

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) DYNOMACH INC 1146 COMMERCIAL DR. PORT ALLEN, LA 70767, WEST BATON ROUGE	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) <p style="text-align: center;">777040-2016-0074-B1B</p> 3. PERMIT/LICENSE NUMBER 4a. TARGET DATE 4b. TARGET HOURS <p style="text-align: center;">572121077L02374 12/31/2015</p> 5. REQUESTED BY (SIGNATURE, TITLE AND DATE)
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6. ATF OFFICER(S) ASSIGNED
(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
(b)(6), Area Supervisor, 10/16/2015

8. PURPOSE/SPECIAL INSTRUCTIONS
 CONDUCT MANUFACTURER & IMPORTER FULL INSPECTION USING CURRENT GUIDELINES SET FORTH IN IOI MANUAL. ADDITIONALLY, MISSING AFMER REPORTS SHOULD BE DOCUMENTED IN NARRATIVE REPORT AND FORWARDED TO ATF HEADQUARTERS.

9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	1	NO. OF REFERRALS	1	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: 01/04/2016

Viols WL ONLY and Recall Inspection

12. TIME ACCOUNTING DATA	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS)	(b)(6)
OCT 2015	31.00
NOV 2015	4.00
DEC 2015	5.00
JAN 2016	25.00
ATF OFFICER'S SUBTOTAL	65.00
TOTAL HOURS	65.00
ATF OFFICER'S SIGNATURE	

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
 Viols WL ONLY and No Recall Inspection

<input checked="" type="checkbox"/> REVIEWED	<input checked="" type="checkbox"/> CONCUR	<input type="checkbox"/> SEE COMMENTS	<input checked="" type="checkbox"/> FINAL DISPOSITION
SIGNATURE AND TITLE (b)(6) - Area Supervisor	(b)(6)	REVIEW DATE	01/08/2016

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) DYNOMACH INC 1146 COMMERCIAL DR PORT ALLEN, LA 70767, WEST BATON ROUGE	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 777040-2016-0074-B1B		
	3. PERMIT/LICENSE NUMBER 572121077L02374	4a. TARGET DATE 12/31/2015	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 quadruplicate. The original copy and the suspense copy (where required) 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 <u>Dynamich, Inc</u>	Street Address <u>1140 Commercial Drive</u>	City <u>Port Allen</u>	State <u>LA</u>	ZIP Code <u>70767</u>	County <u>West Baton Rouge</u>	Page <u>1</u> of <u>1</u> Pages
License/Permit/Registry Number (if any) <u>572-121-07-7L-3119</u>	Expiration Date <u>11-1-17</u>	Date(s) or Period of Inspection <u>October 27, 2015</u>				

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 478.123	Failure to accurately maintain the Acquisition and disposition record book in ^{(b)(3) 112 Public} instances.	The licensee corrected all errors immediately and	
		* ^{(b)(3) 112 Public Law 56 125 STAT 562 (b)(8)} instances of recording a firearm as logged out when in inventory.	was instructed from now on to accurately maintain the acquisition and disposition record book.	
1		* ^{(b)(3) 112 Public Law 56 125 (b)} instances of an acquisition not recorded prior to inspection.		

I have received a copy of this Report of Violations (Proprietor's signature and title)

Michael Davis
Signature and Title of ATF Officer **(b)(6)**

Date 10/27/15
Date 10/27/15



U.S. Department of Justice
Bureau of Alcohol, Tobacco,
Firearms and Explosives
One Galleria Blvd., Suite 1700
Metairie, LA 70001

www.atf.gov

January 8, 2016

777040 (b)(6)
5373

CERTIFIED MAIL – RETURN RECEIPT REQUIRED

Dynomach, Inc.
1146 Commercial Drive
Port Allen, LA 70767
Re: 5-72-121-07-7L-02374

Dear Mr. Olano:

During a recent compliance inspection at your firearms business covering the period of October 27, 2014 through October 27, 2015, you were cited for violations of Title 27, Code Of Federal Regulations, Part 478. A copy of the Report of Violations, ATF Form 5030.5, issued at time of the inspection is enclosed.

All violations were fully explained to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator(s). You indicated that you understood the requirements of the Federal 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.

Dynomach, Inc

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

Sincerely yours,

(b)(6)

Area Supervisor

Enclosure

cc: Federal Firearms Licensing Center
New Orleans III (IO) Field Office

FIREARMS INSPECTION REPORT

Name: Dynamach, Inc.
Trade Name:

UI#: 777040-2016-0074-B1B
FFL#: 5-72-121-07-7L-02374

Address: 1146 Commercial Drive
Port Allen, LA 70767

1 - Introduction

Inspection Profile:

On October 27, 2015, a Manufacturer and Importer Full inspection was conducted by Industry Operations Investigators (IOI) (b)(6) at the business premises listed above.

Mr. Michael Olano, President/RP, was interviewed and identity was validated by a Louisiana driver's license (b)(6)

The period of inspection covered October 27, 2014 through October 27, 2015. No advanced notification was provided. As a result of this investigation one (1) violation was cited. The closing conference was conducted on October 27, 2015.

Business Profile:

Dynamach, Inc. is contracted by (b)(4)

Mr. Olano stated that he has not conducted any retail sales, transfers, or internet sales.

Dynamach, Inc.'s main course of business is a full service manufacturer for the chemical, marine, heavy equipment, and medical industries. Dynamach, Inc. is capable of manufacturing many types of precision machined parts in there machine shop.

Dynamach, Inc., is located in a commercial area of Port Allen, La. Dynamach, Inc. operates out of a large manufacturing facility, with offices in front of the shop.

The licensee had acquired approximately (b)(4) firearms and disposed of approximately (b)(4) firearms in the past twelve months. All (b)(4) firearms acquired are the receivers that Dynamach, Inc. manufactured.

FIREARMS INSPECTION REPORT

Name: Dynamach, Inc.
Trade Name:

UI#: 777040-2016-0074-B1B
FFL#: 5-72-121-07-7L-02374

The licensee was in possession of a valid type 07 FFL "Manufacturer of Firearms Other than Destructive Devices". Dynamach, Inc. has held a Type 07 FFL since October 2008.

Mr. Olano provided IOI (b)(6) with a Port Allen Occupational License (00164) and a LA State Tax Certificate (b)(3) - 26 USC 6103).

Dynamach, Inc. does not participate at Gun Shows. An Important Notice to Dealers and Other Participants at Gun Show's was reviewed and a copy was provided for reference.

No offsite storage locations are used.

Ownership and Control:

Dynamach, Inc., conducts business as a Corporation. Mr. Michael Olano, is correctly listed as the President and only Responsible Person.

The LLC is listed as "In Good Standing" on the Louisiana Secretary of State website (See Exhibit 1).

No hidden ownership is suspected.

Variance:

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



2 - Recommendation

Viols WL Only and Recall Inspection.

FIREARMS INSPECTION REPORT

Name: Dynamach, Inc.
Trade Name:

UI#: 777040-2016-0074-B1B
FFL#: 5-72-121-07-7L-02374

3 - Inspection History

Dynamach, Inc. has been inspected two times prior to this inspection. Information regarding the inspections are noted below:

Date of Inspection: April 12, 2011
Type of Inspection: IOI (b)(6) conducted a Full Manufacturers Firearms Inspection.
UI#: 777040-2011-0062-B1B
Inspection Results: No Viols No Further Action No Referrals
Cited Violations: No violations were cited during this inspection.

Date of Inspection: October 7, 2008
Type of Inspection: Senior IOI (b)(6) conducted a Firearms Qualification inspection.
UI#: 777040-2008-0368-B1B
Inspection Results: Approve Original.
Cited Violations: No violations were cited during this inspection.

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

A full inventory was conducted during the inspection. The inventory verification disclosed the licensee had 53 firearms in inventory and (b)(3) - 112 Public Law open entries in the Acquisition & Disposition (A&D) record books, with (b)(3) - 112 Public Law discrepancies.

Specific information regarding the discrepancies are noted below:

(b)(3) - 112 Public Law 55 firearms were acquired without a record of acquisition in the A&D record book prior to the inspection (See Exhibit 3, ROV #1, Worksheet #1).

(b)(3) - 112 Public Law 55 125 50 firearms were logged out of the A&D record book when they were actually in the physical inventory (See Exhibit 4, ROV #1, Worksheet #1).

A violation of 27 CFR 478.123 was cited for failure to accurately maintain the A&D record book.

*Mr. Olano recorded all missing acquisitions into the A&D record book during the closing of the investigation.

The licensee maintains one (1) handwritten A&D record book. The licensee's handwritten A&D record books were in the proper format.

Mr. Olano stated that (b)(4) . When Mr. Olano has completed the receivers he then

FIREARMS INSPECTION REPORT

Name: Dynamach, Inc.
Trade Name:

UI#: 777040-2016-0074-B1B
FFL#: 5-72-121-07-7L-02374

(b)(4) . IOI (b)(6) explained to Mr. Olano that once the receivers are completed that they are required to be entered into the A&D record book. Mr. Olano stated that understands the regulations regarding the acquisition information. IOI (b)(6) also reviewed with Mr. Olano the regulations regarding the disposition information entered into the A&D record book. (b)(6) explained that once the receivers were physically shipped (b)(4) he could then record them as a disposition in the A&D record book. Mr. Olano was under the impression that once they were completed and waiting to be shipped that he could then enter the disposition. Mr. Olano stated that he now understands the disposition process.

There were no thefts or losses to report for the period of inspection pertaining to this type 07 FFL. There were no indications of trafficking present during this investigation.

5 - ATF Forms 4473 – NICS & Other Dispositions

There were no ATF Form 4473s on file during the period of October 27, 2014 thru October 27, 2015.

No sales to law enforcement were conducted during the inspection period, and all transfers to other licensees are conducted correctly.

There were zero (0) items on the Audit log to verify.

6 - Multiple Sales

The number of multiple sales reported during the inspection involving period on the Crime Gun Analysis Branch, FFL Master Query was zero (0) forms zero (0) firearms. No instances were revealed in which the licensee failed to file ATF Form 3310.4.

7 - Suspicious/Prohibited Purchasers

There were no possible traffickers, straw purchasers, prohibited persons, or any other suspicious purchasers identified during this investigation.

Mr. Michael Olano, President/RP, was selected for NCIC queries. No disqualifying information was found and no felony hits were obtained.

8 - Trace Activity

The Firearm Trace History provided by the Crime Gun Analysis Branch indicates that zero (0) firearm traces occurred during this inspection period.

FIREARMS INSPECTION REPORT

Name: Dynamach, Inc.
Trade Name:

UI#: 777040-2016-0074-B1B
FFL#: 5-72-121-07-7L-02374

9 - NFA/Importer/Collector/Manufacturer

Dynamach, Inc. holds a Type 07 Federal Firearms License which was appropriate for manufacturing and dealing in firearms. The licensee stated that they manufacture receivers for (b)(4) ATS provides Mr. Olano with blueprints of the receivers they need manufactured. (b)(4)

Once the receivers are completed Mr. Olano ships them back (b)(4)

IOI (b)(6) obtained the licensee's annual firearms manufacturing and exportation reports from (b)(6) Program Analyst. The licensee also maintains all his reports. Reports have been completed in a correct and timely manner.

10 - Referrals

Referral No. 1 submitted to (b)(6) U.S. Department of State PMDDTC Chief of Registration, Registration Division:

It was learned during the compliance investigation that the licensee had never registered and did not have a valid license from the U.S. State Department, Office of Defense Trade Controls, in accordance with the Arms Export Control Act.

The licensee has held the Federal Firearms Type 07 Manufacturers License (5-72-121-07-7L-02374) since the original issue date of October 2008. The president and responsible person for the licensee, Michael Olano, stated that he had never submitted any registration documents to the U.S. Dept. of State PMDDTC.

The U.S. Dept. of STATE PMDDTC registration office was contacted and the office instructed Investigator (b)(6) to send the referral to (b)(6), Chief of Registration, 2401 E. Street NW, Building SA-1, Room H1200, Registration Division, and Washington, DC 20037.

(Reference, Referral No. 2016-0008)

11 - Other

The Licensee was in compliance with the Youth Handgun Safety Act. The Youth Handgun Safety Act poster was displayed, and the licensee was reminded to provide written notification (ATF I 5300.2, Youth Handgun Safety Act Notice) when delivering handguns to non-licensed individuals.

FIREARMS INSPECTION REPORT

Name: Dynamach, Inc.
Trade Name:

UI#: 777040-2016-0074-B1B
FFL#: 5-72-121-07-7L-02374

12 - Closing Actions

On October 27, 2015 a closing conference was held with Mr. Michael Olano, President/ RP. The acknowledgement of federal firearms regulations was discussed and signed by Mr. Michael Olano (**See Exhibit 5**). The Report of Violations was also discussed and signed by Mr. Michael Olano. A signed and dated copy of both was given to Mr. Olano. All questions that they had were answered by IOI (b)(6)

13 - Violations

1. 27 CFR 478.123

Nature of Violation:

Failure to accurately maintain the acquisition & disposition record book in (b)(3) instances:

(b)(3) - 112 Public Law 55 125 SI instances of recording a firearm as logged out when in inventory.

(b)(3) - 112 Public Law 55 instances of an acquisition not recorded prior to inspection.

Licensee's response:

When the FFL was questioned regarding these errors he stated that he believed he was able to log the dispositions out prior to the firearm being picked up. He believed that once the firearm was ready for pickup he could then enter the disposition in the A&D record book.

Corrective action:

The licensee corrected all errors and was instructed from now on to accurately maintain the A&D record book.

References:

Exhibit 2, ROV #1, Worksheet #1.

FIREARMS INSPECTION REPORT

Name: Dynamach, Inc.
Trade Name:

UI#: 777040-2016-0074-B1B
FFL#: 5-72-121-07-7L-02374

X

Industry Operations Investigator

Index of Worksheets and Exhibits

Informational page

Worksheet 1 Firearms Inspection Inventory and A & D Review Worksheet

Statistical Page

Exhibit 1- LA Secretary of State Printout

Exhibit 2- Variance Request

Exhibit 3- A&D printout of Acquisition error (corrected)

Exhibit 4- A&D printout of Disposition error

Exhibit 5- Acknowledgement of Federal Firearms Regulations