

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Pawn Central Inc 1622-B Pepperell Pkwy. Opelika, AL 36801, Lee		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 776085-2016-0115-B1B		
6. ATF OFFICER(S) ASSIGNED (b) (6) - Assigned Investigator (b) (6) - Lead Investigator (b) (6) - Assigned Investigator		3. PERMIT/LICENSE NUMBER 163081028A34075	4a. TARGET DATE 3/1/2016	4b. TARGET HOURS
		5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 10/01/2015		
7. ASSIGNED BY (SIGNATURE, TITLE AND DATE) (b) (6), Area Supervisor, 10/01/2015				
8. PURPOSE/SPECIAL INSTRUCTIONS Conduct full recall compliance inspection - see previous inspection for related violations				
9. INSPECTION RESULTS <input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC				
NO. OF VIOLATIONS	2	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) - Investigator Submitted on: 03/08/2016 Violts WL ONLY and No Recall Inspection				
12. TIME ACCOUNTING DATA				
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b) (6)				
FEB 2016		7.00		
MAR 2016		24.00		
ATF OFFICER'S SUBTOTAL		31.00	ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b) (6)				
FEB 2016		24.00		
MAR 2016		40.00		
ATF OFFICER'S SUBTOTAL		64.00	ATF OFFICER'S SIGNATURE	
ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b) (6)				
FEB 2016		9.00		
MAR 2016		27.00		
ATF OFFICER'S SUBTOTAL		36.00	ATF OFFICER'S SIGNATURE	
TOTAL HOURS		131.00		

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) Pawn Central Inc 1622-B Pepperell Pkwy. Opelika, AL 36801, Lee	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 776085-2016-0115-B1B		
	3. PERMIT/LICENSE NUMBER 163081028A34075	4a. TARGET DATE 3/1/2016	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 10/01/2015		

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION

WL, ROV and no recall: A compliance inspection was initiated by IOI (b) (6) (assigned by IOIs (b) (6)) on 2/29/2016, and completed on 3/3/2016 in Opelika, AL. The inspection disclosed 2 violations: 27 CFR 478.99(c) (instance Section A, 11i contained a Yes answer (subject's criminal history was checked subsequently by IOI and no prohibitions were disclosed); and (Repeat violation 2014) 27 CFR 478.124(c)(1) (instances (11a contained a No answer and 11a was blank). No missing forms or firearms were disclosed. No referrals were created. A ROV was issued. The licensee now understands the requirements, will provide additional training to his employees, and will ensure that the violation is not repeated in the future. A Warning Letter was sent to the licensee on 3/15/2016. No further field action is required.

E-mailed to: A/S (b) (6), DIO Kevin Boydston, FFL Actions-Nashville, (b) (6) on 3/15/2016

Viols WL ONLY and No Recall Inspection

☒ REVIEWED

☒ CONCUR

☒ SEE COMMENTS

☒ FINAL DISPOSITION

SIGNATURE AND TITLE

(b) (6) - Area Supervisor

REVIEW DATE

03/15/2016

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 Pawn Central Inc	Street Address 1622-B Pepperell Pkwy.	City Opelika	State AL	Zip Code 36801-	County Lee	Page 1 of 2 Pages
License/Permit/Registry Number (If any) 163081028A34075		Expiration Date 1/1/2018	Date(s) or Period of Inspection 02/09/2016 through 03/03/2016			

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 478.99(c) Failure to comply with sales or deliveries to prohibited categories of persons in (b) (6) instance:

(b) (3) - Public Law 112-55 (125 Stat. 552) question 11i was marked "Yes" to being convicted of a misdemeanor crime of domestic violence.

Date Corrections to be Made:
(If not corrected immediately)

Corrective Action to be Taken:
(If not corrected immediately)

The licensee was instructed on the regulations governing this. He was advised that the transferor must examine the ATF F 4473 to ensure it is correct and accurate prior to the transfer of firearms. (b) (6) who marked, "Yes" on the ATF F 4473 to having been convicted of a crime of domestic violence, was queried through NCIC with negative results.

Citation: 27 CFR 478.99(c)

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 Pawn Central Inc	Street Address 1622-B Pepperell Pkwy.	City Opelika	State AL	Zip Code 36801-	County Lee	Page 2 of 2 Pages
License/Permit/Registry Number (If any) 163081028A34075		Expiration Date 1/1/2018	Date(s) or Period of Inspection 02/09/2016 through 03/03/2016			

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 478.124(c)(1) Failure to answer (or answer correctly) certification questions on the ATF F 447 (b) (6) instances:

(b) (6) question #11a regarding if they were the actual buyer of the firearm, was answered "No".

(b) (6) question #11a regarding if they were the actual buyer of the firearm, was blank.

Date Corrections to be Made:
(If not corrected immediately)

Corrective Action to be Taken: The licensee was instructed on the regulations governing this. He was advised that the transferor must examine the ATF F 4473 for accuracy prior to the transfer of firearms
(If not corrected immediately)

Citation: 27 CFR 478.124(c)(1)

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

Date

Signature and Title of ATF Officer

Date



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

41 West I-65 Service Road North, Suite 350, Mobile, AL 36602

www.atf.gov

March 15, 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Pawn Central Inc.
1622-B Pepperell Pkwy
Opelika, AL 36801

Dear Mr. Hilyer:

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

All violations were fully explained to you by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Investigator (b) (6). It has been documented that you understand the requirements of the firearms laws and regulations and further indicated that corrective actions would be taken to eliminate future violations.

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

You are reminded that retention of your Federal firearms license is conditioned upon your compliance with Federal laws and regulations. Any future violations, either repeat or otherwise, could be viewed as willful and may result in the revocation of your license. Please ensure that future compliance is achieved.

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

Sincerely yours,

(b) (6)

Enclosure

c: National Licensing Center
Mobile II Field Office

FIREARMS INSPECTION REPORT

Name: Pawn Central Inc.
Trade Name:

UI#: 776085-2016-0115-B1B
FFL#: 163081028A34075

Address: 1622-B Pepperell Pkwy.
Opelika, AL 36801 Lee County

1 - Introduction

Inspection Profile:

On February 29, 2016, Investigators (b)(6) (b)(6) conducted a full recall compliance inspection at the business premises of Pawn Central Inc. in Opelika, AL. No advance notification was given. Present was Mr. Douglas Alan Johnson, manager and a responsible person on the Federal Firearms License (FFL). He presented his Alabama driver license as identification. The inspection period was from February 28, 2015 to February 29, 2016. NForce was queried with negative results and Acting Resident Agent in Charge (RAC) (b)(6) of the Montgomery Field Office confirmed that the licensee was not under criminal investigation (Exhibit #1).

Business Profile:

Pawn Central Inc. is a storefront pawnshop on Pepperell Parkway in Opelika, AL. They conduct pawns and redemptions for firearms and other merchandise, and they sell firearms. They do not advertise firearms for sale on the internet, but they will occasionally accept a firearms transfer through the internet. In the last 12 months, (b)(4) firearms have been acquired and (b)(4) have been disposed of. Of those (b)(4) firearms, (b)(4) were long guns and (b)(4) were handguns. Approximately (b)(4) of firearms sold are used, and their primary supplier for new firearms is (b)(4). The licensee does not sell firearms at gun shows, and they are properly licensed for the business they conduct. They are in compliance with State and local licensing and zoning as evidenced by their current 2016 State of Alabama / Lee County Store and Occupational License (#1711), City of Opelika Business License (16-3404) and State of Alabama Pawnshop license (#PS-179) which were posted on the premises. Their FFL (originally acquired December 1990) was also posted. The business does not have off-site storage.

Ownership and Control:

According to the State of Alabama Business Entity Details, Pawn Central is a Domestic Corporation formed in Lee County in January 1991 and it lists its president as Derek Hilyer (who owns 100% corporate stock) and he is one of three responsible persons on the FFL. The other two are Douglas Johnson and Brandon Hilyer, who are listed as store managers.

FIREARMS INSPECTION REPORT

Name: Pawn Central Inc.
Trade Name:

UI#: 776085-2016-0115-B1B
FFL#: 163081028A34075

Mr. Johnson stated there had been no changes in ownership and control, and no hidden ownership is suspected.

Variance:

The licensee maintains computerized A&D records which was found to be in ATF compliance, and a copy of Ruling 2013-5 was provided to the licensee. No variances are maintained by the FFL.

2 - Recommendation

Two violations were cited as a result of this investigation: 27 CFR 478.99(c) and 27 CFR 478.124(c) (1).

Violations, Warning Letter Only, and No Recall Inspection is recommended.

3 - Inspection History

Date and Type of Inspection: August 2014 – Compliance investigation conducted.
UI#: 776085-2014-0045-B1B
Inspection Results: 6 Violations, Warning Letter Only, Recall Inspection
Cited Violations: 27 CFR 478.21(a), 27 CFR 478.124(c) (1), 27 CFR 478.124(c) (3) (i), 27 CFR 478.124(c) (3) (iv), and 27 CFR 478.125(e), and 27 CFR 478.126(a).

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

A total of 931 firearms were on hand and a full inventory was conducted. An examination of the A&D Records revealed a total of [REDACTED] open entries. All 931 firearms were checked from the inventory to the A&D Record and there were no discrepancies. No Theft/Loss Reports were submitted by the licensee and there was no indication that any thefts or losses had occurred.

Twenty-five firearms were checked from the A&D to the corresponding ATF F 4473 and all were verified. The information recorded in the A&D was in the proper format and the entries in the A&D Record were made in a timely manner. Firearms are logged into the A&D Record upon receipt and logged out immediately after transfer.

FIREARMS INSPECTION REPORT

Name: Pawn Central Inc.
Trade Name:

UI#: 776085-2016-0115-B1B
FFL#: 163081028A34075

5 - ATF Forms 4473 – NICS & Other Dispositions

There were (b)(3) - 112 F ATF F 4473s on file for the inspection period, and all of them were reviewed. The ATF F 4473s were filed chronologically in date order and were filed correctly. At the conclusion of the examination, the below listed discrepancies were noted and the **Licensee was cited:**

1. **27 CFR 478.99(c) – failure to** comply with sales or deliveries to prohibited categories of persons in (b)(3) - 112 Public L instance:

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

2. **27 CFR 478.124(c)(1) – failure to** answer (or answer correctly) certification questions in (b)(3) - 112 Public L instances:

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

The licensee stated that he has trained his employees to examine all information provided by the transferee on the ATF F 4473 for accuracy, but his newer employees failed to examine the forms thoroughly. (See Report of Violations, ATF Form 4473 Worksheet, and pertinent ATF F 4473s (Exhibits #2, #3, and #4).

Seventy-seven (77) NICS numbers indicating “Proceed” or “Denied” on the FFL Audit Report was also checked on the corresponding ATF F 4473s and all NICS numbers were recorded and correct. There were no sales to law enforcement officers and no transfers to other licensees. Denied transactions were filed in a separate folder maintained by the licensee.

6 – Multiple Sales

According to the FFL History Query there were no multiple sales reported during the inspection period. A review of the ATF F 4473s revealed no unreported multiple sales during the inspection period.

FIREARMS INSPECTION REPORT

Name: Pawn Central Inc.
Trade Name:

UI#: 776085-2016-0115-B1B
FFL#: 163081028A34075

7 – Suspicious/Prohibited Purchasers

The investigation did not reveal any traffickers, straw purchasers, prohibited persons, or other suspicious persons.

8 – Trace Activity

According to the FFL History query provided by the Violent Crimes Analysis Branch, the licensee had ^{(b)(3) -} traces in the last 12 months, and all were successfully completed. **(b)(3) - 112 Public Law 55 125 Stat 552**. The investigation did not reveal any traffickers, straw purchasers, prohibited persons, or other suspicious persons.

9 - NFA/Importer/Collector/Manufacturer

The licensee does not handle NFA firearms, nor do they import, collect, or manufacture firearms.

10 - Referrals

No referrals were generated as part of this investigation.

11 - Other

The licensee was in compliance with the Youth Handgun Safety Act, as evidenced by the required sign being posted and handouts were available for handgun customers. The licensee was also in compliance with the Secure Gun Storage Provisions by having firearm safety devices available in the business.

All responsible persons (3) were queried through NCIC with negative results. Additionally, ^{(b)(3) - 112 Public Law 55 125 Stat 552, (b)(6)} customer who marked, “Yes” on an ATF F 4473 to having been convicted of a crime of domestic violence, was also queried with negative results.

12 - Closing Actions

A closing conference was held with Mr. Johnson on March 3, 2016 and all regulations and record keeping procedures were explained to her. The Report of Violations was reviewed and explained to him, and he signed the document and was provided a copy.

FIREARMS INSPECTION REPORT

Name: Pawn Central Inc.
Trade Name:


UI#: 776085-2016-0115-B1B
FFL#: 163081028A34075

The Acknowledgement of Federal Firearms Regulations (Exhibit #5) was also reviewed item by item and all questions were answered to his satisfaction. He stated that he was aware of ATF seminars, and will try to attend them. He was advised to utilize the ATF website in order to stay current on ATF regulations and industry information, and to contact our office if he had any questions.

13 - Violations

1. 27 CFR 478.124(c)(1) – REPEAT OF VIOLATION CITED ON 8/28/2014

Nature of Violation:

Failure to answer (or answer correctly) certification questions on the ATF F 4473 in  instances:

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

Licensee's Response:


The licensee stated that he has trained his employees to examine all information provided by the transferee on the ATF F 4473 for accuracy and completeness, but his newer employees failed to do so. He has scheduled a conference with them to discuss these issues.

Corrective Action:

The licensee was instructed on the regulations governing this. He was advised that the transferor must examine the ATF F 4473 for accuracy prior to the transfer of firearms (See Report of Violations, ATF Form 4473 Worksheet, and pertinent ATF F 4473s (Exhibit #3 and #4).

2. 27 CFR 478.99(c)

Nature of Violation:

Failure to comply with sales or deliveries to prohibited categories of persons in  instance:

FIREARMS INSPECTION REPORT

Name: Pawn Central Inc.
Trade Name:

UI#: 776085-2016-0115-B1B
FFL#: 163081028A34075

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

Licensee's Response:

The licensee stated that he has trained his employees to examine all information provided by the transferee on the ATF F 4473 for accuracy, but his newer employees failed to examine the forms thoroughly. He has scheduled a conference with them to discuss these issues.

Corrective Action:

The licensee was instructed on the regulations governing this. He was advised that the transferor must examine the ATF F 4473 to ensure it is correct and accurate prior to the transfer of firearms. (b)(3) - 112 Public Law 55 125 Stat 552, (b)(6), the customer who marked, "Yes" on the ATF F 4473 to having been convicted of a crime of domestic violence, was queried through NCIC with negative results. (See Report of Violations, ATF Form 4473 Worksheet, and pertinent ATF F 4473s (Exhibit #2).

The Licensee has shown much improvement since his last inspection by reducing the number of violations from six to two. Although one is a repeat violation, improvement was shown by reducing this number from (b)(3) instances on (b)(3) forms to (b)(3) instances on (b)(3) forms. This is the direct result of Mr. Johnson implementing a training program to instruct his employees on the proper completion of the ATF F 4473 and other regulations. The current violations were made by two newer employees, and he has scheduled a conference with them to discuss these issues. Future compliance is expected.

X

Industry Operations Investigator

Index of Worksheets and Exhibits

Exhibit 1 RAC Letter
Exhibit 2 (b)(3) - 112 Public Law 55 125 Stat 552
Exhibit 3
Exhibit 4
Exhibit 5 Acknowledgement of Regulations

FIREARMS INSPECTION REPORT

Name: Pawn Central Inc.
Trade Name:

UI#: 776085-2016-0115-B1B
FFL#: 163081028A34075