

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Cash America Pawn L.P. Cash America Pawn of Brownsville #2 1634 Central Blvd Brownsville, TX 78520, Cameron	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 782110-2017-0277-B1B 3. PERMIT/LICENSE NUMBER 574061029A35383 4a. TARGET DATE 4b. TARGET HOURS 5. REQUESTED BY (SIGNATURE, TITLE AND DATE)
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6. ATF OFFICER(S) ASSIGNED
 (b)(6)/(b)(7)(C) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
 (b)(6)/(b)(7)(C) Area Supervisor, 03/23/2017

8. PURPOSE/SPECIAL INSTRUCTIONS

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC	10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	6	NO. OF REFERRALS	1	2111 - PER DIEM
NO. OF TECS CHECKS	42	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)/(b)(7)(C) - Industry Operations Investigator

Submitted on: 05/12/2017
 A violation cited during the inspection warrants revocation (27 CFR 478.99(c)). An alternate administrative action is recommended as this was the licensee's first such violation and the licensee has demonstrated a significant interest in complying with the regulations.

Viols DIO (or Delegate) Held WC ILO Revocation

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)/(b)(7)(C)	
MAR 2017	48.00		
APR 2017	42.00		
MAY 2017	4.00		
ATF OFFICER'S SUBTOTAL	94.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	94.00		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
 Conur with IOI recommdenation for an Alternate recommendation. The licensee has demonstrated a significant interest in complying with the regulations.

Viols DIO (or Delegate) Held WC ILO Revocation

REVIEWED
 CONCUR
 SEE COMMENTS
 FINAL DISPOSITION

SIGNATURE AND TITLE (b)(6)/(b)(7)(C) Area Supervisor	REVIEW DATE 04/19/2017
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Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Cash America Pawn L.P. Cash America Pawn of Brownsville #2 1634 Central Blvd Brownsville, TX 78520, Cameron	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 782110-2017-0277-B1B			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">3. PERMIT/LICENSE NUMBER 574061029A35383</td> <td style="width: 33%;">4a. TARGET DATE</td> <td style="width: 33%;">4b. TARGET HOURS</td> </tr> </table>	3. PERMIT/LICENSE NUMBER 574061029A35383	4a. TARGET DATE	4b. TARGET HOURS
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5. REQUESTED BY (SIGNATURE, TITLE AND DATE)				

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

During this inspection, there were six violations cited. One of which, warrants a recommendation of revocation. The FFL transferred firearms to a prohibited person. An explanation could not be given why an e-NICS was conducted after the customer answered "Yes" to two prohibiting on the ATF Form 4473 because the employee handling the transaction is no longer with the company. In addition, no answer was given regarding why the e-NICS response was not retrieved prior to the transfer of the firearms. The only response provided was that this was a one-time occurrence and assurance was provided that Forms 4473 will be reviewed properly in the future.

There were no missing firearms, no unreported multiple sales, no firearms traced to this licensee within the last twelve months and no untimely acquisitions or dispositions; therefore, an alternate recommendation of DIO held WC is proposed.

Viols DIO (or Delegate) Held WC ILO Revocation

REVIEWED
 CONCUR
 SEE COMMENTS
 FINAL DISPOSITION

SIGNATURE AND TITLE TLCARTER - Director, Industry Operations	(b)(6)/(b)(7)(C)	REVIEW DATE 05/15/2017
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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 Cash America Pawn L.P. Cash America Pawn of Brownsville #2	Street Address 1634 Central Blvd	City Brownsville	State TX	Zip Code 78520-	County Cameron	Page 1 of 7 Pages
License/Permit/Registry Number <i>(If any)</i> 574061029A35383	Expiration Date 1/1/2019	Date(s) or Period of Inspection 03/27/2017 through 03/30/2017				

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 forms:

Box 29 blank.
 Box 29 blank.

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.

Number: 2

Nature of Violation:

Failure to refrain from selling or otherwise disposing of a firearm to a person known or suspected to be prohibited, in instance:

"Yes" response provided in items 11.c and 11.i.

Citation: 27 CFR 478.99(c)

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 not transfer a firearm to a person while knowing or having reasonable cause to believe that the transferee is a prohibited person. The licensee shall not conduct a NICS check on an individual who has provided information on the ATF Form 4473 indicating that he/she is prohibited.

Report of Violations

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Name of Proprietor Cash America Pawn L.P. Cash America Pawn of Brownsville #2	Street Address 1634 Central Blvd	City Brownsville	State TX	Zip Code 78520-	County Cameron	Page 2 of 7 Pages
License/Permit/Registry Number <i>(If any)</i> 574061029A35383		Expiration Date 1/1/2019	Date(s) or Period of Inspection 03/27/2017 through 03/30/2017			

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 obtain a properly completed ATF Form 4473, Section A, prior to making an over-the-counter transfer of a firearm to a non-licensee, on [] forms:

- [(b)(5) (112 Public Law 55 125 Stat 552); (b)(6); (b)(7)(C)] Box 1 error (misspelled last name).
- [(b)(3) (112 Public Law 55 125 Stat 552); (b)(6); (b)(7)(C)] Box 12.d.1 blank.

Citation: 27 CFR 478.124(c)(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 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

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Name of Proprietor Cash America Pawn L.P. Cash America Pawn of Brownsville #2	Street Address 1634 Central Blvd	City Brownsville	State TX	Zip Code 78520-	County Cameron	Page 3 of 7 Pages
License/Permit/Registry Number <i>(If any)</i> 574061029A35383	Expiration Date 1/1/2019	Date(s) or Period of Inspection 03/27/2017 through 03/30/2017				

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 any responses or identification number provided by the system, on forms:

Box 19.d blank.

Box 21.d error (The licensee indicated that no resolution was provided within three business days after failing to retrieve the NICS e-check response (denied) which was provided on 9/6/2016).

Box 21.d blank.

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. The licensee will also retrieve a final NICS response before transferring a firearm when utilizing the e-check system.

Report of Violations

Instructions

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Name of Proprietor Cash America Pawn L.P. Cash America Pawn of Brownsville #2	Street Address 1634 Central Blvd	City Brownsville	State TX	Zip Code 78520-	County Cameron	Page 4 of 7 Pages
License/Permit/Registry Number <i>(If any)</i> 574061029A35383	Expiration Date 1/1/2019	Date(s) or Period of Inspection 03/27/2017 through 03/30/2017				

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/importer, model, serial number, type, and/or caliber or gauge of the firearm on the ATF Form 4473, on forms:

(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)(b)(7)(C) Box 24 error (Manufacturer recorded as Springfield Armory. Correct manufacturer is HS Produkt).

(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)(b)(7)(C) Box 27 error (Lines 2-4, firearm type recorded as handgun. Correct type is pistol).

(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)(b)(7)(C) Box 24 error (Manufacturer recorded as Springfield Armory. Correct manufacturer is HS Produkt).

(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)(b)(7)(C) Box 24 error (Manufacturer recorded as Browning. Correct manufacturer is Miroku).

(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)(b)(7)(C) Box 26 error (Manufacturer recorded as Browning. Correct manufacturer is Miroku).

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.

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 Cash America Pawn L.P. Cash America Pawn of Brownsville #2	Street Address 1634 Central Blvd	City Brownsville	State TX	Zip Code 78520-	County Cameron	Page 5 of 7 Pages
License/Permit/Registry Number <i>(If any)</i> 574061029A35383	Expiration Date 1/1/2019	Date(s) or Period of Inspection 03/27/2017 through 03/30/2017				

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)/(b)(7)(C)

Citation: 27 CFR 478.124(c)(4)

Report of Violations

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Name of Proprietor Cash America Pawn L.P. Cash America Pawn of Brownsville #2	Street Address 1634 Central Blvd	City Brownsville	State TX	Zip Code 78520-	County Cameron	Page 6 of 7 Pages
License/Permit/Registry Number <i>(If any)</i> 574061029A35383	Expiration Date 1/1/2019	Date(s) or Period of Inspection 03/27/2017 through 03/30/2017				

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 correctly enter into a record the acquisition of individual firearms, in instances:

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C)

Date Corrections to be Made: 04/07/2017

(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 information into the A&D record as prescribed by the regulations.

Report of Violations

Instructions

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Name of Proprietor Cash America Pawn L.P. Cash America Pawn of Brownsville #2	Street Address 1634 Central Blvd	City Brownsville	State TX	Zip Code 78520-	County Cameron	Page 7 of 7 Pages
License/Permit/Registry Number (If any) 574061029A35383	Expiration Date 1/1/2019	Date(s) or Period of Inspection 03/27/2017 through 03/30/2017				

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)/(b)(7)(C)

(b)(6)/(b)(7)(C)	Violations (Proprietor's signature and title) (b)(6)/(b)(7)(C)	Date 3-30-17
Signature and Title of ATF Officer (b)(6)/(b)(7)(C)	Industry Operations Investigator	Date 3/30/2017

Cash America Pawn L.P.
Cash America Pawn of Brownsville #2
5-74-061-02-9A-35383

ROV Attachment

(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)/(b)(7)(C)

(b)(6)/(b)(7)(C)

3-30-17

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P. **UI#:** 782110-2017-0277-B1B
Trade Name: Cash America Pawn of Brownsville #2 **FFL#:** 5-74-061-02-9A-35383

Address: 1634 Central Blvd.
Brownsville, TX 78520 – Cameron County
N 25.927258 / W 97.510562

1 - Introduction

Inspection Profile:

On March 27, 2017, Industry Operations Investigator (IOI) (b)(6)/(b)(7)(C) conducted a firearms compliance inspection (Southwest Border DE) at the business premises of Cash America Pawn L.P. d/b/a Cash America Pawn of Brownsville #2, a Type 02 Federal Firearms Licensee (FFL). No other federal, state, or local agencies were present during the inspection. Store Manager (b)(6)/(b)(7)(C) was interviewed and identified with his Texas driver's license, showing (b)(6)/(b)(7)(C) (**Exhibit 1**). The period of inspection was from March 27, 2016 to March 27, 2017. The on-site inspection commenced on March 27, 2017 and was completed on March 30, 2017 when the Report of Violations was reviewed with the licensee. Advance notification of the inspection was not provided.

Business Profile:

Cash America Pawn of Brownsville #2 operates as a licensed pawnshop that provides secured cash loans and buys and sells an assortment of used consumer goods, including jewelry, electronics, appliances, musical instruments, sporting goods, tools, and firearms. The business is licensed with the state of Texas under pawn license number 984-7311 (**Exhibit 2**). Cash America Pawn of Brownsville #2 possesses a Type 02 Federal Firearms License as a dealer and pawnbroker of firearms other than destructive devices. The license was originally issued on January 28, 1992 and is the only ATF license possessed by the company at this location. The licensee conducts retail sales of new and used firearms, provides cash loans for firearms brought in as collateral, and returns firearms redeemed from pawn. The licensee buys and sells handguns, shotguns, and hunting rifles. Tactical firearms, such as AR-15 and AK-47 style rifles, are only accepted on pawn at this location. During the period of inspection, the licensee acquired (b)(4) firearms and disposed of (b)(4) firearms. New firearms are acquired from (b)(4) and used firearms are acquired from the general public. The licensee does not sell NFA firearms, provide gunsmith services, or conduct business online or at gun shows. There is also no off-site storage of firearms.

The business is conducted from a commercial storefront in Brownsville, Texas (urban). The premises are owned by Black Canyon Holding Co., L.P. and leased to Cash America Pawn L.P. (**Exhibit 3**). The current lease agreement

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P. **UI#:** 782110-2017-0277-B1B
Trade Name: Cash America Pawn of Brownsville #2 **FFL#:** 5-74-061-02-9A-35383

expires on February 28, 2018 with a renewal option until February 28, 2021. Property ownership was verified with the Cameron County Appraisal District **(Exhibit 4)**. There are no other businesses conducted on the premises. The licensee is compliant with all state and local laws, including zoning and sales taxes. The property is located in the 4th Commercial zoning district of the city and the sale of firearms is permitted. Cash America Pawn of Brownsville #2 possesses an active Texas Sales and Use Tax Permit with taxpayer number

(b)(3)(26 USC § 6103)

(Exhibit 5).

Ownership and Control:

Cash America Pawn L.P. is registered with the Texas Secretary of State as a foreign limited partnership **(Exhibit 6)**. The original date of filing for the entity in Texas was on December 16, 1991. Cash America Holding, Inc., a Delaware corporation, is the general partner and possesses .9% ownership and Cash America, Inc., a Delaware corporation, is a limited partner with 99.1% ownership. Both partners are currently owned by Frontier Merger Sub, LLC as part of the 2016 merger between Cash America International, Inc. and First Cash Financial Services, Inc. Upon completion of the merger, Frontier Merger Sub, LLC will become Cash America, LLC; a wholly owned subsidiary of First Cash, Inc. Cash America Pawn L.P. possesses an assumed name certificate to conduct business in the state of Texas under the name Cash America Pawn of Brownsville #2 **(Exhibit 7)**. The certificate is valid until December 12, 2024.

The current executive officers and directors of Cash America Holding, Inc. (general partner) and Cash America L.P. are as follows:

(b)(6)/(b)(7)(C)	– Chief Executive Officer
(b)(6)/(b)(7)(C)	– President
(b)(6)/(b)(7)(C)	– Executive Vice President and Chief Financial Officer
(b)(6)/(b)(7)(C)	– Executive Vice President, Secretary, and Director
(b)(6)/(b)(7)(C)	– Senior Vice President and Director
(b)(6)/(b)(7)(C)	– Vice President and Treasurer
(b)(6)/(b)(7)(C)	– Vice President

Manuel Garcia is the current store manager and is correctly listed in FLS as a responsible person. Earl Pixley serves as the market manager and shall be added to FLS as a responsible person at this location. No other responsible persons were identified during the inspection. NCIC and N-Force queries were completed on both individuals and the results were negative. There have been no unreported changes in the business partnership and hidden ownership is not suspected.

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P. **UI#:** 782110-2017-0277-B1B
Trade Name: Cash America Pawn of Brownsville #2 **FFL#:** 5-74-061-02-9A-35383

Variance:

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

2 - Recommendation

Violations, DIO (or Delegate) Held WC ILO Revocation.

A violation cited during the inspection warrants revocation (27 CFR 478.99(c)). An alternate administrative action is recommended as this was the licensee's first such violation and the licensee has demonstrated a significant interest in complying with the regulations.

3 - Inspection History

A review of the licensee's inspection history disclosed three (3) compliance inspections completed in the last five years.

Date of Inspection: February 10 – February 11, 2016
Type of Inspection: Southwest Border DE Recall
UI#: 782110-2016-0200-B1B
Inspection Results: Violations, WL Only, No Recall Inspection
Cited Violations: 27 CFR 478.124(c)(3)(iv) - Instances
27 CFR 478.125(e) - Instances

Date of Inspection: December 9, 2014 – January 14, 2015
Type of Inspection: Southwest Border DE Compliance
UI#: 782110-2015-0150-B1B
Inspection Results: Violations, WC with WL, and Recall (WC held on 3/10/2015)
Cited Violations: 27 CFR 478.125(e) - Instances

Date of Inspection: June 14, 2013
Type of Inspection: Southwest Border DE Compliance
UI#: 782110-2013-0117-B1B
Inspection Results: No Violations, No Further Action, No Referrals
Cited Violations: None

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

Discrepancies were found during a review of the licensee's acquisition and disposition (A&D) record and completion of a full inventory. There were 56 firearms in inventory verified with corresponding open entries in the A&D record. The licensee utilizes a computerized A&D record system called V2 that was designed by the First Cash

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P.
Trade Name: Cash America Pawn of Brownsville #2

UI#: 782110-2017-0277-B1B
FFL#: 5-74-061-02-9A-35383

corporation. On March 8, 2017, the licensee converted to the V2 system as part of the merger between First Cash and Cash America. The system displays the required firearm information in the proper format and allows for queries by firearm serial number, acquisition or disposition date, name of the manufacturer or importer, and name and address of the customer. The licensee is in compliance with the requirements of electronic recordkeeping prescribed by ATF Ruling 2016-1.

A review of the A&D record printout disclosed that the licensee recorded the incorrect information or omitted the required information for the acquisition of several firearms. The following violation was cited (**Worksheet 1 and Exhibit 8**):

Violation 6: 27 CFR 478.125(e) – [] Instances

A sample of [] ATF Forms 4473 on file for the period of inspection was compared to the A&D record to verify that the entries were made timely and no discrepancies were found. 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.

The licensee's procedures for recording firearm acquisitions and dispositions and maintaining inventory were reviewed during the inspection. All employees are authorized to conduct firearm transactions and must complete yearly training. Acquisition and disposition information is recorded in the computer system at the time the transaction occurs and the licensee generates invoices and pawn tickets for all transactions. The licensee reports the acquisition of all firearms to law enforcement using the LeadsOnline database in order for police departments to identify firearms that have been reported stolen or missing. The V2 system is backed-up daily and the licensee prints an updated copy of the A&D record every two weeks. A review of the A&D record disclosed several discrepancies and in order to reduce or eliminate recordkeeping errors, IOI [(b)(6)/(b)(7)(C)] advised Mr. Garcia to train employees on how to properly identify firearms. The licensee conducts a full inventory of firearms every two to three months.

5 - ATF Forms 4473 – NICS & Other Dispositions

There were [] ATF Forms 4473 on file for the period of inspection, including [] denials. On January 1, 2017, the licensee began filing the forms in chronological order by date only. The forms were previously filed in chronological order by last name. Each form was reviewed and several discrepancies were found. The following violations were cited due to the licensee's failure to obtain or provide the required information on each form (**Worksheet 2 and Exhibit 9**):

Violation 1: 27 CFR 478.21(a) – [] Forms

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P.
Trade Name: Cash America Pawn of Brownsville #2

UI#: 782110-2017-0277-B1B
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Violation 3: 27 CFR 478.124(c)(1) – [redacted] Forms

Violation 4: 27 CFR 478.124(c)(3)(iv) – [redacted] Forms

Violation 5: 27 CFR 478.124(c)(4) – [redacted] Forms

In [redacted] instance, the licensee also failed to refrain from transferring a firearm to a person known or suspected of being prohibited. On September 2, 2016, transferee [redacted] completed an ATF Form 4473 in order to redeem two firearms from pawn. The transferee provided information on the ATF Form 4473 indicating that he was prohibited from receiving and possessing a firearm. The licensee proceeded to conduct a NICS e-check which resulted in a delayed response. On September 9, 2016, the licensee transferred the firearms to [redacted] without retrieving a final NICS e-check response. The NICS Audit Log and ATF NICS Referral Application (ANR) indicated that a denied response was provided to the licensee on September 6, 2016. IOI [redacted] also contacted the ATF NICS liaison and verified that the licensee did not retrieve the NICS status before transferring the firearm. The following violation was cited (**Worksheet 2 and Exhibit 9**):

Violation 2: 27 CFR 478.99(c) – [redacted] Instance

NICS transaction numbers [redacted] were compared to the NICS Audit Log and no discrepancies were found. There were [redacted] denied ATF Forms 4473 on file for the last five years verified with the audit log. The licensee disposed of [redacted] firearms during the period of inspection. [redacted] firearms were sold to non-licensees and [redacted] firearms were transferred to non-licensees during pawn redemptions. A sample of [redacted] disposition entries to non-licensees was selected from the A&D record to verify that an ATF Form 4473 was completed for each disposition and no discrepancies were found. There were no transfers to other licensees or 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. New employees are required to complete on-the-job training prior to conducting transactions and must complete regular online training pertaining to firearm sales and the completion of the ATF Form 4473. The licensee utilizes an electronic version of the ATF Form 4473 which is used for the majority of transactions. Employees are responsible for verifying the identity of customers by requesting a valid identification document and NICS background checks are completed online using the NICS E-Check system. Completed ATF Forms 4473 are required to be reviewed and signed on the front page by a manager. The licensee also requests that customers initial the form acknowledging receipt of the Youth Handgun Safety Act Notice. According to Mr. Garcia, the market manager reviews the completed forms every six weeks and Cash America conducts internal audits two to three times a year in which the ATF Forms 4473, A&D record, and inventory are reviewed by company auditors and market managers. A review of the ATF Forms 4473 on file for

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P.
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the period of inspection disclosed several discrepancies. IOI (b)(6)/(b)(7)(C) reminded Mr. Garcia of the importance of reviewing each ATF Form 4473 for completeness and accuracy prior to transferring a firearm in order to identify any discrepancies and of the requirement to retrieve a final NICS status when utilizing the e-check system before transferring a firearm. Regarding transfers to prohibited persons, Mr. Garcia was informed that any future violations may result in the revocation of the license. Mr. Garcia was informed of the proper procedures for making corrections to improperly completed forms after the transfer of the firearm has occurred. Finally, the V2 system notifies the seller when a multiple sale report is required to be submitted and employees are trained how to properly complete the reports.

6 - Multiple Sales

An eTrace query resulted in zero (0) reported multiple sales during the period of inspection and there were no unreported multiple sales discovered during the inspection.

7 - Suspicious/Prohibited Purchasers

On September 9, 2016, the licensee transferred [redacted] firearms to (b)(6)/(b)(7)(C) after the transferee provided information on the ATF Form 4473 indicating that he was prohibited and a denied NICS response was received. A NICS referral was forwarded to the ATF Brownsville Field Office and a third party transfer of the firearms was completed (Case #782120-16-0039). No other suspicious or prohibited purchasers were identified during the inspection.

8 - Trace Activity

An eTrace query disclosed that the licensee was not associated with any trace requests in the last 12 months.

NCIC queries were completed on [redacted] firearms in the licensee's inventory resulting in [redacted] positive match for a stolen gun. A referral was forwarded to the Brownsville Police Department for informational purposes. **See Referrals**

9 - NFA/Importer/Collector/Manufacturer

The licensee does not deal in NFA firearms and is not an importer, collector, or manufacturer of firearms or ammunition.

10 - Referrals

On March 31, 2017, an OpenFox NCIC query was positive for the following stolen firearm: HS Produkt/Springfield Armory (b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C)

Revised

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C)

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P.
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(Exhibit 10). The firearm was entered into NCIC by the Brownsville Police Department under case #09073438. Investigator (b)(6)/(b)(7)(C) contacted Detective (b)(6)/(b)(7)(C) at the police department in order to verify the information and a Referral of Information (#2017-0034) was forwarded by request via email on March 31, 2017.

11 - Other

The licensee is 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 notices are provided to customers during the transfer of a handgun. The licensee requests that customers initial the ATF Form 4473 acknowledging receipt of the notice and provides a trigger lock.

(b)(4)

(b)(4)

(b)(4) Handguns on the sales floor are kept in an alarmed display case and long guns are located behind the sales counter on a vertical gun rack. All other firearms in inventory, including firearms on pawn and layaway, are stored in a safe room located in the back of the store. The firearms on the sales floor are stored in the safe room during non-business hours and only managers have key access to the safe and locked gun case.

12 - Closing Actions

On March 30, 2017, IOI (b)(6)/(b)(7)(C) held a closing conference with Store Manager Manuel Garcia in order to discuss the results of the inspection and review the Report of Violations. The Report of Violations was signed and dated by Mr. Garcia. The Acknowledgement of Federal Firearms Regulations was also reviewed and Mr. Garcia was given the opportunity to ask questions and address any concerns. Mr. Garcia was 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. Garcia signed and dated the Acknowledgement and was provided a copy for business records (Exhibit 11). The licensee was also 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 Contact Information

FIREARMS INSPECTION REPORT

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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, on [redacted] forms:

[redacted] Box 29 blank (number of firearms transferred).
[redacted] Box 29 blank (number of firearms transferred).

Licensee's Response: Mr. Garcia stated that the information was simply not recorded on the forms and the errors must have been overlooked during a review by the manager on duty. Mr. Garcia said that the store will do a better job reviewing forms for discrepancies.

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 9

2. 27 CFR 478.99(c)

Nature of Violation: Failure to refrain from selling or otherwise disposing of a firearm to a person known or suspected to be prohibited, in [redacted] instance:

[redacted] "Yes" response provided in items 11.c and 11.i.

Licensee's Response: Mr. Garcia informed IOI [redacted] that the employee who initiated the form and conducted the NICS check, [redacted] is no longer employed by Cash America and could not explain why a NICS check was run after the customer provided yes responses for two of the certification questions indicating that he was prohibited. Employee [redacted] who completed the transaction, stated that the customer called and asked if he could come pick up his firearms and she said yes because it had been at least three days since a delayed response was received [redacted] and Mr. Garcia admitted to not retrieving the NICS response from the computer prior to transferring the firearm and simply indicated that no resolution was provided within three business days in box 21d on the ATF Form 4473 [redacted] also admitted to not reviewing the information provided in section A by the customer.

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Mr. Garcia stated that the mistake was a one-time occurrence and employees know that they are not allowed to transfer a firearm to a prohibited person. Mr. Garcia assured that forms will be properly reviewed in order to prevent the transfer of a firearm to a prohibited person.

Corrective Action: Violation uncorrectable/Preventative action discussed. In the future, the licensee will not transfer a firearm to a person while knowing or having reasonable cause to believe that the transferee is a prohibited person. The licensee shall not conduct a NICS check on an individual who has provided information on the ATF Form 4473 indicating that he/she is prohibited.

Reference Worksheet 2 and Exhibit 9

3. 27 CFR 478.124(c)(1)

Nature of Violation: Failure to obtain a properly completed ATF Form 4473, Section A, prior to making an over-the-counter transfer of a firearm to a non-licensee, on [redacted] forms:

[redacted] Box 1 error (misspelled last name).

[redacted] Box 12.d.1 blank.

Licensee's Response: Mr. Garcia stated that the errors were not found during a review of the forms and assured that the store will do a better job reviewing forms for discrepancies.

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 9

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

REPEAT OF VIOLATION CITED ON FEBRUARY 11, 2016

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 any responses or identification number provided by the system, on [redacted] forms:

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(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C) Box 19.d blank.

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C) Box 21d error (The licensee indicated that no resolution was provided within three business days after failing to retrieve the NICS e-check response (denied) which was provided on 9/6/2016).

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C) Box 21d blank.

Licensee's Response: Mr. Garcia stated that the employees simply forgot to record the appropriate NICS response and the errors were not found during a review of the forms. In regards to the licensee failing to retrieve the NICS e-check response prior to transferring a firearm, employee (b)(6)/(b)(7)(C) stated that she got distracted when the customer called and asked about the status of his background check and she did not log into the e-check system because three business days had already passed since the delay. IOI (b)(6)/(b)(7)(C) contacted ATF NICS (b)(6)/(b)(7)(C) who confirmed that the licensee did not retrieve the final NICS status. As a result, NICS contacted the licensee on September 9, 2016 to deliver the denied response and was informed by the licensee that the firearms were transferred. A NICS referral was subsequently sent to the ATF Brownsville Field Office.

Mr. Garcia said that management will conduct better reviews of the forms in order to verify that all of the NICS information has been retrieved and recorded.

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. The licensee will also retrieve a final NICS response before transferring a firearm when utilizing the e-check system.

Reference Worksheet 2 and Exhibit 9

5. 27 CFR 478.124(c)(4)

Nature of Violation: Failure to correctly identify the firearm to be transferred by listing the manufacturer/importer, model, serial number, type, and/or caliber or gauge of the firearm on the ATF Form 4473, on [] forms:

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C)

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(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C)

Licensee's Response: Mr. Garcia stated that employees often rush to complete the forms and, as a result, fail to record the correct information. Mr. Garcia said that they will spend more time ensuring that the firearm information is accurately recorded on the ATF Form 4473.

Corrective Action: Violation uncorrectable/Preventative action discussed. For tracing purposes, Mr. Garcia was encouraged to record the correct firearm information on a photocopy of each inaccurate form and attach the corrected photocopy to the original form. Mr. Garcia agreed and the corrections were made on April 7, 2017. 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.

Reference Worksheet 2 and Exhibit 9

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6. 27 CFR 478.125(e)

REPEAT OF VIOLATION CITED ON JAN. 14, 2015 AND FEB. 11, 2016

Nature of Violation: Failure to correctly enter into a record the acquisition of individual firearms, in instances:

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C)

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P.
Trade Name: Cash America Pawn of Brownsville #2

UI#: 782110-2017-0277-B1B
FFL#: 5-74-061-02-9A-35383

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)/(b)(7)(C)

Licensee's Response: Mr. Garcia could not explain the discrepancies in the A&D record. He assured that employees will spend more time identifying firearms and the information entered into the A&D record will be reviewed and verified by a manager in order to avoid discrepancies.

Corrective Action: The licensee was given one week (4/7/2017) to correct all entries with discrepancies in the A&D record. IOI (b)(6)/(b)(7)(C) verified the corrections on April 7, 2017 with no further discrepancies identified. In the future, the licensee will ensure to properly identify each firearm and record the required information into the A&D record as prescribed by the regulations.

Reference Worksheet 1 and Exhibit 8

5/12/2017

(b)(6)/(b)(7)(C)

Industry Operations Investigator
Signed by: ATF

Index of Worksheets and Exhibits

Worksheets:

Informational Page

Worksheet 1 – Inventory and A&D Review

FIREARMS INSPECTION REPORT

Name: Cash America Pawn L.P.
Trade Name: Cash America Pawn of Brownsville #2

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Worksheet 2 – ATF Form 4473 Review
Other Statistics

Exhibit 1: Texas Driver's License Image – GARCIA, Manuel

Exhibit 2: Pawn License

Exhibit 3: Lease Agreement

Exhibit 4: Cameron County Appraisal District Property Search

Exhibit 5: Comptroller's Taxpayer Search Detail

Exhibit 6: SOS Filings – Application for Registration and Franchise Tax Account

Exhibit 7: Assumed Name Certificate

Exhibit 8: A&D Record Discrepancies and Corrections

Exhibit 9: ATF Form 4473 Discrepancies

Exhibit 10: NCIC Results – Stolen Firearm

Exhibit 11: Acknowledgement of Federal Firearms Regulations



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

McAllen II Field Office

MAY 18 2017

McAllen, TX 78501

www.atf.gov

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

782110 (b)(6)/(b)(7)(C)
5373

Cash America Pawn L.P.
Cash America Pawn of Brownsville #2
1634 Central Blvd.
Brownsville, TX 78520

REF: 5-74-061-02-9A-35383

Dear Mr. Manuel Garcia:

As you are aware, Investigators from the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) conducted an inspection of your firearms business at your licensed premises beginning on March 27, 2017, which continued through March 30, 2017. That inspection revealed the following violations of the Gun Control Act of 1968, Title 18, United States Code, Chapter 44 and the implementing regulations, Title 27, Code of Federal Regulations, Part 478:

27 CFR 478.21(a) – [] ATF Forms 4473
27 CFR 478.99(c) – [] ATF Form 4473
27 CFR 478.124(c)(1) – [] ATF Forms 4473
27 CFR 478.124(c)(3)(iv) – [] ATF Forms 4473
27 CFR 478.124(e)(4) – [] ATF Forms 4473
27 CFR 478.125(e) – [] Instances

We note that you have been previously cited for the following violations:

27 CFR 478.124(c)(3)(iv) [] ATF Forms 4473 (Cited on February 11, 2016)
27 CFR 478.125(e) – [] Instances (Cited on February 11, 2016)
27 CFR 478.125(e) – [] Instances (Cited on January 14, 2015)

We also note that you attended a warning conference on March 10, 2015 with ATF Area Supervisor (b)(6)/(b)(7)(C) wherein these violations and remedial actions on your part were discussed.

Based upon the violations discovered, ATF is considering revoking your Federal firearms license 5-74-061-02-9A-35383. However, prior to taking such action we would like to provide you with an opportunity to meet with us to discuss the violations, present a compliance plan, and explain to us any factors which you believe mitigate against revocation of your FFL. Although we do not believe it necessary, legal counsel may assist you at your own expense if you so choose.

The conference, will be held on *May 31, 2017, 11:00 am at ATF Brownsville Office, 601 P Street South, Harlingen, TX 78550*. Please contact Investigative Assistant (IA) (b)(6)/(b)(7)(C) to confirm this appointment and to ask any questions you may have regarding this conference. We look forward to meeting with you to resolve these issues.

Sincerely yours,

(b)(6)/(b)(7)(C)

Tanarra L.C. James
Director, Industry Operations

Enclosure

c: National Firearms Licensing
McAllen II Area Office



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

5825 N. Sam Houston Pkwy West, Ste 300
Houston, Texas 77086

JUN 06 2017

www.atf.gov

782110: (b)(6)/(b)(7)(C)
5373

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Cash America Pawn L.P.
d/b/a Cash America Pawn of Brownsville #2
Mr. Manuel Garcia, Store Manager
1634 Central Blvd.
Brownsville, Texas 78520

Ref: FFL# 5-74-061-02-9A-35383

Dear Mr. Garcia:

This letter is a follow-up to the warning conference held with you on May 31, 2017, at the ATF Brownsville Field Office, 601 South P Street, Harlingen, Texas 78550. You were in attendance with Director of Firearms (b)(6)/(b)(7)(C) Operations Director (b)(6)/(b)(7)(C) and Market Manager (b)(6)/(b)(7)(C) along with ATF Director of Industry Operations Tanarra James and Industry Operations Investigator (b)(6)/(b)(7)(C). During this conference, the violations cited during the inspection covering the period of March 27, 2016 through March 27, 2017 and the necessary corrective actions to prevent the violations from reoccurring were discussed. You were given the opportunity to comment on the violations and what specific actions you have taken to ensure that the violations will not reoccur.

Regarding violation 27 CFR 478.21(a), failure to obtain and/or furnish all of the information required on each ATF Form 4473, item 29 was left blank on [redacted] forms. You stated the omissions were overlooked during a review of the forms due to the reviewer being distracted or not taking the time to properly conduct a complete review of each form. You stated forms are now being reviewed at least three times before the firearm is transferred, including twice by a manager or lead pawnbroker. Also, in order to avoid distraction, you stated the reviewing manager will take the form to the back of the store or office in order to conduct a proper review. (b)(6)/(b)(7)(C) added that upon the completion of a computer system conversion, item 29 on the electronic ATF Form 4473 (2016 version) will be auto-populated.

Cash America Pawn L.P.
d/b/a Cash America Pawn of Brownsville #2

Regarding violation 27 CFR 478.99(c), failure to refrain from selling or otherwise disposing of a firearm to a person known or suspected to be prohibited, [redacted] firearms were transferred to a customer who provided a "yes" response to items 11.c and 11.i on the ATF Form 4473. You stated a now former employee initiated the transaction and most likely did not review the information provided in Section A of the form before conducting a NICS e-check. After a delayed response was received, you said the final NICS status was not retrieved from the system before the firearms were transferred because there was no routine procedure in place to check the system for updated information. You also said the form was not reviewed properly by the employee who completed the transaction or the authorizing manager, yourself, on the transfer date. You stated all employees know that a firearm cannot be transferred to an individual who has provided a yes response indicating that he/she is prohibited and the store is now reviewing forms a minimum of three times to ensure the violation does not reoccur.

Regarding violation 27 CFR 478.124(c)(1), failure to obtain a properly completed ATF Form 4473, Section A, prior to transferring a firearm to a non-licensee, there was [redacted] form in which the buyer misspelled his last name in item 1 and [redacted] form in which the buyer did not provide a response to item 12.d.1. You stated the errors were not noticed during the review process. You also mentioned that while completing the ATF Form 4473 electronically on a tablet, the system does not allow the buyer to leave any items blank in Section A; however, regarding the transaction in which item 12.d.1 was left blank, the form was completed manually because the tablet was not working properly and the error was overlooked. In order to prevent a repeat violation, you again discussed the review process being utilized by the store and stated driver's license information is now being compared to the information provided by the customer on the ATF Form 4473.

Regarding violation 27 CFR 478.124(c)(3)(iv), failure to comply with the requirements of Section 478.102 and record on the ATF Form 4473 the response provided by NICS, there were [redacted] forms in which the NICS response was not selected after an initial delayed response was received and [redacted] form in which the NICS status was not retrieved from the system and the incorrect response was selected on the form. You stated the employee responsible for the sale or disposition simply forgot to record the information on the form and the omissions were not noticed during the review process. In regards to failing to retrieve the NICS response, you stated there was no routine procedure in place to check the status of delayed transactions and the employee may have assumed that no response was received within three business days and simply indicated the same on the form. You stated forms with a delayed status are now kept in a file cabinet behind the sales counter and management is responsible for logging into the NICS e-check system every morning in order to retrieve updated responses. You also assured a firearm will not be transferred prior to the store checking the system for a final NICS response or verifying no response has been provided within three business days.

Regarding violation 27 CFR 478.124(c)(4), failure to correctly identify the firearm to be transferred by listing the manufacturer and importer, model, serial number, type, and caliber or gauge of the firearm on [redacted] ATF Forms 4473. You and Mr. Pixley both attributed the errors to

Cash America Pawn L.P.
d/b/a Cash America Pawn of Brownsville #2

incorrectly identifying the firearms and a lack of knowledge of certain manufacturers and importers. In order to prevent future discrepancies, you stated store employees will do a better job identifying firearms and the electronic ATF Form 4473 will auto-populate the firearm information from the acquisition and disposition (A&D) record onto the ATF Form 4473. (b)(6)/(b)(7)(C) (b)(6)/(b)(7)(C) stated internal audits will be conducted every 60 to 90 days in which the ATF Forms 4473 will be reviewed.

Regarding violation 27 CFR 478.125(e), failure to correctly enter into a record the acquisition of individual firearms in (b)(6)/(b)(7)(C) instances, you again stated the errors were the result of not properly identifying firearms. You said newly acquired firearms are now handled by more than one employee and a better effort is being made to record all of the required information. Industry Operations Investigator (b)(6)/(b)(7)(C) informed you that all of the information recorded in the A&D record should be derived from the markings on the firearm and to refrain from recording information obtained from commercial invoices or packaging. Finally (b)(6)/(b)(7)(C) again stated that internal audits will be conducted at each store every 60 to 90 days in which the A&D record will be reviewed.

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 the McAllen II Field Office at (b)(6)/(b)(7)(C) if you have any questions concerning your responsibilities as a licensee or if you require further clarification about particular requirements of Federal firearms laws.

Sincerely yours,

(b)(6)/(b)(7)(C)

Tanarra James
Director of Industry Operations
Houston Field Division

c: Federal Firearms Licensing Center
McAllen II Field Office