Proprietor SOUTHERN VARIETY GUNS & AMMO	Street Address 121 SOUTH MIDDLETON ST	City ROBBINS	State NC	Zip Code 27325-	County MOORE	Page 2 of 2 Pages
License/Permit/Registry Number <i>(If any)</i> 156125010E09548	Expiration Date 5/1/2020	Date(s) or Period of Inspection 06/14/2017 through 06/21/2017				

Inspection Results

An examination of your premises, records and operations has disclosed the following violations which have been explained to you:

Number: 3

Nature of Violation:

(b)(3) - 112 Public L
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
(b)(3) - 112 Public
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
(b)(3) - 112 Public
(b)(3) - 112 Public Law 55 125

instances, the Licensee recorded an expired driver's license in box 20a (2012 Edition). In instances, the Licensee failed to record alternate government issued documentation in box 20b (2012 Edition), when the Transferee's identification document's address did not match the address they recorded on the ATF F 4473 (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6). In instance, the Licensee failed to record correct documentation in box 18b (2016 Edition)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The Licensee was advised to never transfer a firearm to a person who has an expired driver's license. He was also informed to record a secondary government issued document or PCS orders in box 18b when the Transferee's recorded address does not match their identification document.

Citation: 27 CFR 478.124(c)(3)(i)

I Have Received a Copy of This Report of Violations *(Proprietor's signature and title)*

Date

Signature and Title of ATF Officer

Date

FIREARMS INSPECTION REPORT

Name: Southern Variety Guns and Ammo, LLC
UI#: 763025-2017-0353-B1B
Trade Name: Southern Variety Guns and Ammo
FFL#: 1-56-125-01-0E-09548

Address: 121 South Middleton St
Robbins, NC 27325

Mailing Address: PO Box 656
Robbins, NC 27325

Telephone: (910) 948-2554
Fax Phone: (910) 948-2781
Emergency Telephone (b)(6)

Hours: Monday-Saturday 9:00am-6:00pm; Closed Sunday

1 - Introduction

Inspection Profile:

On 06/14/17 to 06/21/17, IOI (b)(6) conducted a Compliance Inspection at Southern Variety Guns & Ammo at 121 South Middleton St., Robbins, NC. Dakota Dunn (NC DL (b)(6)) was present during the inspection. The period of review for the inspection was 06/14/16 to 06/14/17.

Business Profile:

Mr. Dunn operates a firearms business from a commercial storefront location in urban Moore County. He sells new and used firearms and conducts firearm transfers for customers. He does not conduct gunsmithing or manufacturing. He does not sell firearms on-line and does not have an internet site. Antique firearms and black powder firearms are occasionally sold. New firearms are acquired from (b)(4)

(b)(4)
Used firearms are accepted as trade-ins and are purchased from customers. Consignments are accepted. He does attend gun shows on a frequent basis. He does not deal in NFA items. There is no off-site storage. The Licensee acquired (b)(4) firearms in the past year. The Licensee disposed of (b)(4) firearms in the past year.

The Licensee holds all required licenses for the business, including Moore County Business License. He has maintained the current FFL since 04/08/14.

FIREARMS INSPECTION REPORT

Name: Southern Variety Guns and Ammo, LLC **UI#:** 763025-2017-0353-B1B
Trade Name: Southern Variety Guns and Ammo **FFL#:** 1-56-125-01-0E-09548

Ownership and Control:

Southern Variety Guns & Ammo, LLC is a Limited Liability Corporation. Dakota Dunn is listed as the only member of the LLC and is a Responsible Person on the FFL. There are no other Responsible Persons on the License.

Variance:

The Licensee does not hold any variances. The Licensee was advised of the procedures for requesting a variance.

2 - Recommendation

Violations, WL ONLY and Recall Inspection

3 - Inspection History

Date and Type of Inspection: 03/26/14, Application Inspection
UI#: 763025-2014-0223-B1B
Inspection Results: Application Approved
Cited Violations: None

4 - Acquisition & Disposition (A&D) Record - Inventory

The Licensee utilizes handwritten records for the Acquisition & Disposition Record (A&D). A complete inventory was conducted by IOI (b)(6) and (b)(6). There were a total of one thousand one hundred and fifty-nine (1,159) firearms in inventory at the time of inspection. There were (b)(3) - 112 Public Law 55 125 Stat 552 open entries.

In (b)(3) - 112 Public Law instances, the Licensee failed to record the disposition of a firearm in the A&D Record (b)(3) - 112 Public Law 55 125 Stat 552. These firearms had been sold and were found on ATF F 4473's. In (b)(3) - 112 Public Law instance, the Licensee failed to record the acquisition of a firearm (b)(3) - 112 Public Law 55 125 Stat 552. The Licensee had (b)(3) - 112 Public Law 55 125 Stat 552 firearms that were discovered missing during the inspection (b)(3) - 112 Public Law 55 125 Stat 552. These firearms were reported as stolen by the Licensee on 06/20/17 on ATF F 3310.11. These violations were cited, reference **Violation 1**. Copy of the A&D records is referenced as **Exhibit 1**.

All manufacture and importer markings, serial numbers and calibers were recorded correctly.

FIREARMS INSPECTION REPORT

Name: Southern Variety Guns and Ammo, LLC
UI#: 763025-2017-0353-B1B
Trade Name: Southern Variety Guns and Ammo
FFL#: 1-56-125-01-0E-09548

Firearms are kept in locked showcases or behind the counters. The shop has a security system and cameras.

5 - ATF Forms 4473 – NICS & Other Dispositions

Internal controls with regards to the ATF F 4473's were adequate. ATF F 4473's are maintained in sequential order by transaction date. The Licensee stated he reviews the forms prior to the transfer of a firearm.

(b)(3) - 112 Public Law 55 125 Stat 552 ATF F 4473's were reviewed for the inspection period. (b)(3) - 112 Public Law 55 125 Stat 552 ATF F 4473's were compared to the A&D record with no discrepancies. Sixty-three (63) NICS Transaction Numbers from the NICS Audit Log were compared to the corresponding ATF F 4473's with no discrepancies.

In (b)(3) - 112 Public Law 55 125 Stat 552 instances, the Licensee transferred a firearm to a non-licensee who indicated they were not the actual buyer by checking "No" to question 11a (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instances, the Transferee failed to answer question 11a (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6). A background check conducted through Open Fox was conducted on the Transferees which was negative for prohibiting factors. This violation was cited, reference **Violation 2**. Examples of this violation is referenced as **Exhibit 2**.

(b)(3) - 112 Public Law 55 125 Stat 552 instances, the Licensee recorded an expired driver's license in box 20a (2012 Edition) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6). In (b)(3) - 112 Public Law 55 125 Stat 552 instances, the Licensee failed to record alternate government issued documentation in box 20b (2012 Edition), when the Transferee's identification document's address did not match the address they recorded on the ATF F 4473 (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6). In (b)(3) - 112 Public Law 55 125 Stat 552 instance, the Licensee failed to record correct documentation in box 18b (2016 Edition) (b)(3) - 112 Public Law 55 125 Stat 552. These violations were cited, reference **Violation 3**. Examples of this violation is referenced as **Exhibit 3**.

6 - Multiple Sales

Per the VCAB report, the Licensee was associated with (b)(3) - 112 Public Law 55 125 Stat 552 multiple handgun sales. No unreported multiple sales were discovered.

7 - Suspicious/Prohibited Purchasers

No suspicious/prohibited persons were discovered during this inspection. Ten (10) Transferees were queried through Open Fox with negative results. There were seventeen (17) "Denials" for the inspection period with no suspicious activity detected.

FIREARMS INSPECTION REPORT

Name: Southern Variety Guns and Ammo, LLC **UI#:** 763025-2017-0353-B1B
Trade Name: Southern Variety Guns and Ammo **FFL#:** 1-56-125-01-0E-09548

8 - Trace Activity

The Licensee was associated with (b)(3) - 112 Public Law 55 125 Stat 552 completed firearm traces for the inspection period. There were no suspicious firearms discovered. Ten (10) firearms were queried through E-Trace with negative results.

9 - NFA/Importer/Collector/Manufacturer

The Licensee is not a manufacture, collector or importer and does not deal in NFA items.

10 - Referrals

None

11 - Other

As a result of this inspection, the Licensee completed ATF F 3310.11, Theft/Loss Report on 06/20/17 for a (b)(3) - 112 Public Law 55 125 Stat 552. The Licensee also completed an Incident Report with the Robbins Ploice Department. The Licensee stated he took these firearms to a local firearms event and believes they were stolen there. A copy of the Theft/Loss Report is attached as **Exhibit 4.**

12 - Closing Actions

On 06/21/17, a closing conference was conducted by IOI (b)(6) with Licensee, Dakota Dunn. IOI (b)(6) reviewed all of the rules and regulations on the ATF F 4473 with the Licensee. IOI (b)(6) reviewed the violations and each of the topics listed on the Acknowledgement of Federal Regulations. An Acknowledgement of Federal Firearms Regulations form was discussed and signed by Dakota Dunn, which is attached as **Exhibit 5.** North Carolina General Statute 14-315.1, Storage of Firearms to Protect Minors, was also reviewed.

FIREARMS INSPECTION REPORT

Name: Southern Variety Guns and Ammo, LLC
UI#: 763025-2017-0353-B1B
Trade Name: Southern Variety Guns and Ammo
FFL#: 1-56-125-01-0E-09548

13 - Violations

1. 27 CFR 478.125 (e)

Nature of Violation:

In (b)(3) - 112 Public Law 55 125 Stat 552 instances, the Licensee failed to record the disposition of a firearm in the A&D Record. In (b)(3) - 112 Public Law 55 125 Stat 552 instance, the Licensee failed to record the acquisition of a firearm (b)(3) - 112 Public Law 55 125 Stat 552. The Licensee had (b)(3) - 112 Public Law 55 125 Stat 552 firearms that were discovered missing during the inspection (b)(3) - 112 Public Law 55 125 Stat 552 (b)(3) - 112 Public Law 55 125 Stat 552).

Licensee's Response:

Mr. Dunn stated, "I thought these guns were missing. I took them to an event and I know they were stolen there."

Corrective Action:

(b)(3) - 112 Public Law 55 125 Stat 552 were reported as stolen by the Licensee on 06/20/17 on ATF F 3310.11. (b)(3) - 112 Public Law 55 125 Stat 552, (b)(3) - 112 Public Law 55 125 Stat 552 had been sold and were found on ATF F 4473's. The The Licensee was advised to record all acquisitions and disposition timely.

2. 27 CFR 478.21 (a)

Nature of Violation:

In (b)(3) - 112 Public Law 55 125 Stat 552 instances, the Licensee transferred a firearm to a non-licensee who indicated they were not the actual buyer by checking "No" to question 11a (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) (b)(3) - 112 Public Law 55 125 Stat 552. In (b)(3) - 112 Public Law 55 125 Stat 552 instances, the Transferee failed to answer question 11a (b)(3) - 112 Public Law 55 125 Stat 552.

Licensee's Response:

Mr. Dunn stated, "These violations will never happen again. Next time you come here, everything will be perfect."

FIREARMS INSPECTION REPORT

Name: Southern Variety Guns and Ammo, LLC **UI#:** 763025-2017-0353-B1B
Trade Name: Southern Variety Guns and Ammo **FFL#:** 1-56-125-01-0E-09548

Corrective Action:

A background check conducted through Open Fox was conducted on the Transferees which was negative for prohibiting factors. The Licensee was advised to never transfer a firearm to a person who indicates they are not the actual buyer. He was also advised to make sure the Transferee answers all questions.

3. **27 CFR 478.124(c)(3)(i)**

Nature of Violation:

In (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instances, the Licensee recorded an expired driver's license in box 20a (2012 Edition) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)). In (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instances, the Licensee failed to record alternate government issued documentation in box 20b (2012 Edition), when the Transferee's identification document's address did not match the address they recorded on the ATF F 4473 (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6). In (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instance, the Licensee failed to record correct documentation in box 18b (2016 Edition) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)).

Licensee's Response:

Mr. Dunn stated, "I forgot about that."

Corrective Action:

The Licensee was advised to never transfer a firearm to a person who has an expired driver's license. He was also informed to record a secondary government issued document or PCS orders in box 18b when the Transferee's recorded address does not match their identification document.

FIREARMS INSPECTION REPORT

Name: Southern Variety Guns and Ammo, LLC **UI#:** 763025-2017-0353-B1B
Trade Name: Southern Variety Guns and Ammo **FFL#:** 1-56-125-01-0E-09548

X

Industry Operations Investigator

Index of Worksheets and Exhibits

1. Acquisition & Disposition record examples
2. ATF F 4473 for (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
3. (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
4. ATF F 3310.11
5. Acknowledgement



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives
6701 Carmel Road, Suite 200
Charlotte, North Carolina 28226

www.atf.gov

July 6, 2017

763025 (b)(6)
5300

WARNING LETTER

CERTIFIED RETURN RECEIPT REQUESTED

Southern Variety Guns & Ammo
Mr. Dakota W. Dunn
P.O. Box 656
Robbins, NC 27325

RE: FFL #1-56-125-01-0E-09548

Dear Mr. Dunn:

During a recent compliance inspection at your firearms business covering the period of June 14, 2016 to June 14, 2017, you were cited for violations of 27 Code of Federal Regulations, Part 478. A copy of the Report of Violations, Form 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Investigator (b)(6). You indicated that you understood the requirements of the firearms laws and regulations. You further indicated that corrective actions would be taken to eliminate future violations.

The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing effort to reduce violent crime and protect the public. It is essential that you comply with all Federal laws and regulations that govern your firearms business. This is critical to carrying out our mission to protect the public and ensure that

Southern Variety Guns & Ammo
Mr. Dakota W. Dunn

RE: FFL #1-56-125-01-0E-09548

criminals do not gain access to firearms. ATF appreciates the efforts you and other industry members make in this area, and we look forward to continuing to work with you in that regard.

You are reminded that retention of your Federal firearms license is conditioned upon your compliance with Federal laws and regulations. Any future violations, either repeat or otherwise, could be viewed as willful and may result in the revocation of your license. Please ensure that future compliance is achieved.

Should you have any questions regarding this matter, please contact Investigator (b)(6) at (b)(6)

Sincerely yours,

(b)(6)

Area Supervisor, Charlotte Group III
Charlotte Field Division

Enclosure

cc: Federal Firearms Licensing Center
Charlotte Area Office