

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) SOUTH CIRCLE JEWELRY & LOAN INC 2410 S. MACARTHUR DRIVE ALEXANDRIA, LA 71301, RAPIDES	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 777040-2018-0175-B1B
	3. PERMIT/LICENSE NUMBER 572079027K18533
	4a. TARGET DATE 3/30/2018
	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, 01/11/2018

8. PURPOSE/SPECIAL INSTRUCTIONS
 CONDUCT RECALL INSPECTION PER CURRENT GUIDELINES AND IOI MANUAL. ENSURE 1 YEAR HAS ELAPSED SINCE ON-SITE END DATE OF PRIOR INSPECTION.

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC	10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	5	NO. OF REFERRALS		2111 - PER DIEM
NO. OF TECS CHECKS	411	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: 05/04/2018

Viols WL ONLY and Recall Inspection

12. TIME ACCOUNTING DATA	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
MAR 2018	41.50
APR 2018	25.00
ATF OFFICER'S SUBTOTAL	66.50
TOTAL HOURS	66.50
ATF OFFICER'S SIGNATURE	

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
 Viols WL ONLY and No Recall Inspection

<input checked="" type="checkbox"/> REVIEWED	<input checked="" type="checkbox"/> CONCUR	<input type="checkbox"/> SEE COMMENTS	<input checked="" type="checkbox"/> FINAL DISPOSITION
SIGNATURE AND TITLE (b)(6) - Area Supervisor	(b)(6)	Digitally signed by (b)(6) DN: c=US, o=ATF, ou= (b)(6) , email= (b)(6) @dept.of.justice, 0.9.2342.19200900.1001.1=15061001110422 Date: 2018.05.29 15:27:35 -0500	REVIEW DATE 05/29/2018

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 SOUTH CIRCLE JEWELRY & LOAN INC	Street Address 2410 S. MACARTHUR DRIVE	City ALEXANDRIA	State LA	Zip Code 71301-	County RAPIDES	Page 1 of 4 Pages
License/Permit/Registry Number <i>(If any)</i> 572079027K18533	Expiration Date 10/1/2020	Date(s) or Period of Inspection 04/19/2016 through 03/19/2018				

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:

- The licensee failed to maintain the A&D Record in (b)(3) Pub law 112-55 125 Stat instances to properly dispose of a firearm or record the correct serial number of the firearm:
- In (b)(3) Pub law 112-55 instances, the licensee failed to record the disposition date into the A&D Record book after a transfer was made.
 - In (b)(3) Pub law 112-55 instances, the licensee failed to record the correct serial number of a firearm.

Citation: 27 CFR 478.125(e)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee was instructed to correct all the information into the A&D Record Book immediately.

Number: 2

Nature of Violation:

- The licensee failed in (b)(3) Pub law instances of (b)(3) Pub law form to furnish all information as indicated by the headings on the form and the instructions on or pertaining to the form:
- Item 22 "Transferee's/Buyer's Recertification Signature" was left blank in (b)(3) Pub law instance.
 - Item 23 "Transferee's/Buyer's Recertification Date" was left blank in (b)(3) Pub law instance.

Citation: 27 CFR 478.21(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.

Report of Violations

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Name of Proprietor SOUTH CIRCLE JEWELRY & LOAN INC	Street Address 2410 S. MACARTHUR DRIVE	City ALEXANDRIA	State LA	Zip Code 71301-	County RAPIDES	Page 2 of 4 Pages
License/Permit/Registry Number <i>(If any)</i> 572079027K18533	Expiration Date 10/1/2020	Date(s) or Period of Inspection 04/19/2016 through 03/19/2018				

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:

The licensee failed in (b)(3) instances of (b)(3) forms prior to making an over-the-counter transfer to obtain a complete and accurate form:

- Item 2 "Address was recorded incorrectly in (b)(3) Pub law 1 instances. "County" was recorded incorrectly in (b)(3) Pub law 1 instances.
- Item 3 "City" under "Place of Birth" was recorded incorrectly in (b)(3) Pub law 1 instances. "State" under "Place of Birth" was left blank in (b)(3) Pub law 112-55 1 instances.
- Item 11d "Are you a fugitive from justice?" was left blank in (b)(3) Pub law 1 instance.
- Item 11i "Have you ever been convicted in any court of a misdemeanor crime of domestic violence?" was left blank in (b)(3) Pub law 1 instance and answered in "Error" in (b)(3) Pub law 1 instance to the prohibiting question.
- Item 12.b. "Have you ever renounced your United States citizenship?" was answered in "Error" in (b)(3) Pub law 1 instance to the prohibiting question.
- Item 12.c. "Are you an alien illegally or unlawfully in the United States?" was answered in "Error" in (b)(3) Pub law 1 instance to the prohibiting question.
- Item 12.d.1. "Are you an alien who has been admitted to the United States under a nonimmigrant visa?" was answered in "Error" in (b)(3) Pub law 1 instance to the prohibiting question and was left blank in (b)(3) Pub law 112-55 125 50 instances.
- Item 12.d.2. "If YES, do you fall within any of the exceptions stated in the instructions?" was answered in "Error" in (b)(3) Pub law 1 instance to the prohibiting question.
- Item 15 "Transferee's/Buyer's Certification Date" was recorded incorrectly in (b)(3) Pub law 1 instances and left blank in (b)(3) Pub law 1 instances.

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Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.

Report of Violations

Instructions

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Name of Proprietor SOUTH CIRCLE JEWELRY & LOAN INC	Street Address 2410 S. MACARTHUR DRIVE	City ALEXANDRIA	State LA	Zip Code 71301-	County RAPIDES	Page 3 of 4 Pages
License/Permit/Registry Number <i>(If any)</i> 572079027K18533	Expiration Date 10/1/2020	Date(s) or Period of Inspection 04/19/2016 through 03/19/2018				

Inspection Results

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

- Item 11j "Have you ever renounced your United States citizenship?" was answered in "Error" in (b)(3) Pub law 1 instance to the prohibiting question.

Citation: 27 CFR 478.124(c)(1)

Number: 4

Nature of Violation:

The licensee failed in (b)(3) Pub law 1 instances on (b)(3) Pub law 1 forms to verify the identity of the transferee by examining the identification document and notating all the information of the valid identification document used on the form:

- Item 18a "Issuing Authority and Type of Identification" was left blank in (b)(3) Pub law 1 instance, "Number of Identification" was left blank in (b)(3) Pub law 1 instance, "Expiration Date of Identification" was left blank in (b)(3) Pub law 1 instance and was recorded incorrectly in (b)(3) Pub law 1 instance.

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

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.
(If not corrected immediately)

Number: 5

Nature of Violation:

The licensee failed in (b)(3) Pub law 1 instances on (b)(3) Pub law 1 forms to furnish a complete and accurate ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form:

- Item 37 "Date Transferred" was recorded incorrectly in (b)(3) Pub law 1 instances.

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken: The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.
(If not corrected immediately)

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 SOUTH CIRCLE JEWELRY & LOAN INC	Street Address 2410 S. MACARTHUR DRIVE	City ALEXANDRIA	State LA	Zip Code 71301-	County RAPIDES	Page 4 of 4 Pages
License/Permit/Registry Number <i>(If any)</i> 572079027K18533	Expiration Date 10/1/2020	Date(s) or Period of Inspection 04/19/2016 through 03/19/2018				

Inspection Results

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

Citation: 27 CFR 478.124(c)(5)

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

Date

George E Lyle, President

04/20/18

Signature and Title of ATF Officer

Date

(b)(6)

Investigator

4/20/18

For Official Use Only **(b)(6)**

ATF E-Form 5030.5
Revised April 2005

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
Trade Name:

UI#: 777040-2018-0175-B1B
FFL#: 5-72-079-02-7K-18533

Address: 2410 S. Macarthur Drive
Alexandria, LA 71301

1 - Introduction

Inspection Profile:

Industry Operations Investigator (IOI) (b)(6) conducted a Recall Firearms Compliance inspection at the above listed business premise on March 19, 2018. Mr. George Lyles, President/Responsible Person, identified via LA DL#(b)(6) (Exp. (b)(6)) was present and interviewed. Assisting IOI (b)(6) during this inspection was (b)(6), Store Manager, identified by LA DL(b)(6) was interviewed. The period of inspection consisted of April 19, 2016 thru March 19, 2018. IOI (b)(6) was on-site March 19th thru the 22nd and April 20, 2018. Advanced notification was not provided to the licensee.

A closing conference was conducted on April 20, 2018 at the above listed business premise with Mr. George Lyles, President/Responsible Person. Five (5) violations were cited as a result of this investigation.

Business Profile:

South Circle Jewelry & Loan, Inc. is a full service pawn shop in possession of a Type 02 "Pawnbroker" Federal Firearms License (FFL) which is suitable for the business activities. The licensee pawns, buys, and sells new and used firearms. The licensee also buys and sells jewelry, lawn equipment, audio/video equipment and general merchandise, etc. The business premise is a very long and large metal building that sits on the service of a major highway located within the city of Alexandria in an urban commercially zoned area of Rapides Parish.

The licensee acquired approximately (b)(4) firearms (b)(4) handguns versus (b)(4) long guns) and disposed of approximately (b)(4) firearms during the inspection period. The licensee's primary suppliers are (b)(4). The licensee stated that they do not sell at gun shows or engage in gunsmithing activities. The licensee also does not conduct consignment sales. The licensee stated that occasionally third party transfers are conducted. The licensee does not maintain a company website nor sell firearms via the internet. The licensee does not utilize off-site storage.

The licensee maintains a large inventory on premise. All firearms are stored on premise, either on display or in a back room. No other business are located on

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
Trade Name:

UI#: 777040-2018-0175-B1B
FFL#: 5-72-079-02-7K-18533

the premise. The licensee was in compliance with state and local licenses. The licensee has held the Type 02 ATF license since September of 1984. The licensee holds an additional active license, 5-72-079-02-9D-93368, for Alexandria Pawn, 2859 N. MacArthur Drive, Alexandria, LA and has held this license since March of 1989.

Ownership and Control:

South Circle Jewelry & Loan, Inc. conducts business as a corporation where Mr. George Lyles is listed as the President and sole officer under the corporation. IOI (b)(6) queried the Louisiana Secretary of State business filings database and observed the business structure was accurate and that South Circle Jewelry & Loan, Inc. is “Active” and “In Good Standing”.

Mr. Lyles is the only responsible person listed under the ATF license. There were no unreported changes to the business structure or ownership during this inspection. IOI (b)(6) queried the Federal Licensing System (FLS) and all information was correct and no changes were needed.

Variance:

The licensee does not possess any active variances nor were any requested during this inspection.

2 - Recommendation

Viols WL ONLY and Recall Inspection

SIGNIFICANT FINDINGS:

The following violation warrants a Warning Letter:

27 CFR 478.124(c)(1) – The licensee failed in (b)(3)(F) instances on (b)(3)(F) forms prior to making an over-the-counter transfer to obtain a complete and accurate form.

- Under the above violation the transferee/buyer actually failed in (b)(3)(F) instances to either answered correctly or provide an answer to one (1) or more of the prohibiting question under Section A of the ATF Form 4473. (b)(3)(F) total prohibiting questions were left blank)

According to ATF Order 5370.1C “Federal Firearms Administrative Action Policy and Procedures” dated 02/21/2017, the above actions warrant a Warning Letter. “ATF has

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
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UI#: 777040-2018-0175-B1B
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previously cited the FFL in a Report of Violations within the previous 5 years and the current inspection reveals repeated similar violations(s) with no significant improvement.”

After review off the licensee’s previous history and the most recent inspection which resulted in a Warning Conference with Warning Letter and Recall Inspection, IOI (b)(6) noted that the violation cited above should warrant a warning letter since this current inspection revealed, not only the same repeated mistakes under the violation but a significant increase with no significant improvement.

3 - Inspection History

Date of Inspection: October 2, 2017 (IOI (b)(6))
Type of Inspection: Full Inventory Verification Due To Burglary
UI#: 777040-2018-0011-B1B
Inspection Results: No Further Action (Theft/Loss Only)
Cited Violations: N/A

Date of Inspection: January 26, 2016 (IOI (b)(6))
Type of Inspection: Firearms DE Investigation
UI#: 777040-2015-0454-B1B
Inspection Results: VIOLS WC with WL and Recall
Cited Violations: 27 CFR 478.21(a)

REPEAT OF VIOLATION CITED ON 9/24/10 and 6/30/04

The licensee failed in (b)(6) instances on (b)(6) forms to obtain / furnish the information required on ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form.

27 CFR 478.124(c)(1)

REPEAT OF VIOLATION CITED ON 9/24/10 and 6/30/04

The licensee failed in (b)(6) instances on (b)(6) forms to obtain a properly completed ATF Form 4473 prior to the disposition of a firearm.

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

REPEAT OF VIOLATION CITED ON 9/24/10

The licensee failed on (b)(6) forms to verify the identity of the transferee by examining the identification document presented, and note on the ATF Form 4473 the type of identification used.

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

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
Trade Name:

UI#: 777040-2018-0175-B1B
FFL#: 5-72-079-02-7K-18533

REPEAT OF VIOLATION CITED ON 9/24/10 and 4/16/07

The licensee failed in [REDACTED] instances on [REDACTED] forms to record on ATF Form 4473 the date on which the licensee contacted the NICS, as well as any response provided by the system, including any identification number provided by the system.

27 CFR 478.124(c)(4)

REPEAT OF VIOLATION CITED ON 9/24/10

The licensee failed in [REDACTED] instances on [REDACTED] forms to identify by manufacturer, model, serial number, type, and caliber or gauge of a firearm on ATF Form 4473.

27 CFR 478.124(c)(5)

REPEAT OF VIOLATION CITED ON 9/24/10

The licensee failed in [REDACTED] instances on [REDACTED] forms to sign and record the date the transfer was completed on ATF Form 4473.

27 CFR 478.126a

REPEAT OF VIOLATION CITED ON 9/24/10 and 4/16/07

The licensee failed to submit ATF Form 3310.4, Report of Multiple Sales or Other Disposition of Pistols and Revolvers, for the multiple sale of handguns in [REDACTED] instance, involving [REDACTED] firearms.

27 CFR 478.125(e)

REPEAT OF VIOLATION CITED ON 9/24/10 and 4/16/07

Failure to accurately maintain the A & D Record book in [REDACTED] instances.

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

A full inventory was conducted during this inspection. The inventory verification disclosed a total of 705 firearms in the physical inventory and [REDACTED] open entries within the A&D Record, a discrepancy of zero (0). The computerized A&D Record was recorded in proper format. The licensee was cited for the following violations as a result of the A&D Record review:

Violation #1

27 CFR 478.125(e) – The licensee failed to maintain the A&D Record in [REDACTED] instances to properly dispose of a firearm or record the correct serial number of the firearm:

- In [REDACTED] instances, the licensee failed to record the disposition date into the A&D Record book after a transfer was made.

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
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- In (b)(3) Pub law 112-55 125 Stat instances, the licensee failed to record the correct serial number of a firearm.

Reference Worksheet 1 and Exhibit 1 (A&D Record Book Pages, ATF Forms 4473 and Electronic Receipt)

The licensee corrected the acquisitions into the A&D Record book during the closing of the investigation.

The licensee reported (b)(3) Pub law 112 theft and zero (0) losses during the inspection period. The theft that was reported on October 2, 2017, involved (b)(3) Pub law 112-55 125 Stat. 552 of which have been recovered. IOI (b)(6) from the Baton Rouge Field Office responded to the scene and a complete firearms inventory was conducted. No additional unreported firearms were found.

IOI (b)(6) compared 50 randomly selected acquisitions and dispositions of firearms through the licensee's records with the corresponding ATF Forms 4473, no discrepancies were noted. IOI (b)(6) did not observe any indications of firearms trafficking.

Mr. Lyles stated that the standard operating procedure for maintaining the A&D record and inventory is to record the acquisitions as soon as a firearm comes in and record the dispositions as soon as a firearm goes out. Mr. Lyles also informed IOI (b)(6) that the employee whom committed the majority of mistakes was recently let go.

5 - ATF Forms 4473 – NICS & Other Dispositions

The licensee had (b)(3) Pub law ATF Forms 4473 on file during the inspection period. IOI (b)(6) reviewed these forms. The forms were separated by month, year and filed by date of sale. A separate file for "Denied/Cancelled" transactions was maintained. No sales were conducted to law enforcement officers via LE letterhead. During a review of ATF Forms 4473, IOI (b)(6) observed the following violations to which the licensee was cited for:

Violation #2

27 CFR 478.21(a) – The licensee failed in (b)(3) Pub law 112 instances on (b)(3) Pub law 112 form to furnish all information as indicated by the headings on the form and the instructions on or pertaining to the form:

- Item 22 "Transferee's/Buyer's Recertification Signature" was left blank in one (b)(3) Pub law 112-55 125 Stat (b)(6), (b)(3) Pub law 112-55).
- Item 23 "Transferee's/Buyer's Recertification Date" was left blank in (b)(3) Pub law 112 instance (b)(6), (b)(3) Pub law 112-55 1).

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
Trade Name:

UI#: 777040-2018-0175-B1B
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Reference Worksheet 2 (2016) and Exhibit 2 (ATF Form 4473 (b)(3) Pub law 112-55 125 Stat. 552, (b)(6))

Violation #3

27 CFR 478.124(c)(1) – The licensee failed in (b)(3) P1 instances on (b)(3) P1 forms prior to making an over-the-counter transfer to obtain a complete and accurate form:

- Item 2 “Address was recorded incorrectly in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instances (b)(3) Pub law 112-55 125 Stat. 552, (b)(6). “County” was recorded incorrectly in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instances ((b)(3) Pub law 112-55 125 Stat. 552, (b)(6)).
- Item 3 “City” under “Place of Birth” was recorded incorrectly in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instances (b)(3) Pub law 112-55 125 Stat. 552, (b)(6). “State” under “Place of Birth” was left blank in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instances (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).
- Item 11d “Are you a fugitive from justice?” was left blank in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).
- Item 11i “Have you ever been convicted in any court of a misdemeanor crime of domestic violence?” was left blank in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) and answered in “Error” in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance to the prohibiting question (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).
- Item 12.b. “Have you ever renounced your United States citizenship?” was answered in “Error” in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance to the prohibiting question (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).
- Item 12.c. “Are you an alien illegally or unlawfully in the United States?” was answered in “Error” in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance to the prohibiting question (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).
- Item 12.d.1. “Are you an alien who has been admitted to the United States under a nonimmigrant visa?” was answered in “Error” in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance to the prohibiting question (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) and was left blank in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instances (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).
- Item 12.d.2. “If YES, do you fall within any of the exceptions stated in the instructions?” was answered in “Error” in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance to the prohibiting question (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).
- Item 15 “Transferee’s/Buyer’s Certification Date” was recorded incorrectly in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instances (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) and left blank in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instances (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).

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- Item 11j “Have you ever renounced your United States citizenship?” was answered in “Error” in (b)(3) Pub law 112-55 125 Stat. 552, (b)(6) instance to the prohibiting question (b)(3) Pub law 112-55 125 Stat. 552, (b)(6).

Reference Worksheet 2 (2016/2012) and Exhibit 3 (ATF Forms 4473 (b)(3) Pub law 112-55 125 Stat. 552, (b)(6))

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
Trade Name:

UI#: 777040-2018-0175-B1B
FFL#: 5-72-079-02-7K-18533

(b)(3) Pub law 112-55 125 Stat. 552, (b)(6)

Violation #4

27 CFR 478.124(c)(3)(i) – The licensee failed in (b)(3) Pub law 112-55 instances on (b)(3) Pub law 112-55 forms to verify the identity of the transferee by examining the identification document and notating all the information of the valid identification document used on the form:

- Item 18a “Issuing Authority and Type of Identification” was left blank in (b)(3) Pub law 112-55 instance, “Number of Identification” was left blank in (b)(3) Pub law 112-55 instance, “Expiration Date of Identification” was left blank in (b)(3) Pub law 112-55 instance (b)(3) Pub law 112-55) and was recorded incorrectly in (b)(3) Pub law 112-55 instance (b)(3) Pub law 112-55 125 S.

Reference Worksheet 2 (2016) and Exhibit 4 (ATF Forms 4473 (b)(3) Pub law 112-55 125 Stat. 552, (b)(6)

Violation #5

27 CFR 478.124(c)(5) – The licensee failed in (b)(3) Pub law 112-55 instances on (b)(3) Pub law 112-55 forms to furnish a complete and accurate ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form:

- Item 37 “Date Transferred” was recorded incorrectly in (b)(3) Pub law 112-55 instances (b)(3) Pub law 112-55 125 Stat. 552, (b)(6)).

Reference Worksheet 2 (2016) and Exhibit 5 (ATF Forms 4473 (b)(3) Pub law 112-55 125 Stat. 552, (b)(6)

IOI (b)(6) requested and obtained a FFL Audit log via the fflauditlog@leo.gov. NICS reported the licensee had a total of 266 NTN’s issued. Of these, 156 were “Proceed” responses, 76 were “Denied” responses, 30 “Currently Open” transactions and four (4) responses were “Delayed”. All NTN’s were verified by IOI (b)(6) with no discrepancies noted. IOI (b)(6) also reviewed the NTN’s listed on the other forms and compared them with the NTN Sequence Guide supplied by NICS. No discrepancies were found.

Mr. Lyles also informed IOI (b)(6) that the employee whom committed the majority of mistakes was recently let go. IOI (b)(6) suggested that it would be a good practice to have a second set of eyes review the form before the firearm is transferred to an individual.

FIREARMS INSPECTION REPORT

Name: South Circle Jewelry & Loan, Inc.
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6 - Multiple Sales

The Violent Crime Analysis Branch reported (b)(3) Pub law 112-55 multiple sales involving (b)(3) Pub law 112-55 firearms. These sales were verified and there were (b)(3) Pub law 112-55 unreported multiple sales of firearms observed.

7 - Suspicious/Prohibited Purchasers

IOI (b)(6) did not identify any possible traffickers, straw purchasers, or any other suspicious purchasers.

While reviewing ATF Forms 4473, IOI (b)(6) observed (b)(3) Pub law 112-55 125 Stat. 552 individuals who were initially delayed and a firearm was transferred after three (3) business days with no resolution being provided by NICS. IOI (b)(6) queried these individuals in NCIC via OpenFox, (b)(3) Pub law 112-55 individuals needed further review.

* (b)(3) Pub law 112-55 125 Stat. 552 individuals were also found to have answered in error or missed one or more of the prohibiting questions located in Section A on the ATF Form 4473. All individuals except (b)(3) Pub law 112-55 received "Proceed" responses from NICS. The (b)(3) Pub law 112-55 individual in question who received a "Delayed" response was queried by IOI (b)(6) in NCIC via OpenFox and needed further review.

The (b)(3) Pub law 112-55 individuals listed above in Section 1 who are associated with the FFL were also queried in NCIC via OpenFox. Altogether there were a total number of (b)(3) Pub law 112-55 individuals queried with "No" federal prohibitor's found.

8 - Trace Activity

The Violent Crime Analysis Branch (VCAB) reported (b)(3) Pub law 112-55 125 Stat. crime gun trace request in the last twelve (12) months. (b)(3) Pub law 112-55 traces were not completed to an individual purchaser.

IOI (b)(6) noted that the (b)(3) Pub law 112-55 firearms show the completion codes as Successful "SF" – "Firearms are previously reported stolen from a FFL. The FFL confirms the receipt and reports that it was stolen while in inventory. The crime was reported to law enforcement and the ATF". To date, the firearms have not been recovered.

Secondary market analysis was conducted on 360 (51%) firearms with no hits obtained. No discrepancies were noted.

9 - NFA/Importer/Collector/Manufacturer

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The licensee is not a NFA dealer, not an Importer, not a Collector, and not a Manufacturer.

10 - Referrals

No referrals were generated as a result of this inspection.

11 - Other

The licensee was in compliance with the Youth Handgun Safety Act and Youth handgun Safety Act pamphlet. The licensee in compliance with secure gun storage.

Prior to conducting this inspection, N-Force was queried by IOI (b)(6) and returned no results.

12 - Closing Actions

A closing conference was held with Mr. Lyles, President/Responsible Person on April 20, 2018. During the closing conference, the Report of Violations was presented to Mr. Lyles and the violations cited were discussed. IOI (b)(6) discussed preventative action to ensure that the violations would not be repeated. Both Mr. Lyles and IOI (b)(6) signed the form and a copy was provided to Mr. Lyles. The Acknowledgment of Federal Firearms Regulations checklist was perfected with Mr. Lyles (**Reference Exhibit 6**). This document was signed and dated by both Mr. Lyles and IOI (b)(6) and a copy was provided to Mr. Lyles.

During the closing conference, IOI (b)(6) provided the licensee with the following documents:

- Website to obtain a copy of the 2014 Federal Firearms Regulation Reference Guide (ATF Publication 5300.4);
- ATF Rul. 2016-1 Electronic Records;
- ATF Rul. 2016-2 Electronic Firearms Transaction Record;
- Federal Firearms License Quick Reference and Best Practices Guide (ATF Publication 5300.15);
- Safety and Security Information (ATF Publication 3317.2);
- Firearms Transaction Record ATF Form 4473 (5300.9) 2016;
- Report of Multiple Sales (ATF Form 5310.4);
- Firearms Inventory Theft/Loss Report (ATF Form 3310.11);
- How to conduct a firearms inventory (ATF P 5380.2);
- Loss Prevention for Firearms Retailers (ATF P 5380.1);
- Youth Handgun Safety Act Poster (ATF I 5300.1);
- Youth Handgun Safety Act Notice Pamphlet (ATF I 5300.2);

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- Disaster Preparedness for Federal Firearms Licensees (ATF Publication 3317.7);
- Open Letter to all Louisiana Federal Firearms Licensee regarding the use of the Louisiana's concealed handgun permit as an alternative to the background check (April 3, 2015);
- Open Letter to All Federal Firearms Licensees regarding the facilitation of private party firearms transfers (ATF Procedure 2017-1);
- Important Notice Selling Firearms AFTER Revocation, Expiration, or surrender of an FFL;
- Personal Firearms Record (ATF P 3312.8);
- Website to obtain a copy of the State Laws and Published Ordinances-Firearms (32 Edition).

13 - Violations

1. 27 CFR 478.125(e)

“REPEAT OF VIOLATION CITED ON 4/18/16, 9/24/10 and 6/30/04”

Nature of violation:

The licensee failed to maintain the A&D Record in [REDACTED] instances to properly dispose of a firearm or record the correct serial number of the firearm:

- In [REDACTED] instances, the licensee failed to record the disposition date into the A&D Record book after a transfer was made.
- In [REDACTED] instances, the licensee failed to record the correct serial number of a firearm.

Licensee's response:

The licensee stated that the employee was fired that committed the majority of mistakes and all other employees will be given remedial training.

Corrective action:

The licensee was instructed to correct all the information into the A&D Record Book immediately.

Reference Worksheet 1 and Exhibit 1 (A&D Record Book Pages, ATF Forms 4473 and Electronic Receipt)

2. 27 CFR 478.21(a)

“REPEAT OF VIOLATION CITED ON 4/18/16, 9/24/10 and 6/30/04”

Nature of violation:

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The licensee failed in [REDACTED] instances on [REDACTED] form to furnish all information as indicated by the headings on the form and the instructions on or pertaining to the form:

- Item 22 “Transferee’s/Buyer’s Recertification Signature” was left blank in [REDACTED] instance.
- Item 23 “Transferee’s/Buyer’s Recertification Date” was left blank in [REDACTED] instance.

Licensee’s response:

The licensee stated that the employee was fired that committed the majority of mistakes and all other employees will be given remedial training.

Corrective action:

The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.

Reference Worksheet 2 (2016) and Exhibit 2 (ATF Form 4473 [REDACTED])

3. **27 CFR 478.124(c)(1)** **“REPEAT OF VIOLATION CITED ON 4/18/16, 9/24/10 and 6/30/04”**

Nature of violation:

The licensee failed in [REDACTED] instances on [REDACTED] forms prior to making an over-the-counter transfer to obtain a complete and accurate form:

- Item 2 “Address was recorded incorrectly in [REDACTED] instances. “County” was recorded incorrectly in [REDACTED] instances.
- Item 3 “City” under “Place of Birth” was recorded incorrectly in [REDACTED] instances. “State” under “Place of Birth” was left blank in [REDACTED] instances.
- Item 11d “Are you a fugitive from justice?” was left blank in [REDACTED] instance.
- Item 11i “Have you ever been convicted in any court of a misdemeanor crime of domestic violence?” was left blank in [REDACTED] instance and answered in “Error” in [REDACTED] instance to the prohibiting question.
- Item 12.b. “Have you ever renounced your United States citizenship?” was answered in “Error” in [REDACTED] instance to the prohibiting question.
- Item 12.c. “Are you an alien illegally or unlawfully in the United States?” was answered in “Error” in [REDACTED] instance to the prohibiting question.
- Item 12.d.1. “Are you an alien who has been admitted to the United States under a nonimmigrant visa?” was answered in “Error” in [REDACTED] instance.

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instance to the prohibiting question and was left blank in [REDACTED] instances.

- Item 12.d.2. “If YES, do you fall within any of the exceptions stated in the instructions?” was answered in “Error” in [REDACTED] instance to the prohibiting question.
- Item 15 “Transferee’s/Buyer’s Certification Date” was recorded incorrectly in [REDACTED] instances and left blank in [REDACTED] instances.
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- Item 11j “Have you ever renounced your United States citizenship?” was answered in “Error” in [REDACTED] instance to the prohibiting question.

Licensee’s response:

The licensee stated that the employee was fired that committed the majority of mistakes and all other employees will be given remedial training.

Corrective action:

The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.

Reference Worksheet 2 (2016/2012) and Exhibit 3 (ATF Forms 4473



4. **27 CFR 478.124(c)(3)(i)**
“REPEAT OF VIOLATION CITED ON 4/18/16 and 9/24/10”

Nature of violation:

The licensee failed in [REDACTED] instances on [REDACTED] forms to verify the identity of the transferee by examining the identification document and notating all the information of the valid identification document used on the form:

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- Item 18a “Issuing Authority and Type of Identification” was left blank in [REDACTED] instance, “Number of Identification” was left blank in [REDACTED] instance, “Expiration Date of Identification” was left blank in [REDACTED] instance and was recorded incorrectly in [REDACTED] instance.

Licensee’s response:

The licensee stated that the employee was fired that committed the majority of mistakes and all other employees will be given remedial training.

Corrective action:

The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.

Reference Worksheet 2 (2016) and Exhibit 4 (ATF Forms 4473 [REDACTED])

5. **27 CFR 478.124(c)(5)**
“REPEAT OF VIOLATION CITED ON 4/18/16 and 9/24/10”

Nature of violation:

The licensee failed in [REDACTED] instances on [REDACTED] forms to furnish a complete and accurate ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to the form:

- Item 37 “Date Transferred” was recorded incorrectly in [REDACTED] instances.

Licensee’s response:

The licensee stated that the employee was fired that committed the majority of mistakes and all other employees will be given remedial training.

Corrective action:

The licensee was instructed to ensure the form is completed correctly before a firearm is transferred.

Reference Worksheet 2 (2016) and Exhibit 5 (ATF Forms 4473 [REDACTED])

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X


Industry Operations Investigator

Index of Worksheets and Exhibits

Worksheets

- Informational Page
- Worksheet 1 – A&D Record
- Worksheet 2 – ATF Form 4473 (2012/2016 Editions)
- Statistical Page

Exhibits

- Exhibit 1 – A&D Record Book Pages, ATF Forms 4473 and Electronic Receipt
- Exhibit 2 – ATF Form 4473 ^{(b)(3) Pub law 112-55 125 Stat. 552, (b)(6)}
- Exhibit 3 – ATF Forms 4473 **(b)(3) Pub law 112-55 125 Stat. 552, (b)(6)**

- Exhibit 4 – ATF Forms 4473 **(b)(3) Pub law 112-55 125 Stat. 552, (b)(6)**
- Exhibit 5 – ATF Forms 4473 **(b)(3) Pub law 112-55 125 Stat. 552, (b)(6)**
- Exhibit 6 – Acknowledgement of Federal Firearms Regulations checklist

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U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

www.atf.gov

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5373

May 29, 2018

WARNING LETTER

South Circle Jewelry & Loan, Inc.
2410 S. Macarthur Drive
Alexandria, LA 71301

Re: Federal Firearms License Number: 5-72-079-02-7K-18533

Dear Mr. Lyles:

As a result of a recent compliance inspection conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) at your firearms business located at 2410 S. Macarthur Drive Alexandria, LA 71301, on April 20, 2018, you were cited for violations of 27 Code of Federal Regulations, Part 478. The violations were discussed with you during the inspection. A copy of the Report of Violations, ATF Form 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you by ATF Industry Operations Investigator (b)(6) (b)(6). You indicated that you understood the requirements of the firearms laws and regulations as a licensee. 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 efforts 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. 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 conditional upon compliance with Federal laws and regulations. Because the violations cited in this most recent inspection were fully explained to you and you stated you understood your compliance responsibilities as a

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licensee, 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 Industry Operations Investigator (b)(6) at (b)(6)

Sincerely

A large black rectangular redaction box covering the signature area. The text "(b)(6)" is printed in white, bold, sans-serif font across the center of the box.

Area Supervisor

cc: Federal Firearms Licensing Center
New Orleans Field Division Office

Attachment