

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Henderson's Sports, Ltd. David's Gun Room 5074 Buford Highway Norcross, GA 30071, Gwinnett		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 760530-2016-0034-B1B		
		3. PERMIT/LICENSE NUMBER 158135078F18200	4a. TARGET DATE 8/15/2016	4b. TARGET HOURS
		5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		
6. ATF OFFICER(S) ASSIGNED (b)(6) - Lead Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator (b)(6) - Assigned Investigator				
7. ASSIGNED BY (SIGNATURE, TITLE AND DATE) (b)(6) Area Supervisor, 10/16/2015				
8. PURPOSE/SPECIAL INSTRUCTIONS Conduct Recall Firearms Compliance Inspection. Last inspection resulted in adverse action or a recommended recall. Obtain printout from NTC. Identify and refer potential traffickers. NOTE: Last inspection date: 06/09/2014 WC held: 08/14/2014				
9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)
NO. OF VIOLATIONS	3	NO. OF REFERRALS		2111 - PER DIEM
NO. OF TECS CHECKS	160	NO. OF TECS HITS	1	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: 03/15/2017 Violts DIO (or Delegate) Held WC ILO Revocation				
12. TIME ACCOUNTING DATA				
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)		
OCT 2015	3.00			
JUL 2016	1.00			
AUG 2016	126.00			
SEP 2016	43.00			
OCT 2016	31.00			
NOV 2016	48.00			
DEC 2016	54.00			
JAN 2017	10.00			
ATF OFFICER'S SUBTOTAL	316.00	ATF OFFICER'S SIGNATURE		

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Henderson's Sports, Ltd. David's Gun Room 5074 Buford Highway Norcross, GA 30071, Gwinnett	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 760530-2016-0034-B1B		
	3. PERMIT/LICENSE NUMBER 158135078F18200	4a. TARGET DATE 8/15/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
AUG 2016	84.50
ATF OFFICER'S SUBTOTAL	84.50
ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
AUG 2016	16.00
ATF OFFICER'S SUBTOTAL	16.00
ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
AUG 2016	31.00
ATF OFFICER'S SUBTOTAL	31.00
ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
AUG 2016	31.00
ATF OFFICER'S SUBTOTAL	31.00
ATF OFFICER'S SIGNATURE	
TOTAL HOURS	478.50

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

During the 2014 investigation the Licensee was cited for nine (9) violations and a warning conference was held. This investigation disclosed a total of two violations. Both violations were repeat violations of the 2014 investigation. One violation warrant an administrative action involving a warning letter, for the repeat violation of 27 CFR 478.125(e) involving (b)(6) untimely dispositions, and after reconciliation (b)(6) - (112 F1001) firearms were reported as missing. The last investigation in 2014 there were (b)(6) untimely dispositions and no firearms were reported missing. The second violation warrant an administrative action involving a revocation, for the repeat violation of 27 CFR 478.126a for the failure to report the multiple sale in (b)(6) instances. Although the repeat violation of 27 CFR 478.126a merits a revocation, a warning conference in lieu of revocation is recommended due to the significant reduction in the number of instances from the last investigation in 2014 from (b)(6) instances to (b)(6) instances.

This Licensee has held their FFL since August 1999 and this is the 12th firearms compliance inspection. The Licensee is a large volume dealer who conducted approximately (b)(6) transactions on ATF Forms 4473 in the 12 month inspection period. All ATF Forms 4473 were reviewed and no violations were disclosed. The Licensee acquired approximately (b)(4) firearms and disposed of (b)(4) firearms during the last 12 months.

During the last 12 months, the Licensee was involved with (b)(6) successful crime gun trace requests.

Viols DIO (or Delegate) Held WC ILO Revocation

☒ REVIEWED

☒ CONCUR

☒ SEE COMMENTS

☐ FINAL DISPOSITION

SIGNATURE AND TITLE

(b)(6) - Industry Operations Investigator

REVIEW DATE

02/21/2017

REVIEW COMMENTS AND RECOMMENDATION

The DIO concurs with the recommendation of an Alternate DIO Held WC ILO Revocation. Although the repeat violation of 27 CFR 478.126a warrants revocation, an alternate is recommended based on the reduction in the number of violations and the instances in which they occurred.

Viols DIO (or Delegate) Held WC ILO Revocation

☒ REVIEWED

☒ CONCUR

☒ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE

DDMITCHEL2 - Director, Industry Operations

REVIEW DATE

03/28/2017

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Henderson's Sports, Ltd. David's Gun Room 5074 Buford Highway Norcross, GA 30071, Gwinnett	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 760530-2016-0034-B1B		
	3. PERMIT/LICENSE NUMBER 158135078F18200	4a. TARGET DATE 8/15/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

ROUTING SEQUENCE AND DATE

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

CONTROL FILE POSTED DATE _____

Revised copy 3-15-17

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

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 Henderson's Sports, Ltd. David's Gun Room	Street Address 5074 Buford Highway	City Norcross	State GA	Zip Code 30071-	County Gwinnett	Page 1 of 1 Pages
License/Permit/Registry Number (If any) 158135078F18200		Expiration Date 6/1/2018	Date(s) or Period of Inspection 08/01/2016 through 11/22/2016			

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: In (b)(3) instances, the licensee failed to report multiple sales or other dispositions of pistols and revolvers not later than the close of business on the day that the multiple sale or other disposition occurred.
- Citation: 27 CFR 478.126a
- Date Corrections to be Made: 11/30/2016
(If not corrected immediately)
- Corrective Action to be Taken: The multiple handgun sales will be prepared on ATF Forms 3310.4 and faxed to the National Tracing Center on November 23, 2016. Future Compliance
(If not corrected immediately)
- Number: 2
- Nature of Violation: Licensee failed to timely record the acquisition of (b)(3) firearms in the A&D record.
- Citation: 27 CFR 478.123(d)
- Date Corrections to be Made: (If not corrected immediately)
- Corrective Action to be Taken: Licensee shall research files and immediately record the acquisition of firearms in the A&D records.
(If not corrected immediately)
- Number: 3
- Nature of Violation: Licensee failed to timely record the disposition of (b)(3) firearms in the A&D record. As of November 17, 2016, (b)(3) 112 PL 55 firearms were reported missing on the ATF Form 3310.11.
- Citation: 27 CFR 478.123(a)
- Date Corrections to be Made: (If not corrected immediately)
- Corrective Action to be Taken: Licensee shall research files and immediately record the disposition of firearms in the A&D records.
(If not corrected immediately)

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

Date
3-15-17

Signature and Title of ATF Officer (b)(6), 202/500

Date
3-15-17

For Official Use Only

ATF E-Form 5030.5
Revised April 2005

Revised copy 3-15-17

Report of Violations

Instructions

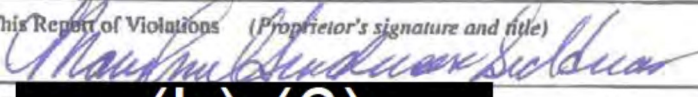
Please write firmly with a ball point pen when completing this form. ATF officers will prepare this form in triplicate. The original copy will be given to the proprietor or a responsible representative. The remaining copies will be submitted with the completed inspection report. Supervisors will detach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

Name of Proprietor Henderson's Sports, Ltd. David's Gun Room	Street Address 5074 Buford Highway	City Norcross	State GA	Zip Code 30071-	County Gwinnett	Page 2 of 2 Pages
License/Permit/Registry Number (If any) 158135078F18200	Expiration Date 6/1/2018	Date(s) or Period of Inspection 08/01/2016 through 11/22/2016				

Inspection Results

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

Citation: 27 CFR 478.123(a)

I Have Received a Copy of This Report of Violations (Proprietor's signature and title) 	Date 3-15-17
Signature and Title of ATF Officer (b) (6), 202/500	Date 3-15-17

For Official Use Only

ATF E-Form 5030.5
Revised April 2005

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

Address: 5074 Buford Highway
Norcross, Georgia 30071

1 - Introduction

Inspection Profile:

A query of the Federal Licensing System (FLS) disclosed that this Federal Firearms Licensee (FFL) has the following Special Attention Flags (SAF):

- Recall Inspection Recommended
- Warning Letter Sent
- Warning Conference Held
- (b)(3) - 112 Public Law 55 125 Stat 552

A query of the N-Force disclosed no investigations. Notification of the inspection sent to all Atlanta Field Division Criminal Enforcement Supervisors resulted in no information to preclude the inspection.

On August 1-4, 8-12, 15-16, 18, 22, 23, and September 6, 9, 22, 23, 27, and October 20, 21, 25, and November 17, and 22, 2016, Industry Operations Investigator (IOI) (b)(6) conducted a Recall Firearms Compliance Inspection on Henderson's Sports, Ltd., d/b/a David's Gun Room (referred to herein as the "Licensee") located at 5074 Buford Highway, Norcross, Georgia 30071. David Henderson, President and Responsible Person, and Mary Henderson, Secretary/Treasurer and Responsible Person were present during the inspection and interviewed. IOI (b)(6) identified Mary Henderson with her Georgia driver's license. The inspection covered the period of August 1, 2015, through August 1, 2016. The onsite inspection concluded on November 22, 2016, with a closing conference. IOI (b)(6) did not notify the Licensee prior to commencing inspection.

The following IOIs assisted IOI (b)(6) on the following days:

(b)(6) August 2-4, 8-12, 15, and 16, 2016
(b)(6) August 15, and 18, 2016
(b)(6) August 16, and 18, 2016
(b)(6) August 2, 3, 8, 9, and 12, 2016

Business Profile:

The licensed premises is in a commercially zoned area in urban Gwinnett County, Georgia. The Licensee holds a Type 07 Federal Firearms License (FFL) as a Manufacturer Firearms Other Than Destructive Devices. The

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

Licensee has a manufacturing license for the purpose of assembling weapons from frames and receivers acquired from other manufacturers and wholesaler sources for the purposes of resale. Also, the Licensee deals in NFA (National Firearms Act) weapons.

The Licensee is engaged in the retail business of buying and selling firearms and firearm accessories. The Licensee handles repairs of firearms for law enforcement departments, state and county agencies, and the general public. The Licensee sells firearms on www.gunbroker.com and does not have a website of their own. Also, the Licensee conducts transfers for other FFL's. The Licensee has operated as a firearm business since August 31, 1982.

The Licensee acquired approximately (b)(4) firearms and disposed of (b)(4) firearms during the last twelve months. According to the Licensee, the firearms inventory are all retail and is made up of (b)(4) used firearms and (b)(4) new firearms.

The Licensee's primary suppliers are (b) (4)

The Licensee did not conduct any business at gun shows or other qualified events. The Licensee hold a Gwinnett County Licensing & Revenue Certificate, No.: 2016015337, expiration: March 31, 2017. Also, the Licensee possesses a (b)(3) - 26 USC 6103 for the period of July 1, 2016 to June 30, 2017. The Licensee utilizes no off-site storage.

The Licensee owns and operates Liberty Safes of Atlanta, LLC; which is co-located in the same premises as the Licensee. Liberty Safes of Atlanta, LLC sells home or gun safes to individuals who wants to secure their personal possessions, such as jewelry, money, and/or firearms.

Ownership and Control:

The Licensee has operated as a Domestic Profit Corporation in the State of Georgia since 1985. The most recent annual registration shows David Henderson, CEO and Mary Henderson, CFO/Secretary for the corporation. David and Mary Henderson are the only corporate officers for the Licensee. Mary Henderson stated that there have not been any changes to the corporate business structure or ownership.

A review of FLS shows David and Mary Henderson as the only responsible persons for the Licensee. Mary Henderson stated that there were no other responsible persons for this FFL. There have been no changes in control of the corporation. There is no indication of hidden ownership.

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

Variance:

The Licensee does not have any variances and none were requested during the inspection.

2 - Recommendation

Viols DIO (or Delegate) Held WC ILO Revocation.

The Licensee had a Warning Conference on August 14, 2014. Under the current policy, revocation is recommended when the Licensee has previously been a subject of a warning conference within the last five years and the current inspection warrants a warning conference for repeat similar violations. The Licensee firearms business has increased in the last year. The Licensee has similar repeat violations that rose to the level of revocation. The number of violations have decreased but the number of instances have increased for the same violation (27 CFR 478.125(e) and 27 CFR 478.126a). The Licensee is taking measures of researching for a computer program for the Acquisition and Disposition (A&D) records. Also, Mary Henderson, Secretary/Treasurer will no longer be in charge of A&D records. In the Spring of 2017, the Licensee will add their daughter, Sandy Henderson as a Responsible Person to be responsible for the A&D records.

The following addition should be made to the FLS database:
Add (b)(6) the Licensee's email address.

3 - Inspection History

This is the 12th firearms compliance inspection since receiving the Federal Firearms License in 1982. Below is the firearms inspections for the past five years.

Date of Inspection:	February 24, 2014
Type of Inspection:	Recall Firearms Compliance Inspection
UI#:	760530-2014-0035-B1B
Inspection Results:	Violations Warning Conference with Warning Letter and Recall. Warning Conference held on August 14, 2014.
Cited Violations:	27 CFR 478.21(a) – (b)(3) 112 PL 55 125 ST 7 instances 27 CFR 478.124(c)(1) – (b)(3) 112 PL 55 125 STAT 552 instances 27 CFR 478.124(c)(3)(i) – (b)(3) 112 PL 55 125 ST 7 instances 27 CFR 478.124(c)(3)(iv) – (b)(3) 112 PL 55 125 instances 27 CFR 478.124(c)(4) – (b)(3) 112 PL 55 125 instance 27 CFR 478.124(c)(5) – (b)(3) 112 PL 55 125 instances 27 CFR 478.126a – (b)(3) 112 PL 55 125 STAT 552 instances 27 CFR 478.99(c) – (b)(3) 112 PL 55 125 STA instances 27 CFR 478.125(e) – (b)(3) 112 PL 55 125 STAT 552 acquisitions and (b)(3) 112 dispositions

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

Date of Inspection:
Type of Inspection:
UI#:
Inspection Results:
Cited Violations:

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

On August 1-4, 8-12, 15-16, & 18, 2016, IOIs (b)(6) (b)(6) (b)(6) (b)(6) and (b)(6) conducted a full inventory of firearms in physical inventory and compared the firearms to their corresponding entry in the Acquisition & Disposition (A&D) record. The IOIs found 2,053 firearms in physical inventory. There were (b)(3) 112 PL 55 open disposition entries in the A&D record. The following is a summary of the inventory reconciliation process:

(b)(3) - 112 Public Law
(b)(3) 112 PL 55 125 STAT 552

Open Entries
Untimely Acquisitions

Firearms in Inventory

Untimely Dispositions

Report Missing on ATF Form 3310.4 (b)(3) 112 PL 55 125 STAT 552

0

When comparing the physical inventory to the A&D record, it was disclosed that there were (b)(3) 112 PL 55 125 STAT 552 open dispositions in the A&D record for which there was no firearm in inventory. The licensee was cited in violation of 27 CFR 478.123(d). (b)(3) 112 PL 55 125 STAT 552 unrecorded dispositions were firearms that were sold on ATF Forms 4473 and not logged out of the A&D record. These unrecorded dispositions were reconciled by Mary Henderson and recorded in the A&D record. There were (b)(3) 112 PL 55 125 STAT 552 unrecorded dispositions that could not be located in inventory; therefore, on November 22, 2016, Mary Henderson completed ATF Form 3310.11, Federal Firearms Licensee Firearms Inventory Theft/Loss Report and faxed the form to the ATF Stolen Firearms Program Manager at 888-930-9275. **(Reference: ROV#2, W/S 1, Exhibit A)**

Also, the Licensee failed to record the acquisition of (b)(3) 112 PL 55 125 STAT 552 firearms in the A&D record. The licensee was cited in violation of 27 CFR 478.123(a). Mary Henderson recorded the (b)(3) 112 PL 55 125 STAT 552 acquisitions into the A&D record. **(Reference: ROV#3, W/S 1, Exhibit A)**

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

As discussed above, the entries in the A&D record were not timely made; however, they were in the proper format. Twenty-five firearms were traced through the Licensee's required records from acquisition through disposition with no additional discrepancies found. No obliterated serial numbers or illegal firearms were found. The Licensee uses bound A&D Records.

Mary Henderson stated to IOI (b)(6) that she is the primary person responsible for entering firearms acquisitions and dispositions in the A&D record. Mary Henderson usually records the acquisition information into the A&D record at the time the firearm is received. At the time a firearm is sold an ATF Form 4473 is completed and the disposition information is entered into the A&D record before the customer leaves the store. Mary Henderson stated that the discrepancies occurred because she had been sick and had so many doctor's appointments. She trusted an employee that is no longer with the gun shop, to record the acquisitions and dispositions of firearms in the A&D record during her illness and while she was away from the gun shop; however, she did not think to double check her employee's work.

Mary Henderson stated that she conducted an inventory in 2015. IOI (b)(6) suggested to Mary Henderson that she should start taking quarterly inventories. IOI (b)(6) further suggested taking a monthly physical count of the firearms and comparing it to a count of the open dispositions in the A&D record. If a discrepancy occurs, a full inventory should be conducted. The firearms are secured in gun safes within the storage room in the back of the store.

Prior to the closing conference, IOI (b)(6) verified that (b)(3) 112 PL 55 125 STAT 552 firearms were logged into the A&D record and the (b)(3) 112 PL 55 125 ST dispositions entries were entered in the A&D record.

5 - ATF Forms 4473 – NICS & Other Dispositions

The Licensee files the ATF Forms 4473 in alphabetical order. IOIs (b)(6) and (b)(6) reviewed all (b)(3) - 11 ATF Forms 4473 on file for the inspection period and disclosed no violations. IOIs (b)(6) and (b)(6) reviewed the Licensee's transactions to law enforcement agencies and to other Federal Firearms Licensees, which were found to be properly documented and recorded in the required records. IOIs (b)(6) and (b)(6) did not disclose any trafficking issues related to firearm purchasers.

The FFL Audit Log was received listing denied status transactions for the period November 30, 1998 to July 26, 2016 and non-denied status transactions for the 60-day period May 27, 2016 to July 26, 2016. The audit log reported 64 proceed transactions, 1 open transaction, 1 under appeal transaction, no cancelled or non-denied under appeal transactions, and 117 denied transactions, of which nine denied transactions were during the inspection period. IOI (b)(6) and (b)(6) traced the NICS transaction numbers to

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

the ATF Forms 4473, disclosing no discrepancies. The denials ATF Forms 4473 were found to be retained in a separate file as required.

The Licensee obtains a copy of the Federal Firearms License (FFL) of the Licensee to which they are transferring a firearm and uses FFL EZ-Check to verify the license before shipping the firearm.

Mary Henderson stated that once a customer is ready to purchase a firearm, an ATF Form 4473 is presented to the customer. The customer completes Section A of the ATF Form 4473. The form is examined for completeness and accuracy by Mary Henderson and/or another employee. The transferee's identification is then examined and the document information is recorded in Item #20a of the form. At this point, either a NICS check is initiated, or the Georgia Firearms License (GFL) / Georgia Carry Weapons License (GCL) is examined. When the NICS check results are favorable, the rest of the form is completed and the firearm is transferred. Mary Henderson was advised that if she discovers an ATF Form 4473 is incomplete or improperly completed after the firearm has been transferred, then she should make a photocopy of the inaccurate form and make any necessary additions or revisions to the photocopy. Mary Henderson was further advised that she should only make changes to Sections B and D of the ATF Form 4473 and the transferee should only make changes to Section A and C. Mary Henderson was further advised that whoever makes the changes should initial and date the changes then the corrected photocopy should be attached to the original ATF Form 4473. Mary Henderson was advised the ATF Form 4473 should be completed entirely prior to transferring the firearm. Mary Henderson stated that an employee reviews the form as the customer completes it and she will review the ATF Forms for completeness and accuracy a second time. Mary Henderson is responsible for maintaining all the required firearms records.

6 - Multiple Sales

The Violent Crime Analysis Branch (VCAB) FFL history received for the two-year period covering July 1, 2014 to July 26, 2016 reported zero multiple sale transactions. IOIs (b)(6) and (b)(6) identified (b)(3) 112 PL 55 125 STAT 552 unreported multiple handgun sale transactions, involving (b)(3) 112 PL 55 125 STAT 552 handguns, in violation of 27 CFR 478.126a. The Licensee complete the ATF Form 3310.4 prior to the closing conference. Also, the Licensee stated that she would fax the forms to the National Tracing Center (NTC).
(Reference: ROV#1, W/S 2, Exhibit B)

IOI (b)(6) advised Mary Henderson that she could complete the computerized version of the ATF E-Form 3310.4 and email it to ATF. IOI (b)(6) advised Mary Henderson that in e-mailing the ATF E-Form 3310.4 to ATF, she would receive an immediate confirmation from ATF that the form was received. The ATF E-Form 3310.4 confirmation e-mail could then be printed and attached to the ATF Form 3310.4.

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

The confirmation e-mail would provide the Licensee evidence to show that ATF had received the ATF E-Form 3310.4.

7 - Suspicious/Prohibited Purchasers

IOI (b)(6) conducted Open Fox queries on ten transferees disclosing no prohibiting criminal records. No traffickers, prohibited persons, or any other suspicious purchasers were identified during the inspection.

8 - Trace Activity

According to the Violent Crime Analysis Branch query, during the last 12 months, the licensee was involved with (b)(3) successful crime gun trace requests. One Hundred and fifty firearms were queried through e-trace and Open Fox. (b)(3) 112 PL 55 125 firearm was identified as missing in e-Trace on July 13, 2007. (b)(3) 112 PL 55 125 STAT 552

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

According to the Licensee, there are times when the local police department's trades confiscated firearms to the Licensee for resale or parts every three to four years.

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

(Exhibit D) IOI (b)(6) verified that the information requested was entered in e-Trace. (Exhibit E).

The Licensee acquired (b)(3) 112 used firearms and disposed of approximately (b)(3) 112 used firearms during the inspection period.

9 - NFA/Importer/Collector/Manufacturer

The Licensee has a (b)(3) - 26 USC 6103, (b)(6)

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

(b)(3) - 26 USC 6103

The licensee does not conduct Importer or Collector activities at this time.

The Licensee holds a Type 07 license as a Manufacturer of Firearms Other Than Destructive Devices. The Licensee did not manufacture any firearms during the inspection period. IOI (b)(6) requested the Annual Firearms Manufacturing and Exportation Reports (AFMER) by the Licensee for calendar years 2013, 2014, 2015. The ATF Enforcement Programs and Services provided IOI (b)(6) the AFMER for calendar year 2013 and 2015. The Licensee did not submit a 2014 AFMER. During the closing conference, IOI (b)(6) obtained the missing 2014 AFMER and it was faxed to ATF. (Exhibit F).

10 - Referrals

No referrals generated.

11 - Other

The Licensee displayed the Youth Handgun Safety Act poster and made the written Notices available at the sales counter. The Licensee is aware of the requirement to make secure gun locks and/or safety devices available to the consumer, as well as, for all handgun transactions to non-licensees.

12 - Closing Actions

On November 22, 2016, Industry Operations Investigator (IOI) (b)(6) held a closing conference with Mary Henderson, Secretary/Treasurer. The Acknowledgement of the Federal Firearms Regulations Worksheet was reviewed, signed, and dated by Mary Henderson. (Exhibit G) Particular emphasis was placed on the portion relating to the acquisition and disposition of firearms in the A & D record, the importance of periodic inventories, and submitting the report of multiple handgun sales. IOI (b)(6) also discussed violations disclosed and documented on the Report of Violations. Mary Henderson signed the Report of Violations as evidence of receiving the document.

Mary Henderson was provided a copy of the following:

FFL Firearms Inventory Theft/Loss Report (ATF F 3310.11),
Report of Multiple Sale or Other Disposition of Pistols and Revolvers (ATF F 3310.4)
Gun Show Guidelines (ATF I 5300.23A)
Important ATF Phone Numbers

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

Loss Prevention for Firearms Retailers Pamphlet (ATF P 5380.1)
Sales to Law Enforcement Officers Notice (ATF/Post Notice March 5, 1999)
Important Notice- Selling Firearms After Revocation, Expiration, or Surrender of an FFL.

13 – Violations

1. 27 CFR 478.126a

“REPEAT OF VIOLATION CITED ON FEBRUARY 24, 2014”

Nature of Violations:

Licensee failed to report multiple sales or other dispositions of pistols and revolvers not later than the close of business on the day that the multiple sale or other disposition occurred in (b)(3) instances, involving (b)(3) firearms.

b)(6) (b)(3) 112 PL 55 125 STAT 552



Licensee's response:

The Licensee stated that the employee that prepared ATF Form 3310.4 is no longer employed with the gun shop. The employee prepared some ATF Forms 3310.4 on obsolete editions, and she mailed the ATF Forms 3310.4 to an incorrect address. The Licensee did not think to double check her employee's work. The Licensee also stated that after December 31, 2016, she will no longer be responsible for the records. (b)(6) [redacted], Employee will be responsible for the A&D record.

Corrective action:

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

The multiple handgun sales will be prepared on ATF Forms 3310.4 and faxed to the National Tracing Center.

Reference Worksheet 2 (4473 2012 ed.) and Exhibit B

2. **27 CFR 478.123(a)**

REPEAT OF VIOLATION CITED ON FEBRUARY 24, 2014"

Nature of Violation:

Licensee failed to timely record the acquisition of ^{(b)(3)} firearms in the A&D record.

(b)(3) 112 PL 55 125 STAT 552

untimely acquisitions

(b)(3) 112 PL 55 125 STAT 552



FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

(b)(3) 112 PL 55 125 STAT 552

Licensee's response:

Licensee stated that the discrepancies happened because she had so many doctor's appointments and had been sick. She trusted an employee that is no longer with the gun shop to record the acquisitions and dispositions of firearms in the A&D record. The Licensee did not think to double check her employee's work. The Licensee also stated that after December 31, 2016, she will no longer be responsible for the records. (b) (6) [REDACTED], Employee will be responsible for the A&D record.

Corrective action:

Licensee shall research files and immediately record the acquisition or disposition of firearms in the A&D records.

Reference Worksheet 1 and Exhibit A

3. **27 CFR 478.123(d)**

REPEAT OF VIOLATION CITED ON FEBRUARY 24, 2014"

Nature of Violation:

Licensee failed to timely record the disposition of 50 firearms in the A&D record. As of November 22, 2016, (b)(3) 112 PL 55 125 STAT 552 firearms were reported missing on the ATF Form 3310.11.

(b)(3) 112 PL 55 125 STAT 552 missing Firearms

(b)(3) 112 PL 55 125 STAT 552

(b)(3) 112 PL 55 125 STAT 552 untimely recorded firearm disposition (supported by documentation)

(b)(3) 112 PL 55 125 STAT 552

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

(b)(3) 112 PL 55 125 STAT 552



FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200

Licensee's response:

Licensee stated that the discrepancies happened because she had so many doctor's appointments and had been sick. She trusted an employee that is no longer with the gun shop to record the acquisitions and dispositions of firearms in the A&D record. The Licensee did not think to double check her employee's work. The Licensee also stated that after December 31, 2016, she will no longer be responsible for the records. (b) (6) [REDACTED], Employee will be responsible for the A&D record.

Corrective action:

Licensee shall research files and immediately record the acquisition or disposition of firearms in the A&D records.

Reference Worksheet 1 and Exhibit A

X

(b)(6)

Industry Operations Investigator

Index of Worksheets and Exhibits

Worksheet

1. Inventory, A&D
2. 4473(2012 edition)

Exhibit

- A. Theft/Loss Report (b)(3) 112 PL 55 125 STAT 552 [REDACTED]
- B. ATF Forms 4473 and ATF Form 3310.4 for the multiple sales
- C. Email to the National Tracing Center
- D. Email from NTC
- E. e-Trace summary
- F. ATF 5300.11
- G. Acknowledgement of Federal Firearms Regulations

FIREARMS INSPECTION REPORT

Name: Henderson's Sports, Ltd.
Trade Name: David's Gun Room

UI#: 760530-2016-0034-B1B
FFL#: 1-58-135-07-8F-18200



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives
2600 Century Parkway NE, Suite 300
Atlanta, Georgia 30345

www.atf.gov

APR 20 2017

760530(b)(6)
5373

David P. Henderson, President
Mary A. Henderson, Secretary/Treasurer
Henderson's Sports, Ltd.
David's Gun Room
5074 Buford Highway
Norcross, Georgia 30071

1-58-135-07-8F-18200

Dear Mr. and Mrs. Henderson:

During a recent compliance inspection at your firearms business covering the period of August 1, 2015 to August 1, 2016, 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 Violation, Form 5030.5, issued at the time of the inspection is enclosed.

You should be aware that any willful violations of the Gun Control Act may result in revocation of your Federal firearms license. As a result of the recently cited violations, it is important that we have a meeting with you to discuss the violations found. **The conference will be held on May 2, 2017, at 10:30 AM at 2600 Century Parkway, NE, Atlanta, GA 30345.** The agenda for the meeting will include a discussion of the reasons for the violations, a review of the legal requirements, and a discussion of steps to be taken by you to ensure future compliance. Although we do not believe it necessary, legal counsel may assist you at your own expense if you so choose. Please bring a compliance plan with your documentation verifying the corrective actions you have taken or will implement to ensure future compliance.

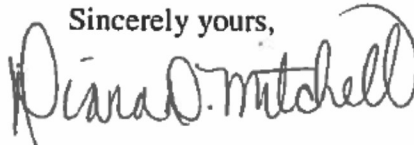
The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing efforts to reduce violent crime and protect

David P. Henderson, President
Mary A. Henderson, Secretary/Treasurer
Henderson's Sports, Ltd.
David's Gun Room

the public. It is essential that you comply with all Federal laws and regulations that govern your firearms business to aid in this effort to combat violent crime. We will conduct a follow-up inspection in the future. Any violations, either repeat or otherwise, could be viewed as willful and may result in the revocation of your license.

Please contact Industry Operations Investigator (b) (6) to confirm this appointment, and to ask questions you may have regarding this conference. I look forward to meeting with you to resolve these issues.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Diana D. Mitchell". The signature is fluid and cursive, with the first name "Diana" being more prominent.

Diana D. Mitchell
Director Industry Operations, Atlanta Field Division

Enclosure

c: Atlanta Group V (IO)
Federal Firearms Licensing Center

Revised Copy 3-15-17

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 Henderson's Sports, Ltd. David's Gun Room	Street Address 5074 Buford Highway	City Norcross	State GA	Zip Code 30071-	County Gwinnett	Page 1 of 1 Pages
License/Permit/Registry Number (If any) 158135078F18200		Expiration Date 6/1/2018	Date(s) or Period of Inspection 08/01/2016 through 11/22/2016			

Inspection Results

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

Number: 1

Date Corrections to be Made: 11/30/2016

(If not corrected immediately)

Nature of Violation:

Corrective Action to be Taken: The multiple handgun sales will be prepared on ATF Forms 3310.4 and faxed to the National Tracing Center on November 23, 2016. Future Compliance

(If not corrected immediately)

In ^{(b)(3)} instances, the licensee failed to report multiple sales or other dispositions of pistols and revolvers not later than the close of business on the day that the multiple sale or other disposition occurred.

Citation: 27 CFR 478.126a

Number: 2

Date Corrections to be Made:

(If not corrected immediately)

Nature of Violation:

Corrective Action to be Taken: Licensee shall research files and immediately record the acquisition of firearms in the A&D records.

(If not corrected immediately)

Licensee failed to timely record the acquisition of ^{(b)(3)} firearms in the A&D record.

Citation: 27 CFR 478.123(d)

Number: 3

Date Corrections to be Made:

(If not corrected immediately)

Nature of Violation:

Corrective Action to be Taken: Licensee shall research files and immediately record the disposition of firearms in the A&D records.

(If not corrected immediately)

Licensee failed to timely record the disposition of ^{(b)(3)} firearms in the A&D record. As of November 17, 2016, 7 (seven) firearms were reported missing on the ATF Form 3310.11.

Citation: 27 CFR 478.123(a)

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

Date

3-15-17

Signature and Title of ATF Officer

(b) (6)

Date

3-15-17

Revised Copy 3-15-17

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 Henderson's Sports, Ltd. David's Gun Room	Street Address 5074 Buford Highway	City Norcross	State GA	Zip Code 30071-	County Gwinnett	Page 2 of 2 Pages
License/Permit/Registry Number (If any) 158135078F18200		Expiration Date 6/1/2018	Date(s) or Period of Inspection 08/01/2016 through 11/22/2016			

Inspection Results

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

Citation: 27 CFR 478.123(a)

I Have Received a Copy of This Report of Violations (Proprietor's signature and title) <i>Matthew Henderson, Soldier</i>	Date 3-15-17
Signature and Title of ATF Officer (b) (6) 2021/500	Date 3-15-17

For Official Use Only

ATF E-Form 5030.5
Revised April 2003



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Atlanta, Georgia 30345

www.atf.gov

May 2, 2017

760500(b)(6)
5373

Ms. Sandy Henderson
Henderson's Sports, Ltd.
d/b/a David's Gun Room
5074 Buford Hwy
Norcross, Georgia 30071

1-58-135-07-8F-18200

Dear Ms. Henderson,

This letter is a follow-up to the warning conference held with you on May 2, 2017 at the Atlanta Field Division's Office located at 2600 Century Parkway, NE Atlanta, Georgia 30345. During this conference, the violations cited during the inspection covering the period August 1, 2015 to August 1, 2016, and the necessary corrective action to prevent the violations from recurring were discussed. You were given the opportunity to comment on the violations and what specific action you have taken to ensure that the violations will not recur.

Regarding Violation # 1 where you failed to timely submit a report of multiple sale, ATF Form 3310.4, no later than the close of business on the day that the multiple sale or other disposition occurred in twelve instances. You stated that since the compliance investigation, you were hired as the new general manager and is now responsible for overseeing the day-to-day operations of the business. Additionally, all of the employees responsible for working the counter for firearms transactions and completing ATF Forms 4473 have been trained on the proper completion/submission of ATF Form 3310.4, Report of Multiple Sale or Other Disposition of Pistols and Revolvers, within the required timeframe, which is on the day the multiple sale occurred. You stated that your current procedure is to also manually audit the ATF Forms 4473 every night for multiple sales, and to review all of the forms completed over a five-day period to determine if a multiple sale occurred, and if the required report has been completed and submitted to ATF.

Henderson's Sports, Ltd.
d/b/a David's Gun Room

Regarding Violation # 2 & 3 where you failed to record the acquisition of (b)(3) 112 PL 55 125 STAT 552 firearms in the Acquisition and Disposition (A&D) record book, and failed to record or properly record the disposition of (b)(3) 112 PL 55 125 STAT 552 firearms in the A&D record book. You stated that upon receipt of purchased firearms, the guns are placed in a designated area in the store and physically checked against the purchase invoice (make, model, and serial number) within two hours of receipt. After the review has been completed, the guns are logged into the new electronic Purchase Order System, and the acquisition record book within 24 hours. In reference to the untimely disposition entries, you stated that the store has a 24-hour policy that requires all sold weapons to be recorded out of the disposition record book. You stated that the store conducts a quarterly audit of all the weapons to ensure that all acquisitions and dispositions of firearms have been recorded timely into the A&D record. You stated that all of the guns initially reported as loss from the recent compliance investigation have been located, with the exception of one firearm, reported to ATF as found, and will be recorded back into the acquisition record. You stated that you are currently reviewing the computer programs of four vendors and will eventually transition the business records to an automated Point of Sale (POS) and Electronic A&D record book system. Lastly, you stated that you look forward to receiving additional training through Orchid Advisors' Firearms Compliance University, and participating in mock ATF compliance audits.

The violations for which you were cited could adversely impact law enforcement's ability to reduce violent crime and protect the public. You are reminded that future violations, repeat or otherwise, could be viewed as willful and may result in the revocation of your license. You may anticipate further inspections to ensure your compliance.

Please contact us at (b)(3) 112 PL 55 125 STAT 552 if you have any questions concerning your responsibilities as a licensee, or if you require further clarification about particular requirements of the Federal Firearms Laws.

Sincerely yours,

Diana D. Mitchell
Director, Industry Operations

cc: Area Supervisor, Atlanta Group V (IO)
Federal Firearms Licensing Center