

## Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) ATWOOD DISTRIBUTING LP ATWOODS RANCH & HOME #30 3000 WNW LOOP 323 TYLER, TX 75702, SMITH	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 781025-2017-0061-B1B		
	3. PERMIT/LICENSE NUMBER 575423017J10261	4a. TARGET DATE	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, 10/31/2016

8. PURPOSE/SPECIAL INSTRUCTIONS  
Conduct a Southwest Border Firearms Disposition Emphasis Inspection. Ensure the licensee meets local zoning and ATF regulations.

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	3	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	4	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: 11/30/2016

Viols WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA			
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)		
NOV 2016	42.50		
ATF OFFICER'S SUBTOTAL	42.50	ATF OFFICER'S SIGNATURE	
TOTAL HOURS	42.50		

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) - Area Supervisor		REVIEW DATE 12/08/2016	

ROUTING SEQUENCE AND DATE

<input type="checkbox"/> 1. _____	CONTROL FILE POSTED DATE _____
<input type="checkbox"/> 2. _____	
<input type="checkbox"/> 3. _____	
<input type="checkbox"/> 4. _____	

## 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 ATWOOD DISTRIBUTING LP ATWOODS RANCH & HOME #30	Street Address 3000 WNW LOOP 323	City TYLER	State TX	Zip Code 75702-	County SMITH	Page 1 of 2 Pages
License/Permit/Registry Number <i>(If any)</i> 575423017J10261	Expiration Date 9/1/2017	Date(s) or Period of Inspection 11/01/2016 through 11/10/2016				

### 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:

Failure to obtain and record all required transferee information on (b)(3) ATF Form 4473.

On (b)(3) ATF Form 4473, the purchaser indicated a yes response to questions 11b and 11c, and the licensee transferred the firearm anyway.

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 will refrain from transferring a firearm to any buyer who answers yes to questions 11b through 11k.

Number: 2

#### Nature of Violation:

Failure to record required disposition information in an Acquisition and Disposition (A&D) Record in (b)(3) instances. Specifically, failure to record (b)(3) dispositions of firearms in the A&D Record.

IOI (b)(6) utilized ATF Forms 4473 to reconcile the location of these firearms.

Citation: 27 CFR 478.125(c)

#### Date Corrections to be Made:

*(If not corrected immediately)*

#### Corrective Action to be Taken:

*(If not corrected immediately)*

The licensee will timely and properly record the disposition of all firearms sold.

## Report of Violations

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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 ATWOOD DISTRIBUTING LP ATWOODS RANCH & HOME #30	Street Address 3000 WNW LOOP 323	City TYLER	State TX	Zip Code 75702-	County SMITH	Page 2 of 2 Pages
License/Permit/Registry Number (If any) 575423017J10261	Expiration Date 9/1/2017	Date(s) or Period of Inspection 11/01/2016 through 11/10/2016				

### 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 timely or correctly report the sale of two or more pistols, or revolvers, or a combination thereof, on the same day or within five consecutive business days in <sup>(b)(6)</sup> instances involving <sup>(b)(6)</sup> firearms.

Citation: 27 CFR 478.126a

#### Date Corrections to be Made:

(If not corrected immediately)

**Corrective Action to be Taken:** The licensee will report all multiple sale of firearms when required by 27 CFR 478.126a.

(If not corrected immediately)

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

(b)(6)

Store Manager

Signature and Title of ATF Officer

Date

11/10/2016

Date

**Inspection Results:**

**Number: 1**

Root Cause: Gun counter associate rushing through the process and not following through on protocol.

Corrective Action: Associate will not be rushed in the process. Will take the time necessary to process and look over the paperwork, to ensure that it is filled out correctly. Will have a secondary associate look over and initial the paperwork to help ensure that mistakes were not missed.

**Number: 2**

Root Cause: Associate not being trained correctly. Associate not properly filing the paperwork daily and monthly audits not being done correctly to ensure that the documentation was recorded correctly in the A&D Book

Corrective Action: RP will be properly trained on how to disposition the paperwork on a daily basis to ensure that all firearms are correctly logged into the A&D Book. The Store Manager will follow up to make sure that this is happening and that the RP understands the processes that are in place, so that every firearm is recorded correctly. The Store Manager and RP will do monthly audits together to make sure that no firearms were missed and everything is properly dispositioned.

**Number: 3**

Root Cause: Training and follow through. Associates not filling out and faxing the Multiple Firearm paperwork in a timely manner.

Corrective Action: Associates will be retrained on how to properly fill out the paperwork on Multiple Firearms (Pistols & Revolvers or Rifles). Multiple Firearm paperwork will be processed and faxed immediately after the transaction is completed. The RP will check the 4473's daily while doing the dispositions of the firearms to make sure all Multiple Firearms Reports have been recorded and paperwork faxed in. Store Manager will follow up with the RP to ensure that this process is being adhered to on a daily basis.

Signature and Title

(b)(6)

Date 11/10/2014

*Store Manager*





**U.S. Department of Justice**

Bureau of Alcohol, Tobacco,  
Firearms and Explosives

*December 8, 2016*

[www.atf.gov](http://www.atf.gov)

781025: SBW  
5000

ATWOOD DISTRIBUTING LP  
ATWOODS RANCH & HOME #30  
3000 WNW LOOP 323  
TYLER, TX 75702-  
RE: 575423017J10261

Dear Mr. Jeremy Bracken:

During a recent inspection at your firearms business covering the period November 1, 2015 to October 31, 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.

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

Sincerely yours

(b)(6)

Area Supervisor for Dallas Group V

Enclosure

cc: Federal Firearms Licensing Center  
Dallas V (IO) Field Office

**Address:** 3000 WNW Loop 323  
Tyler, Texas 75702 Smith County

## **1 - Introduction**

### **Inspection Profile:**

Industry Operations Investigator (IOI) (b)(6) initiated a Southwest Border full firearms inspection on 11/1/2016, at the business premises of 3000 WNW Loop 323, Tyler, Texas. Initially Mr. Jeremy Lee Bracken was identified by a Texas Driver's License # (b)(6) and was interviewed for this inspection. Later, IOI (b)(6) spoke with other responsible persons including Amber Sides and William Todd Evans. The purpose and scope of this inspection was to determine the licensee's level of compliance with applicable laws and regulations governing activities as a Federal Firearms Licensee. The period of inspection was from 11/1/2015 through 10/31/16. No advanced notification was given prior to the beginning of the onsite inspection. The onsite end date for this inspection was 11/3/2016. The closing conference was conducted via telephone on 11/10/16.

OpenFox checks on responsible persons Jeremy Lee Brackeen, William Todd Evans, and Amber Marie Sides was conducted prior to the inspection and disclosed no prohibiting information.

### **Business Profile:**

The licensee maintains a Type 01 dealer license, with an original issue date of 08/27/2014. The licensee operates a retail commercial farm and ranch store in which he utilizes the FFL to sell new hand guns and long guns. There is no other business on the premises, and the licensee is not involved in any other business. The licensee currently maintains of hand guns and long guns, and sells firearms ammunition and accessories. The licensee does not do special orders, FFL transfers, and does not sell on the internet.

A review of the licensee's acquisition and disposition (A&D) record disclosed that the licensee acquired (b)(4) firearms (b)(4) hand guns, (b)(4) long guns) during the inspection period. The licensee disposed of (b)(4) firearms (b)(4) hand guns, (b)(4) long guns) during the inspection period. Mr. Evans stated that the firearms business consists of 100% retail sales. The inspection of the A&D Record for the inspection period disclosed the licensee's firearms business consisted of 100% new firearms. The licensee's primary suppliers of firearms include (b) (4).

The licensee does not sell at or attend gun shows. The licensee does not sell firearms online.

A query of the Federal Licensing System indicates the licensee currently holds a Type 01 FFL (FFL #5-75-10261), which is the subject of this inspection. The licensee also holds several other Type 01 FFL's throughout Oklahoma, Texas, and Arkansas.

Mr. Evans stated that the licensee does not utilize off-site storage of firearms.

**Ownership and Control:**

Atwood Distributing LP d.b.a. Atwoods Ranch & Home #30 is a foreign limited partnership based in Oklahoma with a formation date of 06/30/2003. The limited partnership is in good standing according to the Texas Secretary of State database. The entity's place of business for this inspection is located at 3000 WNW Loop 323, Tyler, Texas.

On 11/1/2016, IOI (b)(6) interviewed Mr. Evans regarding the business structure and ownership. Mr. Evans stated that the Atwoods remains a limited partnership, and that there has not been any ownership or control changes since the license was issued on 8/27/2014.

The licensee did not wish to add any responsible person during the onsite inspection. There were no unreported changes in ownership or control of the licensed firearm business. No indications of hidden ownership were disclosed during the course of this inspection.

**Variance:**

The license has no approved variances. The licensee did not request any variances during the onsite inspection.

**2 - Recommendation**

Violations, Warning Letter Only, No Recall Inspection

**3 - Inspection History**

<b>Date of Inspection:</b>	1/20/2015
<b>Type of Inspection:</b>	Amended Qualification Application
<b>UI#:</b>	781025-2015-0182-B1B
<b>Inspection Results:</b>	Application Approved
<b>Cited Violations:</b>	None
<b>Date of Inspection:</b>	8/6/2014
<b>Type of Inspection:</b>	Qualification Inspection
<b>UI#:</b>	781025-2014-0449-B1B
<b>Inspection Results:</b>	License issued on 8/27/2014
<b>Cited Violations:</b>	None

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

Investigators (b)(6) conducted a full firearms inventory. A comparison of the firearms inventory and the Acquisition and Disposition (A&D) Record disclosed (b)(6) firearms in physical inventory and (b)(6) open dispositions. These (b)(6) discrepancies involved instances in which the licensee failed to timely record the disposition in the A&D Record. IOI (b)(6) utilized an ATF Form 4473 to reconcile the firearms location, and the licensee was cited for these (b)(6) discrepancies: **Violation #2 27 CFR 478.125(e)- See Worksheet 1-Inventory & A&D Worksheet, Exhibit 1, ATF Forms 4473 used to reconcile, ATF Form 5030.5-Report of Violations.** Since the licensee made the changes to the A&D Record before IOI (b)(6) could take pictures of the A&D Record errors, the worksheets and the ATF Forms 4473 are the main evidence of the violations.

The licensee's A&D record is in the proper format. The investigator discovered no firearms with obliterated serial numbers or unregistered NFA weapons.

The inspection of the licensee's A&D Record did not disclose any trafficking issues relating to the acquisition or disposition of firearms.

The responsibility for entering information in the A&D Record rests mainly with the firearms department manager. However, in her absence, the assistant store manager and store manager will assist in the entering of information in the A&D Record. A full firearms inventory is conducted on the first of every month to ensure accuracy of the information contained in the A&D Record. However, due to the method used performing the inventory, the violations above were not disclosed. No other employees are involved in the day-to-day operations of the firearms business.

The licensee did not have any firearms lost or stolen during the inspection period. No thefts or losses were reported as a result of the onsite inspection.

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

Investigator (b)(6) counted (b)(6) ATF Forms 4473 on file for the inspection period of 11/1/2015 through 10/31/2016. The licensee retains/files the ATF Forms 4473 chronologically by date of disposition. Investigator (b)(6) reviewed all (b)(6) ATF Forms 4473 on file for the inspection period, which disclosed (b)(6) discrepancy. That discrepancy occurred when the licensee transferred a firearm to a buyer who answered yes to questions 11(b) & 11(c) on the ATF Form 4473- **Violation #1 27 CFR 478.124(c)(1)- See Worksheet 2-ATF Form 4473 Review Worksheet, Exhibit 1, ATF Forms 4473, ATF Form 5030.5-Report of Violations.**

The licensee made no sales to law enforcement officers per the provisions of 27 CFR 478.134 during the inspection period.



Investigator (b)(6) inspected the FFL Audit Log, which disclosed 116 transactions /NTN within the last 60 days. IOI (b)(6) compare these numbers to those found on the completed ATF Forms 4473. No discrepancies disclosed.

Investigator (b)(6) reviewed the (b)(3) - 112 P ATF Forms 4473 on file for the inspection period of 11/1/2015, through 10/31/2016, which did not disclose any trafficking issues relating to the purchasers of firearms.

The responsibility for completing and reviewing the ATF Forms 4473 and the NICS background check rests mainly with the firearms department manager. However, in her absence, the assistant store manager and store manager will assist in the completion of the ATF Forms 4473. A review of all forms is complete on the first of every month to ensure accuracy. No other employees are involved in the day-to-day operations of the firearms business.

#### **6 - Multiple Sales**

The Violent Crime Analysis Branch (VCAB) reported (b)(3) multiple handgun sales for the inspection period. A review of the licensee's records disclosed (b)(3) - 112 P unreported sales of multiple handguns by the licensee during the last 12 months: **Violation #3-27 CFR 478.126a -See Worksheet 2-ATF Form 4473 Review Worksheet, Exhibit 3, ATF Forms 4473 and completed multiple sale reports, ATF Form 5030.5-Report of Violations.** During the onsite inspection, IOI (b)(6) instructed the licensee to complete and submit the three unreported multiple hand gun sales immediately.

#### **7 - Suspicious/Prohibited Purchasers**

The investigator conducted a review of the A&D Record for individuals with repeat firearm purchases of common crime guns with no significant investigative results. This inspection disclosed no information relating to any possible firearms traffickers, straw purchases or prohibited persons. No referrals were prepared regarding any possible suspicious or prohibited purchasers.

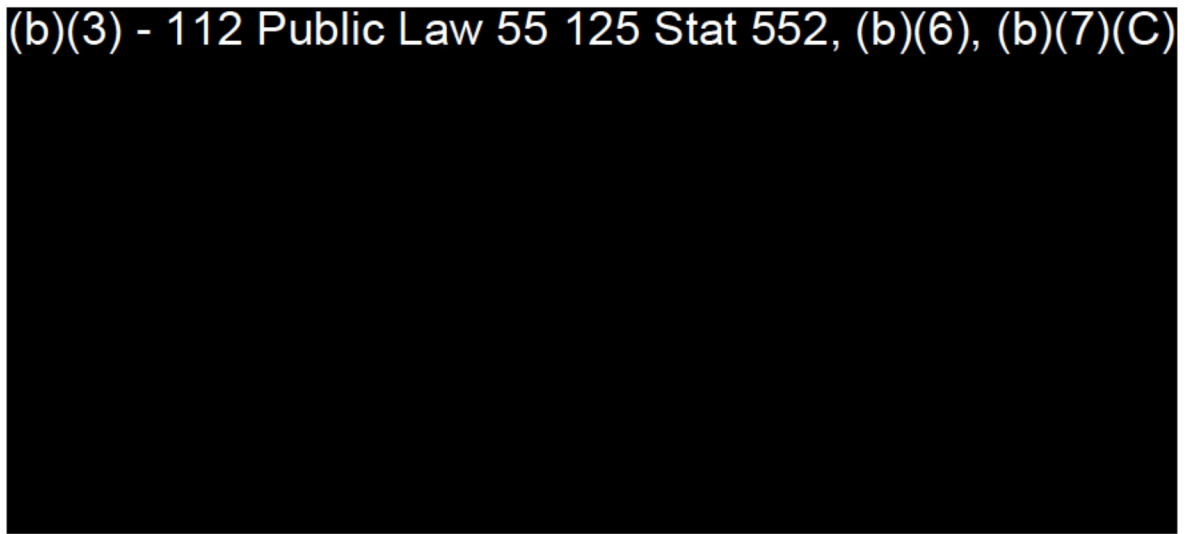
No violations disclosed.

IOI (b)(6) conducted an OpenFox query on the individual purchaser who answered 11b & 11c to ensure that he was not prohibited. This query produced no prohibiting information.

#### **8 - Trace Activity**

Investigator (b)(6) requested a Firearm Trace History from the Violent Crime Analysis Branch prior to this inspection. The Firearm Trace History Report from the Violent Crime Analysis Branch revealed that there are a total of (b)(3) - 112 P trace requests for the inspection period of 11/1/2015, through 10/31/2016. (b)(3) - 112 Public Law 55 125 Stat 552

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



Investigator (b)(6) reviewed the Firearm Trace History report for any trace history information regarding firearms recovered in Mexico. This review disclosed negative results, no firearm was trace to or recovered in Mexico.

**9 - NFA/Importer/Collector/Manufacturer**

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

**10 - Referrals**

No referrals were generated as a result of this compliance inspection.

**11 - Other**

The licensee has the Youth Handgun Safety Act Poster (ATF I 5300.1) displayed. In addition, Mr. Evans has Youth Handgun Safety Act Notices (ATF I 5300.2) on hand, and they are given to each individual with the purchase of a handgun.

The licensee maintains trigger locks at the premises. Mr. Evans stated that the business is aware of the regulatory requirement that the licensee must provide a secure gun safety device to each customer (non-licensee) with the purchase of a handgun.

**12 - Closing Actions**

On 11/10/2016, IOI (b)(6) held a closing conference via telephone with Mr. Evans. This was done in an attempt to save time and resources. IOI (b)(6) reviewed in detail the Report of Violations and provided educational guidance on the proper completion of the ATF Form 4473, the A&D record, as well as other matters related to the proper

conduct of business. Mr. Evans signed the Report of Violations, and then emailed the signed copy back to IOI (b)(6). Mr. Evans was provided with a copy for his records.

IOI (b)(6) reviewed in detail the Acknowledgement of Federal Firearms Regulations on 11/10/16, discussing all applicable regulations including ATF's right of entry and examination, recordkeeping requirements, theft or losses of firearms, Report of Multiple Handgun and Rifle Sales and tracing procedures. Mr. Evans signed the Acknowledgement of Federal Firearms Regulations, and was provided with a copy for his records (Exhibit 4). IOI (b)(6) provided Mr. Evans with his contact information, and encourage him to use this contact information when questions arise regarding ATF compliance.

### **13 - Violations**

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

**Nature of Violation:** Failure to obtain and record all required transferee information on one ATF Form 4473.

On (b)(6) ATF Form 4473, the purchaser indicated a yes response to questions 11b and 11c, and the licensee transferred the firearm anyway.

**Licensee's Response:** Mr. Evans stated that this error occurred due to the gun counter associated rushing through the process, and not following through on existing protocol. The avoid a repeat of this violation, the gun counter associate will take their time, and have each form double checked as required by the current procedure.

**Corrective Action:** The licensee will refrain from transferring a firearm to any buyer who answers yes to questions 11b through 11k.

#### **Worksheet 2 & Exhibit 2**

#### **2. 27 CFR 478.125(e)**

**Nature of Violation:** Failure to record required disposition information in an Acquisition and Disposition (A&D) Record in (b)(6) instances. Specifically, failure to record (b)(6) dispositions of firearms in the A&D Record.

IOI (b)(6) utilized ATF Forms 4473 to reconcile the location of these firearms.

**Licensee's Response:** Mr. Evans stated that this error occurred due to the gun associate not being trained properly, and not performing the monthly audits correctly. The associated will be trained, and the monthly audits will be done in such a manner to catch any possible discrepancies. In addition, all monthly audits will now be done by the store manager and the gun associate.



**Corrective Action:** The licensee will timely and properly record the disposition of all firearms sold.

### **Worksheet 1 & Exhibit 1**

#### **3. 27 CFR 478.126a**

**Nature of Violation:** Failure to timely or correctly report the sale of two or more pistols, or revolvers, or a combination thereof, on the same day or within five consecutive business days in (b)(3)-112 F instance involving (b)(3)- firearms.

**Licensee's Response:** Mr. Evans stated that this error occurred due to the gun associate not completing and submitting the multiple sale in a timely manner. The gun associate will review all gun sales daily to ensure that the multiple sale requirement listed in 27 CFR 478.126a is being followed, and that all multiple sales are completed and submitted by the close of business on the day the transaction occurs.

**Corrective Actions:** The licensee will timely or correctly report the sale of two or more pistols, or revolvers, or a combination thereof, on the same day or within five consecutive business days.

### **Worksheet 2 & Exhibit 3**

**X**

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Industry Operations Investigator

### **Index of Worksheets and Exhibits**

Information Page

Worksheet 1

Worksheet 2

Other Statistics

Exhibits

Exhibit 1- Evidence of 478.125(e) violation

Exhibit 2- Evidence of 478.124(c)(1) violation

Exhibit 3- Evidence of 478.126a violation

Exhibit 4- Acknowledgement of Federal Firearms Regulations