

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) THE GUN RACK, LLC 523 W US HWY 83 MCALLEN, TX 78501, HIDALGO	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 782110-2017-0435-B1B		
	3. PERMIT/LICENSE NUMBER 574215079E08569	4a. TARGET DATE	4b. TARGET HOURS
	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, 07/06/2017

8. PURPOSE/SPECIAL INSTRUCTIONS

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	9	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	4	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: 08/18/2017

Viols WL ONLY and Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)		
AUG 2017	94.00		
ATF OFFICER'S SUBTOTAL	94.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	94.00		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
Concur with finding and recommendation for WL, but will not conduct a Recall (b)(7)(E)
Viols WL ONLY and No Recall Inspection

☒ REVIEWED ☒ CON (b)(6) ☒ FINAL DISPOSITION
SIGNATURE AND TITLE (b)(6) - Area Supervisor REVIEW DATE 08/29/2017

ROUTING SEQUENCE AND DATE

☐ 1. _____
☐ 2. _____
☐ 3. _____
☐ 4. _____

CONTROL FILE POSTED DATE _____

FIREARMS INSPECTION REPORT

Name: The Gun Rack, LLC
Trade Name:

UI#: 782110-2017-0435-B1B
FFL#: 5-74-215-07-9E-08569

Address: 523 W U.S. Hwy 83
McAllen, TX 78501 – Hidalgo County
N 26.202292 / W 98.225562

1 - Introduction

Inspection Profile:

On August 2, 2017, Industry Operations Investigator (IOI) (b)(6) conducted a firearms compliance inspection (Manufacturer DE) at the business premises of The Gun Rack, LLC; a Type 07 Federal Firearms Licensee (FFL). ATF Special Agent (b)(6) also assisted with the inspection. No other federal, state, or local agencies were present during the inspection. Manager Jose Cruz was interviewed and identified with his Texas License to Carry a Handgun, LTC#(b)(6) showing DOB (b)(6) (Exhibit 1). Charles Yoder, company co-owner and president (DL#(b)(6), DOB (b)(6)), and Michael Hilton, firearms instructor (DL#(b)(6), DOB (b)(6)), were also interviewed during the inspection (Exhibit 1). The period of inspection was from April 25, 2016 to August 2, 2017. The on-site inspection commenced on August 2, 2017 and was completed on August 11, 2017 when the Report of Violations was reviewed with the licensee. Advance notification of the inspection was not provided.

Business Profile:

The Gun Rack, LLC possesses a Type 07 license as a manufacturer of firearms other than destructive devices. The license was originally issued on April 25, 2016 and is the only ATF license possessed by the company. The licensee acquired the license with the intent to manufacture AR-15 style rifles but is currently only conducting retail sales of new (b)(4) and used firearms to the general public, including National Firearms Act (NFA) regulated silencers. There have been no manufacturing activities conducted since the issuance of the license. The Gun Rack, LLC also offers repair and customization services on customer-owned firearms, sells ammunition and firearm accessories, and conducts Texas License to Carry a Handgun (LTC) certification courses. During the period of inspection, the licensee acquired (b)(4) firearms and disposed of (b)(4) firearms. The licensee's primary suppliers are (b)(4) (b)(4). The Gun Rack, LLC does not sell firearms online or participate at gun shows. Firearms and services are advertised on the company's website (<https://tgrtexas.com>) but all sales are conducted at the business premises. There is also no off-site storage of firearms.

The business is conducted from a retail store located within the city limits of McAllen, Texas (commercial/urban). The property is owned by TTA

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Properties, LLC; a company owned by Charles Yoder. Mr. Yoder provided a letter to the ATF authorizing the use of the property by The Gun Rack, LLC **(Exhibit 2)**. Property ownership was verified with the Hidalgo County Appraisal District **(Exhibit 3)**. There are no other businesses conducted on the premises and no other businesses conducted by the licensee. The property is located in the General Business District (C-3) of the city where the sale of firearms is permitted. The licensee possesses a Texas Sales and Use Tax Permit with taxpayer number (b)(3) - 26 USC 6103 **(Exhibit 4)**.

Ownership and Control:

The Gun Rack, LLC is registered with the Texas Secretary of State as a domestic limited liability company with a principal address in McAllen, Texas. **(Exhibit 5)**. The original date of filing for the entity was on January 24, 2016. Charles Yoder and Barbara Yoder (husband and wife) are the managing members and both possess (b)(4) ownership of the company. Mr. Yoder serves as the president and Mrs. Yoder is the vice president, secretary and treasurer **(Exhibit 6)**. Both individuals are correctly listed as responsible persons in the Federal Licensing System (FLS). There have been no unreported changes in ownership or control and hidden ownership is not suspected.

Manager Jose Cruz and firearms instructor Michael Hilton are currently not listed as responsible persons in FLS. Mr. Cruz was hired as the manager of the business after the issuance of the license and is responsible for the day-to-day operations of the business, to include new firearm purchases, firearm sales, and recordkeeping. Mr. Hilton is a firearms instructor and will assist with sales and recordkeeping in the near future. Mr. Yoder agreed to add Mr. Cruz as a responsible person and requested to add Mr. Hilton as an additional responsible person. IOI (b)(6) provided the licensee with responsible person questionnaires and FD-258 fingerprint cards. NCIC and N-Force queries were completed on the current and pending responsible persons and the results were negative.

Variance:

The licensee does not possess any variances and none were requested during the inspection.

2 - Recommendation

Violations, WL ONLY and Recall Inspection.

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3 - Inspection History

The original license was issued on April 25, 2016 after a qualification inspection was conducted. There have been no other inspections completed.

Date of Inspection: April 11, 2016
Type of Inspection: Qualification Inspection
UI#: 782110-2016-0240-B1B
Inspection Results: Application Approved
Cited Violations: None

Date of Inspection: N/A
Type of Inspection: N/A
UI#: N/A
Inspection Results: N/A
Cited Violations: N/A

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

The licensee utilizes electronic A&D record software called Gun StoreMaster PRO designed by Three Circle Software, LLC. The system displays firearm information in the proper format and allows for queries by firearm serial number or gun number, acquisition or disposition date, name of the manufacturer or importer, and name and address of the customer. The records are downloaded to the licensee's computer hard drive daily and the information stored in the software is encrypted for security. The licensee is compliant with the requirements of electronic recordkeeping prescribed by ATF Ruling 2016-1.

Discrepancies were found during a review of the licensee's acquisition and disposition (A&D) record printout and completion of a full inventory. There were 214 firearms in inventory (b)(3) - 112 Public Law open entries in the A&D record. The licensee failed to record the acquisition of (b)(3) - 112 Public Law firearm, failed to record the disposition of (b)(3) - 112 Public Law firearms, and recorded (b)(3) - 112 Public Law duplicate entry. The licensee also failed to correctly record the acquisition and disposition of firearms. Specifically, the licensee did not record both the manufacturer and importer, recorded incorrect model information, and recorded incorrect disposition dates. The following violations were cited (**Worksheet 1 and Exhibit 7**):

Violation 8: 27 CFR 478.123(a) - (b)(3) - 112 Instances
Violation 9: 27 CFR 478.123(d) - (b)(3) - 112 Instances

There were no firearms with obliterated serial numbers or other illegal firearms found in the licensee's inventory. There were no thefts or losses reported by the licensee during the period of inspection or discovered during the inspection.

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The licensee's procedures for recording firearm acquisitions and dispositions and maintaining inventory were reviewed during the inspection and found to be inadequate. Manager Jose Cruz is currently responsible for all of the day-to-day business activities, to include purchasing new firearms, accepting deliveries, and recording information in the A&D record. A review of the A&D record disclosed that the licensee was recording the model number, UPC, or SKU number in the A&D record rather than the specific model name or model information marked on the firearm. Mr. Cruz informed IOI (b)(6) that the information recorded in the A&D record was being acquired from product invoices and packaging provided by the distributor. Mr. Cruz believed he was recording the correct information because the column in the A&D record reads "model #" and "model description." IOI (b)(6) informed Mr. Cruz and Mr. Yoder during the inspection and closing conference that the information recorded in the A&D record should only be obtained from the markings on the firearm.

The licensee does not have a review process for A&D record entries and does not conduct a regular inventory. Mr. Cruz stated he attempts to record acquisitions and dispositions immediately but sometimes gets distracted and entries are delayed. Mr. Cruz also informed IOI (b)(6) that the licensee has not conducted a full inventory of firearms since commencing business. IOI (b)(6) advised Mr. Cruz and Mr. Yoder to have a second employee review all A&D record entries prior to the close of business in order to ensure that all entries have been recorded and recorded correctly. The licensee was also advised to conduct scheduled inventories in order to reconcile any A&D record discrepancies and identify any missing firearms. IOI (b)(6) suggested an inventory be conducted every month or at least every three months (quarterly). The licensee was given a period of one week to correct the entries in the A&D record. IOI (b)(6) verified the corrections on August 18, 2017.

5 - ATF Forms 4473 – NICS & Other Dispositions

There were (b)(5) - 112 Public Law 5 Forms 4473 on file for the period of inspection, including (b)(5) - 112 Public Law 5 denial. Forms are completed electronically using the *fast4473* system designed by Three Circle Software, LLC. The system is integrated with the Gun StoreMaster PRO A&D record and allows for the auto-population of firearm information and captures the transferee's electronic signature. The *fast4473* system is compliant with ATF Ruling 2016-2.

The licensee files the completed ATF Forms 4473 in chronological order. A review of the forms on file for the period of inspection disclosed discrepancies. Per ATF Ruling 2016-2, the printed ATF Form 4473 must be a verbatim/exact image of the current OBM-approved form. The completed forms on file were marked in bold lettering "DO NOT USE" and "DRAFT." This information was printed on each page of the completed forms. Mr. Cruz stated the error was occurring because he was not selecting the "final"

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option in the system prior to printing the forms. IOI (b)(6) informed the licensee that the forms must be printed in compliance with ATF Ruling 2016-2 and any future discrepancies will be cited.

In several instances, the licensee failed to obtain or provide all of the required information on the ATF Form 4473, including signatures and dates; recorded incorrect NICS information; and failed to correctly identify the firearm transferred. The following Violations were cited (**Worksheet 2 and Exhibit 8**):

- Violation 1:** 27 CFR 478.21(a) – (b)(3) Forms
- Violation 4:** 27 CFR 478.124(c)(3)(iv) – (b)(3) Forms
- Violation 5:** 27 CFR 478.124(c)(4) – (b)(3) - 112 Forms
- Violation 6:** 27 CFR 478.124(c)(5) – (b)(3) Forms

The licensee disposed of (b)(4) firearms during the period of inspection. (b)(4) firearms were transferred to non-licensees, including (b)(4) repairs, and (b)(4) firearms were transferred to other licensees (FFL to FFL). The disposition entries to non-licensees recorded in the A&D record were compared to the ATF Forms 4473 to verify that a form was completed for each disposition and discrepancies were found. In (b)(4) instances, the licensee failed to record the return of a firearm received on consignment on an ATF Form 4473 and failed to conduct a background check prior to returning the firearms. The licensee also recorded NICS information from a previous transaction on an ATF Form 4473 without initiating a new background check. The following violations were cited (**Worksheet 2 and Exhibit 8**):

- Violation 2:** 27 CFR 478.102(a) – (b)(3) Instances
- Violation 3:** 27 CFR 478.124(a) – (b)(3) instances

The dispositions to other licensees were conducted properly and there were no sales to law enforcement during the period of inspection.

The licensee's procedures for conducting firearm transactions and completing ATF Forms 4473 were evaluated during the inspection and found to be insufficient. Mr. Cruz is currently responsible for handling all transactions and the execution of the ATF Forms 4473, to include reviewing customer identification documents and conducting background checks using the NICS e-check system. Mr. Cruz is the only employee of the business who reviews the forms prior to the transfer of the firearm and there is no additional reviews conducted. In order to prevent future discrepancies, IOI (b)(6) advised Mr. Cruz and Mr. Yoder to have an employee other than the seller review the completed ATF Forms 4473 for completeness and accuracy. The licensee was also informed of the proper procedures for making corrections to improperly completed forms after the transfer of the firearm has occurred. The licensee agreed to make corrections to a photocopy of the inaccurate forms found during the inspection. IOI

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(b)(6) reviewed a sample of the corrections on August 18, 2017. Customers are provided with a sales invoice for purchases and a repair ticket for firearms brought in for repair or customization. The licensee utilizes QuickBooks Point of Sale software by Intuit, Inc. that is integrated with the Gun StoreMaster system.

6 - Multiple Sales

An eTrace query resulted in (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) reported multiple sale during the period of inspection. A review of the ATF Forms 4473 on file for the period of inspection revealed that the licensee failed to report (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) multiple handgun sales.

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

The following violation was cited (**Worksheet 2 and Exhibit 9**):

Violation 7: 27 CFR 478.126a - (b)(3) Instances

A review of the licensee's standard operating procedures disclosed that there are no procedures in place to ensure multiple sales are reported. Mr. Cruz simply reviews completed forms for more than one firearm but does not review the forms for additional purchases made by the same customer within five consecutive business days. IOI (b)(6) advised the licensee to review the A&D record and the ATF Forms 4473 completed in the last five days after transferring a firearm to an individual in order to identify any multiple handgun or rifle sales that are required to be reported. The licensee was reminded that multiple sale reports are required to be submitted no later than the close of business on the day the multiple sale or other disposition occurs.

7 - Suspicious/Prohibited Purchasers

There were no suspicious or prohibited purchasers discovered during the inspection.

8 - Trace Activity

The licensee did not receive any trace requests in the last 12 months.

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9 - NFA/Importer/Collector/Manufacturer

The Gun Rack, LLC is licensed as a manufacturer of firearms other than destructive devices. Mr. Yoder applied for a Type 07 license with the intent to manufacture AR-15 style rifles for retail sale to the general public. The licensee is currently not engaged in any manufacturing activities but intends to assemble parts kits and fabricate lower receivers using a CNC machine. The licensee has not manufactured any firearms since the acquisition of the license. IOI (b)(6) obtained a copy of the Annual Firearms Manufacturing and Exportation Report (AFMER) submitted by the licensee for calendar year 2016 (**Exhibit 10**). The report reflects zero (0) firearm manufactured and sold by the licensee.

The licensee is also a special occupational taxpayer qualified to conduct business as a Class 3 dealer of NFA firearms (**Exhibit 11**). During the period of inspection, the licensee acquired (b)(4) (b)(3) - 26 USC 6103, (b)(4)

(b)(4) IOI (b)(6) reviewed the approved registration documents with no discrepancies found and all of the firearms were marked properly.

The licensee is not engaged in the business as an importer or collector of firearms and does not manufacture ammunition.

10 - Referrals

There were no referrals generated as a result of the inspection.

11 - Other

The Federal Firearms License (FFL) issued to the licensee is kept posted on the business premises. The licensee is also compliant with both the Youth Handgun Safety Act (YHSA) and the Child Safety Lock Act. A YHSA poster is displayed behind the sales counter and the licensee provides each customer who purchases a handgun with a YHSA notice and trigger lock.

The property is equipped with a Superior Alarms security system, video surveillance, and roll-down security/storm shutters on the front entry door and windows. (b)(4)

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12 - Closing Actions

On August 11, 2017, IOI (b)(6) held a closing conference with Charles Yoder, president; Jose Cruz, manager; and Michael Hilton, firearms instructor in order to discuss the results of the inspection and review the Report of Violations. Corrective and preventative actions were discussed and the Report of Violations was signed by Mr. Yoder. The Acknowledgement of Federal Firearms Regulations was also reviewed and the company representatives were given the opportunity to ask questions and address any concerns. The representatives were reminded of the responsibilities of an FFL to comply with all of the laws and regulations pertaining to the commerce of firearms and conduct of business as required by the Gun Control Act (GCA). Mr. Yoder signed and dated the Acknowledgement and was provided a copy for business records (**Exhibit 12**). The licensee was provided with the following reference materials:

- Important Notice: Selling Firearms after Revocation, Expiration, or Surrender of an FFL
- ATF P 5380.1, Loss Prevention for Firearms Retailers
- ATF Ruling 2016-1, Electronic Acquisition and Disposition Record
- ATF Contact Information

13 - Violations

1. 27 CFR 478.21(a)

Nature of Violation: Failure to obtain and/or furnish all of the information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) forms:

The following forms contained an error in Item 16:

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

The following forms were not recertified by the transferee (Items 22 and 23 blank):

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

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

Licensee's Response: Jose Cruz stated the errors occurred because the forms were not properly reviewed. He also said he was not aware that customers were required to re-certify the ATF Form 4473 if the transfer occurs on a different day from the date that the customer originally signed the form is Section A.

Mr. Cruz and Charles Yoder both assured that more time will be spent reviewing forms in order to identify any errors or omissions and the seller will ensure that customers re-certify the forms if required.

Corrective Action: Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to obtain and furnish all of the information required on each ATF Form 4473 prior to transferring a firearm to a non-licensee. The licensee shall review each form for completeness and accuracy.

Reference Worksheet 2 and Exhibit 8

2. 27 CFR 478.102(a)

Nature of Violation: Failure to contact NICS or obtain a valid exception to NICS prior to transferring a firearm to a non-licensee in (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instances:

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

Licensee's Response: Mr. Cruz said he was not aware background checks were required for the return of a firearm received on consignment. He also stated he believed he conducted a background check on purchaser (b)(6). The customer's NICS information from the previous day was recorded to and attached to the ATF Form 4473).

Mr. Cruz ensured background checks will be conducted on all future consignments and better reviews of the ATF Forms 4473 will eliminate any NICS discrepancies.

Corrective Action: Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to contact NICS or obtain a valid exception to NICS (Texas CHL or LTC) prior to transferring a firearm to a non-licensee.

Reference Worksheet 2 and Exhibit 8

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3. **27 CFR 478.124(a)**

Nature of Violation: Failure to record the transaction on a firearms transaction record, ATF Form 4473, when transferring a firearm to a non-licensee in (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instances:

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

Licensee's Response: Mr. Cruz said he did not know of the requirement to complete an ATF Form 4473 when returning a firearm received on consignment. He assured the errors were the result of misunderstanding and will never occur again.

Corrective Action: Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to record all firearm sales and transfers to non-licensees on an ATF Form 4473, to include the return of a firearm received for sale on consignment to the consignor.

Reference Worksheet 2 and Exhibit 7

4. **27 CFR 478.124(c)(3)(iv)**

Nature of Violation: Failure to comply with the requirements of Section 478.102 and record on the ATF Form 4473 the date on which the licensee contacted NICS as well as the identification number and any responses provided by the system on (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) forms:

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

Licensee's Response: Mr. Cruz stated he misunderstood the instructions on the form and was recording the date of transfer in 19.a and 19.d rather than the date NICS was contacted and the date the final NICS response was received. Mr. Cruz said he now understands how to properly execute the form and the correct dates will be recorded for all future transactions.

Corrective Action: Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to record the correct NICS information on the ATF Form 4473 for all transactions in which NICS was contacted.

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Reference Worksheet 2 and Exhibit 8

5. **27 CFR 478.124(c)(4)**

Nature of Violation: Failure to correctly identify the firearm to be transferred by listing the manufacturer and importer (if any), model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473 (b)(3) - 112 Public forms:

Each instance for this violation is listed on ROV attachment #1 and Worksheet 2.

Licensee's Response: Mr. Cruz said the firearm information recorded in the A&D record is auto-populated onto the electronic ATF Form 4473 and, if the firearm information recorded in the A&D record is incorrect, it will also be wrong on the form.

Mr. Cruz assured firearms will be properly identified and the correct information will be recorded in the A&D record. Mr. Yoder said a stricter review process will help eliminate any future problems.

Corrective Action: Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to correctly identify the firearm to be transferred and record the required information on the ATF Form 4473.

For tracing purposes, the licensee was encouraged to make corrections to a photocopy of the inaccurate ATF Forms 4473. The licensee agreed and a sample of corrections was reviewed on August 18, 2017.

Reference Worksheet 2 and Exhibit 8

6. **27 CFR 478.124(c)(5)**

Nature of Violation: Failure to sign and date, or correctly date, the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm (b)(3) - 112 Public forms:

The following forms were not signed or dated by the transferor/seller (Item 35 blank and Item 37 error):

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

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



The following forms were incorrectly dated (Item 37 error):

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



Licensee's Response: Mr. Cruz said he simply forgot to sign and date the forms or recorded the wrong date and the errors were not discovered because the forms were not properly reviewed. Mr. Cruz and Mr. Yoder agreed to implement a better form review process in order to identify any errors or omissions prior to completing the transfer and filing the form.

Corrective Action: Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to sign and record the correct transfer date on the ATF Form 4473 when a firearm is transferred to a non-licensee.

For tracing purposes, the licensee was encouraged to make corrections to a photocopy of the inaccurate ATF Forms 4473. The licensee agreed and the corrections were reviewed on August 18, 2017.

Reference Worksheet 2 and Exhibit 8

7. 27 CFR 478.126a

Nature of Violation: Failure to prepare and submit a Report of Multiple Sale or Other Disposition of Pistols and Revolvers, ATF Form 3310.4, whenever the licensee sells or otherwise disposes of two or more pistols, or revolvers, or any combination of pistols

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and revolvers totaling two or more, to an unlicensed person at one time or during any five consecutive business days, in (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) instances:

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

Licensee's Response: Mr. Cruz said he misunderstood the multiple sale criteria and was not reviewing the forms for additional purchases made by the same customer within five consecutive business days. Mr. Cruz said he will begin reviewing the A&D record and ATF Forms 4473 completed in the last five days in order to identify any multiple sales. Mr. Yoder also said he will check the A&D record software to determine if there is an option for multiple sale alerts.

Corrective Action: The violation was corrected immediately. The licensee prepared and submitted a multiple sale report, ATF Form 3310.4, for the transactions (Copy 1 submitted to the National Tracing Center via fax and Copy 2 submitted to the CLEO). In the future, the licensee will ensure to submit a required multiple sale report no later than the close of business on the day that the multiple sale occurs.

Reference Worksheet 2 and Exhibit 9

8. 27 CFR 478.123(a)

Nature of Violation: Failure to timely and/or correctly enter into a record each firearm manufactured or otherwise acquired (b)(3) - 112 Public instances:

Each instance for this violation is listed on ROV attachment #2 and Worksheet 1.

Licensee's Response: Mr. Cruz stated the firearm information recorded in the A&D record was being obtained from distributor invoices and packaging rather than the actual firearm. He said the information recorded under the "model #" column was usually the UPC, SKU, or model number listed on the invoice and firearm box. Mr. Yoder stated he thought they were doing the right thing and will make the necessary corrections. In regards to the acquisition not recorded in the A&D record, Mr. Cruz stated he most likely got distracted and forgot to enter the information into the record before placing the firearm in the display case.

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Mr. Cruz assured that the information recorded in the A&D record and ATF Forms 4473 will come directly from the firearm itself and they will no longer rely on invoices and packaging. Mr. Yoder also said firearm entries will now be reviewed by more than one employee when possible in order to ensure the information is correct.

Corrective Action: The licensee was given a period of one week (8/18/2017) to correct all entries with discrepancies in the A&D record. IOI (b)(6) reviewed the corrections on August 18, 2017 with no additional errors found. In the future, the licensee will ensure to properly identify each firearm and record the required acquisition information in the A&D record not later than the seventh day of such acquisition.

Reference Worksheet 1 and Exhibit 7

9. 27 CFR 478.123(d)

Nature of Violation: Failure to timely and/or correctly enter into a record the disposition of individual firearms to non-licensees (b)(6) instances:

The following dispositions were not recorded:

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

The following firearm was listed as a duplicate entry in the A&D record:

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

The following disposition dates were recorded incorrectly:

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

FIREARMS INSPECTION REPORT

Name: The Gun Rack, LLC
Trade Name:

UI#: 782110-2017-0435-B1B
FFL#: 5-74-215-07-9E-08569

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

Licensee's Response: In regards to the licensee's failure to record the disposition of individual firearms, Mr. Cruz stated he procrastinated and simply forgot to record the dispositions. Mr. Cruz stated the duplicate entry and incorrect disposition dates were most likely the result of rushing to enter the information into the A&D record and not reviewing the entries. Mr. Yoder said the licensee has not conducted an inventory of firearms since commencing business, which resulted in not identifying the discrepancies.

Mr. Cruz assured he will record the acquisition and disposition of each firearm in a timely manner and will spend more time reviewing the entries for completeness and accuracy. Mr. Cruz and Mr. Yoder agreed to conduct a regular inventory in order to reconcile any discrepancies or identify any missing firearms.

Corrective Action: The licensee was given a period of one week (8/18/2017) to correct all entries with discrepancies in the A&D record. IOI (b)(6) reviewed the corrections on August 18, 2017 with no additional errors found. In the future, the licensee will ensure to record the disposition of each firearm not later than the seventh day following such disposition.

Reference Worksheet 1 and Exhibit 7

X

(b)(6)

Industry Operations Investigator

FIREARMS INSPECTION REPORT

Name: The Gun Rack, LLC
Trade Name:

UI#: 782110-2017-0435-B1B
FFL#: 5-74-215-07-9E-08569

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Worksheet 2 – ATF Form 4473 Review

Other Statistics

Exhibit 1: Texas Driver's License Images – Charles Yoder, Jose Cruz, and Michael Hilton

Exhibit 2: Property Use Permission Letter from TTA Properties, LLC

Exhibit 3: Hidalgo County Appraisal District Property Search

Exhibit 4: Comptroller's Taxpayer Search Detail

Exhibit 5: Secretary of State Business Inquiry and Certificate of Formation for LLC

Exhibit 6: Company Officers and Membership Interest

Exhibit 7: Sample of A&D Record Discrepancies and Corrections

Exhibit 8: Sample of ATF Form 4473 Discrepancies

Exhibit 9: Unreported Multiple Sales

Exhibit 10: 2016 AFMER

Exhibit 11: 2018 Special Tax Stamp

Exhibit 12: Acknowledgement of Federal Firearms Regulations



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

McAllen II Field Office

AUG 29 2017

McAllen, TX 78504

www.atf.gov

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

782110: (b)(6)
1000

The Gun Rack, LLC
523 W U.S. Hwy 83
McAllen, TX 78501

REF: 5-74-215-07-9E-08569

Dear Mr. Yoder:

During a recent compliance inspection at your firearms business covering the period of April 25, 2016 to August 2, 2017 you were cited for violations of 27 Code of Federal Regulations, Part 48. 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) IO Investigator(s). 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 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.

The Gun Rack, LLC

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

Sincerely yours

(b)(6)

Area Supervisor, McAllen II

Enclosure

c: National Firearms Licensing Center
McAllen II Area Office

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 1 of 11 Pages
License/Permit/Registry Number (If any) 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

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:

Failure to obtain and/or furnish all of the information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it on [REDACTED] forms:

The following forms contained an error in Item 16:

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

The following forms were not recertified by the transferee (Items 22 and 23 blank):

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

Citation: 27 CFR 478.21(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to obtain and furnish all of the information required on each ATF Form 4473 prior to transferring a firearm to a non-licensee. The licensee shall review each form for completeness and accuracy.

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 2 of 11 Pages
License/Permit/Registry Number <i>(If any)</i> 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

Number: 2

Nature of Violation:

Failure to contact NICS or obtain a valid exception to NICS prior to transferring a firearm to a non-licensee in ^{(b)(3) - 112 PUBLIC L} instances:

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

Citation: 27 CFR 478.102(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to contact NICS or obtain a valid exception to NICS (Texas CHL or LTC) prior to transferring a firearm to a non-licensee.

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 3 of 11 Pages
License/Permit/Registry Number <i>(If any)</i> 574215079E08569		Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017			

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:

Failure to record the transaction on a firearms transaction record, ATF Form 4473, when transferring a firearm to a non-licensee in (b)(3) - 112 Public instances:

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

Citation: 27 CFR 478.124(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to record all firearm sales and transfers to non-licensees on an ATF Form 4473, to include the return of a firearm received for sale on consignment to the consignor.

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 4 of 11 Pages
License/Permit/Registry Number <i>(If any)</i> 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

Number: 4

Nature of Violation:

Failure to comply with the requirements of Section 478.102 and record on the ATF Form 4473 the date on which the licensee contacted NICS as well as the identification number and any responses ~~or~~ provided by the system of ^{(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)} forms:

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

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

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to record the correct NICS information on the ATF Form 4473 for all transactions in which NICS was contacted.

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 5 of 11 Pages
License/Permit/Registry Number (If any) 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

Number: 5

Nature of Violation:

Failure to correctly identify the firearm to be transferred by listing the manufacturer and importer (if any), model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473 (b)(3) - 112 Firearms:

Each instance for this violation is listed on ROV attachment #1

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to correctly identify the firearm to be transferred and record the required information on the ATF Form 4473.

For tracing purposes, the licensee shall make corrections to a photocopy of the inaccurate ATF Forms 4473.

Citation: 27 CFR 478.124(c)(4)

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 6 of 11 Pages
License/Permit/Registry Number <i>(If any)</i> 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

Number: 6

Nature of Violation:

Failure to sign and date, or correctly date, the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm or firearms:

The following forms were not signed or dated by the transferor/seller (Item 35 blank and Item 37 error):

(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)

Violation uncorrectable/Preventative action discussed. In the future, the licensee will ensure to sign and record the correct transfer date on the ATF Form 4473 when a firearm is transferred to a non-licensee.

For tracing purposes, corrections shall be made to a photocopy of the inaccurate ATF Forms 4473.

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 7 of 11 Pages
License/Permit/Registry Number (If any) 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

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

The following forms were incorrectly dated (Item 37 error):

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

Citation: 27 CFR 478.124(c)(5)

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 8 of 11 Pages
License/Permit/Registry Number <i>(If any)</i> 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

Number: 7

Nature of Violation:

Failure to prepare and submit a Report of Multiple Sale or Other Disposition of Pistols and Revolvers, ATF Form 3310.4, whenever the licensee sells or otherwise disposes of two or more pistols, or revolvers, or any combination of pistols and revolvers totaling two or more, to an unlicensed person at one time or during any five consecutive business days, in (b)(3) - 112 Pub instances:

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

Citation: 27 CFR 478.126a

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee prepared and submitted a multiple sale report, ATF Form 3310.4, for the transactions (Copy 1 submitted to the National Tracing Center via fax and Copy 2 submitted to the CLEO). In the future, the licensee will ensure to submit a required multiple sale report no later than the close of business on the day that the multiple sale occurs.

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 9 of 11 Pages
License/Permit/Registry Number <i>(If any)</i> 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

Number: 8

Nature of Violation:

Failure to timely and/or correctly enter into a record each firearm manufactured or otherwise acquired in ^{(b)(3) - 112} instances:

Each instance for this violation is listed on ROV attachment #2

Citation: 27 CFR 478.123(a)

Date Corrections to be Made: 08/18/2017

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee shall correct all entries with discrepancies in the A&D record. In the future, the licensee will ensure to properly identify each firearm and record the required acquisition information in the A&D record not later than the seventh day of such acquisition.

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 10 of 11 Pages
License/Permit/Registry Number (If any) 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

Number: 9

Nature of Violation:

Failure to timely and/or correctly enter into a record the disposition of individual firearms to non-licensee ^{(b)(3) - 112 Public} instances:

The following dispositions were not recorded:

Gun#

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

Date Corrections to be Made: 08/18/2017
(If not corrected immediately)

Corrective Action to be Taken: The licensee shall correct all entries with discrepancies in the A&D record. In the future, the licensee will ensure to record the disposition of each firearm not later than the seventh day following such disposition.
(If not corrected immediately)

The following firearm was listed as a duplicate entry in the A&D record:

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

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 THE GUN RACK, LLC	Street Address 523 W US HWY 83	City MCALLEN	State TX	Zip Code 78501-	County HIDALGO	Page 11 of 11 Pages
License/Permit/Registry Number (If any) 574215079E08569	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/02/2017 through 08/11/2017				

Inspection Results

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

The following disposition dates were recorded incorrectly:

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

Citation: 27 CFR 478.123(d)

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

Date

8-11-17

Sig

(b)(6)

Industry Operations Inspector

Date

8/11/2017

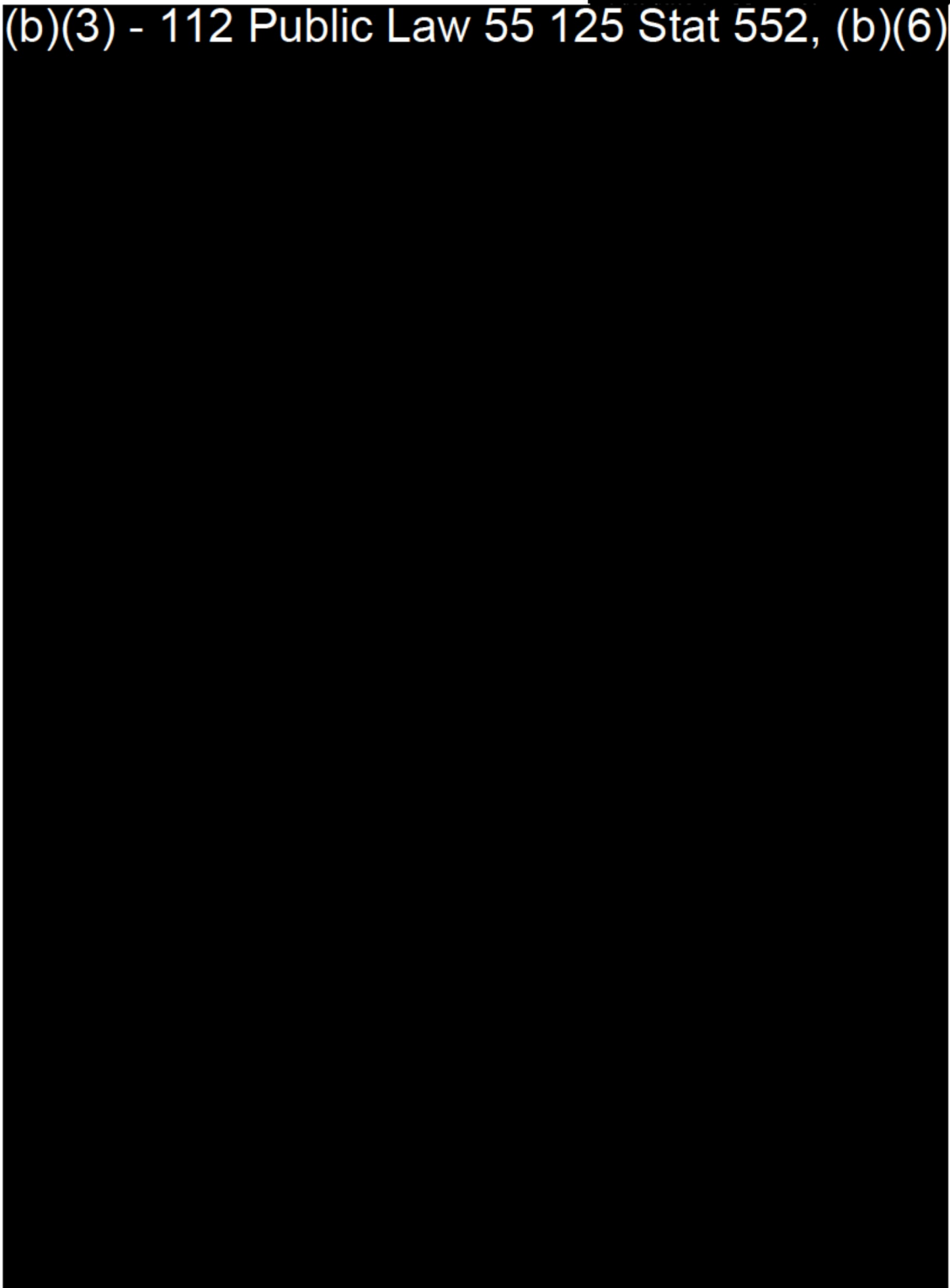
For Official Use Only

ATF E-Form 5030.5
Revised April 2005


The following forms contained incorrect model
information (Item 25 error):

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

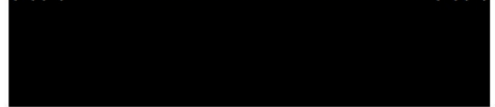
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)



(b)(6)

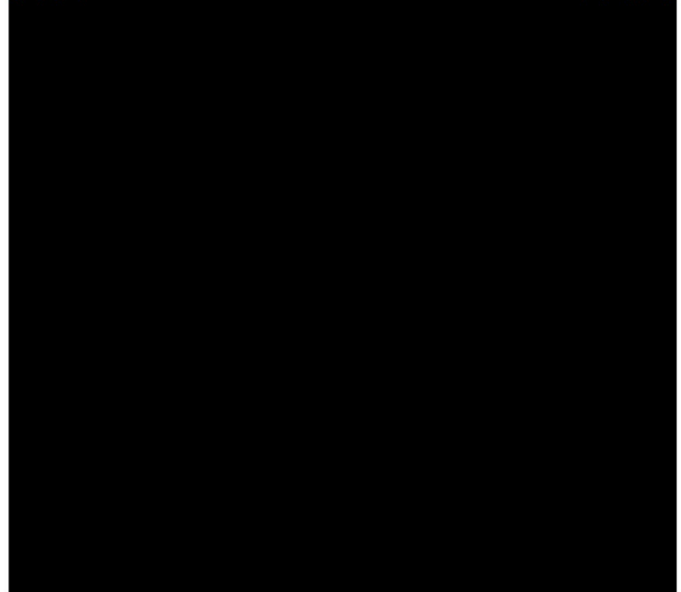


(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

A black rectangular redaction box covering approximately five lines of text.

The Following forms contained incorrect
manufacturer/importer, model, serial number, type,
and/or caliber information:

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

A large black rectangular redaction box covering the majority of the page content below the text.

ROV Attachment #2

FIREARMS INSPECTION Inventory and A&D Review Worksheet

Licensee Name: The Gun Rack, LLC?										UI Number: 782110-2017-0415					
#	Date Acquired	Serial/Block Reference #	Manufacturer/Importer	Model	Serial Number	Type	Caliber/ Gauge	Date Inspected	Number of Violations	A&D Discrepancy and Violation Calculations					
										If previous discrepancy exists the discrepancy and discrepancy entry on A&D form is	Discrepancy recorded but not timely and is correct	Discrepancy not recorded prior to inspection or recorded on legal case when no discrepancy	Discrepancy recorded but not timely and is incorrect	Discrepancy Not Recorded (Discrepancy Recorded) or Discrepancy Not Recorded	Missing from Inventory (Discrepancy Not Recorded)

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

(b)(6)

Licensee Name: The Gun Rack, LLC										BII Number: 782100-2017-0435					
#	Date Acquired	Disposal/Trade Back/Return #	Manufacturer/Importer	Model	Serial Number	Type	Caliber/Gauge	Date Disposed	Nature of Violation	A&D Discrepancy and Violation Calculations					
										Violations transferred with no inspection and discrepancy entry on A&D book	Inspection is recorded but not timely and is incorrectly entered	Inspection is not recorded prior to inspection or recorded as illegal (not within an inspection)	Inspection is recorded but not timely and is incorrectly entered	Discrepancy Not Entered (If Inspection Recorded, it may disprove entry)	Discrepancy from Inventory (If Inspection Not Recorded)

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

Licensee Name: The Gam Rack, LLC										UI Number: 782118-2017-0435					
#	Date Acquired	Brand ID-A Reference #	Manufacturer Invoice #	Model	Serial Number	Type	Color Group	Date Deposed	Nature of Violation	A&D Discrepancy and Variance Calculations					
										Forfeiture transferred with no separate and dependent entry on A&D track	Acquisition recorded but not timely and is correctly	Acquisition not recorded prior to suspension or rescinded as illegal case where no recovery	Deposited recorded but not timely and is correctly	Deposited Not Recorded (Deposited Rescinded) on Duplicate Entry	Missing from Inventory (Deposited Not Recorded)

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

Licensee Name: The Gas Rack, LLC										UFI Number: 782118-2017-0435					
										A&D Discrepancy and Variance Calculations					
#	Date Acquired	Serial/Block Reference #	Manufacturer/Importer	Model	Serial Number	Type	Caliber/Gauge	Date Expired	Summary of Variance	Exemption (Inspected) with no acquisition and discrepancy entry on A&D Form A	Exemption (Inspected) but not timely and on serially	Exemption (Not Inspected) or not recorded prior to inspection or not recorded as legal exit when	Exemption (Inspected) but not timely and on serially	Exemption (Not Inspected) or not recorded as legal exit when	Missing from Inventory (Exemption Not Reasonable)

Licensee Name: The Gam Rack, LLC										UII Number: 782110-2017-0435				
#	Date Acquired	Disposal Reference #	Manufacturer Inventory	Model	Serial Number	Type	Current Usage	Date Disposed	Nature of Violation	A&D Discrepancy and Violation Calculations				
										Firearm transferred with no inspection and ship inventory entry	Acquisition recorded but not timely and or correctly	Acquisition not recorded from inspection but not timely and or correctly	Ship entry recorded but not timely and or correctly	Ship entry not recorded but not timely and or correctly

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

Licensee Name: The Gun Rack, LLC										UI Number: 782110-3017-0435				
#	Date Acquired	Personal Use or Business	Manufacturer/Importer	Model	Serial Number	Type	Transfer Type	Date Transferred	Type of Violation	A&D Discrepancy and Violation Calculations				
										Inventory transferred with no inspection and discrepancy entry in A&D book	Acquisition recorded but no inventory and/or correctly	Acquisition as it recorded prior to inspection or recorded as illegal but no inventory	Discrepancy recorded but not correctly and/or correctly	Discrepancy Not Recorded if discrepancy is reasonable or if discrepancy is any

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