

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Cash America Pawn L.P. Cash America Pawn of Houston #33 13718 Highway 249 Houston, TX 77086, Harris - 201	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 782075-2017-0065-B1B			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">3. PERMIT/LICENSE NUMBER 576201029A34903</td> <td style="width: 33%;">4a. TARGET DATE 9/30/2017</td> <td style="width: 33%;">4b. TARGET HOURS</td> </tr> </table>	3. PERMIT/LICENSE NUMBER 576201029A34903	4a. TARGET DATE 9/30/2017	4b. TARGET HOURS
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	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)			

6. ATF OFFICER(S) ASSIGNED
(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
(b)(6), INVESTIGATIVE ANALYST, 10/04/2016

8. PURPOSE/SPECIAL INSTRUCTIONS

9. INSPECTION RESULTS			<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC	10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	2	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	18	NO. OF TECS HITS		2112 - P.O.A.	
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES		2113 - COMM. AIR	
		\$ VALUE OF TAX DECREASES		2114 - RENTAL CAR	
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS		2115 - GPV EXPENSES	
NO. OF CLAIMS		\$ VALUE OF CLAIMS		2116 - MISC.	
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED		TOTAL \$ FOR INSP.	

11. ATF OFFICER'S RECOMMENDATION
 Submitted by **(b)(6)** - Industry Operations Investigator
 Submitted on: 07/25/2017

Viols WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
OCT 2016	2.00
JUN 2017	34.00
JUL 2017	9.00
ATF OFFICER'S SUBTOTAL	45.00
TOTAL HOURS	45.00
ATF OFFICER'S SIGNATURE	

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
 Viols WL ONLY and No Recall Inspection

<input checked="" type="checkbox"/> REVIEWED SIGNATURE AND TITLE (b)(6) - Area Supervisor	<input checked="" type="checkbox"/> FINAL DISPOSITION REVIEW DATE 07/26/2017
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Assignment and Report

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	3. PERMIT/LICENSE NUMBER 576201029A34903	4a. TARGET DATE 9/30/2017	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

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 Houston #33	Street Address 13718 Highway 249	City Houston	State TX	Zip Code 77086-	County Harris - 201	Page 1 of 1 Pages
License/Permit/Registry Number <i>(If any)</i> 576201029A34903	Expiration Date 1/1/2019	Date(s) or Period of Inspection 06/26/2016 through 06/26/2017				

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 contact NICS or obtain a valid exception to NICS prior to transferring a firearm to a nonlicensee.

Specifically, the licensee accepted a Texas Private Security Registration identification as an exemption to contacting NICS for [REDACTED].

Citation: 27 CFR 478.102(a)

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

The licensee shall only accept a Texas Concealed Handgun License (CHL) or Texas License to Carry (LTC) in lieu of conducting a NICS check.

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, who is a resident of the State in which the licensee's premises is located.

Specifically, [REDACTED] answered 'yes' to question 11j. Mr. [REDACTED] and Mr. [REDACTED] failed to sign item 14 and date item 15.

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)

The licensee shall verify the ATF Form 4473, Section A is properly completed prior to making an over-the-counter transfer of a firearm to a non-licensee.

I Have Received a Copy of This Report of Violations <i>(Proprietor's signature and title)</i>	Date
Signature and Title of ATF Officer	Date



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives
5825 N. Sam Houston Parkway West, Suite 300
Houston, Texas 77086

www.atf.gov

July 26, 2017

782075:DOB:tat
5373

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Cash America Pawn LP
dba Cash America Pawn of Houston #33
Attn: Marisol Trevino
13718 Highway 249
Houston, Texas 77086

REF: FFL # 5-76-201-02-9A-34903

Dear Ms. Trevino:

During a recent compliance inspection at your firearms business covering the period of **June 26, 2016 through June 26, 2017**, you were cited for violations of 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.

All violations were fully explained to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) investigator. You indicated that you understood the requirements of the firearms laws and regulations. You further indicated that corrective actions would be taken to eliminate future violations.

The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing effort to reduce violent crime and protect the public. It is essential that you comply with all Federal laws and regulations that govern your firearms business. This is critical to carrying out our mission to protect the public and ensure that criminals do not gain access to firearms. ATF appreciates the efforts you and other industry members make in this area, and we look forward to continuing to work with you in that regard. You are reminded that retention of your Federal firearms license is conditioned upon your compliance with Federal laws and regulations. Any future violations, either repeat or otherwise, could be viewed as willful and may result in the revocation of your license. Please ensure that future compliance is achieved.

**Cash America Pawn LP
dba Cash America Pawn of Houston #33**

FFL # 5-76-201-02-9A-34903

Should you have any questions regarding this matter, please contact myself or Investigator (b)(6) [REDACTED] at (b)(6) [REDACTED].

(b)(6)

Area Supervisor
Houston VII Field Office

Enclosure: Report of Violations

cc: Federal Firearms Licensing Center
Houston VII Field Office
DIO, Houston Field Division

FIREARMS INSPECTION REPORT

Name: Cash America Pawn, L.P.
Trade Name: Cash America Pawn of Houston #33

UI#: 782075-2017-0065-B1B
FFL#: 5-76-201-02-9A-34903

Address: 13718 Highway 249
Houston, Texas 77086

1 - Introduction

Inspection Profile:

On June 26, 2017, Industry Operations Investigator (b)(6) initiated a Southwest Border full compliance inspection at the business premises of Cash America Pawn, L.P. dba Cash America Pawn of Houston #33 (Cash America). Cash America is located at 13718 Highway 249 in Houston, Texas. Upon arrival, Marisol Trevino, store manager, introduced herself and provided her Texas driver's license for identification from which the following information was recorded:

Trevino, Marisol
(b)(6)
DOB: (b)(6)
Texas DL #: (b)(6)

The period inspected was June 26, 2016 to June 26, 2017. The on-site end date for this inspection was July 7, 2017, where the Report of Violations was presented and discussed. Advanced notification was not given for this inspection and no other Federal, State or local agencies participated in this inspection.

Business Profile:

Cash America Pawn, L.P. is a limited partnership, which holds a Type 02 Firearms License, Pawnbroker in Firearms other than Destructive Devices. Cash America has held this license since January 15, 1992. Cash America is a pawnshop, which deals in the buying and selling of used goods to include firearms. In addition to the buying and selling of used items, Cash America also accepts items as collateral for loans. This business deals primarily in used firearms acquired from individuals, who either sell their firearms outright, or default on their loans. This business deals in both long guns and handguns and does not do any gunsmithing activities.

A review of the licensee's computerized Acquisition and Disposition (A&D) record disclosed in the last 12 months, Cash America has acquired approximately (b)(4) firearms and disposed of approximately (b)(4) firearms. Ms. Trevino stated the firearms business consists of pawn redemptions and retail sales. Ms. Trevino advised they do not conduct any wholesale firearms

FIREARMS INSPECTION REPORT

Name: Cash America Pawn, L.P.
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UI#: 782075-2017-0065-B1B
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business. Ms. Trevino stated the licensee does not participate in gun shows, nor do they conduct internet sales. Ms. Trevino advised Cash America does not have a website for the purposes of advertising or selling firearms. Ms. Trevino advised the partnership owns numerous additional pawnshops in the State of Texas. Cash America Pawn, L.P. utilizes the assumed name of Cash America Pawn of Houston #33 for this location, which has been registered with the Texas Secretary of State and the Tarrant County Clerk's Office (**Exhibit 1**). A search of the Texas Comptroller's website revealed Cash America has an "active" Texas Sales and Use Tax permit (b)(3) - 26 USC 6103) and a Texas Franchise Tax permit of the same number (**Exhibit 2**). Cash America also holds an Office of Consumer Credit Commission pawn license (6725) (**Exhibit 3**).

Cash America is located in a commercially-zoned area of Houston, Texas with no zoning restrictions for this type of business. This business utilizes no off-site storage.

Ownership and Control:

Cash America Pawn, L.P. has over numerous active FFLs in the state of Texas. Due to the number of licenses held by Cash America Pawn, L.P. the Federal Firearms Licensing Center maintains the necessary paperwork regarding ownership and control. Investigator (b)(6) did verify Cash America Pawn, L.P. is a foreign limited partnership per the Texas Secretary of State website. The Certificate of Limited Partnership was obtained from the Secretary of State website (**Exhibit 4**), which lists the General Partner, as Cash America Holdings, Inc. Hidden ownership is not suspected.

Investigator (b)(6) spoke with Charles Roper, corporate compliance for Cash America, when it was learned Ms. Trevino was not listed as a responsible person on the FLS report. Mr. Roper immediately drafted a letter to the Federal Licensing Center requesting Ms. Trevino be added as a responsible person and (b)(6) be removed (**Exhibit 5**). Mr. Roper and Investigator (b)(6) reviewed the License Registration Report and determined (b)(6) (b)(6) all need to be removed from the license.

The Federal Licensing Center needs to make the following corrections:

Add Marisol Trevino as a responsible person.

Remove (b)(6) as responsible persons.

FIREARMS INSPECTION REPORT

Name: Cash America Pawn, L.P.
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UI#: 782075-2017-0065-B1B
FFL#: 5-76-201-02-9A-34903

Variance:

Cash America is not operating under a variance, nor did they request one as a result of this inspection.

2 - Recommendation

Viols WL ONLY and No Recall Inspection

3 - Inspection History

Date of Inspection: June 27, 2014
Type of Inspection: Compliance Inspection
UI#: 782075-2014-0326
Inspection Results: No Viols No Further Action No Referrals
Cited Violations: None

Date of Inspection: March 31, 2011
Type of Inspection: Recall Inspection
UI#: 782075-2011-0151
Inspection Results: No Viols No Further Action No Referrals
Cited Violations: None

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

Cash America's Acquisition and Disposition (A&D) record is maintained in a computer database. For this inspection, the A&D record showing all firearms currently in inventory was printed off. The licensee's A&D record provides all the necessary information as required by 27 CFR 478.125(e). All acquisitions appear to be recorded in a timely manner.

A full firearms inventory was conducted for this inspection by Investigator (b)(6). A comparison of the firearms inventory and the computerized A&D record disclosed (b)(6) open entries in the A&D record and 182 firearms in inventory, consisting of both long guns and handguns. Zero discrepancies were found between the physical inventory and the A&D record during this inspection.

Investigator (b)(6) discovered zero firearms with obliterated serial numbers or any unregistered NFA weapons. Investigator (b)(6) traced approximately 10 firearms through the licensee's required records from acquisition through disposition, with zero discrepancies found. The inspection of the licensee's A&D record did not disclose any

FIREARMS INSPECTION REPORT

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trafficking issues relating to the acquisition or disposition of firearms. The licensee reported zero thefts or losses of firearms during the inspection period.

An evaluation of internal controls was conducted to ensure records are being maintained in accordance with Section 478.125 of the Federal Firearms Regulations. A review of the Acquisition and Disposition (A&D) Record revealed no additional issues. Cash America utilizes an electronic A&D record, which has all of the required information. Cash America appears to record the acquisition and disposition of each firearm in a timely manner. All employees can enter the acquisition of a firearm, however only the manager, assistant manager and shift lead can enter firearm dispositions. Internal controls appear to be adequate with respect to these records. Although no discrepancies were found, Investigator (b)(6) suggested conducting regular inventories to verify the proper firearm information is recorded for each firearm and to ensure each firearm is properly logged out.

5 - ATF Forms 4473 – NICS & Other Dispositions

There were approximately (b)(6) ATF Forms 4473 on file for the last 12 months and approximately (b)(3)-(b)(7) ATF Forms 4473 were reviewed with (b)(3)-(b)(7) errors discovered. Cash America accepted (b)(3) - 112 Public Law 55 125 Stat 552 as an alternative to NICS. This error resulted in a violation of 27 CFR 478.102(a) (**ROV – Violation 1, Worksheet 2 (2012 Edition), and Exhibit 6**). On (b)(3) ATF Form 4473 the transferee marked ‘yes’ to question 11j. On two ATF Forms 4473, the transferee failed to sign item 14 and date item 15. These errors resulted in a violation of 27 CFR 478.124(c)(1) (**ROV – Violation 2, Worksheet 2 (2012 and 2016 Edition), and Exhibit 7**)

There were 60 NICS transaction numbers on the FFL audit log report. Investigator (b)(6) verified 25 percent or 15 NICS transaction numbers against those on the FFL audit log report. The NICS transaction numbers were correctly documented on ATF Forms 4473. There were ten denials in the last 12 months, all denials were terminated immediately after receiving the response from NICS and were filed in a separate “Denied” folder. No adverse information was disclosed.

During the inspection period, there were zero transfers from other Federal Firearms Licensees. There were zero dispositions to law enforcement personnel conducted during the period examined. A review of ATF Forms 4473 did not provide any indications of trafficking.

An evaluation of internal controls with respect to ATF Form 4473, Firearms Transaction Record Over the Counter, was conducted. Every ATF Form 4473 is completed at Cash America’s licensed premises in Houston, Texas. Ms. Trevino informed Investigator (b)(6) of the procedures in place to ensure all ATF Forms

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UI#: 782075-2017-0065-B1B
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4473 are completed correctly. Ms. Trevino stated for every firearm transaction, the manager or assistant manager completing the sale reviews the ATF Form 4473, after the customer completes section A. The employee then completes section B and D. Once the transaction is completed and prior to the firearm being transferred, the ATF Form 4473 is reviewed by the manager or assistant manager. Ms. Trevino stated the ATF Forms 4473 are then usually reviewed a third time by the manager the next day. Although [REDACTED] errors were found, it was determined all of the errors were made under a manager who is no longer employed with the company. Internal controls under Ms. Trevino appear adequate with regards to ATF Forms 4473. Investigator (b)(6) [REDACTED] discussed with Ms. Trevino some common ATF Forms 4473 errors and how to prevent them.

6 - Multiple Sales

There was one Multiple Handgun Sale Report submitted during the inspection period. The Multiple Sale Report, ATF Forms 3310.4, was submitted timely with all the necessary information.

Zero multiple sales reports, involving two or more semi-automatic rifles, were submitted during the inspection period. Ms. Trevino is aware, if Cash America sells two or more semi-automatic rifles larger than .22 caliber (including .223/5.56 caliber) with the ability to accept a detachable magazine to same person within five business days, they are required to complete and submit ATF Form 3310.12, Report of Multiple Sale of Other Disposition of Certain Rifles.

There weren't any unreported Multiple Handgun Sale Reports or Multiple Rifle Sale Reports discovered as a result of the inspection.

7 - Suspicious/Prohibited Purchasers

Investigator (b)(6) [REDACTED] reviewed ATF Forms 4473 and the licensee's A&D book for suspicious firearm purchases. Investigator (b)(6) [REDACTED] looked for multiple crime gun purchases, out of character purchases, structured purchases, and potential straw purchases. Additionally, Investigator (b)(6) [REDACTED] reviewed purchases looking for multiple purchasers from the same address, or purchasers from significant distances.

As a result of the inspection, Investigator (b)(6) [REDACTED] queried two individuals in OpenFox. One person answered "yes" to a prohibited question and the other individual was sold a firearm without a NICS check or qualifying permit. The OpenFox queries did not result in any hits.

FIREARMS INSPECTION REPORT

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UI#: 782075-2017-0065-B1B
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8 - Trace Activity

The Violent Crime Analysis Branch provided a FFL Master Query reflecting zero traces during the time period examined. A Secondary Market Analysis was conducted as part of this inspection, as Cash America deals exclusively in used firearms. Approximately 15 firearms were run through NCIC with no derogatory information found.

9 - NFA/Importer/Collector/Manufacturer

This business does not deal in any NFA items. Firearms are not collected nor are firearms manufactured or imported here.

10 - Referrals

Zero referrals were generated as a result of this inspection.

11 - Other

Ms. Trevino is aware the Youth Handgun Safety Act pamphlet must be provided with all handgun transfers. The licensee had the Youth Handgun Safety Act poster displayed and secure safety devices were available. With all handgun transactions, the licensee always provides locking devices.

Ms. Trevino was run through OpenFox with no derogatory information found.

12 - Closing Actions

A closing conference was held on June 27, 2017, at the business premises. Attending were Ms. Marisol Trevino and Investigator (b)(6). The Acknowledgement of Federal Firearms Regulations was given to Ms. Trevino. Each topic was thoroughly reviewed by Investigator (b)(6) and after several issues were discussed, both Investigator Thompson and Ms. Trevino signed the form (**Exhibit 8**). A copy was provided to Ms. Trevino for the store's records. Additionally, Ms. Trevino was provided IMPORTANT NOTICE: Selling Firearms AFTER Revocation, Expiration, or Surrender of an FFL.

On July 7, 2017, Investigator (b)(6) presented Ms. Trevino with the Report of Violations. Ms. Trevino and Investigator Thompson reviewed the violations in detail. Ms. Trevino was asked to sign and date the ROV after providing a response to how she believed the violation occurred (**See ROV**). Ms. Trevino was provided a copy for Cash America's records.

FIREARMS INSPECTION REPORT

Name: Cash America Pawn, L.P.
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UI#: 782075-2017-0065-B1B
FFL#: 5-76-201-02-9A-34903

13 - Violations

1. 27 CFR 478.102(a)

Nature of Violation

Failure to contact NICS or obtain a valid exception to NICS prior to transferring a firearm to a nonlicensee in (b)(3)-(1) instance.

Specifically, the licensee accepted a Texas Private Security Registration identification as an exemption to contacting NICS for (b)(3) - 112 Public Law 55 125 Stat 552.

4473 (Date)	Name Transaction No. (if any)	Violation
----------------	----------------------------------	-----------

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

Licensee's Response:

Ms. Trevino stated, "I think it was lack of training and it looks similar to a CHL. The manager was new to the company, less than six months."

Corrective Action:

The licensee shall only accept a Texas Concealed Handgun License (CHL) or Texas License to Carry (LTC) in lieu of conducting a NICS check.

Reference:

Report of Violations, violation # 1, Worksheet 2 (2012 Edition), Exhibit # 6

2. 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, who is a resident of the State in which the licensee's premises is located on (b)(3)-(112 P) ATF Forms 4473.

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

4473 (Date)	Name Transaction No. (if any)	Violation
----------------	----------------------------------	-----------

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

Licensee's Response:

Ms. Trevino stated, "They failed to double check the forms."

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UI#: 782075-2017-0065-B1B
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Corrective Action:

The licensee shall verify the ATF Form 4473, Section A is properly completed prior to making an over-the-counter transfer of a firearm to a non-licensee.

Reference:

Report of Violations, violation # 1, Worksheet 2 (2012 & 2016 Edition), Exhibit # 7

X

(b)(6)

Investigator

Index of Worksheets and Exhibits

- Exhibit 1: Texas Secretary of State & Tarrant County Assumed Name Certificates
- Exhibit 2: Texas Sales & Use Tax / Texas Franchise Tax Permit
- Exhibit 3: Office of Consumer Credit Commissioner Pawn License
- Exhibit 4: Registration of Limited Partnership
- Exhibit 5: Letter to Federal Licensing Center from Charles Roper
- Exhibit 6: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
- Exhibit 7: (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)
- Exhibit 8: Acknowledgement of Federal Firearms Regulations