

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) L O & H Ventures, LTD 19th Hole Pawn Shop 557 West Veterans Memorial Boulevard Harker Heights, TX 76548, BELL- 027	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 782065-2016-0052-B1B		
	3. PERMIT/LICENSE NUMBER 574027029E38688	4a. TARGET DATE 9/23/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

6. ATF OFFICER(S) ASSIGNED

(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)

(b)(6), Area Supervisor, 10/02/2015

8. PURPOSE/SPECIAL INSTRUCTIONS

Please conduct a compliance inspection of a Type 02 Pawnbroker.

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	5	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	23	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: 09/21/2016

On August 10, 11, and 29, 2016, IOI (b)(6) conducted a firearms compliance inspection for the FFL, L O and H Ventures, LTD d.b.a. 19th Hole Pawn Shop (hereafter referred to as 19th Hole Pawn). IOI (b)(6) reviewed the records on August 10, and 11, 2016 and conducted the inspection on those days with the assistance of Mr. (b)(6), General Manager, and (b)(6), Manager. The closing conference was conducted on August 29, 2016 with Mr. Michael "Mike" Dwayne Hicks, President and Responsible Person, at an additional 19th Hole Pawn FFL store premises located at 1520 South Fort Hood Street in Killeen, Texas. No other Federal, state, or local agencies participated in the inspection.

The period of review was from August 10, 2015, to August 10, 2016. There were no missing firearms or suspicious purchasers. There were no referrals generated as a result of the inspection.

The following violations were cited: 27 CFR 478.124(c)(1), 27 CFR 478.21(a), 27 CFR 478.(c)(3)(i), 27 CFR 478.(c)(3)(iv), and 27 CFR 478.99(c).

NOTE TO FFLC: The Federal Licensing System report only reflects Mr. Hicks as a Responsible Person. (b)(6), (b)(6), and (b)(6) are all reflected as "deactivated". Mr. Hicks stated (b)(6) is the only Responsible Person who should have been deactivated when she left the business and there was no intention for (b)(6) or (b)(6) to be deactivated as Responsible Persons. Mr. Hicks stated he was not aware prior to the inspection that (b)(6) and (b)(6) had been deactivated and requested (b)(6) and (b)(6) be activated as Responsible Persons.

Please update EIN to reflect (b)(6)

Viols WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
JUL 2016	2.00
AUG 2016	31.50

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) L O & H Ventures, LTD 19th Hole Pawn Shop 557 West Veterans Memorial Boulevard Harker Heights, TX 76548, BELL- 027	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 782065-2016-0052-B1B		
	3. PERMIT/LICENSE NUMBER 574027029E38688	4a. TARGET DATE 9/23/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		

12. TIME ACCOUNTING DATA	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	Mark SADLER
SEP 2016	7.50
ATF OFFICER'S SUBTOTAL	41.00
ATF OFFICER'S SIGNATURE	
TOTAL HOURS	41.00

13. REVIEW AND ROUTING	
REVIEW COMMENTS AND RECOMMENDATION	
Five violations were cited: 27 CFR 478.124(c)(1), 27 CFR 478.21(a), 27 CFR 478.124 (c)(3)(i), 27 CFR 478.124 (c)(3)(iv), and 27 CFR 478.99(c).	
The following FLS corrections are required:	
1. Re-activate RPs (b)(6) and (b)(6) who were deactivated in error.	
2. Add EIN (b)(6).	
Viols WL ONLY and No Recall Inspection	
<input checked="" type="checkbox"/> REVIEWED <input checked="" type="checkbox"/> CONCUR <input checked="" type="checkbox"/> SEE COMMENTS <input checked="" type="checkbox"/> FINAL DISPOSITION	
SIGNATURE AND TITLE (b)(6) - Industry Operations Investigator	REVIEW DATE 09/21/2016

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 L O & H Ventures, LTD 19th Hole Pawn Shop	Street Address 557 West Veterans Memorial Boulevard	City Harker Heights	State TX	Zip Code 76548-	County BELL- 027	Page 1 of 4 Pages
License/Permit/Registry Number (If any) 574027029E38688	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/10/2016 through 08/29/2016				

Inspection Results

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

Number: 1

Nature of Violation:

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, who is a resident of the State in which the licensee's premises are located (b)(3) forms).

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

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

In the future, the licensee is 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 are located.

Citation: 27 CFR 478.124(c)(1)

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 L O & H Ventures, LTD 19th Hole Pawn Shop	Street Address 557 West Veterans Memorial Boulevard	City Harker Heights	State TX	Zip Code 76548-	County BELL- 027	Page 2 of 4 Pages
License/Permit/Registry Number (If any) 574027029E38688	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/10/2016 through 08/29/2016				

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:

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

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

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

In the future, the licensee is to obtain and/or furnish all information required in each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it.

Citation: 27 CFR 478.21(a)

Number: 3

Nature of Violation:

27 CFR 478.124(c)(3)(i)- Failure to notate the correct expiration date for the identification document (b)(3) form).

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

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

In the future, the licensee is to notate the correct expiration date for the identification document.

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

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 L O & H Ventures, LTD 19th Hole Pawn Shop	Street Address 557 West Veterans Memorial Boulevard	City Harker Heights	State TX	Zip Code 76548-	County BELL- 027	Page 3 of 4 Pages
License/Permit/Registry Number (If any) 574027029E38688	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/10/2016 through 08/29/2016				

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:

27 CFR 478.124(c)(3)(iv)- Failure to comply with the requirements of Section 478.102 and record on the ATF Form 4473 a response for Item 21d following an initial "delay" NICS response or notating an initial NICS response for Item 21c (b)(3) Public Law 112-55, 125 STAT 552, (b)(6) forms).

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

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)

In the future, the licensee is to comply with the requirements of Section 478.102 and record on the ATF Form 4473 a response for Item 21d following an initial "delay" NICS response or notating an initial NICS response for Item 21c.

Number: 5

Nature of 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 (b)(3) Public Law 112-55, 125 STAT 552, (b)(6) form).

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

Date Corrections to be Made:

(If not corrected immediately)

Corrective Action to be Taken:

(If not corrected immediately)

In the future, the licensee is to refrain from selling or otherwise disposing of a firearm to a person known or suspected to be prohibited.

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 L O & H Ventures, LTD 19th Hole Pawn Shop	Street Address 557 West Veterans Memorial Boulevard	City Harker Heights	State TX	Zip Code 76548-	County BELL- 027	Page 4 of 4 Pages
License/Permit/Registry Number (If any) 574027029E38688	Expiration Date 5/1/2019	Date(s) or Period of Inspection 08/10/2016 through 08/29/2016				

Inspection Results

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

Citation: 27 CFR 478.99(c)

I Have Received a Copy of This Report of Violations (Proprietor's signature and title) (b)(6) <i>Owner</i>	Date 8-29-2016
Signature of (b)(6) <i>FOI</i>	Date 8/29/2016



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives
8610 Broadway, Ste. 410
San Antonio, TX 78217

September 21, 2016

www.atf.gov

782065 (b)(6)
5373

WARNING LETTER

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

L O & H Ventures, LTD D.B.A. 19th Hole Pawn Shop
Attn: Mr. Michael D. Hicks
P.O. Box 2444
Harker Heights, TX 76548
RE: 5-74-027-02-9E-38688

Dear Mr. Hicks:

During a recent inspection at your firearms business covering the period August 10, 2015, through August 10, 2016, you were cited for violations of Title 27, Code of Federal Regulations, Part 478. A copy of the Report of Violations, ATF F 5030.5, issued at the time of the inspection is enclosed.

All violations were fully explained to you or your designated responsible person by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator(s). You or your responsible person indicated that you understood the requirements of the firearms laws and regulations and that corrective actions would be taken to eliminate future violations.

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

L O & H Ventures, LTD D.B.A. 19th Hole Pawn Shop
Attn: Mr. Michael D. Hicks
RE: 5-74-027-02-9E-38688

Should you have any questions regarding this matter, please contact Industry Operations
Investigator (b)(6) at (b)(6).

(b)(6)

Area Supervisor
San Antonio II Field Office

Enclosure

cc: Federal Firearms Licensing Center
San Antonio II Field Office
Houston FD

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS
AND EXPLOSIVES
8610 Broadway, Suite 410
San Antonio, Texas 78217

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE \$300

CERTIFIED MAIL™



7013 1710 0002 3065 1027



L O & H Ventures LTD
19th Hole Pawn Shop
Attn: Michael Hicks
P.O. Box 2444
Harker Heights, Tx 76548

E 1363.3

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X</p>	
<p>1. Article Addressed to: Michael Hicks P.O. Box 2444 HARKER HEIGHTS, TX 76548</p>		<p>B. Received by (Printed Name) C. Date of Delivery</p>	
		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Priority Mail Express™</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery</p>	
<p>2. Article Number (Transfer from service label)</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
		<p>7013 1710 0002 3065 1027</p>	
PS Form 3811, July 2013		Domestic Return Receipt	

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

Address: 557 West Veterans Memorial Boulevard
Harker Heights, Texas 76548

1 - Introduction

Inspection Profile:

On August 10, 11, and 29, 2016, Industry Operations Investigator (IOI) (b)(6) conducted a firearms compliance inspection for the Federal Firearms Licensee (FFL) L O and H Ventures, LTD d.b.a. 19th Hole Pawn Shop (hereafter referred to as 19th Hole Pawn). IOI (b)(6) reviewed the records on August 10 and 11, 2016 and conducted the inspection on those days with the assistance of (b)(6) General Manager, and (b)(6) Manager. The closing conference was conducted on August 29, 2016 with Mr. Michael "Mike" Dwayne Hicks, President and Responsible Person, at an additional 19th Hole Pawn store premises located at 1520 South Fort Hood Street in Killeen, Texas. Mr. Hicks was identified by his Texas Driver's License. No other Federal, state, or local agencies participated in the inspection.

The period of review was from August 10, 2015, to August 10, 2016. There were no missing firearms or suspicious purchasers. There were no referrals generated as a result of the inspection.

The following violations were cited: 27 CFR 478.124(c)(1), 27 CFR 478.21(a), 27 CFR 478.124 (c)(3)(i), 27 CFR 478.124 (c)(3)(iv), and 27 CFR 478.99(c).

Business Profile:

19th Hole Pawn is part of a chain of pawn shops holding additional FFLs in Killeen (5-74-38687), Lampasas (5-74-02266), and Anson, Texas (5-75-10884). 19th Hole Pawn sells and offers loans on jewelry, electronics, tools, sporting goods, firearms, and other similar items. The business operates on a full-time basis during the hours of Monday through Friday, 9:00 a.m. to 7:00 p.m., Saturday, 10 a.m. to 6:00 p.m., and closed on Sunday. 19th Hole Pawn has been operating with this FFL since April 1998.

19th Hole Pawn deals in both used (b)(4) percent) and new (b)(4) percent) firearms with handguns and long guns accounting for an equal portion of the business. 19th Hole Pawn acquires the used firearms from pawn lapses and purchases from customers. The new firearms are acquired from other 19th Hole Pawn stores (mainly the Killeen, Texas location). There were (b)(4) firearms acquired and (b)(4) disposed during the inspection period.

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

19th Hole Pawn also facilitates internet transfers in which a customer purchases a firearm on the internet and has the firearm shipped to the premises for the completion of an ATF Form 4473 and a National Instant Criminal Background Check System (NICS) check, if applicable. The pawn service consists of (b)(4) percent of the business with retail sales accounting for (b)(4) percent and internet transfers the remaining (b)(4) percent. 19th Hole Pawn has not facilitated special orders on a regular basis but would do so if requested by a customer.

19th Hole Pawn does offer accessories such as holsters and magazines on a limited basis but does not sell ammunition. 19th Hole Pawn not conduct business at gun shows and does not offer any repair services.

The clientele consists of the general public from the local area. 19th Hole Pawn has outside signage and also relies on word-of-mouth advertising. 19th Hole Pawn does not have a dedicated website but does a Facebook presence on the internet.

The premises located at 557 West Veterans Memorial Boulevard in Harker Heights, Texas is an urban commercial property owned by L O & H, LTD. IOI (b)(6) queried the Bell County Appraisal District website which reflects this information (EXHIBIT 1). IOI (b)(6) contacted the City of Harker Heights zoning office by telephone and spoke to (b)(6), City Planner. Mr. (b)(6) stated the premises are zoned for retail use and there are no restrictions. Mr. Hicks is aware of ATF's right of entry to inspect the inventory, records, and the premises.

The premises consists of only a front entrance, which is lockable and has security bars. There is an in-house security system which features door and motion sensors. There is a camera system which features indoor and outdoor cameras connected to a digital video record on premises. There are also panic buttons located at the sales counters. The handguns for sale are displayed in a locked display case in the front area of the store. The long guns are displayed in a rotating locked case next to the handguns. The firearms in pawn are stored in a gun vault located in the rear area of the store which is only accessed by employees. The gun vault is constructed of concrete reinforced with rebar with a safe door at the entrance. Mr. Smith, Ms. Rios, and one other employee are the only ones who have access to the gun vault. There is no offsite storage of firearms.

There are no other businesses operating from the premises. The Type 02 Pawn Dealer FFL is appropriate for the business. No additional ATF licenses or permits are required.

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

Ownership and Control:

L O & H Ventures, LTD is operating as a Domestic Limited Partnership with L O & H Management, LLC as the General Partner. IOI (b)(6) queried the Texas Secretary of State (SOS) website which reflects this information (EXHIBIT 2). IOI Sadler (b)(6) from the website a copy of the Articles of Organization of L O & H Management, LLC, which originally reflects the members as Mr. Hicks, Ms. Paula Lohse, and (b)(6). A current printout from the SOS website now only reflects Mr. Hicks (President/Director) and Ms. Lohse (Vice President/Director), which was updated August 6, 2015. Mr. Hicks stated (b)(6) left the entity in 2015 and provided a copy of paperwork reflecting the buyout of (b)(6) interest in the business and a copy of the Application for Employer Identification Number, (b)(3) - 26 USC 6103 (EXHIBIT 3).

The SOS website reflected a filing of the assumed name, 19th Hole Pawn, dated July 27, 2016 and submitted by Mr. Smith (EXHIBIT 4). The assumed name filing document only reflects Lampasas County. IOI (b)(6) requested Mr. Smith update the SOS information to reflect the assumed name being filed in Bell County and any other counties the assumed name was being used to conduct business. Mr. Smith verbally acknowledged he understood the request. Mr. Smith provided a copy of the document reflecting the assumed name has been filed in Bell County, which is valid until September 15, 2026 (EXHIBIT 5).

The Federal Licensing System report only reflects Mr. Hicks as a Responsible Person. Ms. Lohse, (b)(6), and Mr. Smith are all reflected as "deactivated". Mr. Hicks stated (b)(6) the only Responsible Person who should have been deactivated when she left the business and there was no intention for Mr. Smith or Ms. Lohse to be deactivated as Responsible Persons. Mr. Hicks stated he was not aware prior to the inspection that Mr. Smith and Ms. Lohse had been deactivated and requested Mr. Smith and Ms. Lohse be activated as Responsible Persons.

IOI (b)(6) queried the Texas Office of the Comptroller website which reflects as "active" account, #17428710481 for L O & H Ventures, LTD (EXHIBIT 6). The website did not reflect any Officers/Director information. IOI (b)(6) queried the Office of Consumer Credit website which reflected the license, #7293335, is "active" (EXHIBIT 7). IOI (b)(6) also verified the original FFL, Texas Sales and Use Tax Permit, and pawnshop license in person.

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

Variance:

There is a variance on file at the San Antonio II Area Office for the approved use of computerized records. Mr. Hicks was given a copy of the ATF Ruling 2013-5 regarding computerized records which now supersedes the requirement for a variance. No new variances were requested during the inspection.

2 - Recommendation

Violations, Warning Letter Only and No Recall Inspection

3 - Inspection History

Date of Inspection:	October 30, 2008
Type of Inspection:	Pawnbroker Recall Inspection
UI#:	782065-2009-0030-B1B
Inspection Results:	Violations, ROV ONLY, No Recall Inspection
Cited Violations:	27 CFR 478.34
Date of Inspection:	December 7, 2006
Type of Inspection:	Pawnbroker Compliance Inspection
UI#:	782065-2007-0133-B1B
Inspection Results:	Violations, WL ONLY, Recall Inspection
Cited Violations:	27 CFR 478.124(c)(3)(i), 27 CFR 478.124(c)(4), and 27 CFR 478.125(e)

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

IOI (b)(6) conducted a 100 percent inventory and there were 107 firearms in inventory and (b)(3) - 112 open entries reflected by the computerized Acquisition and Disposition (A&D) record. The firearm identifying information, to include the serial number, reflected by each physical firearm was compared to the (b)(3) - 112 open entries and there were no discrepancies.

The standard operating procedures are as follows:

19th Hole Pawn utilizes a computerized record generated by the software called Third Charm. The record is backed up daily to a hard drive located on site in the gun vault. (b)(6) Mr. Smith, and two other employees are eligible to make entries into the A&D record, which occur at the time a firearm is acquired or disposed. The firearm identifying information entered into the A&D record is taken from the physical firearm.

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

An inventory count is conducted once a month and a full inventory, in which the firearm is compared to the A&D record, is conducted twice a year. There were no thefts or losses reported during the inspection period or as a result of the inspection.

There were no violations cited.

5 - ATF Forms 4473 – NICS & Other Dispositions

There were [REDACTED] ATF Forms 4473 on file and reviewed for the inspection period. The standard operating procedures are as follows:

Mr. Smith, (b)(6), and one other employee are qualified to complete transactions with the customers requiring the completion of an ATF Form 4473. Once the form is completed, a NICS check, if applicable, is conducted by the initial employee. 19th Hole Pawn also accepts the Texas Concealed Handgun License or the new Texas License to Carry permit as an exception to the NICS check. The ATF Forms are reviewed twice at the time of the transfer and again at the end of the month. The ATF Forms 4473 are filed chronologically and any ATF Forms 4473 reflecting a NICS “proceed” response were filed separately from the ATF Forms 4473 reflecting a “denied” response. The ATF Forms 4473 also reflect a loan number as a form serial number, which can be cross-checked with the A&D record.

IOI (b)(6) requested an FFL Audit Report which reflected 22 “proceed” NICS responses. The report also reflected 21 “denied” responses for the last five years (seven within the inspection period). IOI (b)(6) compared all NICS responses discussed above to the ATF Forms 4473 and there were no discrepancies.

Following a review of the ATF Forms 4473, the following violations were cited:

- 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, who is a resident of the State in which the licensee's premises are located ((b)(3) forms).

DATE	FORM	NAME	ERROR
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)			

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

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

EXHIBIT 8

The identifying information for the purchasers above regarding Item 11 was entered into the NCIC database and there was no prohibiting information regarding firearms.

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

DATE	FORM	NAME	ERROR
------	------	------	-------

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

EXHIBIT 9

- 27 CFR 478.124(c)(3)(i)- Failure to notate the correct expiration date for the identification document ((b)(3) - 112 form).

DATE	FORM	NAME	ERROR
------	------	------	-------

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

EXHIBIT 10

- 27 CFR 478.124(c)(3)(iv)- Failure to comply with the requirements of Section 478.102 and record on the ATF Form 4473 a response for Item 21d following an initial “delay” NICS response or notating an initial NICS response for Item 21c ((b)(3) - 112 form).

DATE	FORM	NAME	ERROR
------	------	------	-------

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

EXHIBIT 11

The identifying information for the purchasers above was entered into the NCIC database and there was no prohibiting information regarding firearms.

- 27 CFR 478.99(c)- Failure to refrain from selling or otherwise disposing of (b)(3) firearm to a person known or suspected to be prohibited.

DATE	FORM	NAME	ERROR
------	------	------	-------

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

EXHIBIT 12

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

A NICS check was conducted for the customer at the time of the transfer which initially resulted in a “delay” response on December 10, 2015 followed by a “proceed” response on December 11, 2015.

REFERENCE: ROV, Worksheet 2, and EXHIBITS 8 through 12

6 - Multiple Sales

IOI (b)(6) requested a Firearms Trace History Report which reflected one multiple sale involving handguns for this FFL during the inspection period. IOI (b)(6) compared the Multiple Sales Report to the Trace History Report and there were no discrepancies. There were no multiple sales transactions discovered that should have been reported.

7 - Suspicious/Prohibited Purchasers

The identifying information for one Responsible Person (Mr. Hicks) along with seven random customers and 15 firearms were queried in the NCIC and Etrace databases and there were no prohibiting hits. 19th Hole Pawn participates in the Leads Online program with the Harker Heights Police Department in which the firearms and merchandise acquired by the store are reported to the police department. There were no suspicious purchasers discovered during the inspection.

8 - Trace Activity

There were no traces reflected by the Trace History Report for the inspection period and no open traces from any other period.

9 - NFA/Importer/Collector/Manufacturer

19th Hole Pawn does not deal in National Firearms Act firearms nor conduct business as an importer, collector, or manufacturer.

10 - Referrals

There were no referrals generated as a result of the inspection.

11 - Other

IOI (b)(6) verified the Youth Handgun Safety Act poster was displayed and the notices are available for distribution. Mr. Hicks has not attended any recent ATF seminars.

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

12 - Closing Actions

A closing conference was held on August 29, 2016, and IOI (b)(6) reviewed the Acknowledgement of Federal Firearms Regulations and the ATF Form 5030.5 Report of Violations with Mr. Hicks on that day. Both signed the Report of Violations and Acknowledgement of Federal Firearms Regulations on that day and Mr. Hicks was provided a copy of both (EXHIBIT 13).

The following topics were also discussed in length: inventory requirements; NICS requirements; A&D book; multiple sales of both handguns and rifles meeting the specified requirement; sales to non-immigrant aliens; sales to military and police; sales to legal aliens; internet sales; transfers to out-of-state residents; transfers to other FFLs; ATF Form 4473; straw purchases and gun locks.

IOI (b)(6) also provided Mr. Hicks with the following materials:

- *ATF Form 3310.4 Report of Multiple Sale or Other Disposition of Pistols and Revolvers*
- *ATF Form 3310.12 Report of Multiple Sale of Certain Rifles*
- *ATF Ruling 2013-5- Computerized Records*
- *ATF Form 3310.11 Federal Firearms Licensee Firearms Inventory Theft/Loss Report*
- *ATF Publication 5300.15- Federal Firearms Licensee Quick Reference and Best Practices Guide*
- *Contact information for applicable ATF Offices*

IOI (b)(6) reviewed the notice regarding selling firearms after revocation, expiration or surrender of an FFL. Mr. Hicks was provided a copy of the notice.

13 - Violations

1. 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 are located (b)(3) forms).

DATE	FORM	NAME	ERROR
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)			

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

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

Licensee's response:

Mr. Hicks stated there was a "failure to double check the forms" by the employees. Mr. Hicks stated the employees are supposed to double check the forms for errors and that he will meet with the employees to reinforce the store's procedures regarding checking the ATF Forms 4473.

Corrective action:

In the future, the licensee is 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 are located.

Reference: ROV, Worksheet 2, and EXHIBIT 8

2. 27 CFR 478.21(a)

Nature of violation:

Failure to obtain and/or furnish all information required in each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) forms).

DATE	FORM	NAME	ERROR
------	------	------	-------

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

Licensee's response:

Mr. Hicks stated there was a failure to ensure the ATF Form 4473 is completed properly and the employees need to "take a little extra time" regarding reviewing the form. As with the previous violation, Mr. Hicks will remind the employees to check the ATF Forms for complete and correct information prior to a transfer.

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

Corrective action:

In the future, the licensee is to obtain and/or furnish all information required in each ATF Form 4473 as indicated by the headings on the form and the instructions on or pertaining to it.

Reference: ROV, Worksheet 2, and EXHIBIT 9

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

Nature of violation:

Failure to notate the correct expiration date for the identification document (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) form).

DATE	FORM	NAME	ERROR
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)			

Licensee's response:

Mr. Hicks stated it must have been an "oversight" that the expiration date was not correct. Mr. Hicks will meet with the employees and remind them to double check the ATF Forms 4473 for accuracy.

Corrective action:

In the future, the licensee is to notate the correct expiration date for the identification document.

Reference: ROV, Worksheet 2, and EXHIBIT 10

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

Nature of violation:

Failure to comply with the requirements of Section 478.102 and record on the ATF Form 4473 a response for Item 21d following an initial "delay" NICS response or notating an initial NICS response for Item 21c (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6) forms).

DATE	FORM	NAME	ERROR
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)			

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

Licensee's response:

Mr. Hicks stated the employees must not be taking enough time to review the ATF Form 4473 when the customer picks up a firearm and he will remind the employees to be more diligent in the future.

Corrective action:

In the future, the licensee is to comply with the requirements of Section 478.102 and record on the ATF Form 4473 a response for Item 21d following an initial "delay" NICS response or notating an initial NICS response for Item 21c.

Reference: ROV, Worksheet 2, and EXHIBIT 11

5. 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 (NICS-112 FBI form).

DATE	FORM	NAME	ERROR
(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)			

Licensee's response:

As with the other violations, Mr. Hicks stated it must have been an oversight and he will meet with the employees and discuss the importance of reviewing the ATF Forms 4473 for accuracy and completeness prior to releasing a firearm to a customer.

Corrective action:

In the future, the licensee is to refrain from selling or otherwise disposing of a firearm to a person known or suspected to be prohibited.

Reference: ROV, Worksheet 2, and EXHIBIT 12

FIREARMS INSPECTION REPORT

Name: L O & H Ventures, Ltd
Trade Name: 19th Hole Pawn Shop

UI#: 782065-2016-0052-B1B
FFL#: 5-74-027-02-9E-38688

X

Industry Operations Investigator

Index of Worksheets and Exhibits **ATF Form 5030.5- Report of Violations**

WORKSHEETS

- EXHIBIT 1** Bell County Appraisal District website
- EXHIBIT 2** Texas Secretary of State website printout
- EXHIBIT 3** Documentation of buyout-(b)(6) and EIN registration
- EXHIBIT 4** Texas Secretary of State assumed name filing
- EXHIBIT 5** Copy of Assumed Name Certificate
- EXHIBIT 6** Texas Office of the Comptroller website printout
- EXHIBIT 7** Office of Consumer Credit website printout
- EXHIBIT 8** Copy of ATF Forms 4473- 27 CFR 478.124(c)(1)
- EXHIBIT 9** Copy of ATF Forms 4473- 27 CFR 478.21(a)
- EXHIBIT 10** Copy of ATF Forms 4473- 27 CFR 478.124(c)(3)(i)
- EXHIBIT 11** Copy of ATF Forms 4473- 27 CFR 478.124(c)(3)(iv)
- EXHIBIT 12** Copy of ATF Forms 4473- 27 CFR 478.99(c)
- EXHIBIT 13** Acknowledgement of Federal Firearms Regulations