

## Assignment and Report

<b>1. OPERATING NAME AND ADDRESS</b> (INCLUDE ZIP CODE AND COUNTY) Red Hawk Rifles, LLC Red Hawk Rifles 2317 Grand Park #2B Grand Junction, CO 81505, Mesa		<b>2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.)</b> 788020-2017-0188-B1B		
		<b>3. PERMIT/LICENSE NUMBER</b> 584077019C03101	<b>4a. TARGET DATE</b> 5/31/2017	<b>4b. TARGET HOURS</b>
		<b>5. REQUESTED BY (SIGNATURE, TITLE AND DATE)</b>		
<b>6. ATF OFFICER(S) ASSIGNED</b> (b) (6) Lead Investigator (b) (6) Assigned Investigator				
<b>7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)</b> (b) (6) Area Supervisor, 03/21/2017				
<b>8. PURPOSE/SPECIAL INSTRUCTIONS</b> DE - Full Scope Compliance Inspection - Type 01. See attached referral from the Omaha Area Office.				
<b>9. INSPECTION RESULTS</b> <input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC				
NO. OF VIOLATIONS	8	NO. OF REFERRALS		<b>10. TRAVEL EXPENSES (OPTIONAL)</b>
NO. OF TECS CHECKS	1	NO. OF TECS HITS		2111 - PER DIEM
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES		2112 - P.O.A.
		\$ VALUE OF TAX DECREASES		2113 - COMM. AIR
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS		2114 - RENTAL CAR
NO. OF CLAIMS		\$ VALUE OF CLAIMS		2115 - GPV EXPENSES
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED		2116 - MISC.
				TOTAL \$ FOR INSP.
<b>11. ATF OFFICER'S RECOMMENDATION</b> Submitted by (b) (6) Industry Operations Investigator Submitted on: 06/14/2017  Violts WL ONLY and No Recall Inspection				
<b>12. TIME ACCOUNTING DATA</b>				
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b) (6)		
MAR 2017	3.00			
APR 2017	2.00			
MAY 2017	26.00			
JUN 2017	13.00			
ATF OFFICER'S SUBTOTAL	44.00	ATF OFFICER'S SIGNATURE		
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b) (6)		
MAY 2016	10.25			
MAY 2017	26.00			
JUN 2017	16.00			
ATF OFFICER'S SUBTOTAL	52.25	ATF OFFICER'S SIGNATURE		
TOTAL HOURS	96.25			

## Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY)  Red Hawk Rifles, LLC Red Hawk Rifles 2317 Grand Park #2B Grand Junction, CO 81505, Mesa	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 788020-2017-0188-B1B		
	3. PERMIT/LICENSE NUMBER 584077019C03101	4a. TARGET DATE 5/31/2017	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

### 13. REVIEW AND ROUTING

#### REVIEW COMMENTS AND RECOMMENDATION

A full scope firearms compliance inspection was conducted on May 3, 2017, as a result of a referral received from the Omaha, NE ATF Field Office. Licensee was cited for eight (8) violations. Violations merit a Warning Letter only. No recall inspection is recommended. A Warning Letter was issued and sent to the licensee, dated June 13, 2017.

Viols WL ONLY and No Recall Inspection

☒ REVIEWED

☒ CONCUR

☒ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE (b) (6) Area Supervisor	REVIEW DATE 06/13/2017
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#### ROUTING SEQUENCE AND DATE

- ☐ 1. \_\_\_\_\_
- ☐ 2. \_\_\_\_\_
- ☐ 3. \_\_\_\_\_
- ☐ 4. \_\_\_\_\_

CONTROL FILE POSTED DATE \_\_\_\_\_

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 Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 1 of 8 Pages
License/Permit/Registry Number (If any) 584077019C03101		Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017			

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 information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it (b)(7)(C) - Public Law 107-193).

(b)(7)(C) - Public Law 107-193) forms, the licensee failed to use the 2012 edition ATF Form 4473 during a time period the 2012 edition ATF Form 4473 was to be used.

(b)(7)(C) - Public Law 107-193) form, the licensee failed to use the 2012 edition ATF Form 4473 during a time period the 2012 edition ATF Form 4473 was to be used, and failed to complete Block 18 (Type of firearm(s) to be transferred) (2008 edition).

(b)(7)(C) - Public Law 107-193) form (2012 edition), the licensee failed to ensure the customer completed Block 10a (Race).

(b)(7)(C) - Public Law 107-193) form (2012 edition), the licensee failed to ensure the customer completed Block 10a and failed to complete Block 18.

(b)(7)(C) - Public Law 107-193) forms (2012 edition) and two forms (2016 edition), the licensee failed to complete Block 18 and Block 16 respectively.

(b)(7)(C) - Public Law 107-193) form (2012 edition), the licensee failed to complete Block 18 and Block 31 (Corporate name and address of transferor) and Block 32 (Federal Firearms License Number).

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Going forward, the licensee will obtain and/or furnish all information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

May 9 2018 Production

RIP

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ATF E-Form 5030.5  
Revised April 2005

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 Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 2 of 8 Pages
License/Permit/Registry Number (If any) 584077019C03101		Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017			

Inspection Results

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

(b)(3) - Public Law 108-263 form (2012 edition), the licensee failed to ensure the customer completed Block 24 (Transferee's/Buyer's Signature).

(b)(3) - Public Law 108-263 form (2012 edition), the licensee failed to complete Block 30a (Total Number of Firearm(s) to be Transferred).

(b)(3) - Public Law 108-263 form (2012 edition), the licensee failed to complete Block 30a, Block 31, Block 32, Block 33 (Transferor's/Seller's Name), and Block 35 (Transferor's/Seller's Title).

(b)(3) - Public Law 108-263 form (2012 edition) and one form (2016 edition), the licensee failed to complete Blocks 31, 32, 33, 35, and Blocks 33, 34, 36 respectively.

Citation: 27 CFR 478.21(a)



U.S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

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Name of Proprietor Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 3 of 8 Pages
License/Permit/Registry Number (If any) 584077019C03101		Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017			

Inspection Results

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

Number: 2

Nature of Violation:

Failure to obtain a properly completed ATF Form 4473, Section A, prior to making an over-the-counter transfer of a firearm to a non-licensee (b)(5) - Public Law 111-251).

(b)(3) - Public Law 111-251 form (2012 edition) the licensee failed to ensure the customer correctly completed Block 1 (Transferee's/Buyer's Full Name) and Block 2 (Residence Address).

(b)(3) - Public Law 111-251 form (2016 edition) the licensee failed to ensure the customer correctly completed Block 1.

(b)(3) - Public Law 111-251 form (2012 edition) the licensee failed to ensure the customer correctly completed Block 3 (Place of Birth).

(b)(3) - Public Law 111-251 form (2012 edition) the licensee failed to ensure the customer completed Block 14 (What is your country of citizenship?).

(b)(3) - Public Law 111-251 form (2012 edition) the licensee failed to ensure the customer completed Block 17 (Certification Date).

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)

Going forward, the licensee will obtain a properly completed ATF Form 4473, Section A, prior to making an over-the-counter transfer of a firearm to a non-licensee. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

May 9 2018 Production

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ATF E-Form 5030 5  
Revised April 2005

Report of Violations

Instructions

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Name of Proprietor Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 4 of 8 Pages
License/Permit/Registry Number (If any) 584077019C03101		Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017			

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 verify the identity of the transferee and note on the ATF Form 4473 the type of identification used (b)(2) - Public Law.

(b)(3) - PUBLIC FORMS (2012 edition) the licensee failed to complete Block 20a (Identification).

(b)(3) - Public Law FORMS (2016 edition) the licensee failed to complete Block 18a (Identification).

(b)(3) - Public Law FORM (2012 edition) the licensee failed to complete Block 20a and failed to correctly e Block 20b (Alternate Documentation).

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

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

Going forward, the licensee will verify the identity of the transferee and note on the ATF Form 4473 the type of identification used. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

U.S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

Report of Violations

Instructions

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Name of Proprietor Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 5 of 8 Pages
License/Permit/Registry Number (If any) 584077019C03101		Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017			

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 Sec.478.102 and record on the ATF Form 4473 the date on which the licensee contacted CBI, as well as any responses or identification number provided by the system (b)(3) - Public Law 114-50 form (2012 edition) the licensee failed to correctly complete Block 21a (Date the transferee's identifying information in Section A was transmitted to NICS or the appropriate State agency).

(b)(3) - Public Law 114-50 form (2012 edition) the licensee failed to complete Block 21a and Block 21c (The response initially provided by NICS or the appropriate State agency was).

(b)(3) - Public Law 114-50 form (2012 edition) the licensee failed to correctly complete Block 21b (The NICS or State transaction number was).

(b)(3) - Public Law 114-50 form (2012 edition) the licensee failed to complete Block 21c.

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)

Going forward, the licensee will comply with the requirements of Sec.478.102 and record on the ATF Form 4473 the date on which the licensee contacted CBI, as well as any responses or identification number provided by the system. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

May 9 2018 Production

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ATF E-Form 5030 5  
Revised April 2005

U.S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

Report of Violations

Instructions

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Name of Proprietor Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 6 of 8 Pages
License/Permit/Registry Number (If any) 584077019C03101		Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017			

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, model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473 (b)(3) - Public Law 112 (b)(3) - Public Law 112 form (2016), the licensee failed to correctly complete Block 26 (Serial Number).

Citation: 27 CFR 478.124(c)(4)

Date Corrections to be Made:  
(If not corrected immediately)

Corrective Action to be Taken:  
(If not corrected immediately)

Going forward, the licensee will correctly identify the firearm to be transferred by listing the manufacturer, model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

Number: 6

Nature of Violation:  
Failure to sign and/or date the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm (b)(3) - Public Law 112 (b)(3) - Public Law 112 forms (2012 edition) the licensee failed to complete Block 34 (Transferor's/Seller's Signature) and Block 36 (Date Transferred). (b)(3) - Public Law 112 forms (2012 edition) the licensee failed to complete Block 36. (b)(3) - Public Law 112 form (2016 edition) the licensee failed to complete Block 35 (Transferor's/Seller's Signature) and Block 37 (Date Transferred).

Date Corrections to be Made:  
(If not corrected immediately)

Corrective Action to be Taken:  
(If not corrected immediately)

Going forward, the licensee will sign and/or date the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

May 9 2018 Production

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ATF E-Form 5030 5  
Revised April 2005

## Report of Violations

### Instructions

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Name of Proprietor Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 7 of 8 Pages
License/Permit/Registry Number (If any) 584077019C03101	Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017				

### Inspection Results

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

**Citation:** 27 CFR 478.124(c)(5)

**Number:** 7

#### Nature of Violation:

Failure to retain the ATF Form 4473 for the prescribed period and failure to record any CBI transaction number on the form, where the licensee initiated a CBI check for a proposed firearms transaction, but the sale, delivery, or transfer of the firearm was not made (instance).

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

In instance, the licensee generated a CBI/NICS background check and failed to retain the ATF Form 4473.

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

**Citation:** 27 CFR 478.129(b)

**Number:** 8

#### Nature of Violation:

Failure to enter into a record each receipt and every disposition of individual firearm instances).

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

In instances, the licensee failed to record the correct serial number in the A&D book.

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

In instances, the licensee had a firearm that showed open in the A&D book, but was not in physical inventory. The dispositions of the firearms were reconciled.

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

#### Date Corrections to be Made:

(If not corrected immediately)

#### Corrective Action to be Taken:

(If not corrected immediately)

Going forward, the licensee will retain the ATF Form 4473 for the prescribed period and will record any CBI transaction number on the form, where the licensee initiated a CBI check for a proposed firearms transaction, but the sale, delivery, or transfer of the firearm was not made

#### Date Corrections to be Made:

(If not corrected immediately)

#### Corrective Action to be Taken:

(If not corrected immediately)

The licensee will immediately correct the incorrect serial numbers in the A&D book. The licensee will immediately log out the firearms that showed open in the A&D book, but were not in physical inventory.

May 9 2018 Production

RIP

U.S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

Report of Violations

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Name of Proprietor Red Hawk Rifles, LLC Red Hawk Rifles	Street Address 2317 Grand Park #2B	City Grand Junction	State CO	Zip Code 81505-	County Mesa	Page 8 of 8 Pages
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License/Permit/Registry Number <i>(If any)</i> 584077019C03101	Expiration Date 3/1/2019	Date(s) or Period of Inspection 05/03/2017 through 05/04/2017
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Inspection Results

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

Citation: 27 CFR 478.125(e)

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

Date

Signature and Title of ATF Officer  
May 9 2018 Production

Date

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ATF E-Form 5030 5  
Revised April 2005



U.S. Department of Justice

Bureau of Alcohol, Tobacco,  
Firearms and Explosives

www.atf.gov

June 13, 2017

788020 (b) (6)  
5373

**CERTIFIED MAIL – RETURN RECEIPT REQUIRED**

Richard P. Churchley, Managing Member  
Red Hawk Rifles, LLC  
2317 Grand Park, #2B  
Grand Junction, CO 81505

RE: 5-84-077-01-9C-03101

Dear Mr. Churchley:

During a recent compliance inspection at Red Hawk Rifles, 2317 Grand Park #2B, Grand Junction, CO, covering the period of May 3, 2016 through May 2, 2017, your corporation was cited for violation of Title 27, Code of Federal Regulations, Part 478. A copy of the Report of Violations, Form 5030.5, issued at the time of the inspection is enclosed. Your corporation was cited for:

**27 CFR 478.21(a)** - Failure to obtain and/or furnish all information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it. (b) (3) - Public Law 112-55 (125.5)

**27 CFR 478.124(c)(1)** - 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. (b) (3) - Public Law 112-55 (125.5)

**27 CFR 478.124(c)(3)(i)** - Failure to verify the identity of the transferee and note on the ATF Form 4473 the type of identification used. (b) (3) - Public Law 112-55 (125.5)



**27 CFR 478.124(c)(3)(iv)** – Failure to comply with the requirements of Sec.478.102 and record on the ATF Form 4473 the date on which the licensee contacted CBI, as well as any responses or identification number provided by the system (b) (6)

**27 CFR 478.124(c)(4)** – Failure to correctly identify the firearm to be transferred by listing the manufacturer, model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473. (b) (3) – Public Law 112-55 (125 S

**27 CFR 478.124(c)(5)** – Failure to sign and/or date the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm. (b) (3) – Public Law 112-55 (125 S

**27 CFR 478.129(b)** – Failure to retain the ATF Form 4473 for the prescribed period and failure to record any CBI transaction number on the form, where the licensee initiated a CBI check for a proposed firearms transaction, but the sale, delivery, or transfer of the firearm was not made. (b) (3) – Public Law 112-55 (125 Stat. 552) instance)

**27 CFR 478.125(e)** - Failure to enter into a record each receipt and every disposition of individual firearms (b) (3) – Public Law 112-55 (125 Stat. 552) instances)

These violations were explained fully to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Investigator. You indicated to the Investigator your understanding of the requirements of the Federal firearms laws and regulations, and that corrective actions would be taken to eliminate future violations.

The records your corporation is required to maintain and the business operations conducted are important to law enforcement in our continuing efforts to reduce violent crime and protect the public. It is essential that you comply with all Federal laws and regulations that govern your corporation's firearms business. This is critical to carrying out our mission to protect the public and ensure that criminals do not gain access to firearms. ATF appreciates the efforts your corporation and other industry members make in this area and we look forward to continuing to work with you in that regard.

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



Richard P. Churchley, Managing Member  
Red Hawk Rifles, LLC  
Page 3

If you have any questions concerning your responsibilities as a Federal firearms licensee or if you require further clarification about particular requirements of Federal firearms laws, please contact us at (b) (6)

(b) (6)

Area Supervisor  
Denver III Field Office

Enclosure

cc: Federal Firearms Licensing Center  
Denver III Field Office

# FIREARMS INSPECTION REPORT

**Name:** Red Hawk Rifles, LLC  
**Trade Name:** Red Hawk Rifles

**UI#:** 788020-2017-0188-B1B  
**FFL#:** 5-84-077-01-9C-03101

**Address:** 2317 Grand Park #2B  
Grand Junction, CO 81505 (Mesa County)

## 1 - Introduction

### Inspection Profile:

On 05/03/2017, ATF Industry Operations Investigators (b)(6) and (b)(6) began a full Compliance Inspection of Red Hawk Rifles, LLC d.b.a. Red Hawk Rifles. The inspection was started as a result of a referral from the Omaha, Nebraska ATF Field Office, which had information that the licensee had been manufacturing firearms, without the requisite Type 07 Federal Firearms License to engage in manufacturing operations [Exhibit 1]. The inspection was completed on 05/04/2017. No other Federal, State, or local agencies were present during the inspection. Advance notification was not given prior to the inspection taking place. The inspection period covered from 05/03/2016, through 05/02/2017.

The investigators interviewed Richard Churchley, managing member and responsible person, who positively identified himself with his Colorado Driver's License number (b)(6), which expires on 07/02/2018.

Prior to the inspection, Investigator (b)(6) queried Mr. Churchley in the ATF NForce database in order to determine if he is currently a part of a criminal investigation, which did not return any hits.

Prior to the inspection, Investigator (b)(6) queried Mr. Churchley in the FLS database in order to determine if he is currently involved with any other ATF licenses. Nothing was found. Additionally, the license has not received any administrative action since issuance [Exhibit 2].

Prior to the inspection, Investigator (b)(6) conducted an NCIC query of the sole responsible person listed on the license (Mr. Churchley), which did not return any hits.

### Business Profile:

Red Hawk Rifles operates as a retail and Internet firearms business. The licensee deals in new firearms. Specifically, Mr. Churchley stated that the business sells mostly firearms components and rifle kits in order for individuals to manufacture their own completed firearm. Mr. Churchley stated that the parts that are sold by the licensee are not manufactured by them, but rather, they act as a distributor for the parts.

## FIREARMS INSPECTION REPORT

**Name:** Red Hawk Rifles, LLC  
**Trade Name:** Red Hawk Rifles

**UI#:** 788020-2017-0188-B1B  
**FFL#:** 5-84-077-01-9C-03101

During the inspection period, the licensee acquired approximately (b)(4) firearms and disposed of approximately (b)(4) firearms. Mr. Churchley stated that the licensee does not operate at gun shows. Mr. Churchley stated that the licensee conducts Internet sales through redhawkrifles.com. Mr. Churchley stated that the licensee does not conduct consignment sales, nor do they conduct private party transfers. Mr. Churchley stated that the licensee does not deal in black powder. Mr. Churchley stated that the licensee does not deal in NFA firearms.

Mr. Churchley stated that the licensee's primary suppliers are the (b)(4) (b)(4).

Mr. Churchley stated the company does not own or operate any other businesses, and there are no other businesses operated from the premises.

### **Ownership and Control:**

Prior to the inspection, Investigator (b)(6) queried the Colorado Secretary of State's website and found that Red Hawk Rifles, LLC, is registered as a Limited Liability Company and is currently in good standing [Exhibit 3]. Mr. Churchley stated he owns the sole interest in the business.

Prior to the inspection, Investigator (b)(6) queried the Colorado Secretary of State's website and found that Red Hawk Rifles was a registered trade name, but the trade name has since expired [Exhibit 4].

Prior to the inspection, Investigator (b)(6) queried the Mesa County Assessor Office's website and found that KNK Investments, LLC owns the premises property [Exhibit 5]. Mr. Churchley provided a copy of the lease agreement that the licensee had with the land owner [Exhibit 6].

The licensee currently holds an active Colorado Sales Tax License [Exhibit 7].

During the inspection, the licensee did not elect to add or remove any responsible persons. Investigator (b)(6) did not discover any findings that would suggest an unreported change in control or ownership has occurred. Investigator (b)(6) did not discover any findings that would suggest hidden ownership is present.

### **Variance:**

The licensee does not currently hold any ATF approved variances. No new variances were requested as a result of the inspection.

# FIREARMS INSPECTION REPORT

**Name:** Red Hawk Rifles, LLC  
**Trade Name:** Red Hawk Rifles

**UI#:** 788020-2017-0188-B1B  
**FFL#:** 5-84-077-01-9C-03101

## 2 - Recommendation

Violations, WL Only, No Recall Inspection

## 3 - Inspection History

**Date of Inspection:** 04/21/2014  
**Type of Inspection:** Change of Address  
**UI#:** 788020-2014-0232-B1B  
**Inspection Results:** No Further Action  
**Cited Violations:** None

**Date of Inspection:** 06/20/2012  
**Type of Inspection:** Change of Address and Full Scope Inspection  
**UI#:** 788020-2012-0353-B1B  
**Inspection Results:** ROV issued, No Recall Inspection  
**Cited Violations:** 27 CFR 478.21(a)  
27 CFR 478.124(c)(1)  
27 CFR 478.124(c)(5)  
27 CFR 478.125(e)

**Date of Inspection:** 02/03/2010  
**Type of Inspection:** Qualification Inspection  
**UI#:** 788020-2010-0195-B1B  
**Inspection Results:** License Issued  
**Cited Violations:** None

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

The investigators conducted a full inventory of the licensee's firearms. Based on a review of the licensee's A&D book, the licensee had (b)(3) - 112 open entries. The licensee had 108 firearms in physical inventory, resulting in (b)(3) - 112 P&D inventory discrepancies.

In (b)(3) - 111 instances, the licensee failed to record the correct serial number in the A&D book [Exhibit 8, Worksheet 1, Lines 1 and 2].

In (b)(3) - 112 instances, the licensee had a firearm that showed open in the A&D book, but was not in physical inventory. The dispositions were reconciled and the correct information was placed in the book [Exhibit 9, Worksheet 1, Lines 3-6].

The licensee was cited for the following violation:

**ROV #8 – 27 CFR 478.125(e)** – Failure to enter into a record each receipt and every disposition of individual firearms (b)(3) - 112 instances) [see ATF Form 5030.5, Worksheet 1, and Exhibit 8 and 9].

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The licensee made all of the necessary corrections to the A&D book for the above cited instances.

The investigators compared (b)(3) ATF Forms 4473 to the corresponding A&D book entries and found one discrepancy, which consisted of an incorrect serial number [see **Exhibit 15**]. The investigators did not discover any trafficking issues related to the licensee's A&D book. The investigators did not discover any firearms with obliterated serial numbers or illegal firearms.

As the licensee did not have any denied transactions, no comparisons for trafficking or straw purchases were made.

## **5 - ATF Forms 4473 – NICS & Other Dispositions**

The investigators reviewed all ATF Forms 4473 on file for the inspection period. The investigators reviewed (b)(3) ATF Forms 4473. The licensee had no denied forms on file for the inspection period. Based on a review of the licensee's records, the licensee properly conducted sales to other licensees and did not conduct any sales to law enforcement officers for duty purposes.

Based on a review of the ATF Forms 4473, the investigators did not discover any trafficking issues. Prior to the inspection, Investigator (b)(6) obtained a CBI/NICS FFL audit log which showed 50 transactions generated during the inspection period. The investigators compared all of the CBI Transaction Numbers to the corresponding ATF Forms 4473 and (b)(3) discrepancy was found. The discrepancy consisted of the licensee failing to retain (b)(3) Form 4473, which resulted in our inability to verify the transaction [Exhibit 17].

A total of 49 CBI Transaction Numbers were compared to the corresponding ATF Forms 4473.

Based on a review of the licensee's ATF Forms 4473, the licensee was cited for the following violations:

**ROV# 1 – 27 CFR 478.21(a)** – Failure to obtain and/or furnish all information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it (b)(3) forms) [see **ATF Form 5030.5, Worksheet 2, and Exhibit 11**].

**ROV#2 – 27 CFR 478.124(c)(1)** – 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 (b)(3) forms) [see **ATF Form 5030.5, Worksheet 2, and Exhibit 12**].

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**ROV#3 – 27 CFR 478.124(c)(3)(i)** – Failure to verify the identity of the transferee and note on the ATF Form 4473 the type of identification used (b)(3) forms) [see ATF Form 5030.5, Worksheet 2, and Exhibit 13].

**ROV# 4 – 27 CFR 478.124(c)(3)(iv)** – Failure to comply with the requirements of Sec.478.102 and record on the ATF Form 4473 the date on which the licensee contacted CBI, as well as any responses or identification number provided by the system (b)(3) forms) [see ATF Form 5030.5, Worksheet 2, and Exhibit 14].

**ROV# 5 – 27 CFR 478.124(c)(4)** – Failure to correctly identify the firearm to be transferred by listing the manufacturer, model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473 (b)(3) form) [see ATF Form 5030.5, Worksheet 2, and Exhibit 15].

**ROV# 6 – 27 CFR 478.124(c)(5)** – Failure to sign and/or date the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm (b)(3) forms) [see ATF Form 5030.5, Worksheet 2, and Exhibit 16].

**ROV# 7 – 27 CFR 478.129(b)** – Failure to retain the ATF Form 4473 for the prescribed period and failure to record any CBI transaction number on the form, where the licensee initiated a CBI check for a proposed firearms transaction, but the sale, delivery, or transfer of the firearm was not made (b)(3) instance) [see, ATF Form 5030.5 and Worksheet 2, and Exhibit 17].

The violations could not be corrected; however, preventative action was discussed with the licensee. Mr. Churchley stated that going forward, he will conduct his own periodic review of the ATF Forms 4473 to ensure all blocks are completed correctly. Additionally, the investigators suggested to Mr. Churchley that any corrections to ATF Forms 4473 be made on a copy of the form, and attached to the original to ensure a complete and thorough record of the licensee's transactions. Regarding ROV #7 specifically, Mr. Churchley also stated that he would likely begin scanning each ATF Form 4473 as they were completed, to ensure if another form is missing in the future, an electronic copy of the document is retained.

### **6 - Multiple Sales**

No unreported multiple sales of firearms were discovered during the inspection.

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## 7 - Suspicious/Prohibited Purchasers

Based on a review of the licensee's ATF Forms 4473, the investigators did not find any possible straw purchases or suspicious purchasers.

## 8 - Trace Activity

Prior to the inspection, Investigator (b)(6) obtained an FFL Master Query which did not show any completed traces to the licensee during the inspection period.

## 9 - NFA/Importer/Collector/Manufacturer

The licensee does not import, collect, or manufacture firearms.

As the referral which prompted the inspection was based around a suspicion that the licensee was manufacturing with an inappropriate license, special care was taken by the investigators to focus on this aspect of the business, and there were no indications that the licensee was manufacturing firearms. Investigators observed a mail and Internet wholesale business which occasionally sells to persons who enter the shop. Further questions were asked of the responsible person regarding this topic, all of which were satisfactorily answered. The Type 01 Federal Firearms License is appropriate for this business operation.

## 10 - Referrals

No referrals were made as a result of this inspection.

## 11 - Other

No other noteworthy findings were disclosed as a result of the inspection.

## 12 - Closing Actions

On 05/04/2017, Investigator (b)(6) held a closing conference with Mr. Churchley. Investigator (b)(6) issued the licensee a Report of Violations (ROV) and reviewed each violation and corrective action thoroughly with Mr. Churchley, and afforded him the opportunity to ask questions. Investigator (b)(6) asked Mr. Churchley to sign the ROV and he was provided a copy for the licensee's records. Investigator (b)(6) reviewed the Acknowledgement of Federal Firearms Regulations with Mr. Churchley and afforded him the opportunity to ask questions. Investigator (b)(6) asked Mr. Churchley to sign the acknowledgement and he was provided a copy for the licensee's records [Exhibit 10].



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## 13 - Violations

### 1. 27 CFR 478.21(a)

#### REPEAT OF VIOLATION CITED ON 06/21/2012

##### Nature of Violation

Failure to obtain and/or furnish all information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it (b)(3) - forms) [Exhibit 11].

On (b)(3) - 11 forms, the licensee failed to use the 2012 edition of the ATF Form 4473 during a time period in which the 2012 edition was to be used (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 11 form, the licensee failed to use the 2012 edition of the ATF Form 4473 during a time period in which the 2012 edition was to be used, and failed to complete Block 18 (Type of firearm(s) to be transferred) (2008 edition) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 11 form (2012 edition), the licensee failed to ensure the customer completed Block 10a (Race) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 11 form (2012 edition), the licensee failed to ensure the customer completed Block 10a (Race) and failed to complete Block 18 (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 112 P forms (2012 edition) and (b)(3) - 11 forms (2016 edition), the licensee failed to complete Block 18 and Block 16, respectively (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 11 form (2012 edition), the licensee failed to ensure the customer completed Block 18, Block 31 (Trade/Corporate name and address of transferor), and Block 32 (Federal Firearms License Number) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 11 form (2012 edition), the licensee failed to ensure the customer completed Block 24 (Transferee's/Buyer's Signature) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 11 form (2012 edition), the licensee failed to completed Block 30a (Total Number of Firearm(s) to be Transferred) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].

On (b)(3) - 11 form (2012 edition), the licensee failed to completed Block 30a, Block 31, Block 32, Block 33 (Transferor's/Seller's Name), and Block 35 (Transferor's/Seller's Title) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) [REDACTED].



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On (b)(3) - 11 form (2012 edition) and one form (2016 edition), the licensee failed to completed Blocks 31, 32, 33, 35, and Blocks 33, 34, 36, respectively (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**Corrective Action:** Going forward, the licensee will obtain and/or furnish all information required on each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

**Licensee's Response:** The licensee stated that the violations occurred due to "not having a proper SOP to check" and "human error."

**Reference:** Worksheet 2

### 2. 27 CFR 478.124(c)(1)

#### REPEAT OF VIOLATION CITED ON 06/21/2012

**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 (b)(3) - 112 F forms) [Exhibit 12].

On one form (2012 edition), the licensee failed to ensure the customer correctly completed Block 1 (Transferee's Full Name) and Block 2 (Residence Address) (b)(3) - 112 Pub (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)].

On (b)(3) - 11 form (2016 edition), the licensee failed to ensure the customer correctly completed Block 1 (Transferee's Full Name) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)].

On (b)(3) - 11 form (2012 edition), the licensee failed to ensure the customer correctly completed Block 3 (Place of Birth) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)].

On (b)(3) - 11 form (2012 edition), the licensee failed to ensure the customer correctly completed Block 14 (What is your country of citizenship?) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)].

On (b)(3) - 11 form (2012 edition), the licensee failed to ensure the customer correctly completed Block 17 (Certification Date) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)].

**Corrective Action:** Going forward, the licensee will obtain a properly completed ATF Form 4473, Section A, prior to making an over-the-counter transfer of a firearm to a

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non-licensee. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

**Licensee's Response:** The licensee stated that the violations occurred due to "not having a proper SOP to check" and "human error."

**Reference:** Worksheet 2

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

**Nature of Violation:** Failure to verify the identity of the transferee and note on the ATF Form 4473 the type of identification used ( (b)(3) forms) [Exhibit 13].

On (b)(3) forms (2012 edition), the licensee failed to correctly complete Block 20a (Identification) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

On (b)(3) forms (2016 edition), the licensee failed to correctly complete Block 18a (Identification) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

On (b)(3) - 11 form (2012 edition), the licensee failed to complete Block 20a and failed to correctly complete Block 20b (Alternate Documentation) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**Corrective Action:** Going forward, the licensee will verify the identity of the transferee and note on the ATF Form 4473 the type of identification used. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

**Licensee's Response:** The licensee stated that the violations occurred due to "not having a proper SOP to check" and "human error."

**Reference:** Worksheet 2

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



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**Nature of Violation:** Failure to comply with the requirements of Sec.478.102 and record on the ATF Form 4473 the date on which the licensee contacted CBI, as well as any responses or identification number provided by the system (b)(3) - 112 forms) [Exhibit 14].

On (b)(3) - 112 form (2012 edition), the licensee either failed correctly complete Block 21a (Date the transferee's identifying information in Section A was transmitted to NICS or the appropriate State agency) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) ].

On (b)(3) - 112 form (2012 edition), the licensee failed to complete Block 21a and Block 21c (The response initially provided by NICS or the appropriate State agency was) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) ].

On (b)(3) - 112 form (2012 edition), the licensee either failed correctly complete Block 21b (The NICS or State transaction number was) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) ].

On (b)(3) - 112 form (2012 edition), the licensee either failed correctly complete Block 21c (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) ].

**Corrective Action:** Going forward, the licensee will comply with the requirements of Sec.478.102 and record on the ATF Form 4473 the date on which the licensee contacted CBI, as well as any responses or identification number provided by the system. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

**Licensee's Response:** The licensee stated that the violations occurred due to "not having a proper SOP to check" and "human error."

**Reference:** Worksheet 2

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

**Nature of Violation:** Failure to correctly identify the firearm to be transferred by listing the manufacturer, model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473 (b)(3) - 112 forms) [Exhibit 15].

On (b)(3) - 112 form (2016 edition), the licensee failed to correctly complete Block 26 (Serial Number) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) ].

**Corrective Action:** Going forward, the licensee will correctly identify the firearm to be transferred by listing the manufacturer, model, serial number and/or caliber or gauge of the firearm on the ATF Form 4473. It was suggested to the licensee that all

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corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

**Licensee's Response:** The licensee stated that the violations occurred due to "not having a proper SOP to check" and "human error."

**Reference:** Worksheet 2

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

**REPEAT OF VIOLATION CITED ON 06/21/2012**

**Nature of Violation**

Failure to sign and/or date the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm (b)(3) forms) [Exhibit 16].

On (b)(3) - 112 forms (2012 edition), the licensee failed to complete Block 34 (Transferor's/Seller's Signature) and Block 36 (Date Transferred) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

On (b)(3) - 112 forms (2012 edition), the licensee failed to either complete or correctly complete Block 36 (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

On (b)(3) - 112 form (2016 edition), the licensee failed to complete Block 35 (Transferor's/Seller's Signature) and Block 37 (Date Transferred) (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)

**Corrective Action:** Going forward, the licensee will sign and/or date the ATF Form 4473 when the licensee does not know or have reasonable cause to believe that the transferee is disqualified by law from receiving the firearm. It was suggested to the licensee that all corrections to the ATF Forms 4473 be made by the licensee and customer in the respective blocks.

**Licensee's Response:** The licensee stated that the violations occurred due to "not having a proper SOP to check" and "human error."

**Reference:** Worksheet 2

7. **27 CFR 478.129(b)**

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**Nature of Violation:** Failure to retain the ATF Form 4473 for the prescribed period and failure to record any CBI transaction number on the form, where the licensee initiated a CBI check for a proposed firearms transaction, but the sale, delivery, or transfer of the firearm was not made ((b)(3)-(5)) instance) [Exhibit 17].

In ((b)(3)-(5)) instance, the licensee generated a CBI/NICS background check (NTN: 37RK-GNV and CBI: A16136021) and failed to retain the ATF Form 4473.

**Corrective Action:** Going forward, the licensee will retain the ATF Form 4473 for the prescribed period, and will record any CBI transaction number on the form, where the licensee initiated a CBI check for a proposed firearms transaction, but the sale, delivery, or transfer of the firearm was not made.

**Licensee's Response:** The licensee stated that the violation due to the customer having changed his mind, and not purchasing the firearm.

**Reference:** Worksheet 2

### 8. 27 CFR 478.125(e)

#### REPEAT OF VIOLATION CITED ON 06/21/2012

**Nature of Violation:** Failure to enter into a record each receipt and every disposition of individual firearms ((b)(3)) instances)

In ((b)(3)-(5)) instances, the licensee failed to record the correct serial number in the A&D record [see Exhibit 8].

In ((b)(3)-(5)) instances, the licensee had a firearm that showed open in the A&D record, but was not in physical inventory. The dispositions were reconciled and the licensee failed to timely log the firearms out in the A&D record [see Exhibit 9].

**Corrective Action:** The licensee will immediately correct the incorrect serial numbers in the A&D book. The licensee will immediately log out the firearms that showed open in the A&D book, but were not in physical inventory.

**Licensee's Response:** The licensee stated that the violations occurred due to "not having a proper SOP to check" and "human error."

**Reference:** Worksheet 1

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Kristen N. Moore  
Industry Operations Investigator

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Worksheet 2 – ATF Form 4473 (2016 Edition) Review Worksheet

Firearms Inspection – Statistical Page

Exhibit 1 – ATF Form 5000.21, Referral from Omaha FO

Exhibit 2 – FLS Printout for the licensee

Exhibit 3 – Query from the Colorado Secretary of State’s website for entity

Exhibit 4 – Query from the Colorado Secretary of State’s website for trade name

Exhibit 5 – Printout from the Mesa County Assessor Office’s website

Exhibit 6 – Copy of the Lease Agreement

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Exhibit 8 – Copy of A&D book showing inventory discrepancies

Exhibit 9 – Copy of A&D book showing inventory discrepancies

Exhibit 10 – Acknowledgement of Federal Firearms Regulations

Exhibit 11 – ATF Forms 4473 for violation of 27 CFR 478.21a

Exhibit 12 – ATF Forms 4473 for violation of 27 CFR 478.124(c)(1)

Exhibit 13 – ATF Forms 4473 for violation of 27 CFR 478.124(c)(3)(i)

Exhibit 14 – ATF Forms 4473 for violation of 27 CFR 478.124(c)(3)(iv)

Exhibit 15 – ATF Forms 4473 for violation of 27 CFR 478.124(c)(4)

Exhibit 16 – ATF Forms 4473 for violation of 27 CFR 478.124(c)(5)

Exhibit 17 – CBI Transaction List

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