

Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) MASTERS, DAYNA MASTERS ENTERPRISES 86129 US Hwy 278 Snead, AL 35952, Blount	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 776015-2017-0106-B1B 3. PERMIT/LICENSE NUMBER 4a. TARGET DATE 4b. TARGET HOURS 163009028E06154 3/10/2017 5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 01/10/2017
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6. ATF OFFICER(S) ASSIGNED
(b)(6) - Lead Investigator

7. ASSIGNED BY (SIGNATURE, TITLE AND DATE)
(b)(6), Area Supervisor, 01/10/2017

8. PURPOSE/SPECIAL INSTRUCTIONS
 Please conduct a Disposition Emphasis (DE) firearm compliance investigation. This inspection requires 100% inventory reconciliation and 100% review of the ATF F 4473s for the previous 12 months. Please determine if there are any indicators of a change in or hidden ownership.

9. INSPECTION RESULTS			<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC	10. TRAVEL EXPENSES (OPTIONAL)	
NO. OF VIOLATIONS	2	NO. OF REFERRALS		2111 - PER DIEM	
NO. OF TECS CHECKS	36	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: 06/05/2017

Viols WL ONLY and No Recall Inspection

12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS)		(b)(6)
JAN 2017	36.00	
FEB 2017	59.00	
MAR 2017	12.00	
APR 2017	19.00	
JUN 2017	3.00	
ATF OFFICER'S SUBTOTAL	129.00	ATF OFFICER'S SIGNATURE
TOTAL HOURS	129.00	

13. REVIEW AND ROUTING

REVIEW COMMENTS AND RECOMMENDATION
 03/02/17 - Report of Violations issued citing two violations: 27 CFR 478.125(e) - **(b)(6)** instances, and 27 CFR 478.126a - **(b)(6)** instances.
 06/12/17 - Warning Letter mailed Certified Mail Return Receipt (7010-0780-0002-1728-6902).

Viols WL ONLY and No Recall Inspection

REVIEWED
 CONCUR
 SEE COMMENTS
 FINAL DISPOSITION

SIGNATURE AND TITLE (b)(6) - Area Supervisor	REVIEW DATE 06/12/2017
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Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) MASTERS, DAYNA MASTERS ENTERPRISES 86129 US Hwy 278 Snead, AL 35952, Blount	2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 776015-2017-0106-B1B		
	3. PERMIT/LICENSE NUMBER 163009028E06154	4a. TARGET DATE 3/10/2017	4b. TARGET HOURS
	5. REQUESTED BY (SIGNATURE, TITLE AND DATE) 01/10/2017		

ROUTING SEQUENCE AND DATE

- 1. _____
- 2. _____
- 3. _____
- 4. _____

CONTROL FILE POSTED DATE _____



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Birmingham, AL 35203

June 12, 2017

www.atf.gov

776015^{(b)(6)}
5373

Dayna Masters
d/b/a Master's Enterprises
86129 US HWY 278
Snead, AL 35952

FFL No. 1-63-009-02-8E-06154

Dear Mr. Masters:

During a recent compliance inspection at your firearms business covering the period of January 24, 2016 to January 24, 2017, 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)}. You indicated that you understood the requirements of the firearms laws and regulations. You 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 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 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.

Please contact us if you have any questions concerning your responsibilities as a licensee or if you required further clarification about particular requirements of Federal firearms laws.

Dayna Masters
d/b/a Master's Enterprises
FFL No. 1-63-009-02-8E-06154

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

Sincerely yours,

(b)(6)

Area Supervisor
Birmingham II Area Office

Enclosure

c: Federal Firearms Licensing Center
Director Industry Operations, Nashville Field Division
Birmingham II (IO) Area Office

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 MASTERS, DAYNA MASTERS ENTERPRISES	Street Address 86129 US Hwy 278	City Snead	State AL	Zip Code 35952-	County Blount	Page 1 of 3 Pages
License/Permit/Registry Number (If any) 163009028E06154	Expiration Date 5/1/2018	Date(s) or Period of Inspection 01/25/2017 through 02/15/2017				

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 478.125 (e) reads in part, "Each licensed dealer shall enter into a record each receipt and disposition of firearms... The sale or other disposition of a firearm shall be recorded by the licensed dealer not later than 7 days following the date of such transaction."

The licensee is in violation of 27 CFR 478.125 (e) for failure to record the sale or other disposition of a firearm not later than 7 days following the date of such transaction (disposition immediately reconciled) - (b)(7)(F) instances.

Citation: 27 CFR 478.125(e)

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

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

Licensee Masters was advised of the regulatory requirements and the obligation as a Federal Firearms Licensee to comply with those requirements. Specifically, Masters was advised to exercise more vigilance to ensure that transferred firearms are logged out of the A&D record(s) within the allotted time period (7 days). The violations were resolved by updating the A&D record with the corresponding ATF F 4473s documenting complete and/or accurate disposition of the unlogged firearms.

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 MASTERS, DAYNA MASTERS ENTERPRISES	Street Address 86129 US Hwy 278	City Snead	State AL	Zip Code 35952-	County Blount	Page 2 of 3 Pages
License/Permit/Registry Number (If any) 163009028E06154	Expiration Date 5/1/2018	Date(s) or Period of Inspection 01/25/2017 through 02/15/2017				

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 478.126a Reporting multiple sales or other disposition of pistols and revolvers reads "Each licensee shall prepare a report of multiple sales or other disposition whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totaling two or more, to an unlicensed person: Provided, That a report need not be made where pistols or revolvers, or any combination thereof, are returned to the same person from whom they were received. The report shall be prepared on Form 3310.4, Report of Multiple Sale or Other Disposition of Pistols and Revolvers. Not later than the close of business on the day that the multiple sale or other disposition occurs, the licensee shall forward two copies of Form 3310.4 to the ATF office specified thereon and one copy to the State police or to the local law enforcement agency in which the sale or other disposition took place. Where the State or local law enforcement officials have notified the licensee that a particular official has been designated to receive Forms 3310.4, the licensee shall forward such forms to that designated official. The licensee shall re-retain one copy of Form 3310.4 and attach it to the firearms transaction record, Form 4473, executed upon delivery of the pistols or revolvers."

The licensee in in violation of 27 CFR 478.126a for failure to comply with multiple sale(s) of pistols/revolvers by failing to prepare and forward/submit ATF F 3310.4 to ATF and local law enforcement agency, not later than the close of business on the day that the multiple sale or other disposition occurs—^{(b)(3) 112 Public Law 55} instances.

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

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

Licensee Masters was advised of the regulatory requirements and the obligation as a Federal Firearms Licensee to comply with those requirements. Specifically, Masters was advised to exercise more vigilance to ensure that during multiple sale transaction(s) involving 2 or more handguns, ATF F 3310.4 is completed and submitted to ATF and the local law enforcement agency on the date of each multiple sale transaction. The violations were resolved when the FFL prepared Forms 3310.4 for each corresponding multiple sale and submitted each form to the National Tracing Center and the local law enforcement agency.

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 MASTERS, DAYNA MASTERS ENTERPRISES	Street Address 86129 US Hwy 278	City Snead	State AL	Zip Code 35952-	County Blount	Page 3 of 3 Pages
License/Permit/Registry Number (If any) 163009028E06154	Expiration Date 5/1/2018	Date(s) or Period of Inspection 01/25/2017 through 02/15/2017				

Inspection Results

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

Citation: 27 CFR 478.126a

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

Dayna Masters owner

Date
3-2-17

Signature
(b)(6)

Date
3/2/2017

Address: 86129 US HWY 278
Snead, Alabama 35952 (Blount)

1 - Introduction

Inspection Profile:

On January 24, 2017, a letter was sent to Resident Agent in Charge (RAC) (b)(6) informing her of the scheduled assignment for this licensee and requesting notification of any criminal investigations associated with the business. No reply was received.

Between January 25, 2017 and February 8, 2017 a Full Firearms Disposition Emphasis, Compliance Inspection (01 Dealer/02 Pawn Broker) covering the period January 24, 2016 through January 24, 2017 was conducted at the above business.

Personnel involved in the inspection:

(b)(6), Investigator

Mr. Dayna Lee Masters (Owner & Responsible Person) and Mr. Dwight P. Christian III "Trey" (Store Manager) were contacted and interviewed during the inspection. There were no other Federal, State, or local agencies involved in this investigation.

Advanced notification was not given prior to the inspection.

Business Profile:

Dayna Lee Masters and step-son Trey Christian operate Masters Enterprise (under the name of Snead Trading Post) as a pawn shop in the rural commercially zoned area on US HWY 278 in Snead, AL. This business is a Sole Proprietorship and is issued Employer Identification Number (EIN) 47-3513326.

During the past 12 months the following firearms were acquired and disposed of:

Wholesale – (b)(4)	Retail – (b)(4)
New – (b)(4) %	Used – (b)(4)
Handguns: acquired – (b)(4)	Disposed of (b)(4)
Longguns: acquired – (b)(4)	Disposed of (b)(4)
Total firearms: acquired – (b)(4)	Disposed of – (b)(4)

The primary suppliers for new firearms are (b)(4), (b)(4). Used firearms are acquired as purchases from individuals, other licensees, or from forfeited pawns.

Gun Show firearm transactions occurred during the inspection period which accounts for approximately (b)(4) of their business. The business maintains an online presence (facebook) for advertisement purposes and conducts online sales via the Gunbroker firearm auction website and SneadTP.com website.

No other business is located on the premises at the time of the inspection. Licensee Masters indicated that plans are in place to open an automotive maintenance shop on the other half of the building, which the gun store is operated from. A definite time of conducting the automotive maintenance business was not specified.

Licensee Masters stores firearms only at the above location and does not have any other applicable ATF license. The Licensee is in compliance with applicable state laws with the physical location in the rural town limit of Snead. The Licensee has held an FFL since 2015.

Ownership and Control:

Mr. Dayna Lee Masters is the Owner of the business and listed as the only Responsible Person. The investigation revealed that Masters' step-son, Dwight P. Christian III, "Trey" (store manager) intends on being co-owner of the business. I explained to FFL Masters that his FFL can continue to operate as a sole proprietorship under the original license even if changes in ownership occur. I explained to Masters that he will re-apply for a new FFL under the partnership (LLC, corporation, etc.) disclosing the new partner(s) information reflecting the change in ownership.

In light of Christian's pending ownership and management of the business, it was recommended that Christian be added as a Responsible Person. Finger print cards were provided and instructions were given for adding Christian as a Responsible Person. No hidden ownership issues were revealed. Other than the addition of Christian as a Responsible Person in the Federal Licensing System (FLS), no corrections/revisions are necessary.

Variance:

None and none were requested.

2 - Recommendation

Violations only WL ONLY and No Recall Inspection

3 - Inspection History

Date of Inspection: December 22, 2016
Type of Inspection: Theft Loss
UI#: 776015-2017-0101-B1B

Inspection Results: See Related CE UI
Cited Violations: None

Date of Inspection: March 30, 2015
Type of Inspection: Qualification
UI#: 776015-2015-0158-B1B
Inspection Results: Application Approved
Cited Violations: None

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

A full 100% inventory was taken by Investigator Gurtler and compared against the A&D record. During investigation, 907 firearms were in the physical inventory and [REDACTED] open entries were in the A&D record resulting in a total of [REDACTED] discrepancies.

During the investigation, the FFL found the [REDACTED] ATF Forms 4473 corresponding to the open entries in the A&D record. This brought the total A&D record to [REDACTED] open entries, leaving no open A&D entry discrepancies.

The following A&D discrepancy was discovered as a result of a review of the licensee's A&D Record and Inventory;

27 CFR 478.125 (e) reads in part, "Each licensed dealer shall enter into a record each receipt and disposition of firearms... The sale or other disposition of a firearm shall be recorded by the licensed dealer not later than 7 days following the date of such transaction."

Violation: Failure to record the sale or other disposition of a firearm not later than 7 days following the date of such transaction (dispositions reconciled) [REDACTED] instances.

For each of the [REDACTED] instances, the licensee failed to provide information under the Disposition Date, Disposition Name and Disposition Address/or License Number. The discrepancy was resolved when the licensee produced the [REDACTED] ATF Forms 4473 corresponding to the A&D open entries and immediately corrected each missing disposition entry. Each 4473 transfer date had exceeded 7 days following each transaction. (**A&D Review Worksheet and Exhibits #1A-1J**). No other discrepancies were noted.

A violation was cited under **27 CFR 478.125 (e)** (See violation 1).

Investigator [REDACTED] traced 25 firearms from the ATF Forms 4473 to the A&D record and no discrepancies were discovered. Investigator [REDACTED] traced 25 firearms from the A&D record to the corresponding ATF Form 4473 with no discrepancies noted.

Investigator [REDACTED] did not find any firearms with obliterated serial numbers or unregistered National Firearms Act (NFA) weapons.

No trafficking issues were discovered as a result of review of the A&D record.

Internal controls were reviewed and found to be inadequate based on the [REDACTED] A&D discrepancies. [REDACTED] A&D Record is maintained which is a general handwritten A&D record. All transferred firearms are dispositioned in or out of the A&D log at the time of transfer, with exception to the [REDACTED] instances cited above. **(A&D Review Worksheet and Exhibits #1A-1J)**. The discrepancy and corrective action were discussed with the licensee during the investigation and the closing.

The business reported [REDACTED] theft or loss report during the course of this inspection period (UI #776015-2017-0101, ATF Incident #s [REDACTED] (b)(3) - 112 Public Law 55 125 Stat 552 [REDACTED] (b)(3) - 112 Public Law 55 125 Stat 552) resulting in [REDACTED] stolen firearms. No additional theft/loss reports were submitted during the inspection period.

5 - ATF Forms 4473 – NICS & Other Dispositions

A total of [REDACTED] ATF Forms 4473 on file for the inspection period were reviewed. All FFL transfers were documented properly and law enforcement sales were conducted properly. There were no discrepancies involving denial related transactions. Investigator (b)(6) reviewed 100 percent of the ATF Forms 4473 for the inspection period and no NICS related discrepancies were discovered as a result of the review of the ATF Forms 4473.

Investigator (b)(6) requested an FFL Audit log prior to the start of the inspection. The FFL Audit report reflected 111 ‘proceed’ transactions and 23 ‘denied’ transactions during the previous six (6) months. Comparison of the FFL Audit log with the corresponding ATF Forms 4473 revealed no discrepancies.

The ATF Forms 4473 are filed chronologically and no trafficking issues were discovered as a result of a review of the ATF Forms 4473.

The business’s standard operating procedure (SOP) relevant to ATF Forms 4473 requirements were reviewed and found to be inadequate based on the discovery of multiple sale forms not completed in [REDACTED] instances (refer to Multiple Sales section below). The ATF Forms 4473 are completed at the time the transaction occurs. All non-licensee transferees are required to complete ATF Form 4473 prior to any firearm transaction.

6 - Multiple Sales

The Violent Crime Analysis Branch FFL Master Query revealed [REDACTED] multiple handgun sales, involving [REDACTED] handguns, reported by the licensee during the inspection period. During the investigation, [REDACTED] unreported multiple sales involving [REDACTED] handguns were discovered.

The following multiple sale transaction discrepancies were discovered as a result of the review of the ATF Forms 4473;

27 CFR 478.126a Reporting multiple sales or other disposition of pistols and revolvers reads “Each licensee shall prepare a report of multiple sales or other disposition whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totaling two or more, to an unlicensed person: Provided, That a report need not be made where pistols or revolvers, or any combination thereof, are returned to the same person from whom they were received. The report shall be prepared on Form 3310.4, Report of Multiple Sale or Other Disposition of Pistols and Revolvers. Not later than the close of business on the day that the multiple sale or other disposition occurs, the licensee shall forward two copies of Form 3310.4 to the ATF office specified thereon and one copy to the State police or to the local law enforcement agency in which the sale or other disposition took place. Where the State or local law enforcement officials have notified the licensee that a particular official has been designated to receive Forms 3310.4, the licensee shall forward such forms to that designated official. The licensee shall retain one copy of Form 3310.4 and attach it to the firearms transaction record, Form 4473, executed upon delivery of the pistols or revolvers.”

Violation: Failure to comply with multiple sale(s) of pistols/revolvers by failing to prepare and forward/submit ATF F 3310.4 to ATF and local law enforcement agency, Report of Multiple Sale or Other Disposition of Pistols and Revolvers not later than the close of business on the day that the multiple sale or other disposition occurs—(b)(3) instances.

For each of the (b)(3) - 112 Public Law 55-12 instances, the licensee failed to prepare Form 3310.4, Report of Multiple Sale or Other Disposition of Pistols and Revolvers not later than the close of business on the day that the multiple sale or other disposition occurred, and submit the forms to ATF and the local law enforcement agency. The close of business on the day that the multiple sale occurred had expired for each of the (b)(3) instances. The licensee addressed the discrepancies by preparing Forms 3310.4 for each corresponding multiple sale and submitted each form to the National Tracing Center and the local law enforcement agency. **(A&D ATF F 4473 Review Worksheet and Exhibits #2A-2P)**

A violation was cited under **27 CFR 478.126a** (See violation 2).

The National Tracing Center was updated to reflect the additional (b)(3) - 11 multiple sales for a total of (b)(3) - 11 multiple handgun sales, involving (b)(3) - 112 total handguns, reported by the licensee during the inspection period.

Investigator (b)(6) traced all (b)(3) - 112 multiple sales (resulting in (b)(3) - 112 Public Law 55 multiple handgun purchasers) from the ATF Form 4473, to the Violent Crime Analysis Branch FFL Master Query, and to the corresponding entry in the A&D record with no discrepancies noted for the reported multiple sales.

(Reference A&D ATF F 4473 Review Worksheet)

7 - Suspicious/Prohibited Purchasers

All ^{(b)(3) - 112} multiple handgun purchasers during the inspection period were run through ETrace. No suspicious purchasers were discovered.

While reviewing the ATF forms 4473, the Investigator ^{(b)(6)} made an effort to identify any individuals making significant numbers of firearms purchases. ^{(b)(3) - 112}

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

^{(b)(3) - 112}
(Firearms Inspection Worknote Suspicious Purchaser Query)

Investigator ^{(b)(6)} identified two individuals that were suspected as a possible straw purchaser and was queried through Etrace. No derogatory information was disclosed.

There were no referrals generated as part of this inspection.

(Reference Firearms Inspection Worknote Suspicious Purchaser Query)

8 - Trace Activity

Investigator ^{(b)(6)} requested a Trace History Report from the Violent Crime Analysis Branch. The Violent Crime Analysis Branch Trace History Report revealed ^{(b)(3) - 112 Pub L} (successful) trace for the inspection period. There were no unsuccessful traces for the inspection period. All traces for this inspection period were resolved.

Thirty two (32) secondary market firearms were processed through ETrace & NCIC/NLETS for this inspection. No derogatory information was discovered.

9 - NFA/Importer/Collector/Manufacturer

None

10 - Referrals

No referrals were generated as part of this investigation.

11 - Other

No other significant information or facts were obtained.

12 - Closing Actions

On March 2, 2017 Investigator (b)(6) conducted a closing conference with the licensee. Investigator (b)(6) covered the Acknowledgement of Federal Firearms Regulations with Licensee Masters and answered all of his questions. Masters signed a copy of the Acknowledgement (**Exhibit #3**) and kept a copy for the business records.

During the March 2, 2017 closing, Licensee Masters also signed a copy of Report of Violations and kept a copy for the business records. (**ATF Form 5030.5, Report of Violations**). The violations and corrective actions were explained to Masters and Christian, and all of their questions were answered.

13 - Violations

1. 27 CFR 478.125 (e)—Firearms Receipt and Disposition by Dealers

Nature of Violation

27 CFR 478.125 (e) reads in part, “Each licensed dealer shall enter into a record each receipt and disposition of firearms... The sale or other disposition of a firearm shall be recorded by the licensed dealer not later than 7 days following the date of such transaction.”

- The licensee is in violation of **27 CFR 478.125 (e)** for failure of the licensee to record the sale or other disposition of a firearm not later than seven (7) days following the date of such transaction (dispositions reconciled) instances.

Licensee’s Response:

Licensee Owen acknowledged the missing firearm information in the A&D log. Owen indicated that efforts will be increased to ensure firearm dispositions will be timely and accurately recorded.

Corrective Action:

Licensee Masters was advised of the regulatory requirements and the obligation as a Federal Firearms Licensee to comply with those requirements. Specifically, Masters was advised to exercise more vigilance to ensure that transferred firearms are logged out of the A&D record(s) within the allotted time period (seven (7) days). The violations were resolved by updating the A&D record with the corresponding ATF F 4473s documenting complete and/or accurate disposition of the unlogged firearms.

(A&D Review Worksheet and Exhibits #1A-1J)

2. 27 CFR 478.126a—Reporting multiple sales or other disposition of pistols and revolvers

Nature of Violation

27 CFR 478.126a reads “Each licensee shall prepare a report of multiple sales or other disposition whenever the licensee sells or otherwise disposes of, at one time or during any five consecutive business days, two or more pistols, or revolvers, or any combination of pistols and revolvers totaling two or more, to an unlicensed person: Provided, That a report need not be made where pistols or revolvers, or any combination thereof, are returned to the same person from

whom they were received. The report shall be prepared on Form 3310.4, Report of Multiple Sale or Other Disposition of Pistols and Revolvers. Not later than the close of business on the day that the multiple sale or other disposition occurs, the licensee shall forward two copies of Form 3310.4 to the ATF office specified thereon and one copy to the State police or to the local law enforcement agency in which the sale or other disposition took place. Where the State or local law enforcement officials have notified the licensee that a particular official has been designated to receive Forms 3310.4, the licensee shall forward such forms to that designated official. The licensee shall retain one copy of Form 3310.4 and attach it to the firearms transaction record, Form 4473, executed upon delivery of the pistols or revolvers.”

- The licensee is in violation of **27 CFR 478.126a** for failure to comply with multiple sale(s) of pistols/revolvers by failing to prepare and forward/submit ATF F 3310.4 to ATF and local law enforcement agency, Report of Multiple Sale or Other Disposition of Pistols and Revolvers not later than the close of business on the day that the multiple sale or other disposition occurs (b)(3) - 112 F instances.

Licensee’s Response:

The licensee acknowledged the failure to complete Forms 3310.4 and submitting it to ATF and the local law enforcement agency. The licensee indicated that he will establish internal mechanisms to ensure that multiple sale forms are completed and submitted properly.

Corrective Action:

Licensee Masters was advised of the regulatory requirements and the obligation as a Federal Firearms Licensee to comply with those requirements. Specifically, Masters was advised to exercise more vigilance to ensure that transfers involving multiple sale transactions must be accompanied with completing/submitting Form 3310.4 before the close of business on the day the transfer occurs. The violations were resolved by completing the corresponding Forms 3310.4 and submitting them to ATF and the local law enforcement agency.

(A&D ATF F 4473 Review Worksheet and Exhibits #2A-2P)

X

Industry Operations Investigator

Index of Worksheets and Exhibits
ATF Form 5030.5, Report of Violations

Worksheets: Inventory and A&D Review Worksheet, A&D ATF F 4473 Review Worksheet

Worknote: Firearms Inspection Worknote Suspicious Purchaser Query

Exhibits:

Exhibit #1A-1J: 4473s for transferred firearms with corresponding A&D entries

Exhibit #2A-2P: 4473s with corresponding MS reports

Exhibit #3: Acknowledgement of Federal Firearms Regulations (signed)

Exhibit #4: Report of Violations (signed)