

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) DAVIS, JAMES M. JD GUNS 8002 Wildrock Dr ARLINGTON, TX 76001, TARRANT	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 781080-2017-0102-B1B 3. PERMIT/LICENSE NUMBER 4a. TARGET DATE 4b. TARGET HOURS 575439019B08180 4/1/2017 5. REQUESTED BY (SIGNATURE, TITLE AND DATE)
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6. ATF OFFICER(S) ASSIGNED
 (b)(6) - Lead Investigator
 (b)(6) - Assigned Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
 (b)(6), Acting Area Office Supervisor, 11/01/2016

8. PURPOSE/SPECIAL INSTRUCTIONS
 SWBI. OBTAIN EIN/SSN.

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	1	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: 01/19/2017

 Viols WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)		
JAN 2017	12.00		
ATF OFFICER'S SUBTOTAL	12.00	ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)		
NOV 2016	1.00		
JAN 2017	8.00		
ATF OFFICER'S SUBTOTAL	9.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	21.00		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
 Viols WL ONLY and No Recall Inspection

<input checked="" type="checkbox"/> REVIEWED <input checked="" type="checkbox"/> CONCUR <input type="checkbox"/> SEE COMMENTS <input checked="" type="checkbox"/> FINAL DISPOSITION	
SIGNATURE AND TITLE (b)(6) - Acting DIO	REVIEW DATE 01/19/2017

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	3. PERMIT/LICENSE NUMBER 575439019B08180	4a. TARGET DATE 4/1/2017	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

ROV

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	Street Address	City	State	ZIP Code	County	Page <u>1</u> of <u>2</u> Pages
JAMES M DAVIS	8002 WILDRACK DR.	ARLINGTON	TEXAS	76001	TARRANT	
License/Permit/Registry Number (if any)	Expiration Date	Date(s) or Period of Inspection				
5-75-08180	2-1-17	1-18-16 TO 1-17-17				

Inspection Results

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

Number	USC or CFR Citation	Nature of Violation	Corrective Action to be Taken (If not corrected immediately)	Date Corrections to be Made (If not corrected immediately)
1	27 CFR 478.124(c)(4)(i)	FAILURE OF LICENSEE TO OBTAIN A PROPERLY ATE FORM 4473 WHERE THE TRANSFEREE DID NOT RECORD THE DATE IN BLOCK 17 ON [REDACTED] ATF F 4473.	THE LICENSEE WILL ALWAYS OBTAIN PROPERLY COMPLETED ATF FORMS 4473.	
2	27 CFR 478.124(c)(3)(iv)	FAILURE OF LICENSEE TO RECORD THE RESPONSE PROVIDED BY NICS ON [REDACTED] ATF FORM 4473.	THE LICENSEE WILL ENSURE TO RECORD ALL REQUIRED NICS INFORMATION	
3	27 CFR 478.124(c)(5)	FAILURE OF LICENSEE TO RECORD THE FIREARM TRANSFER DATE IN BLOCK 30 ON [REDACTED] ATF FORM 4473.	THE LICENSEE WILL RECORD ALL REQUIRED INFORMATION ON ATF FORMS 4473.	
4	27 CFR 478.21(a)	FAILURE OF LICENSEE TO RECORD THE TRANSFEROR'S ADDRESS IN BLOCK 31 ON [REDACTED] ATF FORMS 4473	THE LICENSEE WILL RECORD ALL REQUIRED INFORMATION ON ATF FORMS 4473.	

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JAMES M. DAVIS	8002 WILDEROCK DR.	ARLINGTON	TEXAS	76001	TARRANT	
License/Permit/Registry Number (if any)	Expiration Date	Date(s) or Period of Inspection				
5-75-08180	2-1-19	1-18-16 TO 1-17-17				

Inspection Results

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

Number	USC or CFR Citation	Nature of Violation	Corrective Action to be Taken (If not corrected immediately)	Date Corrections to be Made (If not corrected immediately)
5	27 CFR 478.126(a)	FAILURE OF LICENSEE TO COMPLETE AND FORWARD ATF F 3310.4 FOR THE TRANSFER OF MORE THAN ONE HANDGUN TO THE SAME TRANSFEREE WITHIN 5 DAYS.	ATF FORM 3310.4 COMPLETED DURING INSPECTION. THE LICENSEE WILL ENSURE THAT ALL FUTURE MULTIPLE HANDGUN SALES WILL BE TIMELY REPORTED.	

I Have Read	(b)(6)	signature and title)	owner	Date	17 Jan 2017
Signature	(b)(6)	IOI		Date	1-17-17

Address: 8002 Wildrock Drive
Arlington, TX 76001 (Tarrant County)

1 - Introduction

Inspection Profile:

On January 17, 2017, ATF Industry Operations Investigators (b)(6) and (b)(6) conducted a Southwest Border Inspection at the business premises of James Davis d/b/a JD Guns. Investigators (b)(6) and (b)(6) interviewed Mr. James Davis, owner. Mr. Davis identified himself with his Texas driver's license (TXDL: (b)(6)). The period covered by this inspection was the previous 12 months for ATF Forms 4473 and the entire firearm inventory. Investigators (b)(6) and (b)(6) held the inspection closeout on January 17, 2017. Investigators (b)(6) and (b)(6) provided the licensee with notification prior to conducting the inspection to ensure Mr. Davis would be available. No other Federal, State or local agencies participated. In accordance with the special instructions Investigators (b)(6) and (b)(6) obtained the licensee's EIN/SSN and enter it into N-Spect.

Business Profile:

Mr. Davis described the business conducted as special orders and internet transfers of firearms. Mr. Davis stated that internet transfers represent approximately fifty percent of his business. Mr. Davis stated that he does not have a website but is listed on gunbroker.com.

Mr. Davis conducts business at his home in a residential location in Arlington, TX.

A review of the licensee's acquisition and disposition (A&D) record book disclosed the licensee to have acquired (b)(4) and disposed of (b)(4) firearms during the previous 12 months.

Mr. Davis stated (b)(4) percent of firearms transferred are new and (b)(4) percent are transferred retail.

Mr. Davis stated he does not conduct business at gun shows and has no off-site storage of firearms.

A review of the licensee's A&D record book disclosed (b)(4) and internet transferee's as the primary supplier of firearms.

This FFL has been active since January of 2013.

Mr. Davis has a Home Based Business Registration from the City of Arlington.

Mr. Davis has disposed inventory firearms to himself. Mr. Davis stated that he has not transferred any of those firearms.

Mr. Davis is a (b)(6)

Ownership and Control:

Mr. Davis stated that he holds this FFL as a sole proprietorship. Mr. Davis stated that he is solely responsible for all aspects of the business.

The Federal Licensing System (FLS) lists Mr. Davis as the only responsible person. Based on the information provided by Mr. Davis, Investigator (b)(6) believes all responsible persons are correctly listed in FLS and does not suspect hidden ownership.

During the inspection Mr. Davis stated that he was considering creating an LLC to conduct business in the future. Investigator (b)(6) advised Mr. Davis that that if he created an LLC he would need to apply for a new FFL as the LLC. Mr. Davis stated that he understood.

Variance:

This licensee has no ATF-approved variance on file and requested none during the inspection. This licensee maintains a handwritten A&D record book.

2 - Recommendation

Viols WL ONLY and No Recall Inspection.

3 - Inspection History

This is the licensee's first compliance inspection.

Date of Inspection: No onsite conducted.
Type of Inspection: AQUAL
UI#: 781080-2017-0090-B1B
Inspection Results: FFL Amended
Cited Violations: N/A

Date of Inspection: January 17, 2013
Type of Inspection: Qualification Inspection
UI#: 781080-2013-0176-B1B
Inspection Results: FFL Issued
Cited Violations: N/A

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

Mr. Davis had (b)(3) open dispositions in the A&D record book and 34 firearms in inventory. A full inventory conducted by Investigators (b)(6) and (b)(6) disclosed no discrepancies.

Mr. Davis's A&D record book is in the proper format and entries are properly made.

Mr. Davis did not complete an ATF Form 3310.11 (theft/loss) during the previous 12 months and did not complete one as a result of this inspection.

Investigators (b)(6) and (b)(6) discovered no firearms with obliterated serial numbers or unregistered NFA firearms.

Investigators (b)(6) and (b)(6) discovered no trafficking-related issues.

Investigator (b)(6) compared (b)(3) ATF Forms 4473 to the corresponding disposition entries with no discrepancies disclosed.

Mr. Davis stated that he conducts a full inventory every six months.

5 - ATF Forms 4473 – NICS & Other Dispositions

The licensee had (b)(3) ATF Forms 4473 on file for the inspection period. Investigator (b)(6) reviewed all of these forms and disclosed 4 violations (see Section 13).

Investigator (b)(6) verified 16 NTN's on the FFL Audit Report to the corresponding ATF Forms 4473 with no discrepancies disclosed.

The licensee is separately retaining ATF Forms 4473 where the transaction did not take place.

The licensee is properly conducting FFL-to-FFL transfers.

The licensee produced no transactions utilizing the provisions of 478.134.

Mr. Davis stated that he checks the ATF Forms 4473 by himself.

6 - Multiple Sales

The VCAB query disclosed no multiple sales reported by the licensee. While reviewing the ATF Forms 4473, Investigator (b)(6) disclosed (b)(6) unreported multiple handgun sales involving a total of (b)(6) handguns (see Section 13).

7 - Suspicious/Prohibited Purchasers

The licensee had one transaction denied by NICS. Investigators (b)(6) and (b)(6) verified that that firearm was sent back to the distributor.

8 - Trace Activity

This licensee had no traces on the VCAB query. This licensee disposed of approximately [REDACTED] used firearms during the previous 12 months.

9 - NFA/Importer/Collector/Manufacturer

Mr. Davis stated that he does not import or manufacture firearms or ammunition and does not deal in NFA firearms.

10 - Referrals

This assignment generated no referrals.

11 - Other

This licensee had no Special Attention Flags in FLS that would indicate that this FFL was under a current ATF criminal enforcement investigation at the time of the inspection.

A query of this licensee in N-Force disclosed no open ATF criminal enforcement investigations.

This licensee had the Youth Handgun Safety Act poster (ATF I 5300.1) displayed and had the Youth Handgun Safety Act Notice (ATF I 5300.2) for distribution.

Mr. Davis stated that the licensee provides a firearm safety device with every handgun transaction. The licensee had firearm safety devices available for purchase.

NCIC queries on Mr. Davis disclosed no prohibiting information.

12 - Closing Actions

On January 17, 2017, Investigator [REDACTED] discussed and explained all of the information on the Acknowledgement of Federal Firearms Regulations to Mr. Davis (**Exhibit 1**). Investigator [REDACTED] afforded Mr. Davis the opportunity to ask questions. Mr. Davis completed the form and kept a copy for his records.

On January 17, 2017, Investigator [REDACTED] discussed and explained all of the information on the Report of Violations to Mr. Davis. Investigator [REDACTED] afforded Mr. Davis the opportunity to ask questions. Mr. Davis completed the form and kept a copy for his records.

13 - Violations

1. 27 CFR 478.124(c)(3)(1)

Nature of Violation: Failure of licensee to obtain a properly completed ATF Form 4473 where the transferee did not record the date in Block 17 on [REDACTED] ATF Form 4473.

*Recorded on Worksheet 2 (2012 Edition), line 1 and attached as **Exhibit 2**.

Licensee's Response: Mr. Davis stated that this violation was the result of an oversight on his part.

Licensee Corrective Action: The licensee will always obtain properly completed ATF Forms 4473.

2. **27 CFR 478.124(c)(3)(iv)**

Nature of Violation: Failure of licensee to record the response provided by NICS on ATF Form 4473. *Recorded on Worksheet 2 (2012 Edition), line 2 and attached as **Exhibit 3**.

Licensee's Response: Mr. Davis stated that this violation was the result of an oversight on his part.

Licensee's Corrective Action: The licensee will ensure to record all required NICS information.

3. **27 CFR 478.124(c)(5)**

Nature of Violation: Failure of licensee to record the firearm transfer date in Block 36 on ATF Form 4473. *Recorded on Worksheet 2 (2012 Edition), line 3 and attached as **Exhibit 4**.

Licensee's Response: Mr. Davis stated that this violation was the result of an oversight on his part.

Licensee's Corrective Action: The licensee will record all required information on ATF Forms 4473.

4. **27 CFR 478.21(a)**

Nature of Violation: Failure of licensee to record the transferor's address in Block 31 on ATF Forms 4473. *Recorded on Worksheet 2 (2012 Edition), lines 4-6 and attached as **Exhibit 5**.

Licensee's Response: Mr. Davis stated that this violation was the result of an oversight on his part.

Licensee's Corrective Action: The licensee will record all required information on ATF Forms 4473.

5. **27 CFR 478.126a**

Nature of Violation: Failure of licensee to complete and forward ATF Form 3310.4 for the transfer of more than one handgun to the same transferee within 5 days. *Recorded on Worksheet 2 (2012 Edition), lines 4-6 and attached as **Exhibit 5**.

Licensee's Response: Mr. Davis stated that he was unaware that revolvers fell into the category of 'handgun' for reporting purposes. For the unreported multiple sale involving two pistols Mr. Davis has no explanation.

Licensee's Corrective Action: ATF Form 3310.4 completed during inspection. The licensee will ensure that all future multiple handgun sales will be timely reported.

X

Industry Operations Investigator

Index of Worksheets and Exhibits

Exhibit 1 Acknowledgement of Federal Firearms Regulations.

Exhibit 2 ATF Form 4473 for the 478.124(c)(1) violation.

Exhibit 3 ATF Form 4473 for the 478.124(c)(3)(iv) violation.

Exhibit 4 ATF Form 4473 for the 478.124(c)(5) violation.

Exhibit 5 ATF Forms 4473 for the 478.21(a) and 478.126a violations.